



**PROTECTING LIVES.
GROWING VALUE.**

CAPITAL MARKETS DAY

08 February 2024

AVON PROTECTION PLC

AVON
PROTECTION

TEAM
WENDY™

Disclaimer...

Avon Protection plc (the 'Group') is providing the following cautionary statement: This document contains certain statements that are or may be forward-looking with respect to the financial condition, results or operations and business of the Group. These statements are sometimes, but not always, identified by the words 'may', 'anticipates', 'believes', 'expects' or 'estimates'. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. A number of factors exist that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to (i) change to the current outlook for the global military and first responder respiratory and ballistic protection markets, (ii) changes in tax laws and regulations, (iii) the risks associated with the introduction of new products and services, (iv) significant global disturbances such as terrorism or prolonged healthcare concerns, (v) the termination or delay of key contracts, (vi) long term fluctuations in exchange rates, (vii) regulatory and shareholder approvals, (viii) unanticipated liabilities and (ix) actions of competitors. Subject to the Listing Rules of the U.K. Listing Authority, Avon Protection plc assumes no responsibility to update any of the forward-looking statements herein.

Investment case: Avon is well positioned . . .

- 1 Platform for superb execution
- 2 Growing markets
- 3 Stable recurring revenue base and well underpinned growth
- 4 Transformation driving returns & cash flow
- 5 Strong competitive moat

A high performing business delivering medium term...

At least
5%
revenue
CAGR

14-16%
Operating
profit margin

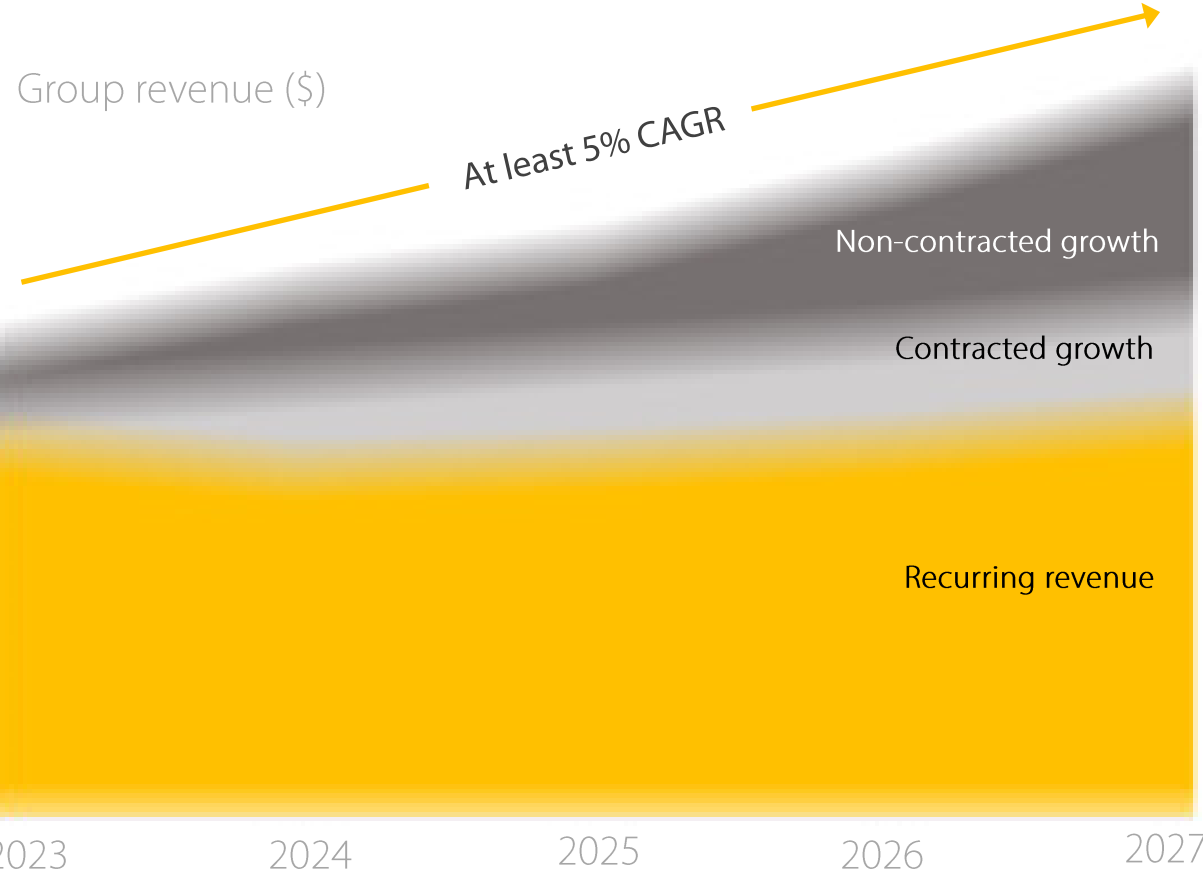
>17%
ROIC

80-100%
Cash
conversion

1-2x
Net
Debt/EBITDA

. . . to deliver exceptional value to shareholders

Excellent visibility of organic growth between 4-8% CAGR . . .




New customers and new and enhanced products drive further growth.

U.S. Department of Defense contracts provide high growth visibility.

Large installed base and aftermarket sales provide a stable and growing base.

. . . with a large recurring revenue base and DOD contracts

Medium-term margin goal of 14-16% and cash flow of over 80% are both well underpinned . . .

	Key driver of margin stability & improvement	Key driver of cash flow improvement
 (Respiratory)	Right sized the business in 2023	Batch to flow through Continuous Improvement
 (Head protection)	Site optimisation and operational gearing	Batch to flow through Continuous Improvement

...by existing transformation initiatives

Today's agenda

14.05	14.20	14.30	15.40 Break	15.50	16.20	16.35	16.45	17.15
Superior performance	In growth markets	A robust strategy to beat the market		Transformation to grow margins	Strong competitive moat	Ambitious goals	Summary and Q&A	
1	2	3		4	5	6		
Jos Sclater	Rich Cashin	Steve Elwell Justin Hine James Wilcox Vasilios Brachos		Gary Turner James Wilcox Amy Carpenter Paul Hamilton Rich Cashin	Jos Sclater	Rich Cashin	Jos Sclater & Exec Team	Technology showcase

Today's presenters . . .



Jos Sclater
Chief Executive Officer

- Joined Avon in 2023
- Previously Group CFO at Ultra, Castrol and GKN
- Extensive M&A and turn-around experience. Qualified Lawyer



Rich Cashin
Chief Financial Officer

- Joined Avon in 2022
- Previously President, Strategy & Corporate at Ultra and FD/IR at Meggitt



Steve Elwell
President,
Avon Protection

- Joined Avon in 2021
- Previously Vice-President e2V (Teledyne Technologies) and leadership roles at QinetiQ and BAE Systems



James Wilcox
President,
Team Wendy

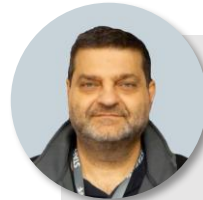
- Joined Avon in 2003
- Held several roles overseeing Engineering, Marketing, Business Development & Sales



Justin Hine

Director of Strategy and Capability, Avon Protection

- Joined Avon in 1999
- 25 years' experience of respiratory protection design and manufacture
- Recognised industry expert and SME



Vasilios Brachos

VP Ballistic Technology, Team Wendy

- Joined Avon from Ceradyne
- 25+ years of ballistic helmet expertise
- Multiple patents and papers in composites and ballistic helmets



Gary Turner

Chief Transformation Officer

- 30+ years delivering transformation programmes
- Ex PWC, EY, KPMG



Amy Carpenter

VP Operations Team Wendy

- Joined Avon from Team Wendy
- Held roles overseeing Quality, Product Development and Operations



Paul Hamilton

President, Operational Excellence & Continuous Improvement (CI)

- Joined Avon in 2023
- 27+ years of manufacturing operations and CI (Toyota, Ultra)

1

SUPERIOR PERFORMANCE: TRANSLATING STRATEGY INTO SUPERB EXECUTION

Jos Sclater, CEO

AVON PROTECTION PLC

AVON
PROTECTION

TEAM
WENDY™

We have done a lot to strengthen Avon . . .

**Compelling
need for
change**

**Platform for
superb
execution**

Clear goals

. . . with a view to delivering superior performance

We have a compelling case for change . . .

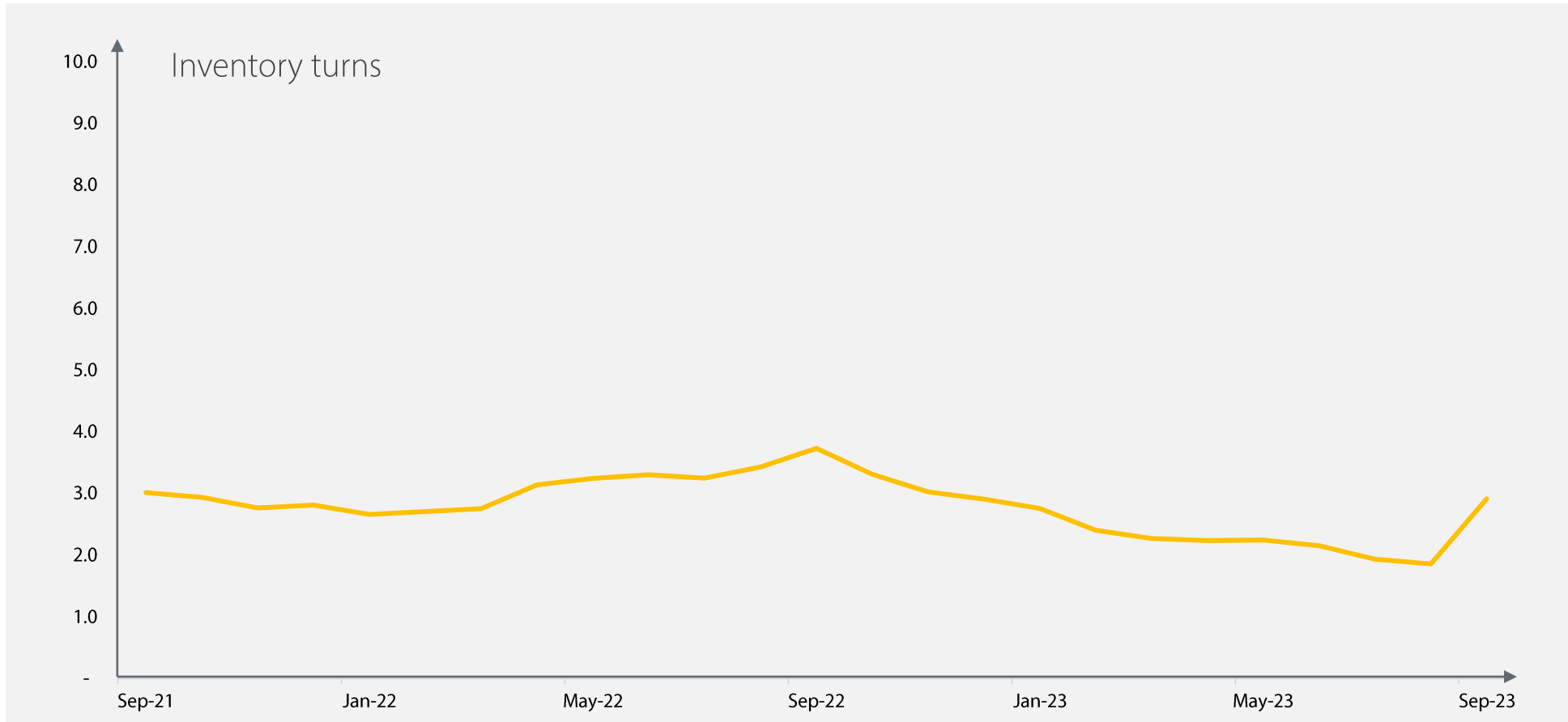
**Compelling
need for
change**

**Platform for
superb
execution**

Clear goals

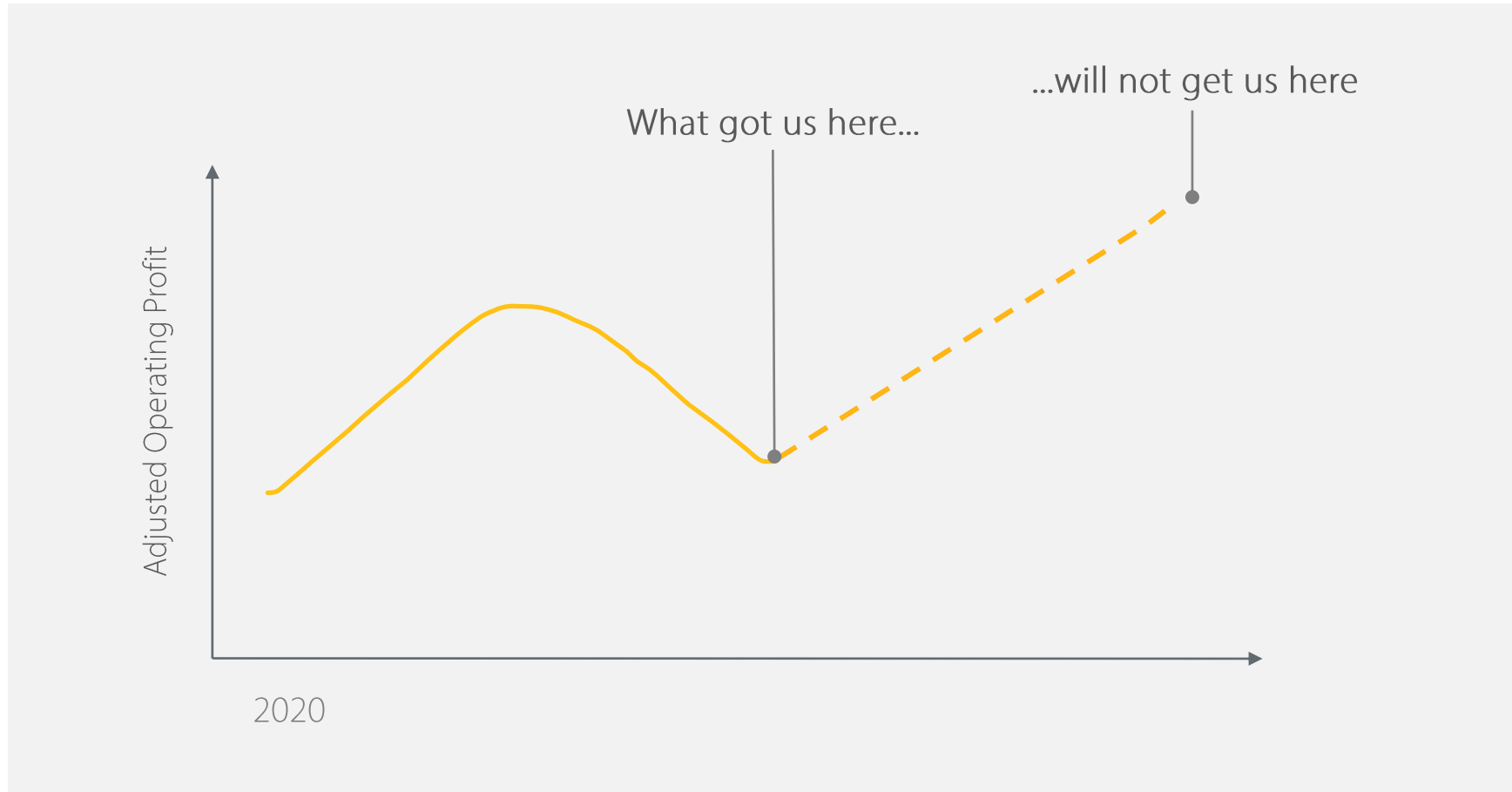
. . . to help our people seize the opportunities in Avon

Inventory turns are low and have not been improving . . .



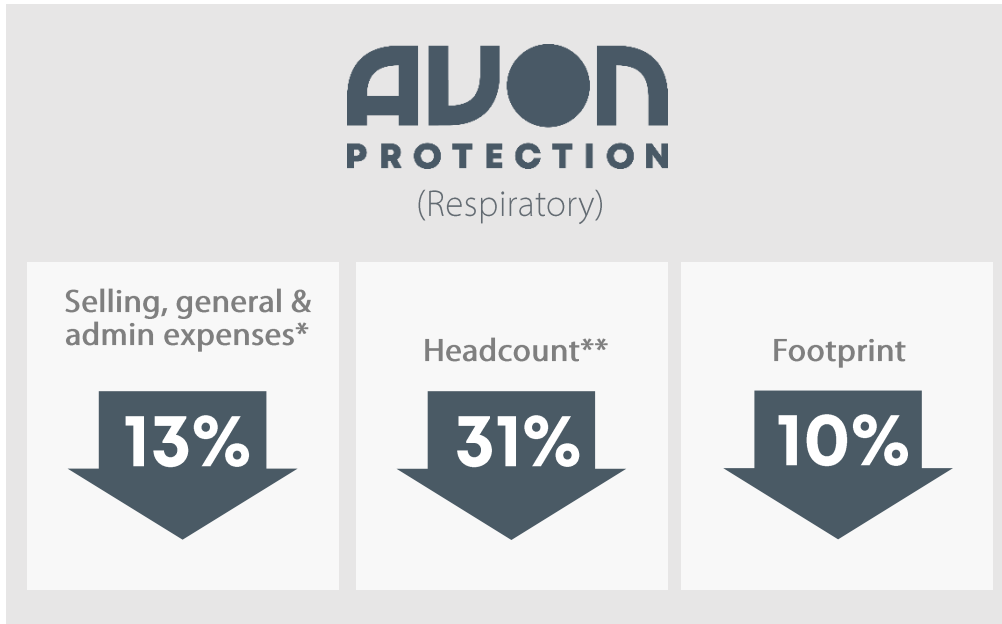
. . . which creates a compelling case for change

Recent performance ...



... has helped galvanise change

The change we need has already started . . .



. . . strategy is already in action

We are creating a high performing business . . .

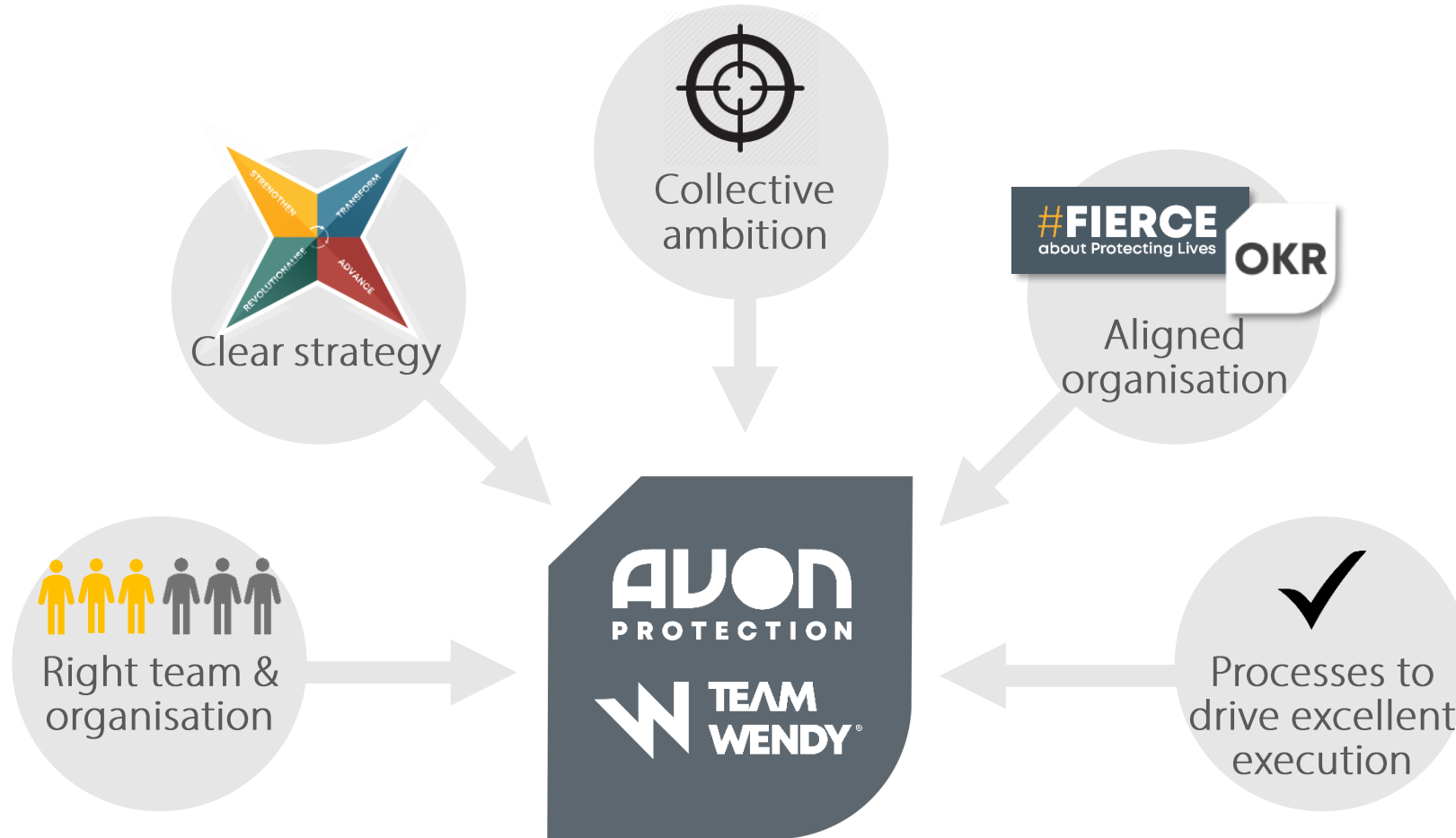
Compelling
need for
change

Platform for
superb
execution

Ambitious
goals

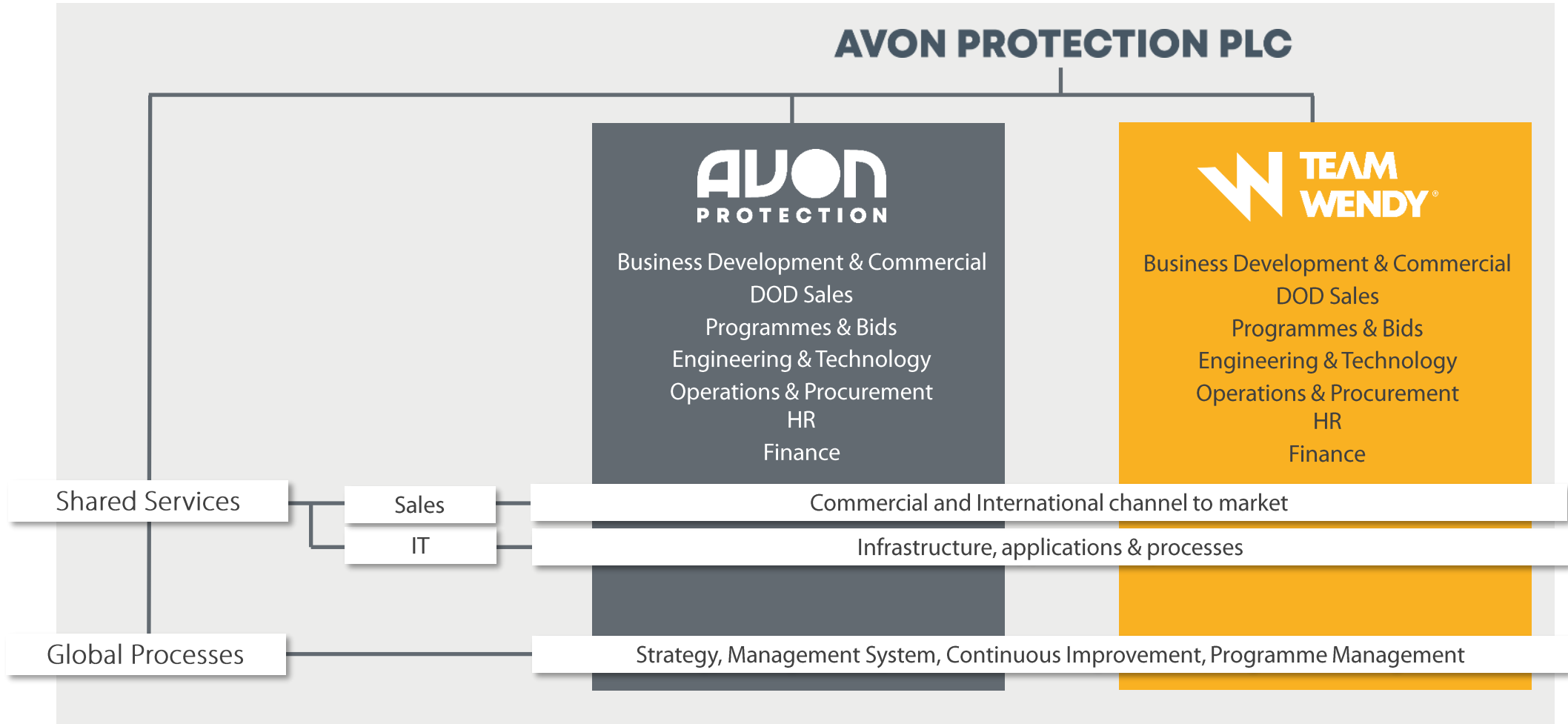
. . . with a view to outperforming our markets

We have strengthened ...



... pretty much everything

We have changed our operating model . . .



. . . to drive ownership and accountability

We have an experienced leadership team . . .

Jos Sclater
Chief Executive Officer



Rich Cashin
Chief Financial Officer



Paul Hamilton
President, Operational
Excellence & Continuous
Improvement



**Miles Ingrey-
Counter**
General Counsel



Steve Elwell
President, Avon
Protection



James Wilcox
President, Team
Wendy



Gary Turner
Chief Transformation
Officer



. . . with the capability to deliver

We have changed a lot of people and roles . . .



. . . and now have the stability and capability to drive execution

We have been on a collective journey . . .



. . . to align and engage our teams

Where we're going: our vision for the future

Our aim
is for heroes to survive
and thrive - whatever the
mission



Our mission: what we do to pursue our purpose

To provide
unparalleled
protection for those
who protect us



Get FIERCE - values to live by . . .

#FIERCE
about Protecting Lives

Fearlessness

We seize opportunities and take calculated risks.

Integrity

We do what's right; using good judgement to ensure we always do things we can be proud of.

Excellence

We passionately strive to protect life through innovative solutions, people and processes.

Resilience

No matter the circumstances, we exhibit a will to win.

Collaboration

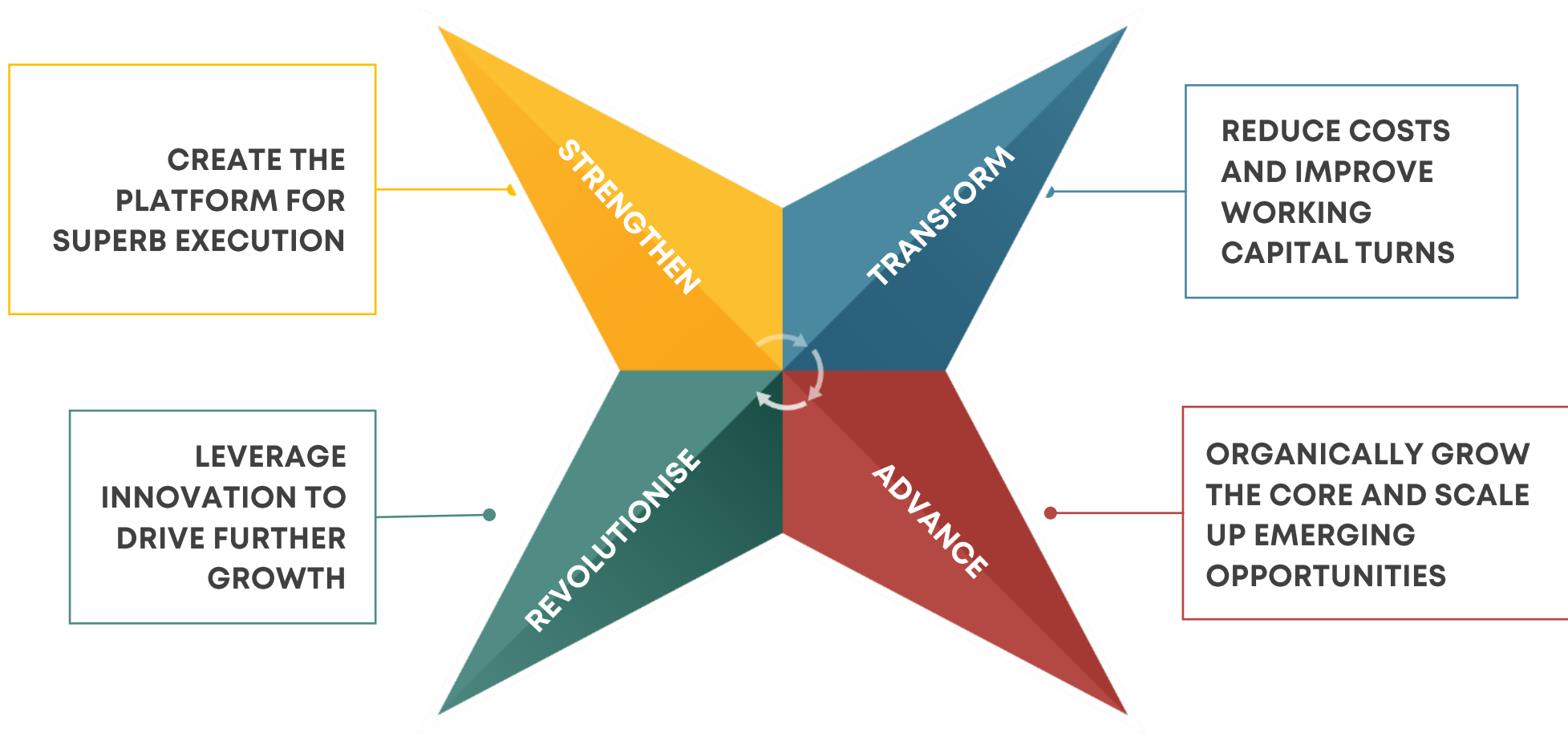
We believe in the power of teams, across the business and with our customers, to become stronger.

Execution

We have fun, are high impact and are empowered to make a difference.

. . . keeping us on track

The STAR strategy sets out our strategic priorities . . .



. . . to deliver sustainable and profitable growth

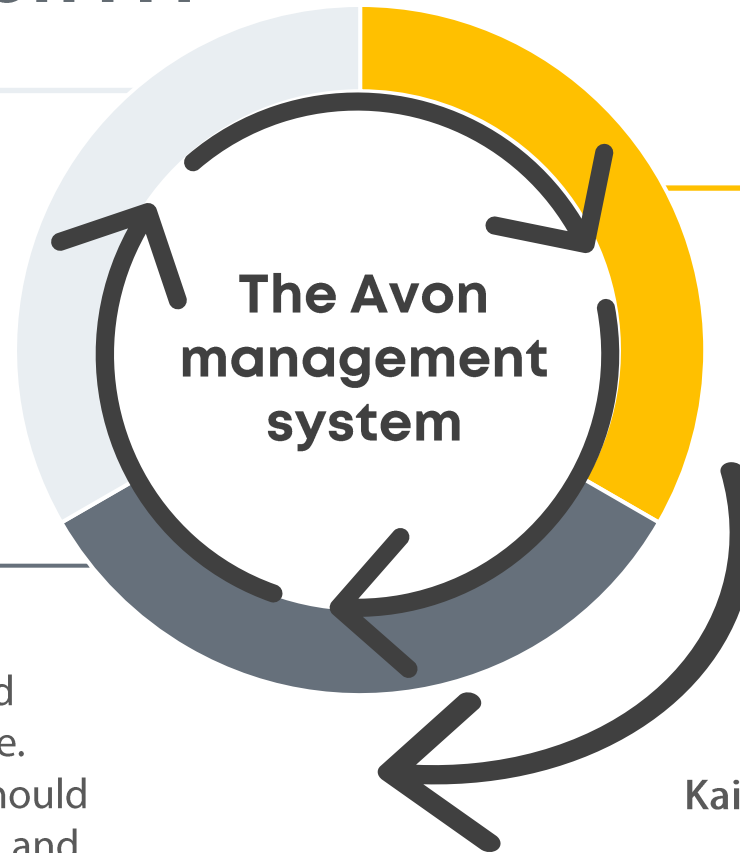
Our management system links strategy to resource allocation . . .

Strategic Plan

Identification of priorities and objectives by business for the next 5 years; refined regularly

Business Reviews

Objectives and Key Results are our primary lens for assessing progress and holding teams and leaders accountable. Reviews generate feedback on what should be stopped, maintained or accelerated and learning on how we can go faster



Defined outcomes

We set annual and quarterly Objectives and reallocate resources in line with them in exchange for defined outcomes (Key Results) and milestones

Kaizens and Sprints driving action

. . . with regular review and course correction

Each part of our leadership system has been developed collaboratively ...



Compelling mission & vision and reason to change



Live FIERCE



Strategic clarity & alignment



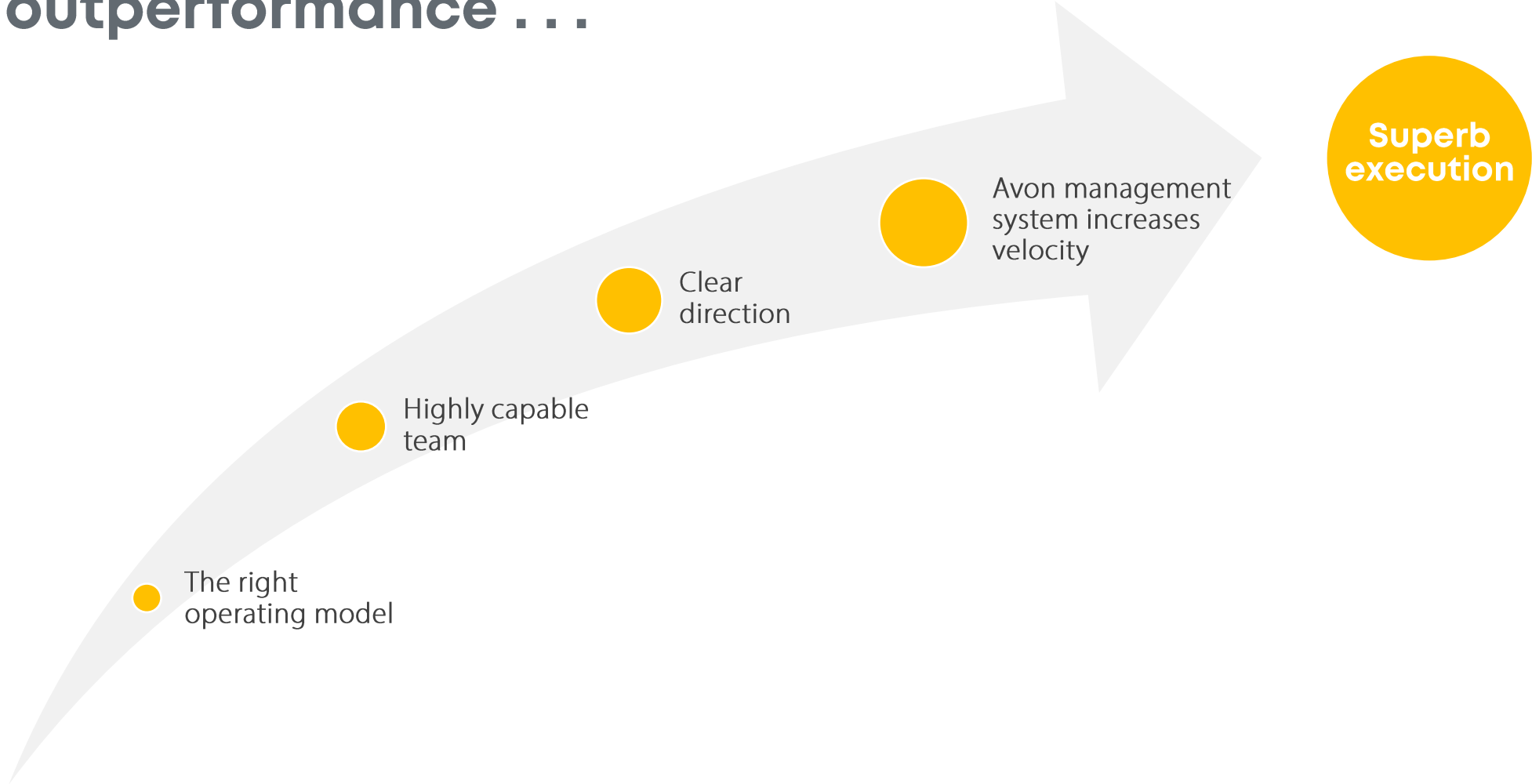
Empowerment & accountability



Incentives aligned to strategy

... leading to thriving, engaged employees

We have what it takes to drive outperformance . . .



. . . and create superior returns for shareholders

We need motivated people . . .

Compelling
need for
change

Platform for
superb
execution

Clear goals

. . . to outperform our markets

Our medium-term goals out to 2027 . . .

	Revenue Growth	Margins	ROIC	Cash conversion	Leverage
FY23 actual	(7.5)%	8.7%	8.7%	7%	1.94x net debt/EBITDA
Medium term	At least 5%	14-16%	Above 17%	80-100%	1-2x net debt/EBITDA

. . . will deliver attractive shareholder returns



2

IN GROWTH MARKETS

Rich Cashin, CFO

AVON PROTECTION PLC

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PROTECTION

TEAM
WENDY™

We are the world leader in mission-critical protection . . .



AVON PROTECTION PLC



Respirators & Accessories



Powered & Supplied Air



CBRN Protective Wear



Rebreathers



Ballistic helmets



Bump helmets



Liner & retention systems

\$156.9m 2023 revenue

500+ employees

3 sites



key customers

\$86.9m 2023 revenue

400+ employees

3 sites

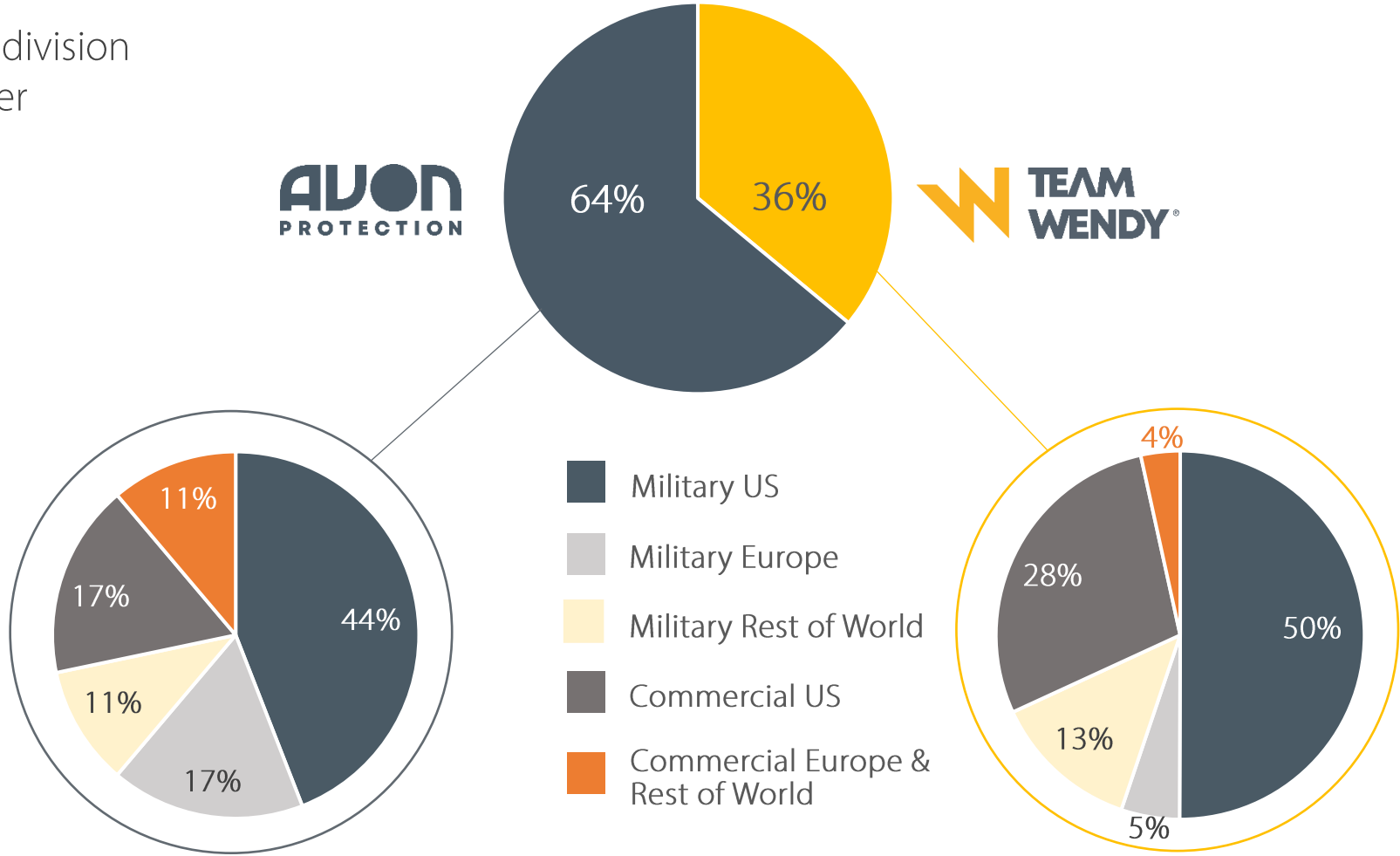


key customers

. . . for Armies, Navies, law enforcement & first responders

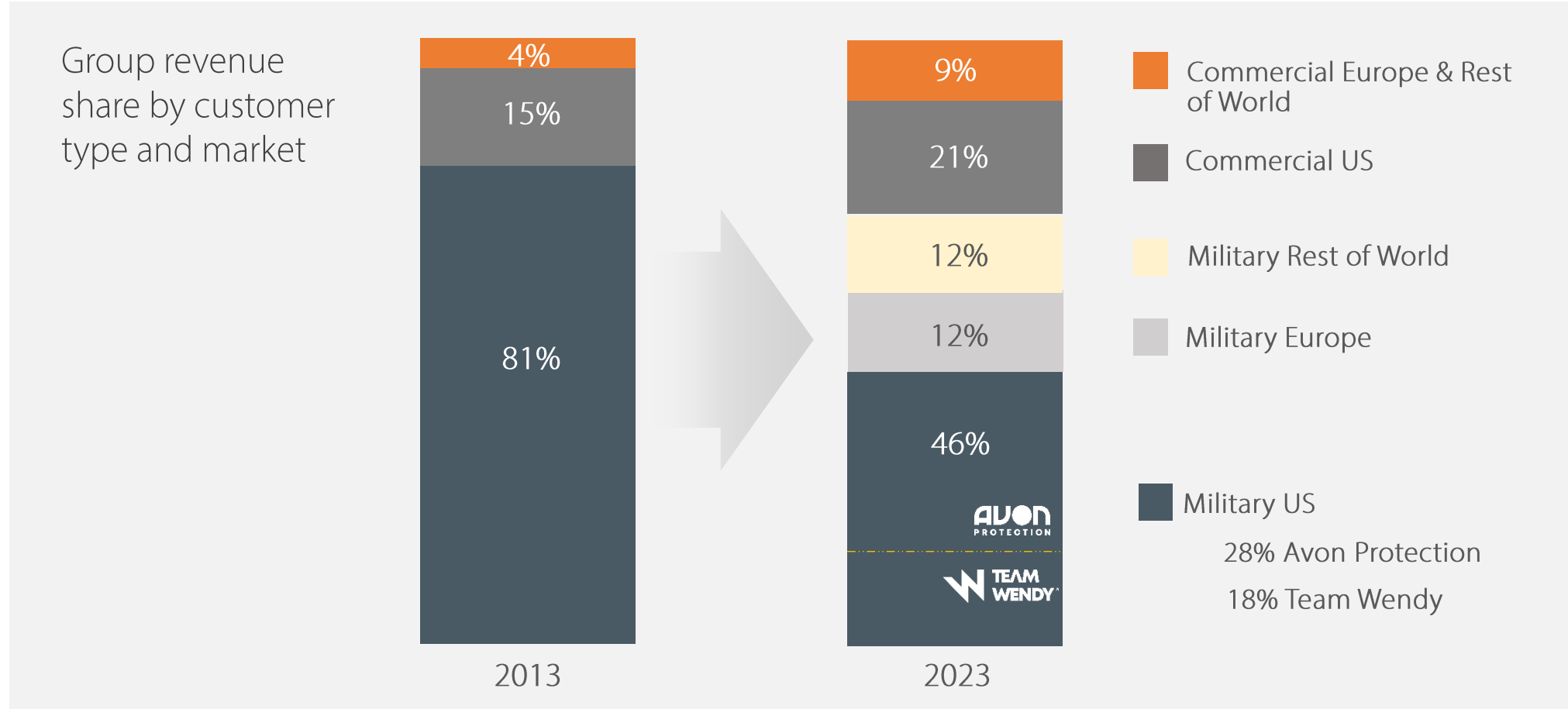
A focused NATO defence and first responder business . . .

Revenue by division and customer



. . . with a broad customer base

Our end markets have diversified . . .



. . . broadening resilience and opportunities for growth

Recent conflicts . . .

Back in the Trenches

Why New Technology Hasn't Revolutionized Warfare in Ukraine

By Stephen Biddle | September/October 2023

Published on August 10, 2023



Technology

Drones no alternative to conventional forces, retired general warns



UK NEEDS MIX OF CAPABILITIES, RETIRED GENERAL SAYS

FINANCIAL TIMES

Era of 'peace dividend' is over, says UK defence secretary

Grant Shapps calls on allies to boost military spending to meet rising enemy threat



Ukraine

Traditional, heavy warfare has returned to Europe with Ukraine conflict

Ideas that future conflicts would be economic or fought in cyberspace have been proved wrong

Russia could step up chemical attacks in Ukraine, warns expert



Hamis fighters were carrying instructions on how to make chemical weapons, Israeli president claims

The documents, complete with diagrams, were shown to Sky News by President Herzog in an exclusive interview. He said they were "official al Qaeda material" that showed how to build a weapon with cyanide.

By Alistair Bunkell, Middle East correspondent @AIBunkellSKY
Monday 23 October 2023 11:55, UK



Israeli president claims Hamas had chemical weapons documents on them

Syria's chemical weapons remain a threat to international peace and security: UK statement at the UN Security Council

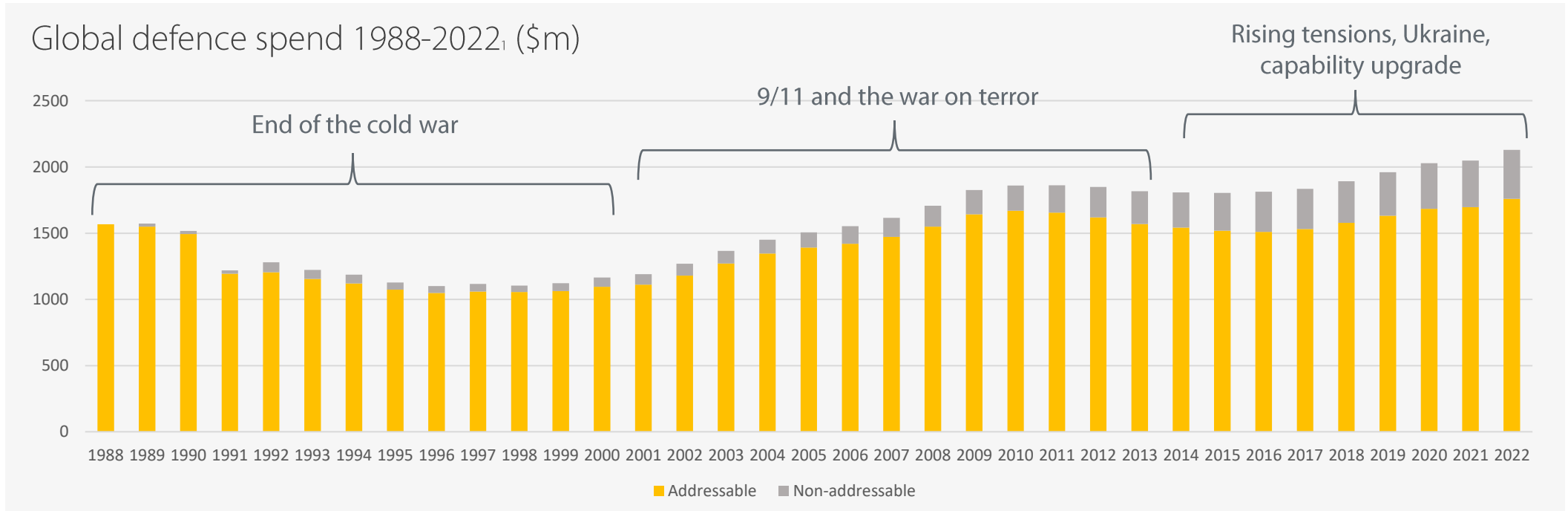
Statement by Deputy Political Coordinator Tom Phipps at the meeting on Syria chemical weapons.

Is Israel's Gaza War the most destructive yet with conventional weapons?

Some military analysts have compared the Israeli bombardment of Gaza with bombing campaigns from World War II. [Read more](#)

. . . emphasise the importance of soldier and first responder protection

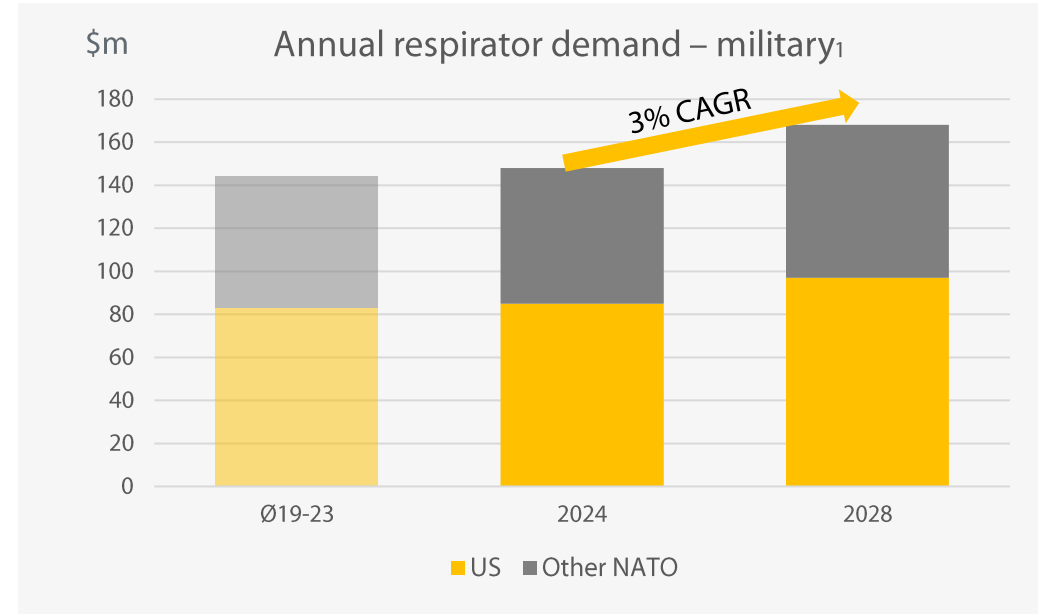
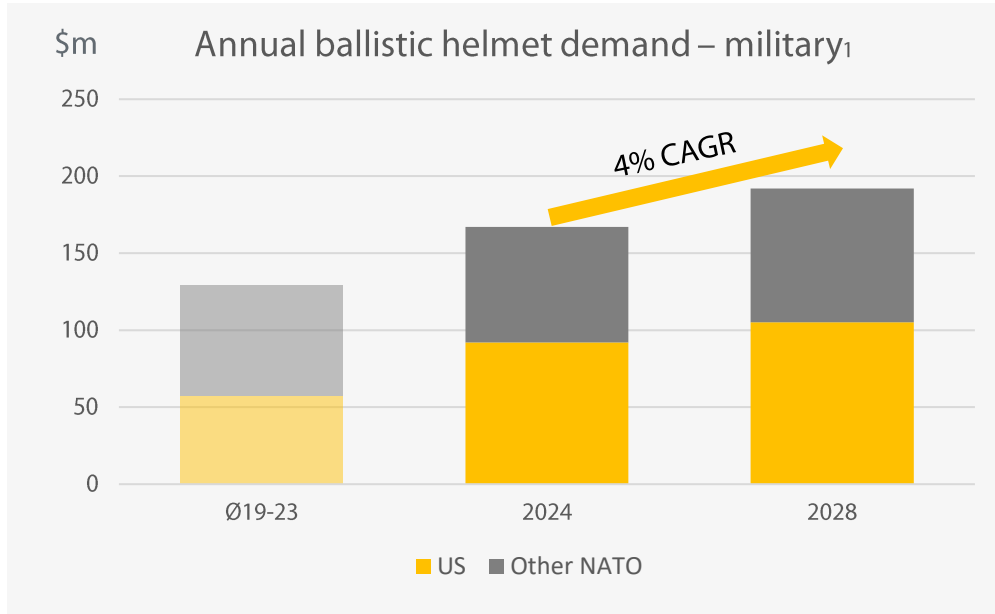
Supportive global defence market . . .



- 2002-2022 CAGR = 3%
- Asymmetric growth – non-addressable market growth of 7% over the same period
- Trend supportive of response and reinvestment thesis

. . . entering the next investment cycle

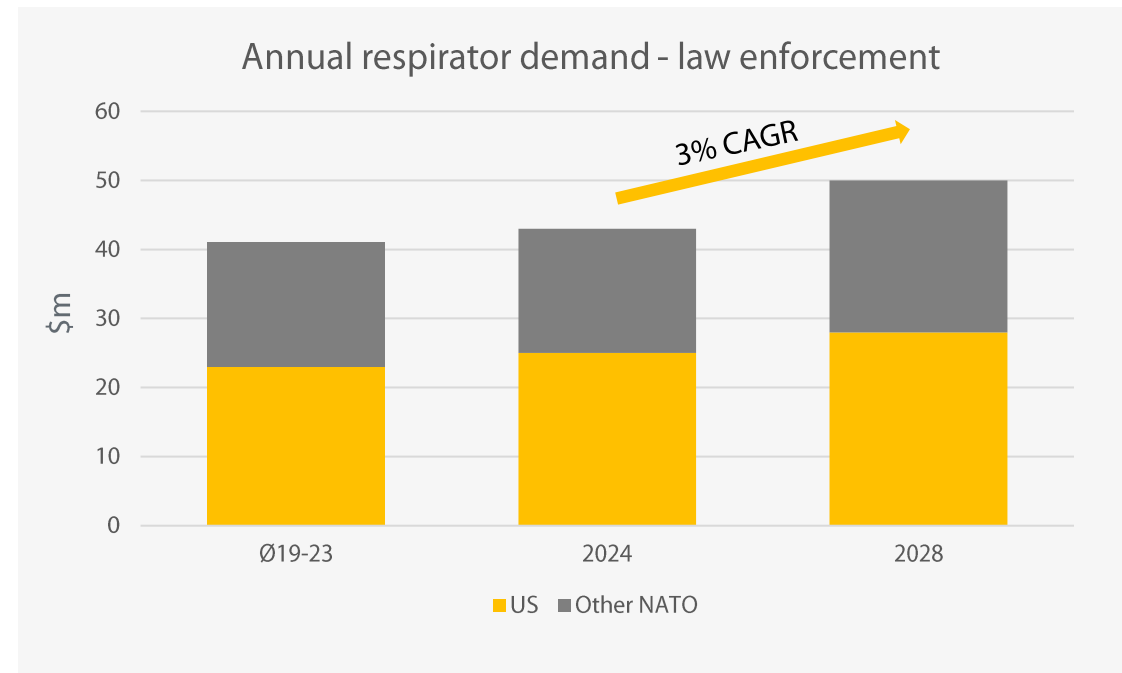
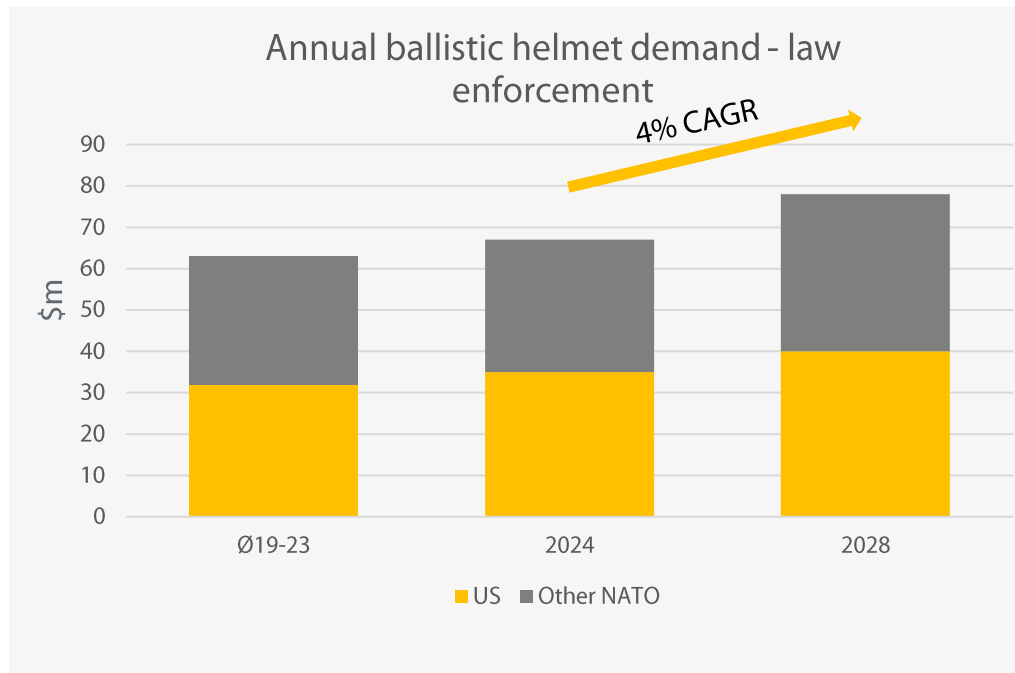
Growing US and NATO demand for military helmets and respirators . . .



- Aggregate 2024-2028 CAGR across helmets and respirators estimated at 4%
- Significant non-US & NATO market for military helmets and respirators expected to grow from Ø\$345m (2019-2023) to Ø\$380m (2024-2028)

. . . non-NATO addressable markets also growing

Law enforcement markets growing 3-4% compound . . .



- Law enforcement officer threat exposure increasing
- Other commercial markets (firefighters, emergency medical response etc) remain robust
- Significant non-US & NATO market for commercial helmets and respirators expected to grow from Ø\$134m (2019-2023) to Ø\$159m (2024-2028)

. . . with significant further growth in RoW

Positive key growth drivers . . .

		Historical trend	Future trend
Direct volume drivers	Number of military and first responder personnel		
	Higher equipment specifications		
	Increased threat level, inc. CBRN (chemical, biological, radiological, or nuclear)		
	US defence programme Bio/defence budgets		
	Helmet and rebreathers replenishment cycle		
Price drivers	Inflation		
	Real price growth		
Underlying market drivers	Increasing total defence budgets		
	Continued equipment modernisation programs		

. . . 3-4% market CAGR over next 5 years

3

A ROBUST STRATEGY TO BEAT THE MARKET

Steve Elwell, President Avon Protection

AVON
PROTECTION

AVON PROTECTION PLC

AVON
PROTECTION

TEAM
WENDY™

Building our growth strategy...

- 1 Best in class product range
- 2 Long-term, sole-source, multi-year contracts
- 3 Broadening user-base driven by changing threat landscape
- 4 Expanding product portfolio
- 5 High-growth Underwater Rebreather business

AVON PROTECTION

Sustainable
revenue growth

Improved margin
delivery



... underpinned by strong recurring revenue streams

Our product is the best in class globally . . .

User centric design



Field proven pedigree



Leading quality processes



Leading market certifications



Vertically integrated supply chain

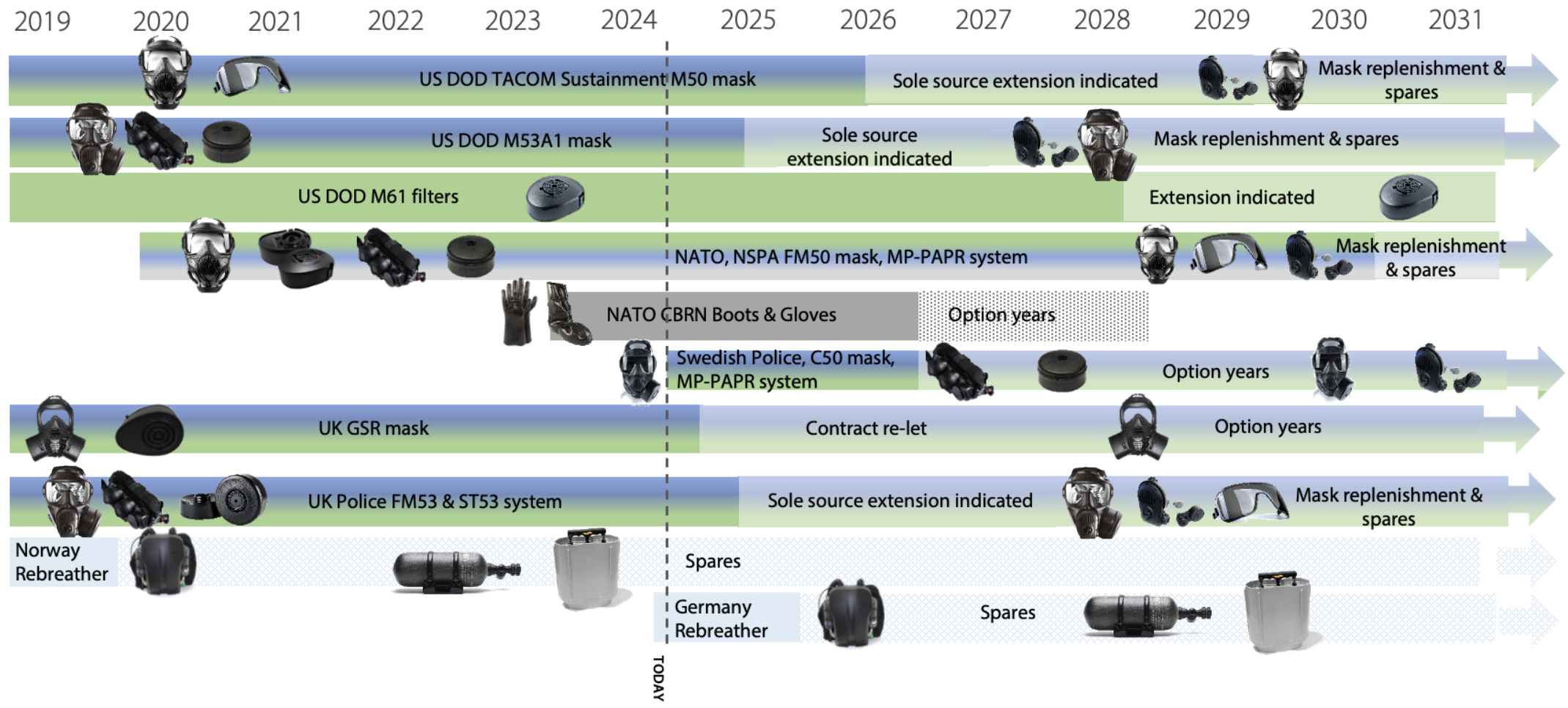


Underpinned by long-term patents and contracts



. . . and continues to be the user's choice

We are sole sourced in multi-year contracts . . .



▣ Rebreathers, spares, accessories & service
 ▣ New product growth
 ▣ CBRN new customers
 ▣ CBRN filters & accessories recurring
 ▣ CBRN mask recurring

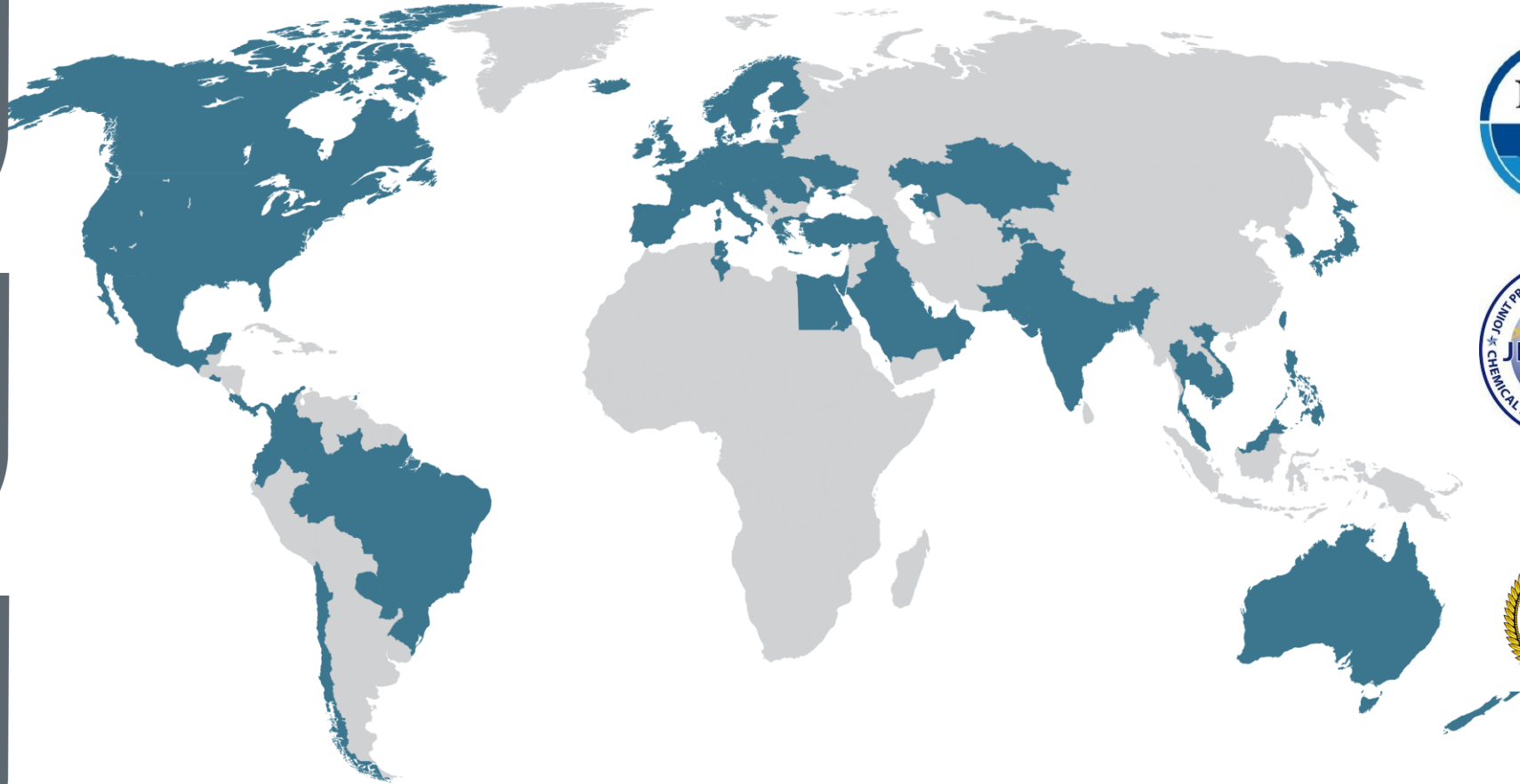
. . . creating predictability with ongoing replenishment

We are #1 in our market . . .

\$192m
2023 market

+3%
Market
CAGR

>74%
Market
share

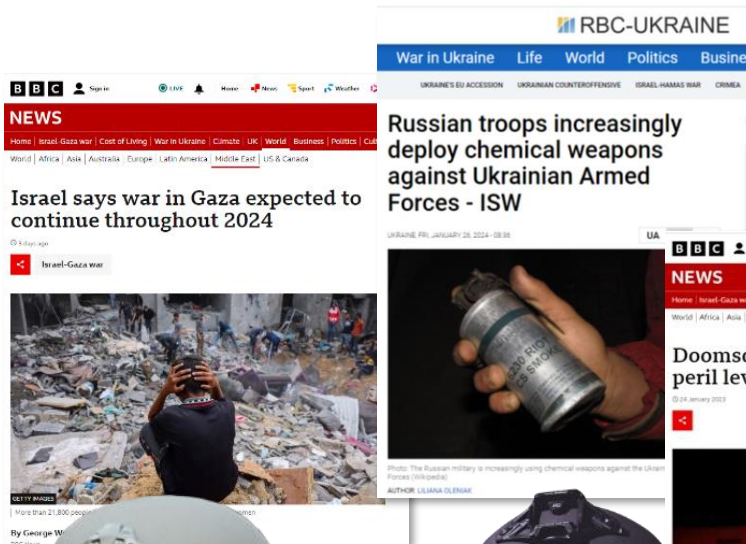


Key Customers



**. . . with more than 4 million
active users globally**

The threat landscape continues to evolve and adapt . . .



Speech
Syria's chemical weapons remain a threat to international peace and security: UK statement at the UN Security Council

Statement by Deputy Political Coordinator Tom Phipps at the UN Security Council meeting on Syria chemical weapons.

From: [Foreign, Commonwealth & Development Office](#) and Tom Phipps, UK Deputy Political Coordinator at the UN
Published 22 December 2023



You are here: [home](#) / [Notes of Hazard blog](#) / Biological threats have evolved for the worse, and we are not prepared

September 1, 2023
Biological threats have evolved for the worse, and we are not prepared

The Need for Speed in Biodefense: How JPEO-CBRND is Positioning for Rapid Response

By [DANIEL R. BOGERT](#) - JANUARY 11, 2023

Uranium detected in package at Heathrow Airport - counter-terror police investigate

Border Force officers at Heathrow seized material contaminated with uranium last month, and counter-terrorism police are investigating.

. . . broadening our user base & giving us confidence in the future

We are addressing new capability gaps . . .



. . . and reaching a new user community

Customer drive for improved CBRN integration . . .



Secured sole source framework contract with NATO



Builds on existing respiratory customer base



+3%
Market CAGR₁

\$244m.
Market value in 2023

>2x
Ensemble doubles core addressable CBRN market

. . . supports our opportunity to expand into an ensemble business

The underwater threat continues to evolve . . .



The screenshot shows the Forces | Net website. The main article is titled "Revolutionary diving suit redefines deep sea military operations" and is dated 15th November 2023 at 9:39am. The article features a video player with the title "THE FUTURE OF MILITARY DIVING UNVEILED". Below the video, there is a caption: "Watch: The Navy 'Aquaman' suit explained". The article text reads: "A cutting-edge deep sea rebreather is poised to transform underwater Navy operations, allowing operators to function at depths of up to 100m below the surface. Avon Protection's new deep-water diving system is designed to enhance safety, extend the duration of a mission to up to four hours and provide improved command and control capabilities." To the right of the article, there is a "Most Popular" section with a link to "Browse Jobs" and a list of job opportunities, including "Technical Author Documentation" and "FC/ASW Mission Control System".

. . . with a need to keep operators safe in a highly hostile environment

Our underwater rebreathers . . .

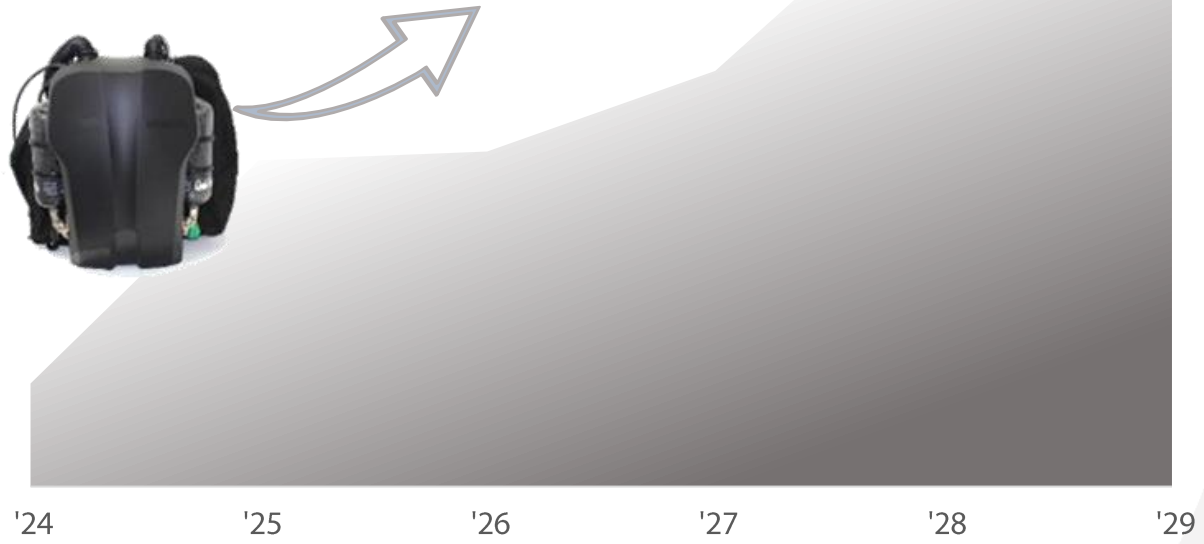


Pipeline:
>\$250m



Proven route to market

 Strong end user relationships	 Established NATO early adopters
 Large accessible market	 Global tactical partnership network
 Complete solution and service offering	 AVON PROTECTION Trusted brand



. . . provide significant opportunity for global growth

1. Avon Protection Market Research 2023-32

Our rebreather systems are market leading . . .



- Capability & Technology step change compared to existing alternatives
- Modern digital sensing & enhanced operational analytics
- Improved usability and reduced operational set-up time
- Reduced through-life costs and overall cost of ownership
- Full interoperability across NATO and Five Eyes
- Enhanced diver safety and display systems

. . . providing users with unparalleled safety

Our future product portfolio ...

\$20m-30m
Customer
funding in next
3 years

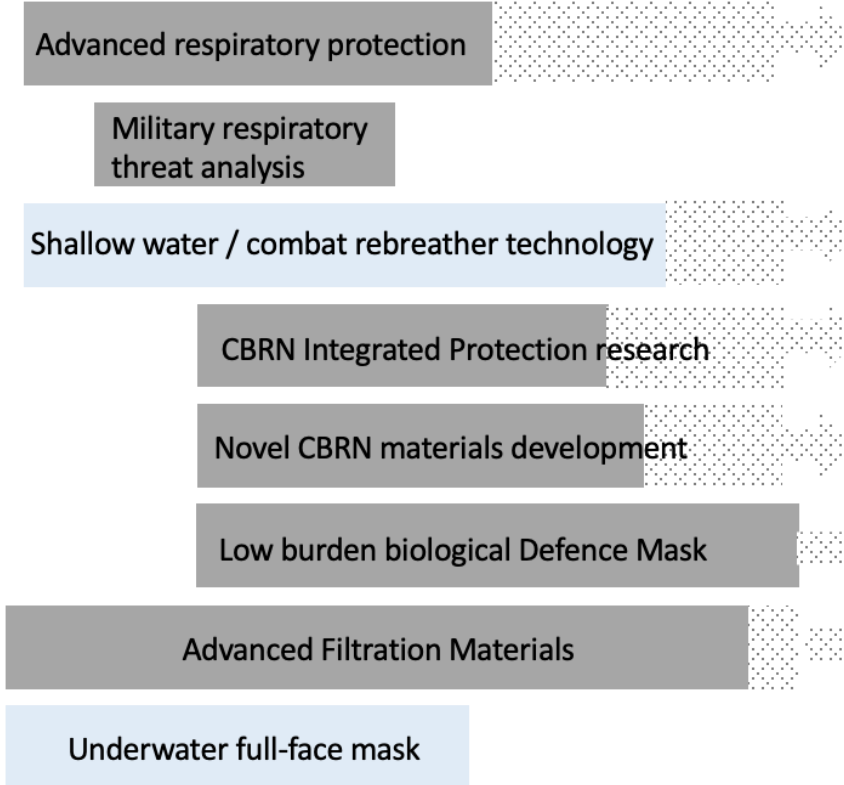
CUSTOMER FUNDED R&D



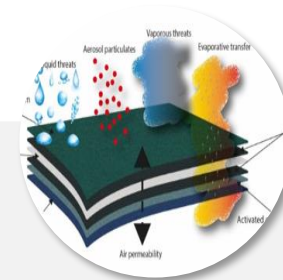
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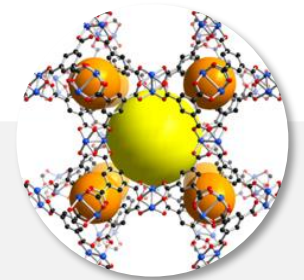
2023 2024 2025 2026 2027 2028



- Rebreathers, spares, accessories & service
- New product growth



Advanced CBRN Materials & De-contamination



Novel Filtration Technology



Micro Powered Air Systems



Combat Rebreather Capability



Future mask capability



Ocular Protection

ALIGNED INTERNAL R&D

... is backed by customer funding

Development of MITR preparing ...

Seamless integration



Maximum comfort and stability



Total Modularity
New Class of Respiratory
Protection

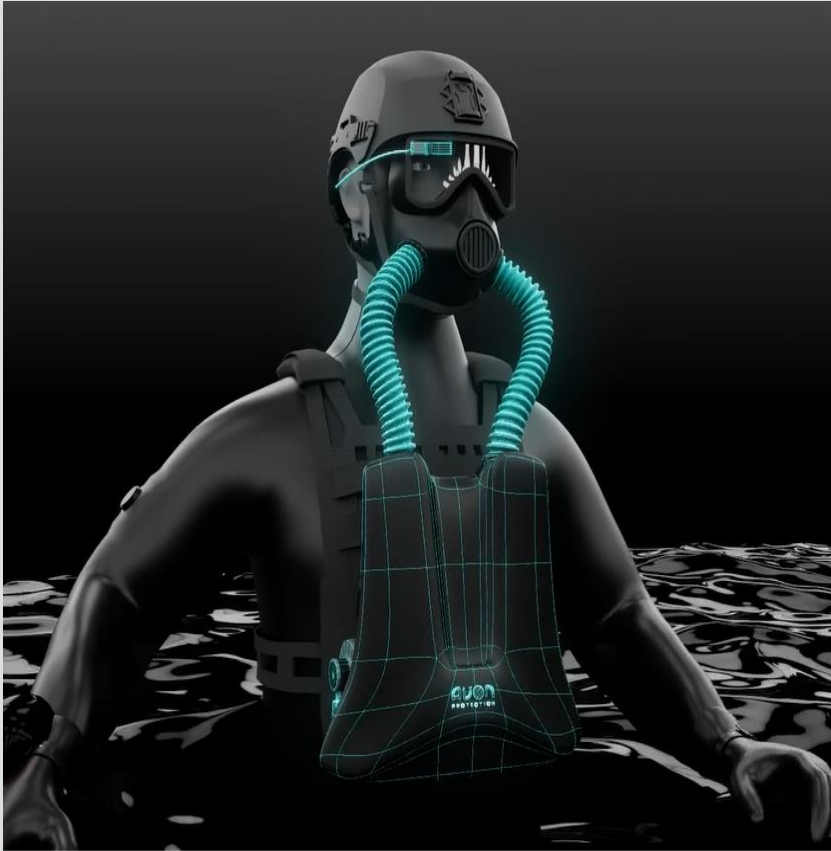
Fully Integrated Head Protection



... for future requirements

Future Systems will use . . .

Combat Swimmer Systems

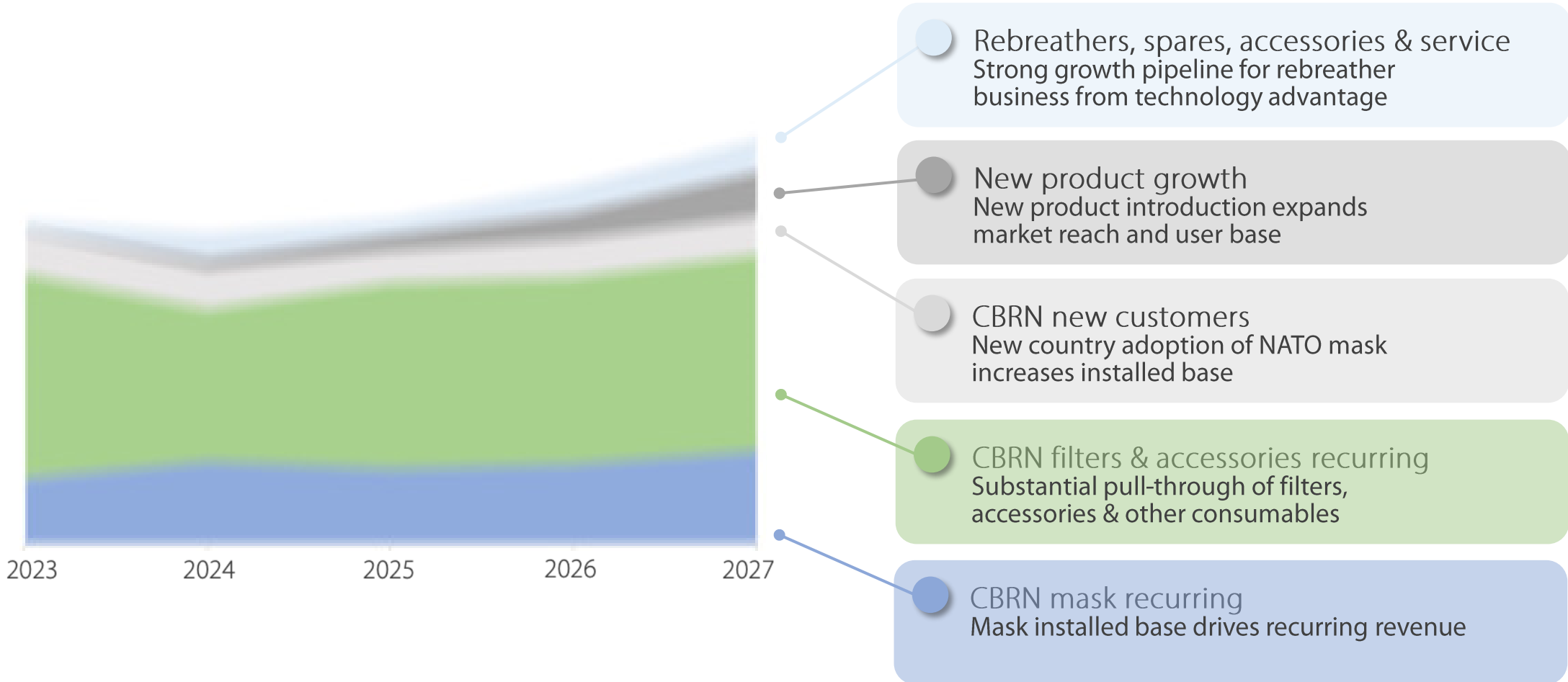


Rebreather Technology utilised for Terrestrial applications



. . . technology being developed today

Confidence in our growth strategy . . .



. . . underpinned by stable recurring revenue

Confidence in our growth strategy ...



Strong growth pipeline for rebreather business from technology advantage



New product introduction expands market reach and user base



New country adoption of NATO mask increases installed base



Substantial pull-through of filters, accessories & other consumables



Mask installed base drives recurring revenue

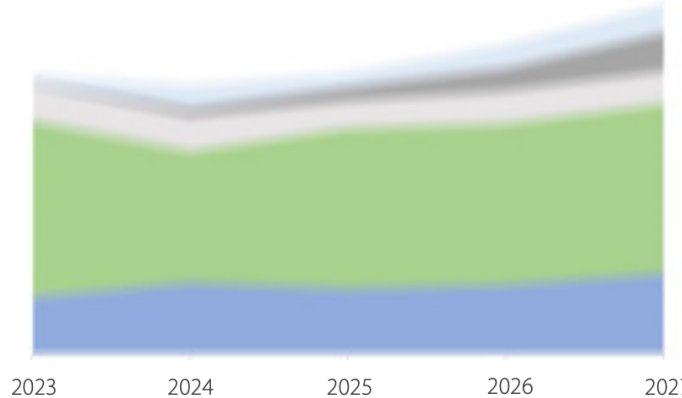
SOLID FOUNDATIONS

Large installed base

#1 global brand, with loyal customer & user base

Long term sole source contracts with DOD, MOD & NATO

Strengthened financial & operational discipline



Sustainable revenue growth

Improved margin delivery

CLEAR GROWTH STRATEGY

... focused execution, leading technology, contractual strength

3

A ROBUST STRATEGY TO BEAT THE MARKET

James Wilcox, President of Team Wendy



AVON PROTECTION PLC



Understanding the building blocks...

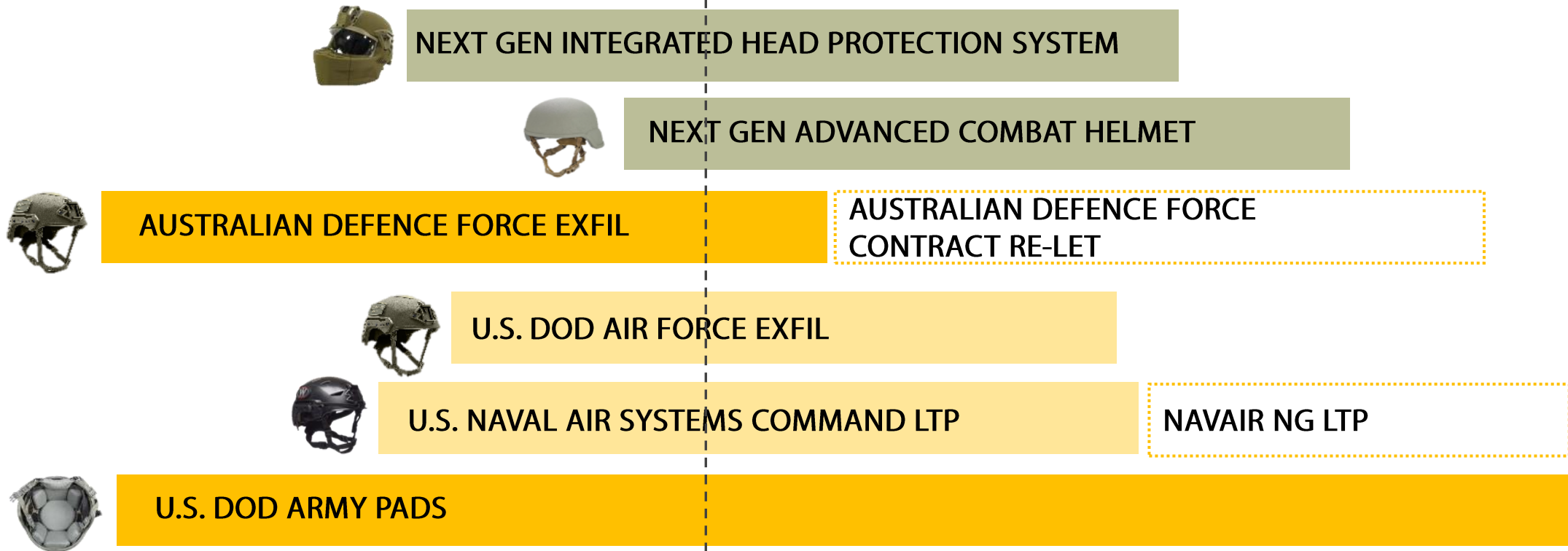
- 1 Multi-year contracts secured
- 2 Strong DOD order book
- 3 Large commercial market opportunity
- 4 Leading technology
- 5 Expanding product portfolio



... that build strong and sustained growth

Multi-year contract positions provide predictability . . .

2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031



TODAY

- Ballistic Indefinite Delivery, Indefinite Quantity growth
- Other Ballistic growth
- Recurring

. . . with new international contracts expected

DOD Helmets: secured order book and pipeline . . .



NG IHPS

+3%

2023-2028
MARKET
CAGR₁

66%

2023 TEAM WENDY
MARKET
SHARE₂

\$120M

ORDER BOOK
VALUE



ACH GEN II

\$560M / 5-Year IDIQ

~45,000

Full rate

Dual – Gentex

Scrap reduction

CONTRACT CEILING

CURRENT ORDER BOOK

PRODUCTION STATUS

COMPETITION

OPEX FOCUS

\$ 204M / 5-Year IDIQ

~100,000

Ramp up

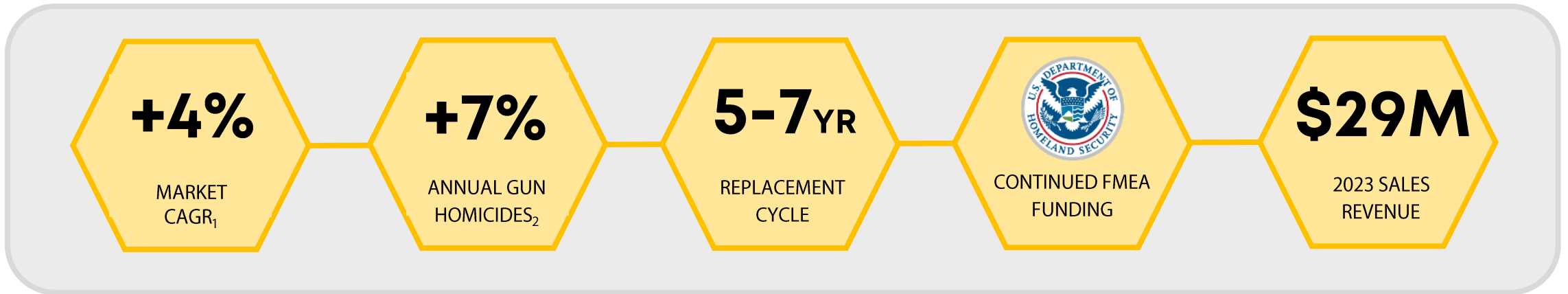
Dual - Gentex

Margin improvement

. . . delivers significant FY24-25 growth and beyond

1. Roland Berger US Military forecast for Ballistic Helmets 2024-28
2. Source: USAspending.gov, ISS Military Balance+, Expert interviews, Secondary research

Commercial Americas ballistic growth accelerating ...



PORTFOLIO FOR SUCCESS



Good

EPIC

Patrol

Special users

Emergency responders



Better

EXFIL

Special ops

DOD commercial



Best- 2024

RIFLETECH

Special ops

PROVEN ROUTE TO MARKET



Strong distribution partners



Large established respiratory customer base



Certified new generation products



Established E-commerce & sales team



Market favours USA made / DOD tech



Existing state contract vehicles

... by leveraging respiratory infrastructure

1. Roland Berger NA forecasted growth 2024-28
 2. Source: US CDBP Budget Estimates 2014-2021, Council on Strategic Risks, Expert interviews, Secondary research

Large rest of world ballistic market . . .



PORTFOLIO FOR SUCCESS



Good - 2026

MID-RANGE

L2 Military

Police



Better

EPIC

L1 Military

Police

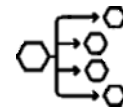


Best- 2025

EXFIL & RIFLETECH

Special Ops

REASONS FOR GROWTH



Leverage existing channel partners



Large market opportunities



Large installed respiratory customer base



New & focused sales & marketing team



New technology & regionally specific products



Established ADF contract performance

. . . with expanded portfolio to realise opportunities

Bump helmet, pad & accessories growth . . .

EMERGING BUMP HELMET MARKETS



NAVAIR/SWAT	ROADSIDE OFFICERS	WILDLAND FF
>100,000	>50,000	>250,000
Military specification	ASTM standard	NFPA standard
Existing	New	Legacy/New

PORTFOLIO FOR SUCCESS

Good	Better	Best - 2025
SAR	LTP / Carbon	Next Generation Carbon

PAD AND ACCESSORY EXPANSION



- Recurring & increasing DOD pad demand
- Expanding, high margin portfolio
- Growing installed base drives accessories
- Increased insourcing

PORTFOLIO FOR SUCCESS

Good	Better	Best - 2025
ACH	EPIC Air	High Velocity

. . . diversified growth and strong margin

Ballistic material differentiation . . .

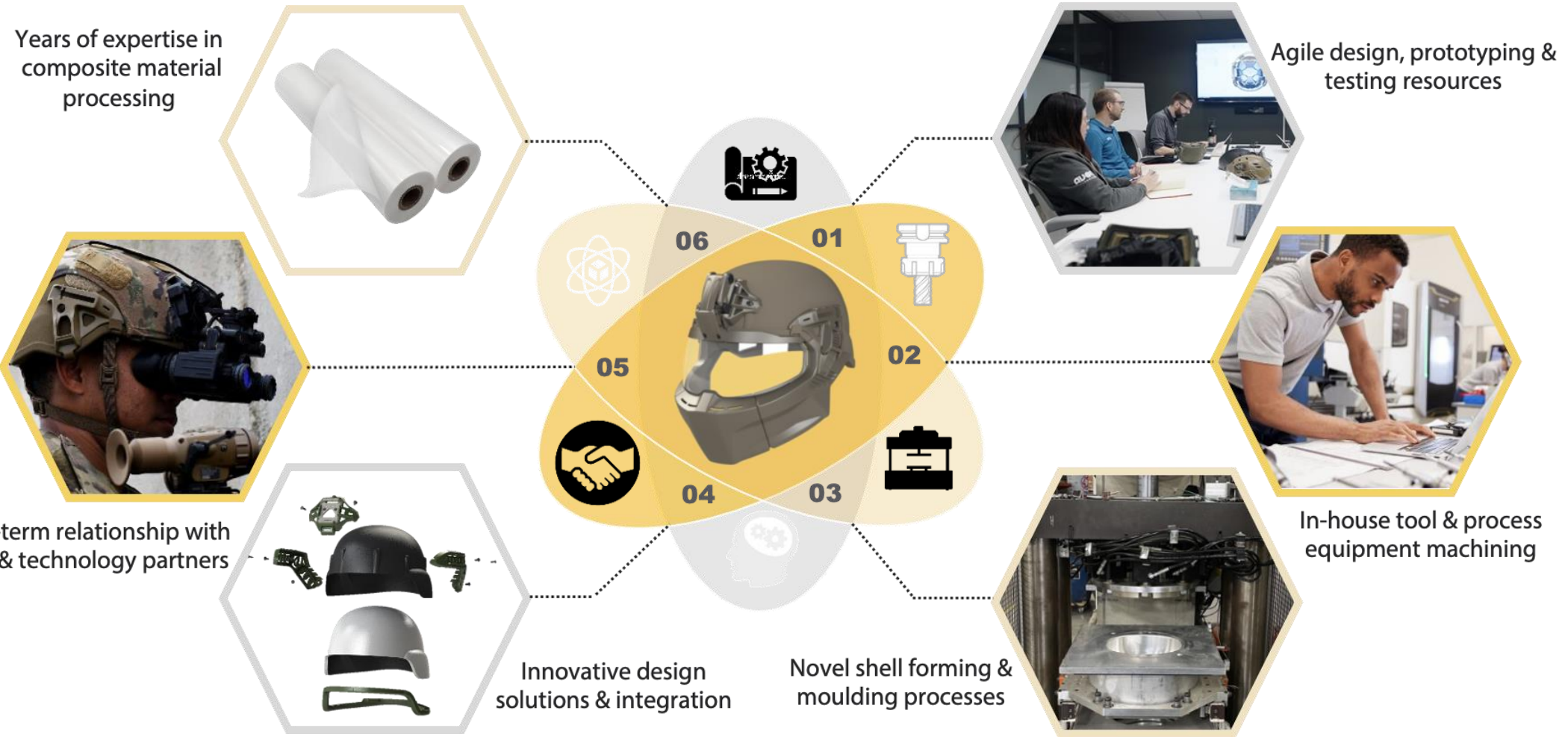
20 YEARS Composite Experience



1st In-service for last 4 DOD army helmets

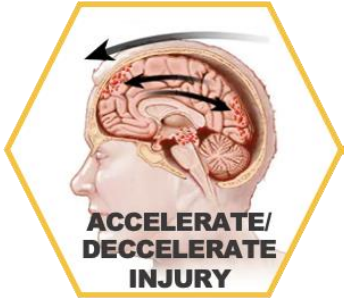
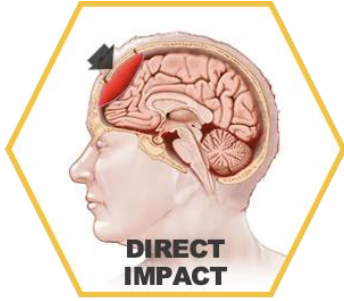
. . . to outperform the competition

A unique recipe of technical capabilities . . .



. . . ensures we continue to win

Mitigating traumatic brain injury (TBI) . . .



**COMPETITOR
LEGACY
SUSPENSION**



Pioneered foam pads for DOD helmets

Patented construction

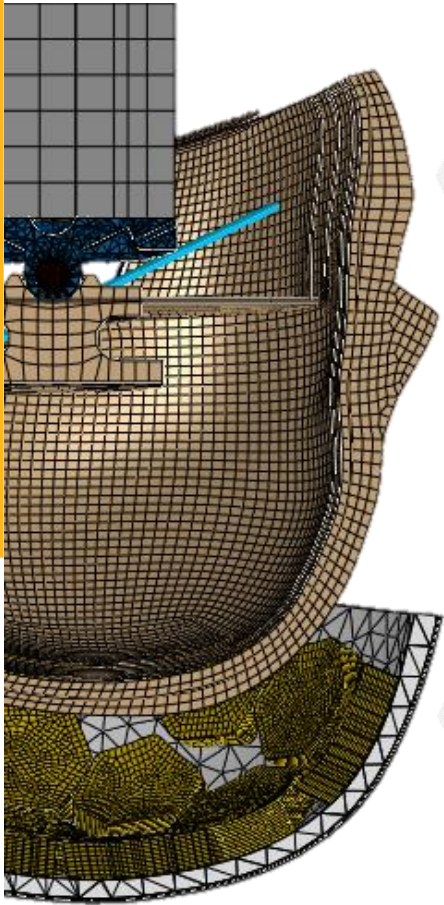
>7M sets supplied

**TEAM WENDY
ACH PAD
SYSTEM**



. . . beneath the helmet shell

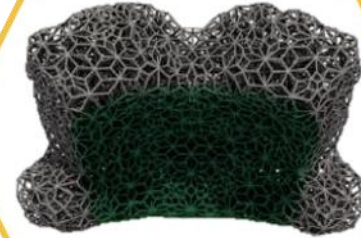
Our leading TBI mitigation research . . .



IMPACT
ABSORPTION
TECHNOLOGY



Rotational
mitigation



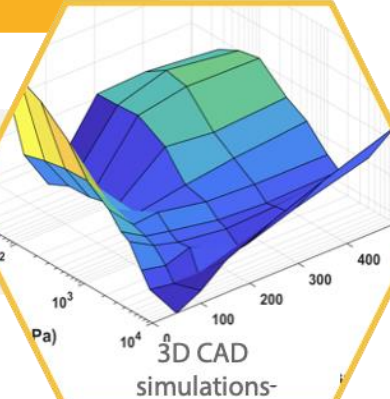
3D printed
mitigation



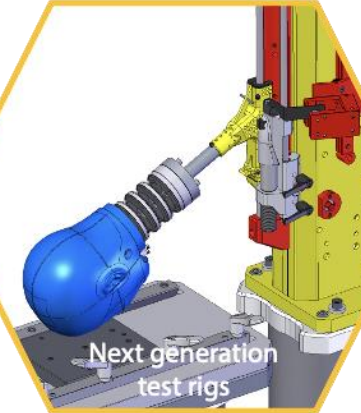
High velocity
foams

>\$5M SECURED CUSTOMER
FUNDING

COMPUTER
SIMULATION & ACTIVE
SENSING



3D CAD
simulations



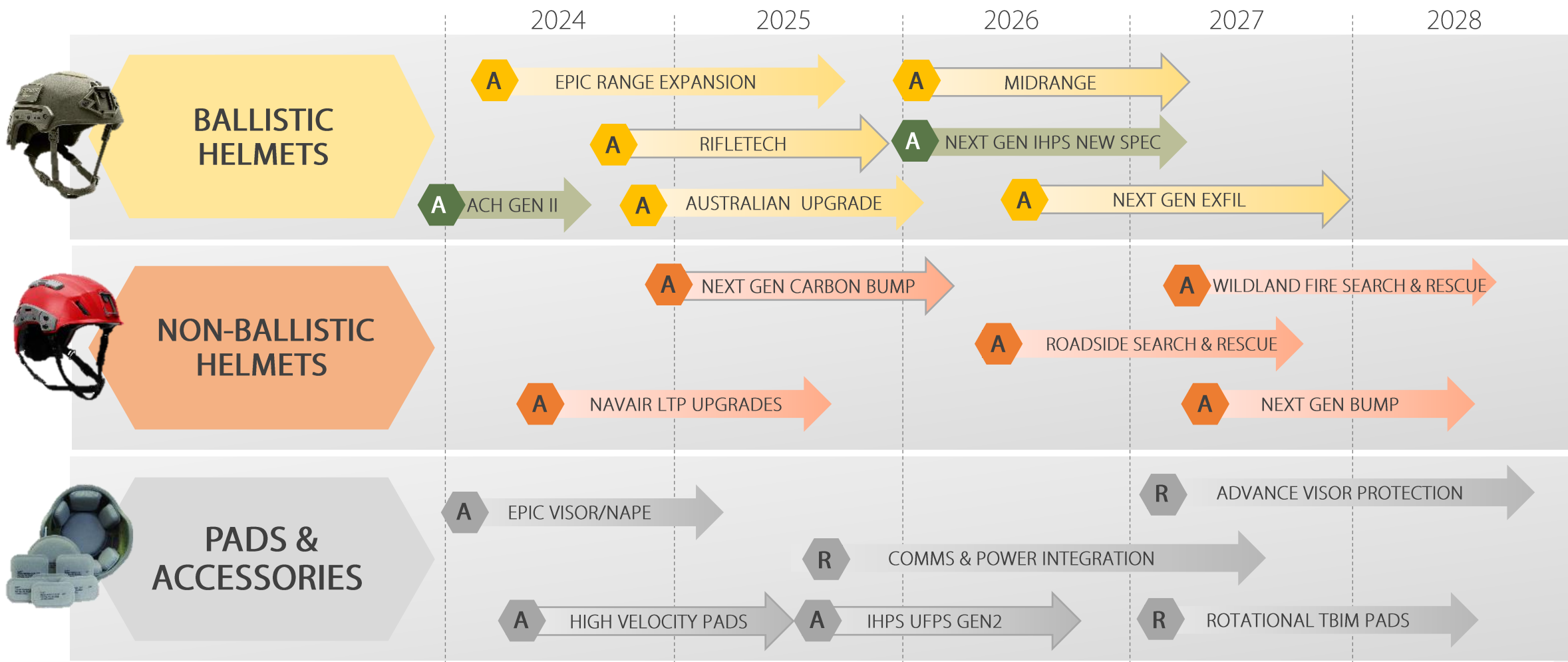
Next generation
test rigs



Integrated
Sensing

. . . and ballistic superiority drive our future success

Planned portfolio expansion ...



A = Advance
R = Revolutionise

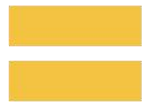
... to deliver our sustained growth strategy

Integrated head protection programmes emerging ...

IMHS
DOD Integrated Multi-threat Headborne System

POLARIS
DOD Total soldier integration program

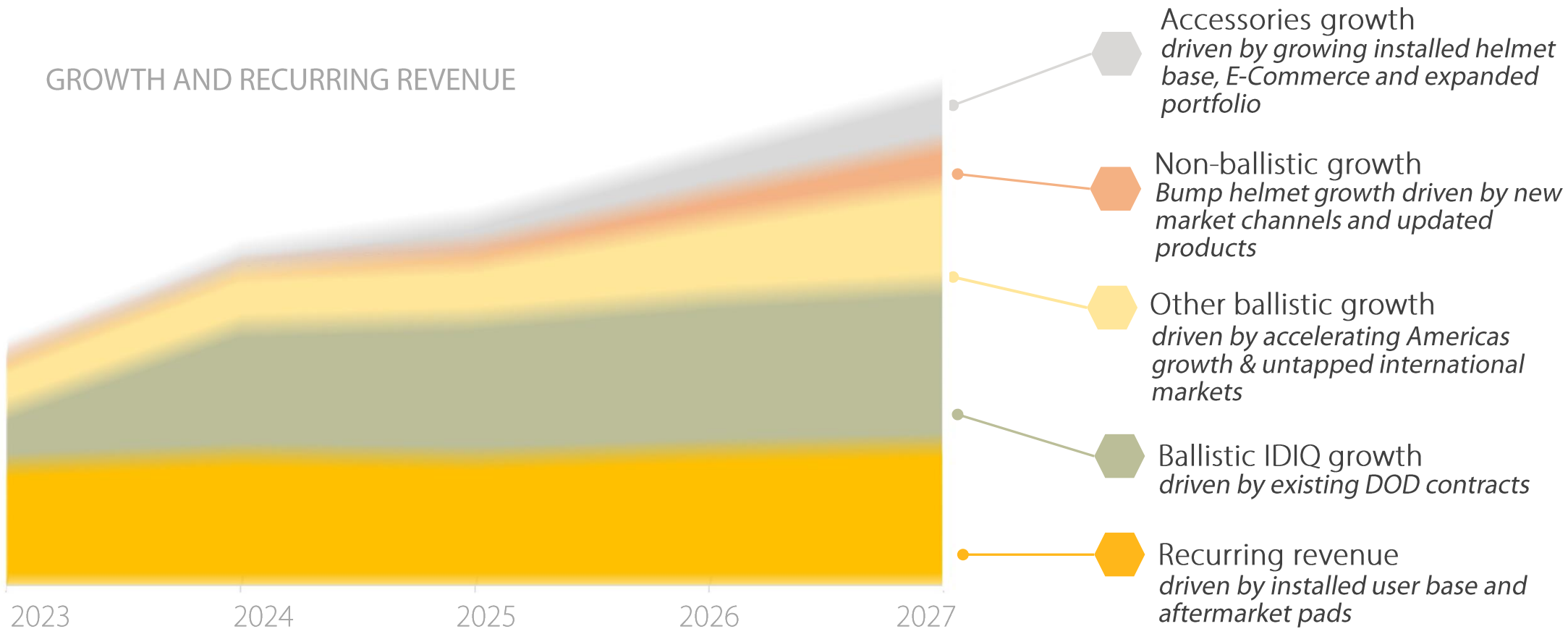
ACHILE
European dismounted soldier system community



... helmet & respirator synergies position us favourably

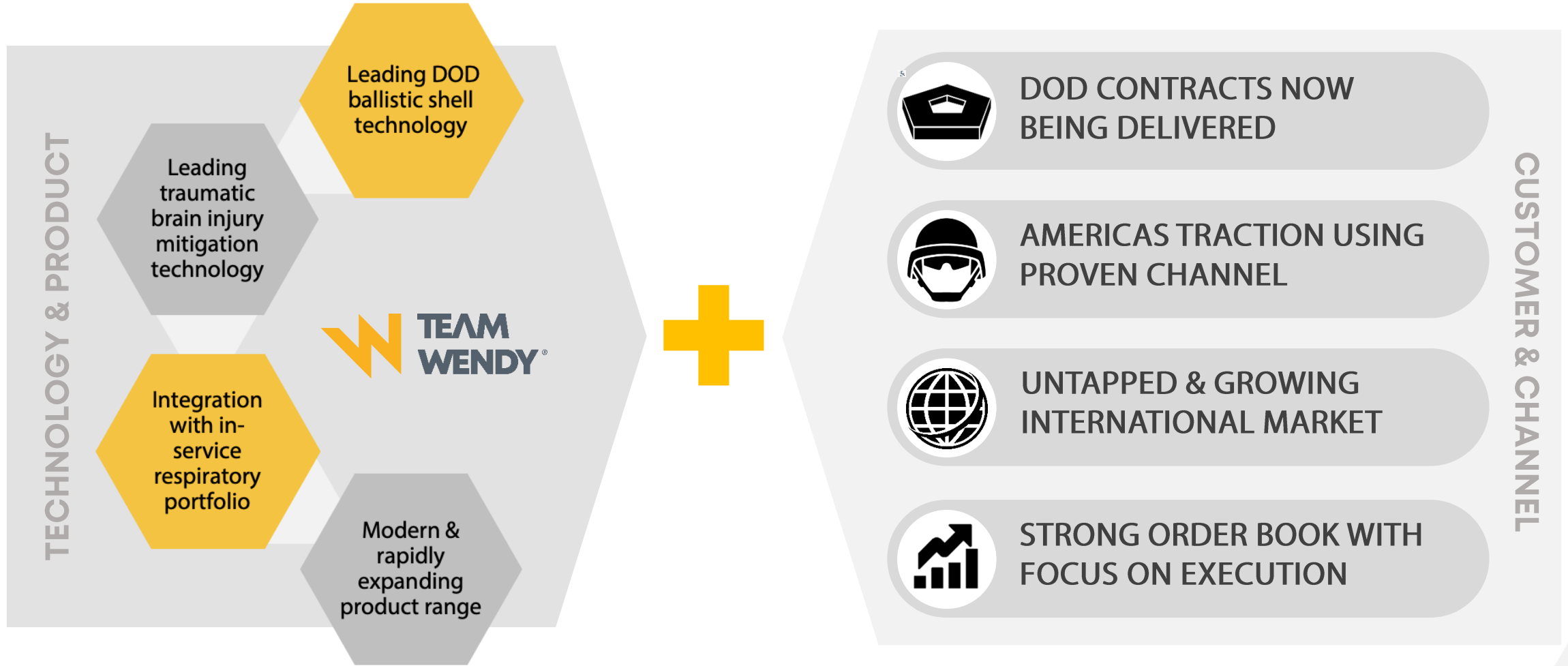
Significant growth opportunity . . .

GROWTH AND RECURRING REVENUE



. . . built on recurring base and long-term contracts

Confidence in growth: reasons to win . . .



. . . growing demand, leading technology, clear strategy



4

TRANSFORMATION TO GROW RETURNS

AVON PROTECTION PLC

AVON
PROTECTION

TEAM
WENDY™

We will deliver our transformational programmes on time and on budget . . .

Programme management approach – the key “get rights”	Status
Focusing on a few ‘step change’ programmes	✓
Having single point accountability and responsibility direct to the senior business leaders	✓
Signing off on milestone and resource plans – with urgency and pace balanced with resources and priorities	✓
Keeping momentum with ‘SPRINT’ activities and appropriately resourced programme management office that supports timely decision-making	✓
Reporting/monitoring of progress against plan – and keeping track of one-off costs and recurring costs and benefits	✓

. . . by maintaining focus on the key ‘get rights’

Avon's transformation programmes...



... a robust plan to deliver mid-teens operating margins, improved ROIC & strong cash conversion



Footprint Optimisation case study: closure of Irvine site . . .

**3 → 2
SITES**

CONSOLIDATION
INTO CLEVELAND

**OCT
2025**

PROGRAMME
COMPLETION

\$10M

RECURRING COST
SAVING

SALEM, NH

-Focus on ballistic R&D
-Shell manufacture

CLEVELAND, OH

-Business operations
-Volume helmet manufacturing

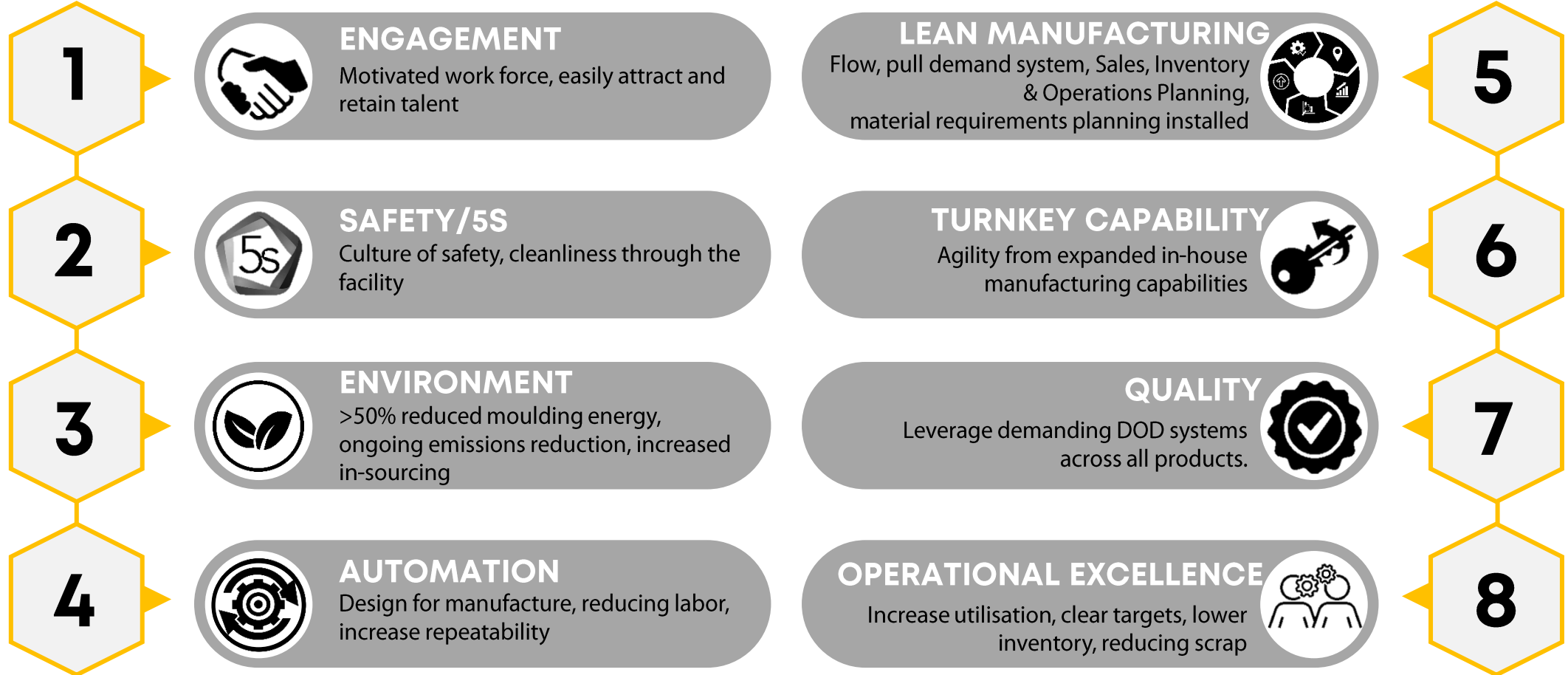
ROI

-\$10m investment
Payback within 3 years

**. . . a significant step change in profitability
through rapid site consolidation**



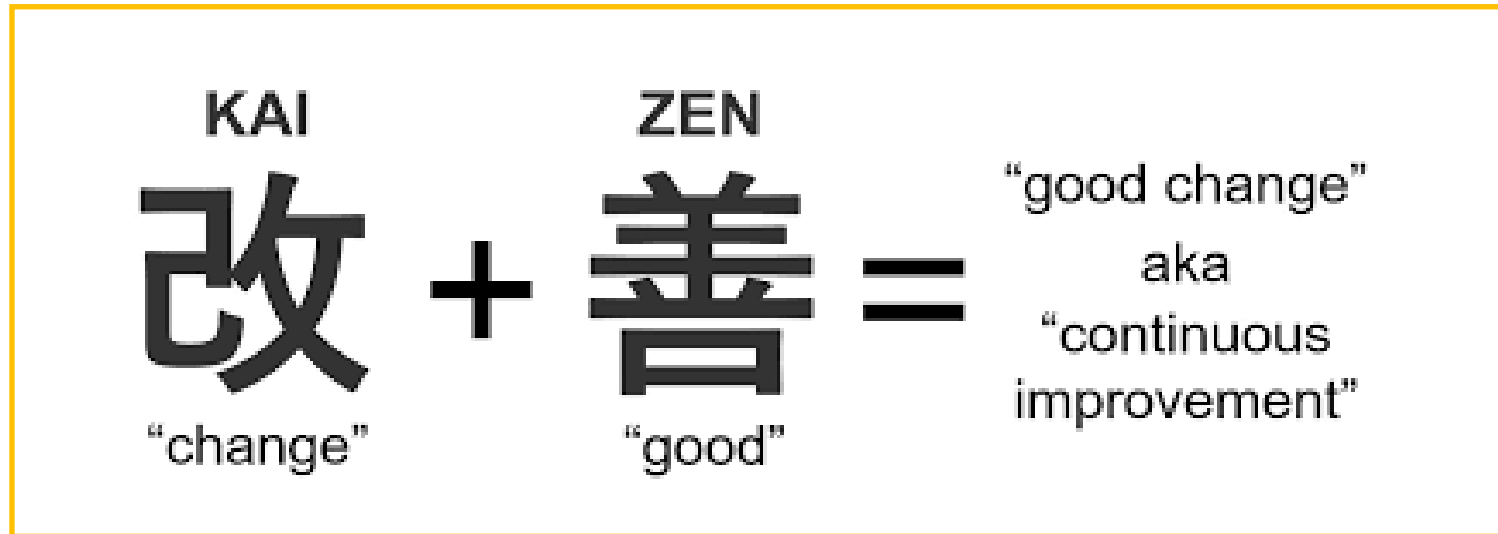
Cleveland to become a world class factory ...



... providing the foundation for rapid and sustained growth



Operational Excellence and CI



Systemically improving the way we work



Case Study: Productivity Kaizen at Team Wendy, Cleveland OH



Prioritized Kaizen:

- Kaizen Funnel process

Identify gaps to close:

- Excessive inventory
- Lack of process flow
- Increase throughput

Set Kaizen deliverables:

- Reduce cycle times
- Implement single piece flow
- Minimise inventory

Kaizen activity process:

Build current state process map and conduct time studies

Identify improvement ideas and brainstorm potential solutions

Develop an action plan

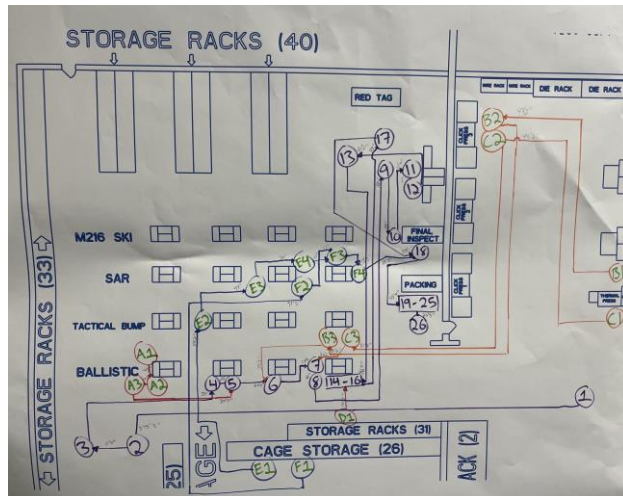
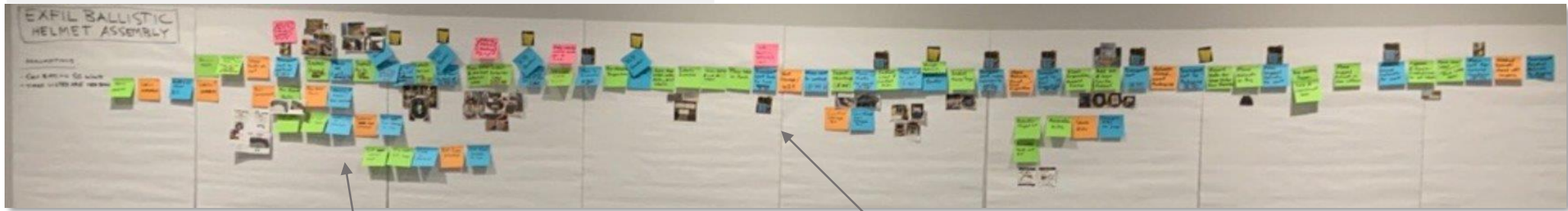
Jump into action

Share learnings



Opportunities identified...

Current state process map:



Helmets placed on and off racks 8 times moved 1590 feet through the process



Helmets stored for 24-hours to cure, adding 24 hours to the completion time



Improvements within the helmet assembly process

BEFORE Kaizen:

- 1 helmet = 20 minutes
- 12 operators produced 112 units/day
- 672 pcs inventory within the process
- 1 week lead time (from start to finish)



AFTER Kaizen:

- 15% cycle time reduction
- 220% productivity improvement
- **82% inventory reduction**
- 83% lead time reduction



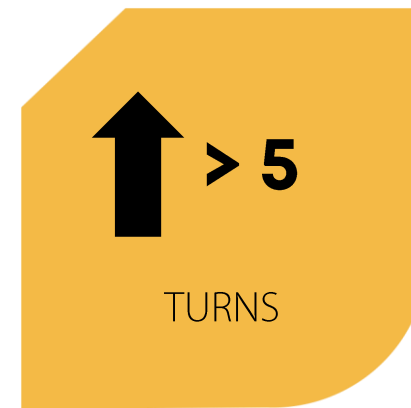
Inventory
reduction=
c.\$250k saving

plus margin
improvement



We're targeting large productivity improvements, scrap reductions, and inventory turns . . .

Group medium-term targets:



. . . generating significant financial and operational benefits



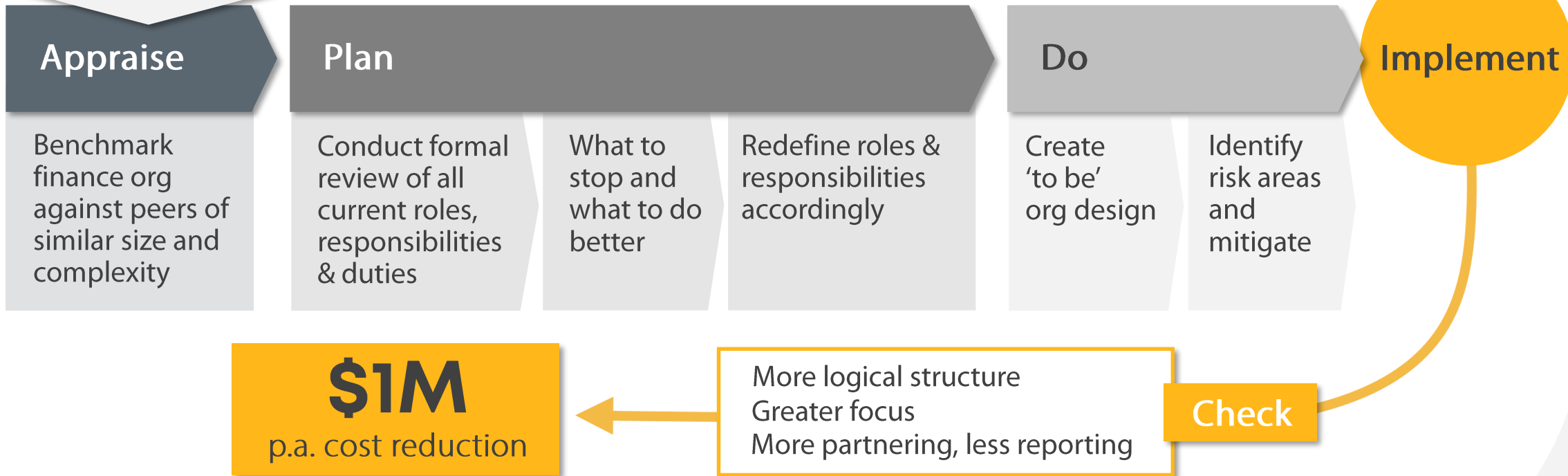
Functional excellence case study: finance . . .

Task

An appropriately sized finance team for the future of Avon Protection plc

BUT...

*All our people are good
and all our people are busy*



. . . improving efficiency and accountability



Commercial optimisation: quick wins already in action . . .

Rationalise offerings:
High priority products and services

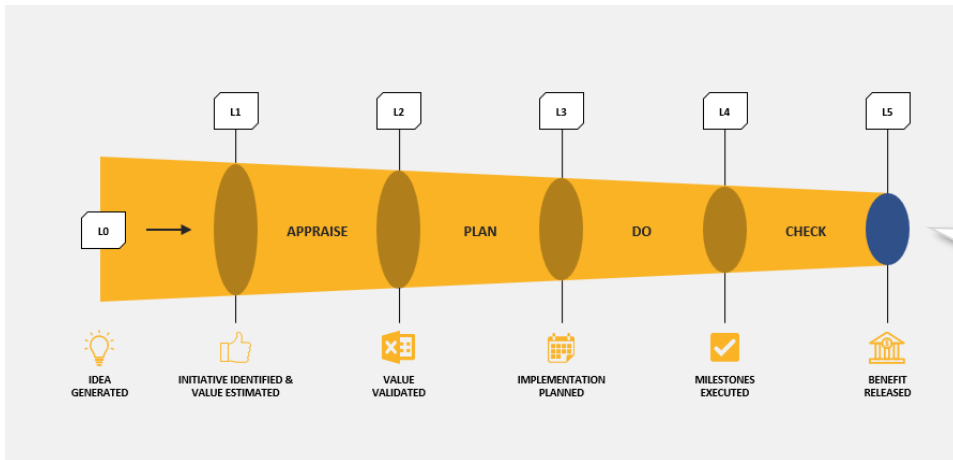
Realise Margin upside potential:

- Identify and action quick wins
- Review tail of SKUs for further opportunities
- Review channel to market for further opportunities

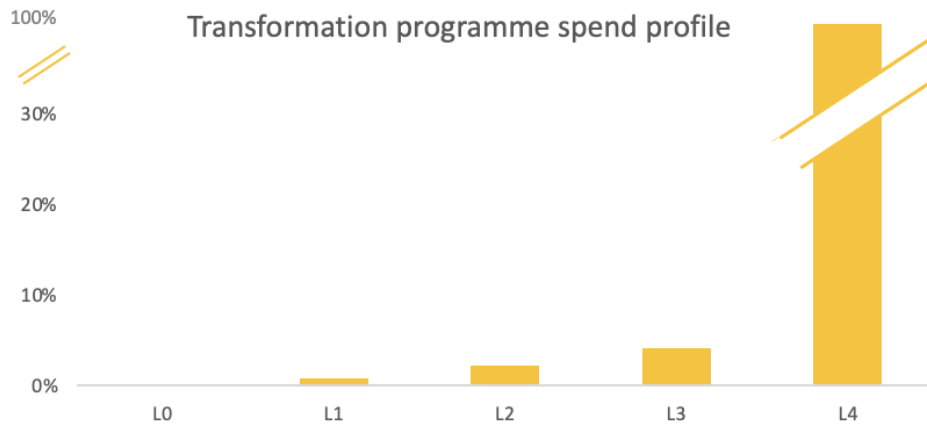
Allocate the right resources:
Pursue the right opportunities

. . . longer term plan being developed

Our disciplined approach to transformation investment . . .



- Rigorous stage gate process for all projects
- Dedicated, cross-functional project teams
 - Early-stage investment encouraged, but bound by short sprints
 - Fail fast, fail cheap
 - Build delivery certainty through the process
 - Each gate must be passed before the project can progress



- Actual spend on three programmes:
- Only 1% of overall project cost incurred by L1, rising to 4% by L3
 - No significant financial commitment until projects are mature

. . . will generate strong returns

Transformation costs and benefits on track . . .

	FY24 Transformation cost (\$m)	FY24 CapEx (\$m)	Project duration (months)
Footprint Optimisation	5-6	1-2	30
Operational Excellence	1		24
Commercial Optimisation	1		24
Functional Excellence	1		24
Programme Management Excellence	1		24
Total FY24 investment	9-10*	1-2	

Payback within 3 years

Transformation costs are expected to be recognised as exceptional with 2025 costs expected to be similar to 2024 and then a sharp drop in 2026

Overall plan unchanged from FY23 results:

- Good progress on footprint optimisation
- Continuous improvement culture being embedded across the organisation
- Significant progress made in functional excellence

. . . with good progress to date on 3 core programmes

5

A STRONG COMPETITIVE MOAT

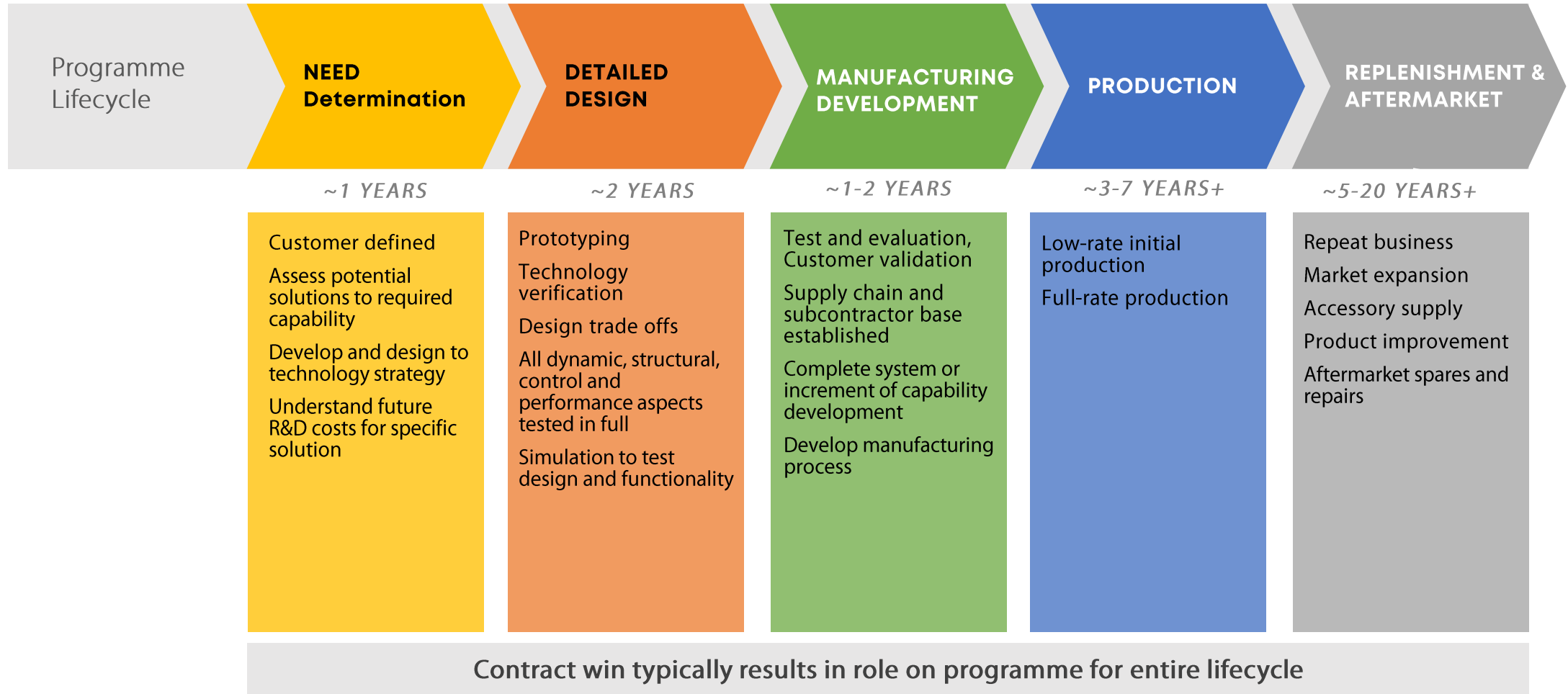
Jos Sclater

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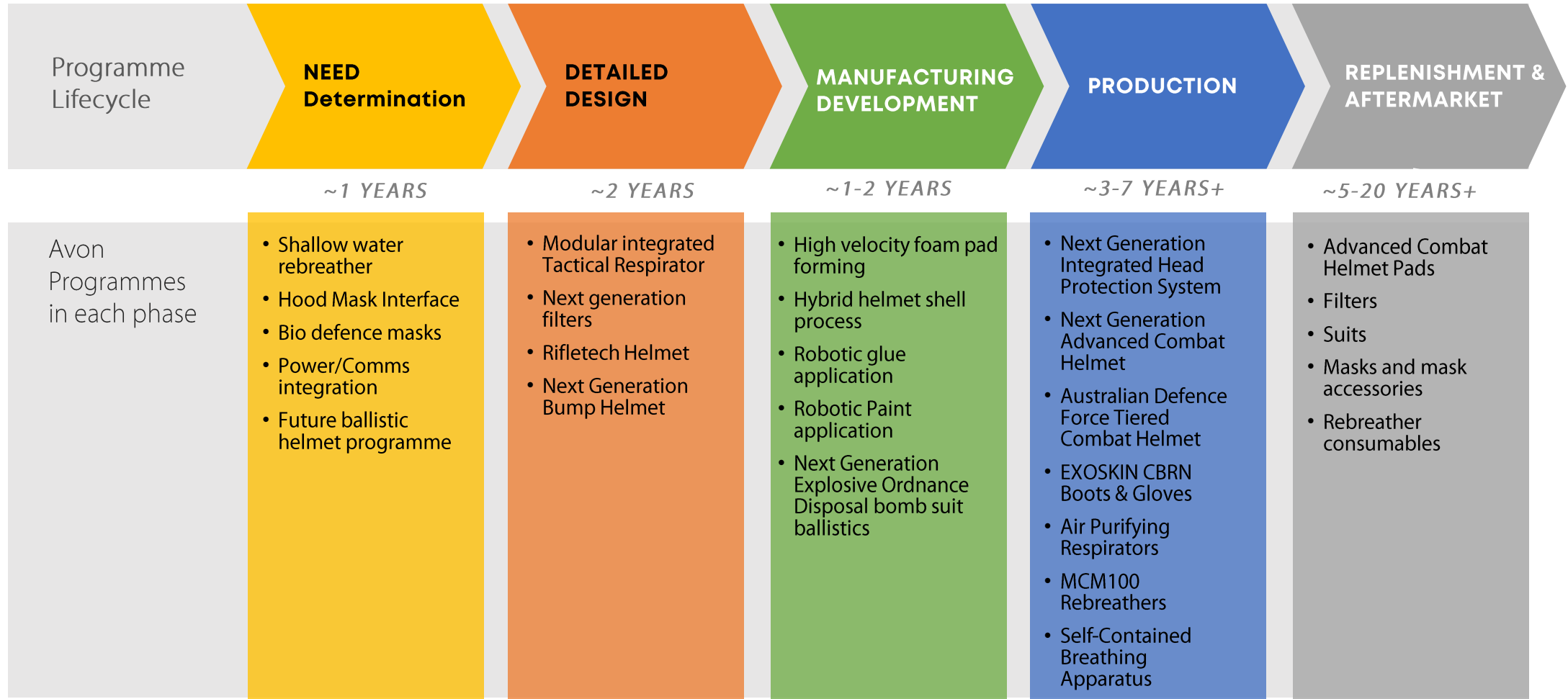
TEAM
WENDY™

Military product lifecycles provide long-term visibility . . .



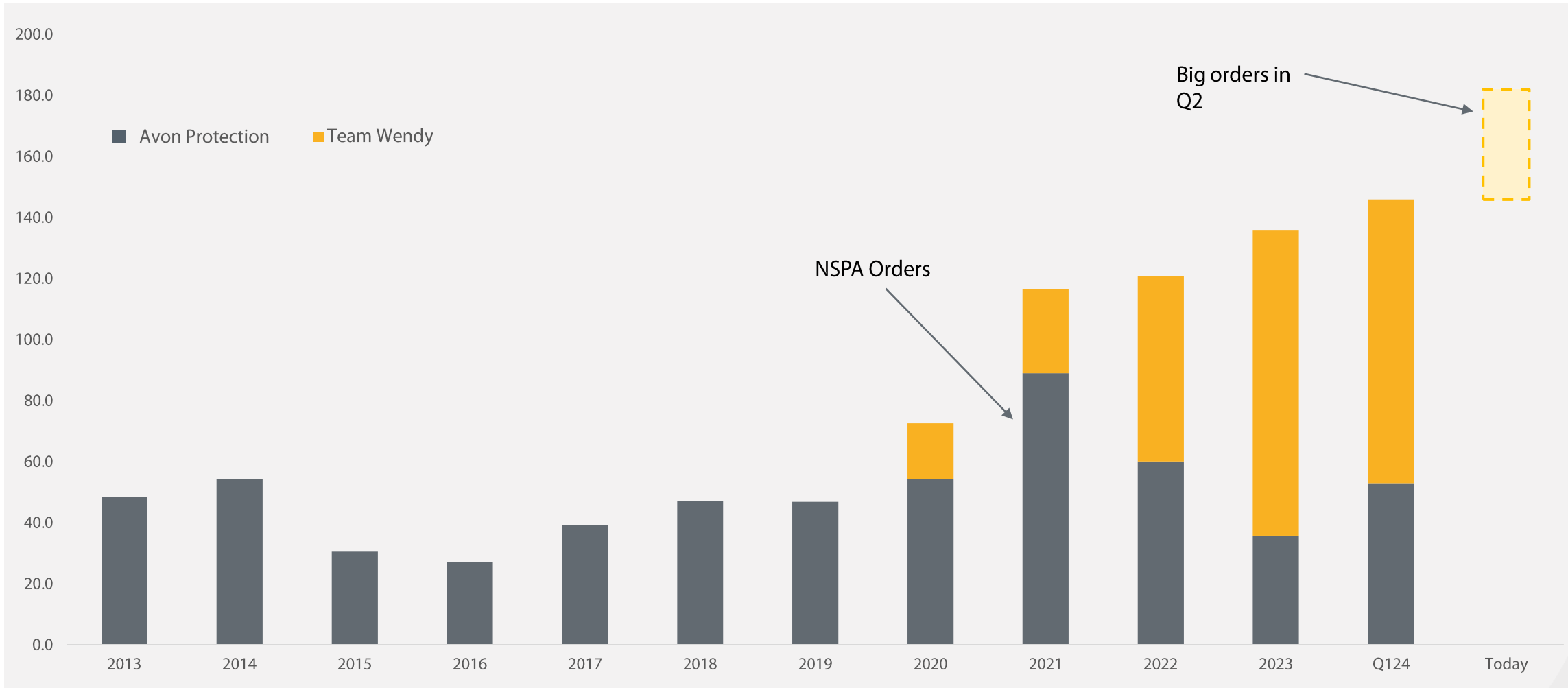
. . . and create barriers to new entrants

We have a good spread of programmes . . .



. . . across the programme lifecycle

The increasing order book . . .



. . . underpins the strength of our competitive position

Sourcing on key programmes of record . . .

Sole Source:



U.S. DOD M50 & M53A1 Respirators



NATO Supply & Procurement Agency Respirators and Accessories



NATO Supply & Procurement Agency Boots and Gloves



Australia Tactical Combat Helmet



U.S. Naval Air Systems Command



U.S. Army Pad Systems



UK General Service Respirator



German Underwater Rebreather



Swedish Police



Med-Eng Explosive Ordnance Device Ballistic Helmets (Shells)

Dual Source:



U.S. DOD Filters



Next Generation IHPS Helmet



ACH GEN II Helmet

. . . increases market share predictability

Certification and extensive qualification requirements . . .



Helmets, Pads, Respirators and Filters all have U.S. DOD First Article Testing approval and U.S. DOD production readiness approved



Masks, Powered Air Purifying Respirators and Self-contained Breathing Apparatus certified by National Institute of Health & Safety



Self-contained Breathing Apparatus certified by the National Fire Protection Association



Respirators hold European health, safety and environmental protection standards

. . . provide strong barriers to entry

Trusted brands: an established reputation for product excellence ...



"They have the coolest looking helmet. The #1 best retention system"

"Team Wendy has a quality product that is affordably priced, with great customer service"

"The whole family environment and back history behind the company just solidified what they said was their core belief"

"Customers always ask for Avon. When customers use Avon products, they tend to stick with them"

"Avon are the only ones that deliver what they promise"

"Quality of Avon's products is superior"

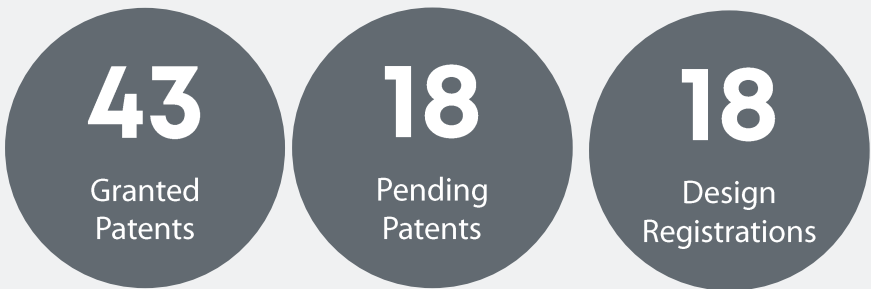
"Proven product, with a pedigree in operations"



... leads to loyal customers

*Source: Avon strategy and brand surveys

Our competitive position is enhanced . . .

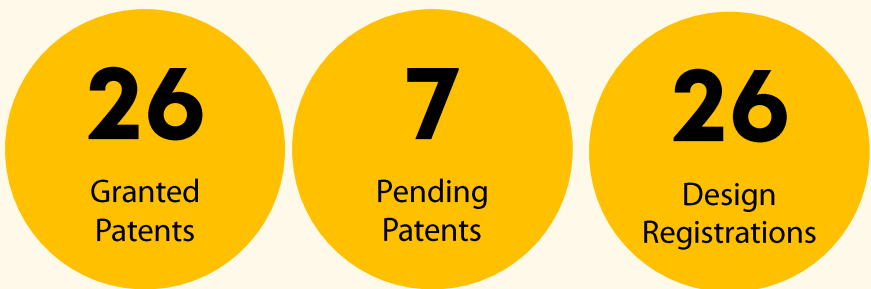


Technology protection includes:

- Mask exhalation valves, filter filling & thread converters
- Modular powered air systems and combined powered air and supplied air systems
- Rebreather CO2 sensing, scrubber endurance monitoring and prediction
- Sensor-less rebreather technology, and metabolic rate sensing

Applications in progress:

- Mask/suit interface
- Novel half masks
- Improved helmet integration
- Novel filters



Technology protection includes:

- Energy absorbing pads
- Helmet impact liner system
- Energy management structure
- Helmet retention systems
- Helmet retention system with adjustment mechanism

Applications in progress:

- Next generation bump helmet
- EXFIL Next Generation rail and liner system
- External Blunt applique

. . . by a strong patent portfolio

Leading market positions . . .

Avon Protection

Team Wendy

#1

Air Purifying
Respirator



#1

CBRN
Filters



#1

Tactical Self
Contained
Breathing
Apparatus



↑ #1

Deep Water
Military
Rebreathers



#1

U.S. DOD
Helmets



#1

U.S. DOD
Pads



. . . gives us economies of scale

Ability to deliver and sustain high returns on capital ...



... due to the competitive moat around Avon



6

AMBITIOUS GOALS

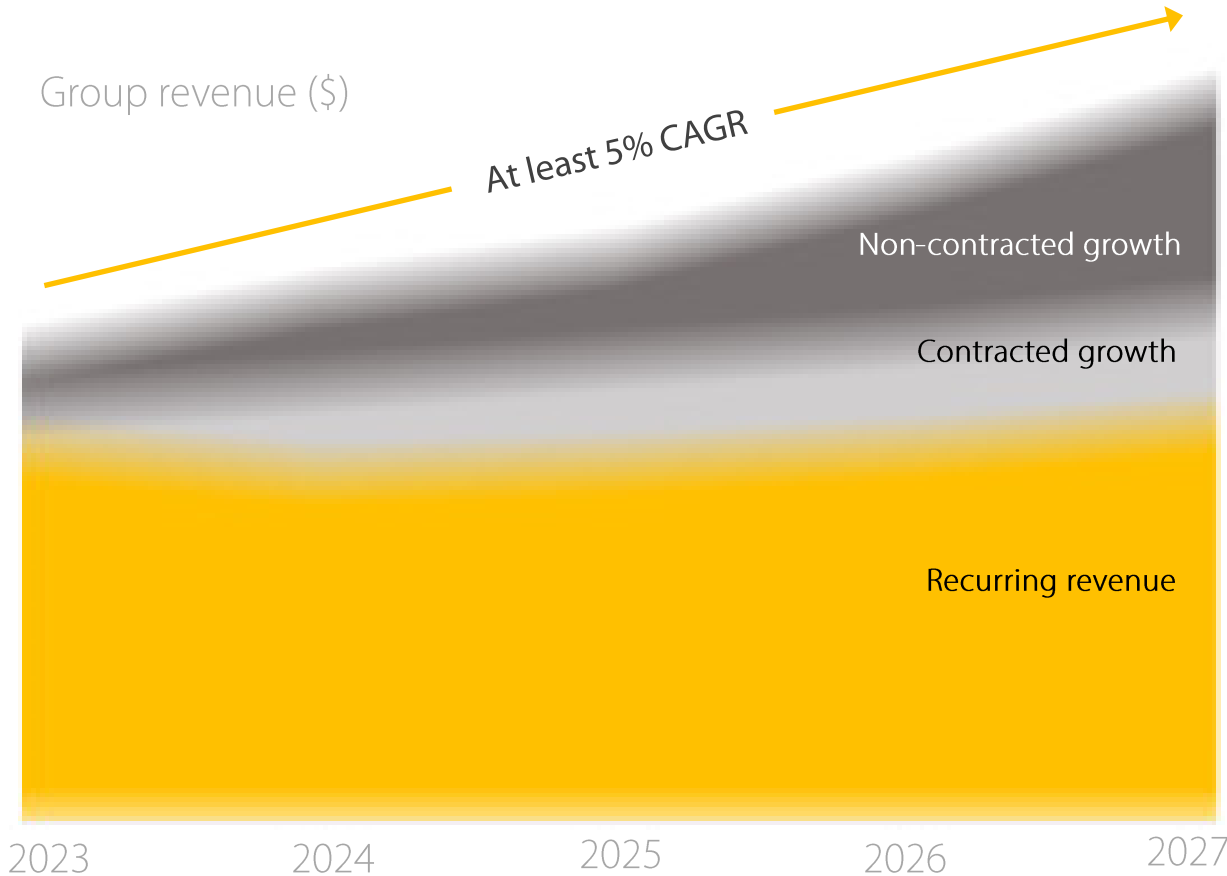
Rich Cashin

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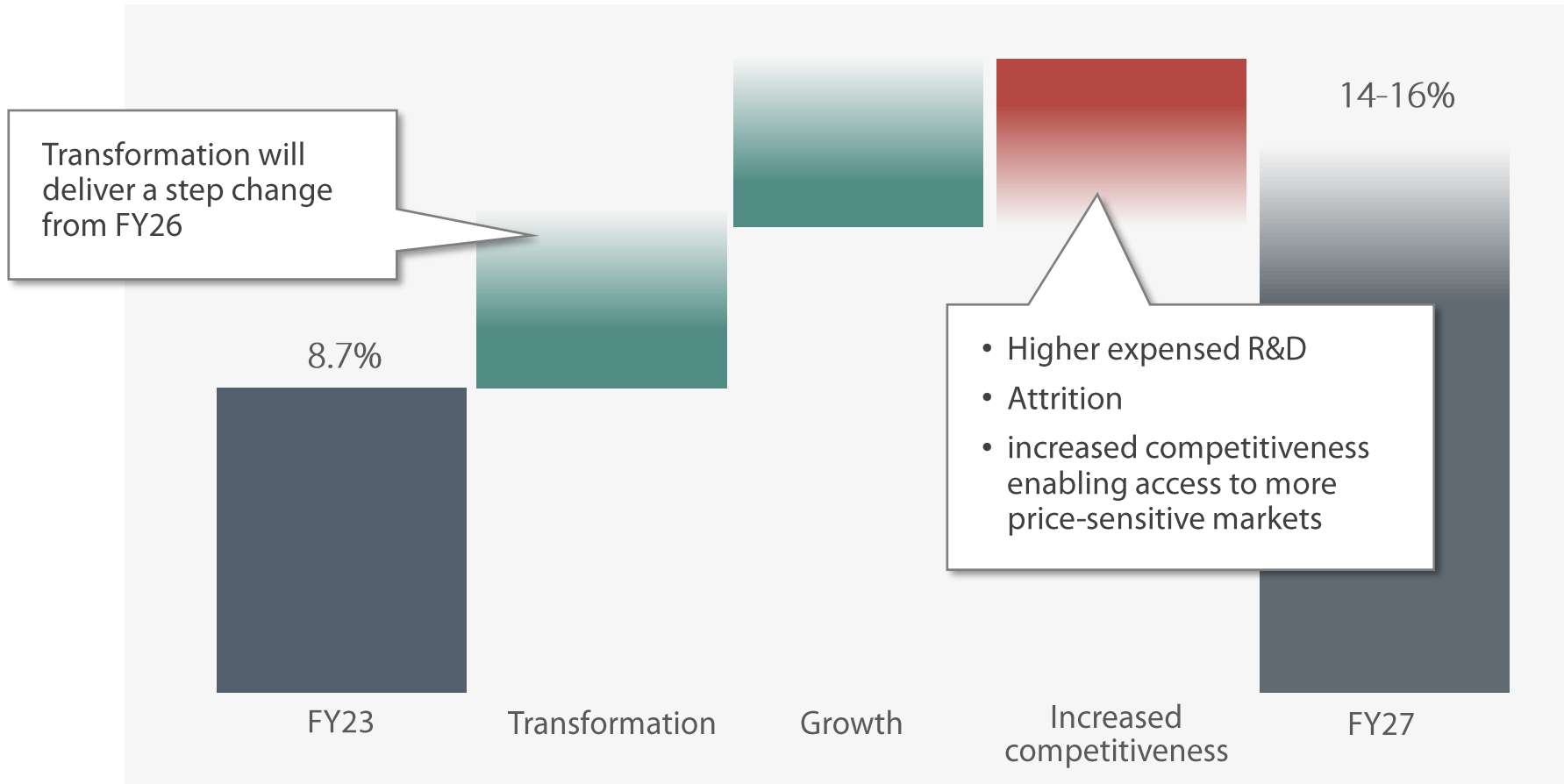
Supportive markets and leading positions drive growth . . .



- Contracted and non-contracted growth will drive incremental recurring revenue over time
- Market growth and new product development underpins confidence
- Cost base anchored off recurring and contracted revenue
- Incremental growth will drop through at strong OP margin

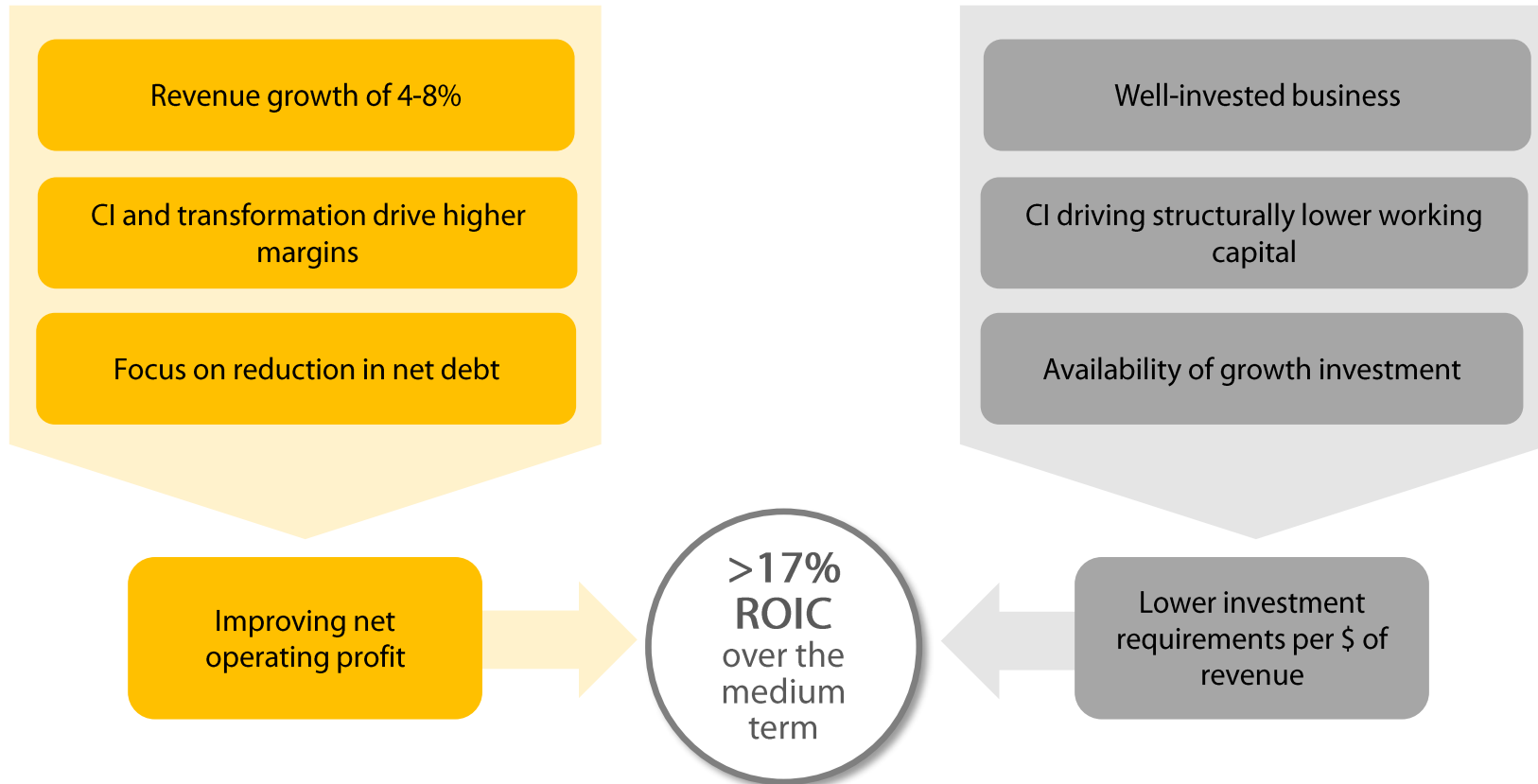
. . . with strong recurring revenue underpin

Delivering sustainable improvement in operating margin . . .



. . . driven by transformation and focus on continuous improvement

Driving up ROIC is our most important financial goal...



...and our operating model is designed to deliver

Avon will deliver strong returns over the medium term . . .

	Growth	Adjusted Operating Profit Margin	ROIC	Cash conversion	Leverage
FY23 actual	(7.5)%	8.7%	8.3%	7%	1.94x net debt/EBITDA
Medium term	At least 5%	14-16%	Above 17%	80-100%	1-2x net debt/EBITDA

. . . driven by above-market growth, execution and transformation

SUMMARY

Jos Sclater

AVON PROTECTION PLC

AVON
PROTECTION

TEAM
WENDY™

Avon has what it takes . . .

- 1** Superb execution
Platform for execution expected to provide competitive advantage
- 2** Growing markets
Growing markets in an increasingly dangerous world
- 3** Stable base and well underpinned growth
Valuable recurring revenue base
High visibility of future growth
- 4** Transformation driving returns & cash flow
Concrete plan to deliver mid-teens margins and high cash flow already in action
- 5** Strong competitive moat
Commanding market position driving long term stakeholder returns

A high performing business delivering medium term...

- At least 5% Revenue CAGR
- 14-16% Operating profit margin
- >17% ROIC
- 80-100% Cash conversion
- 1-2x Net Debt/EBITDA

. . . to create exceptional value for all stakeholders

A close-up photograph of a person wearing full protective gear, including a black helmet with a circular vent on the side and black gloves. The person is holding a black respirator mask with a circular filter. The background is blurred, showing what appears to be a construction site with rebar and concrete. A yellow line graphic is on the left side of the image.

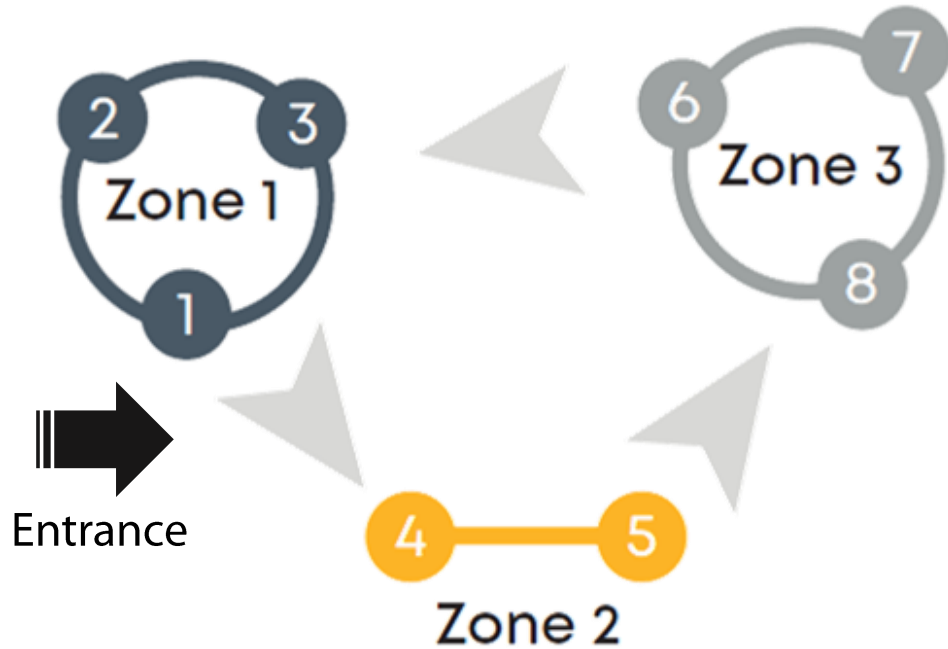
QUESTIONS TECHNOLOGY SHOWCASE

AVON PROTECTION PLC

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PROTECTION

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WENDY™

Please join us for drinks at our technology showcase . . .



- 1: 50 series respirator
- 2: FM54 & MP-PAPR
- 3: Rebreather
- 4: EPIC Helmet

- 5: Rifletech & NG Bump
- 6: MiTR & EXFIL Ballistic SL
- 7: Ensemble – CBRN & Underwater
- 8: Future mission-critical systems

What will you see?

- You'll get to explore our mission-critical technology portfolio across Avon Protection and Team Wendy and meet some of our passionate team members behind the products.

How do you navigate your way around?

- Your badge indicates your starting zone.
- Please follow the route marked on your badge.
- Feel free to collect a drink in the Chalet on the way into the showcase!

. . . in the Victorian Loft from 5pm – 6:30pm



APPENDIX

AVON PROTECTION PLC

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Abbreviations

50 Series	A range of masks based on the proven technology of the M50 mask system	MOD	Ministry of Defence
ACH GEN II	Second-generation Advanced Combat Helmet	NATO	North Atlantic Treaty Organization
ADF	Australian Defence Force	NAVAIR	Naval Air Systems Command
APR	Air purifying respirator	NFPA	National Fire Protection Association
ASTM	American Society for Testing and Materials	NG IHPS	Next Generation Integrated Head Protection System
CAGR	Compound annual growth rate	NIOSH	National Institute for Occupational Safety and Health
CBRN	Chemical, Biological, Radiological, Nuclear	NSPA	NATO Support and Procurement Agency
CE	Conformité Européene	OKR	Objective and Key Result
DOD	U.S. Department of Defense	PAPR	Powered Air Purifying Respirator
EMEA	Europe, Middle East, and Africa	ROIC	Return on invested capital
FEMA	Federal Emergency Management Agency	SAR	Search and rescue
FY	Financial year	SBU	Strategic Business Unit
GSR	General Service Respirator for the UK MOD	SCBA	Self-contained breathing apparatus
H1/H2	First half of the financial year (October – March) / Second half of financial year (April – September)	SKU	Stock keeping unit
HMI	Hood Mask Interface	TACOM	The United States Army Tank-automotive and Armaments Command
IDIQ	Indefinite Delivery, Indefinite Quantity	TBI	Traumatic brain injury
ITAR	International Traffic in Arms Regulation	TBIM	Traumatic brain injury mitigation
KPIs	Key Performance Indicators	TCH	Tiered Combat Helmet
LTP	Lightweight Tactical Polymer	TW	Team Wendy
MIL SPEC	Military specification	TWC	Team Wendy Ceradyne
MiTR	Modular Integrated Tactical Respirator	UFPS	Universal fit pad system
		UHMWPE	Ultra-high-molecular-weight polyethylene
		WIP	Work in progress

Capital allocation focused on earnings recovery

Focus on **disciplined capital allocation** in support of growth in core markets and **maximisation of returns**

Transformation initiatives and organic investment in R&D



Deliver strong margin progression and revenue growth

Reduce debt



Increase balance sheet flexibility and minimise interest cost to allow compounding of returns

Sustainable through-cycle dividend payout ratio



2.5-3.0x EPS cover through cycle

Inorganic investment in bolt-ons



Only where value-creative and supportive of strategy acceleration

1.0 – 2.0x net debt - EBITDA

... drives shareholder value and sustainable top-line growth

Avon Protection Portfolio

AIR PURIFYING RESPIRATORS (APR)

											
M50 – DOD MASK The Military's Choice	FM50 – NATO MASK The First Choice For Defence	C50 First Responder Respirator Mask	M53A1 One Mask, All Missions	FM53 The Multiple Mission Mask	FM54 Single Mask, Maximum Flexibility	HMK150 The Integrated Riot Control System	PC50 Entry Level, Non-CBRN Solution	FM12 Tried and Trusted Worldwide	FM51 Combat Vehicle Mask	M69 The Aircrew Mask	MITR Low-burden respirator & positive pressure goggle

CBRN BOOTS & GLOVES

	
EXOSKIN-B1 High Traction CBRN Boots	EXOSKIN-G1 Tactile CBRN Gloves

ESCAPE DEVICES


NH15 Compact Escape Hood

POWERED AIR PURIFYING RESPIRATORS (PAPR)

		
AVON EZAIR CBRN Breath Assist Powered Unit	CS-PAPR Combination System Powered Air Purifying Respirator	MP-PAPR Multi-Position Powered Air Purifying Respirator

SELF-CONTAINED BREATHING APPARATUS (SCBA)

		
ST50 The SCBA for Corrections	ST53 Versatile Protection For Tactical Operations	ST54 Enhanced Multi-Mission Tactical Operator SCBA

THERMAL IMAGING

	MI-TIC 320 Smallest Full Feature Firefighter Thermal Imaging Camera		MI-TIC E Lowest Total Cost of Ownership Firefighter Thermal Imaging Camera
	MI-TIC E L Large Screen Firefighter Thermal Imaging Camera		MI-TIC S Best-in-Class Feature Set Firefighter Thermal Imaging Camera

UNDERWATER SYSTEMS

	CORE INTELLIGENT UNDERSUIT Heated Undersuit		MCM100 Multi-Role Rebreather
	XBS External breathing system		BAILOUT Supply of breathing gas

ACCESSORIES

FILTERS

	FM61 Low profile CBRN filters
	MILCF50 CBRN filters

VOICE PROJECTION UNIT
Best-in-class respiratory communications platform



OUTSERTS
Outserts and vision correction

Team Wendy Portfolio

SAR & ACC.



TEAM WENDY® SAR BACKCOUNTRY®



TEAM WENDY® SAR TACTICAL®



SAR COMFORT PAD REPLACEMENT KIT



SAR VISOR



SAR SOLAS REFLECTIVE KIT



SAR VISOR REPLACEMENT HARDWARE KIT



SAR REPLACEMENT VENT COVERS



SAR BACKCOUNTRY HELMET RAIL KIT

EPIC BALLISTIC



TEAM WENDY® EPIC™ RESPONDER



TEAM WENDY® EPIC™ PROTECTOR



TEAM WENDY® EPIC™ SPECIALIST

EXFIL BUMP & ACC.



TEAM WENDY® EXFIL® LTP



TEAM WENDY® EXFIL® CARBON



EXFIL® LTP RAIL 3.0 HELMET COVERS



EXFIL® CARBON RAIL 3.0 HELMET COVERS



EXFIL® CARBON / LTP HELMET COMFORT PAD REPLACEMENT KIT



EXFIL® CARBON / LTP RAIL 3.0 RETROFIT KIT

EXFIL BALLISTIC & ACC.



TEAM WENDY® EXFIL® BALLISTIC



TEAM WENDY® EXFIL® BALLISTIC SL



EXFIL® BALLISTIC MANDIBLE



EXFIL® BALLISTIC / SL RAIL 3.0 HELMET COVERS



EXFIL® BALLISTIC EAR COVERS



EXFIL® BALLISTIC VISOR



EXFIL® BALLISTIC RAIL 3.0 RETROFIT KIT



EXFIL® BALLISTIC / SL COMFORT PAD REPLACEMENT KIT



EXFIL® BALLISTIC / SL TOUCH-UP PAINT PEN



EXFIL® BALLISTIC / SL TOUCH-UP SPRAY PAINT KIT

AFTERMARKET PAD SYSTEMS



CLOUDLINE® SYSTEM



EPIC® LINER SYSTEM



ZORBIUM® ACTION PAD (ZAP™) SOF LINER SYSTEM



EPIC® LINER COMFORT PAD REPLACEMENT KIT



VELCRO® BRAND HOOK DISKS



EPIC AIR® LINER SYSTEM



ZORBIUM® ACTION PAD (ZAP™) 7-PAD NSN LINER SYSTEM



ZORBIUM® ACTION PAD (ZAP™) AIRBORNE PAD



EPIC AIR® LINER COMFORT PAD REPLACEMENT KIT

COMBAT RETENTION SYSTEM



CAM FIT™ RETENTION SYSTEM



CAM FIT™ H-BACK RETENTION SYSTEM



TEAM WENDY® STANDARD CHINSTRAP



CAM FIT™ CHINSTRAP EXTENDER



CAM FIT™ REPLACEMENT HARDWARE KIT



CAM FIT™ ARC RAIL HARDWARE KIT



CAM FIT™ ECH HARDWARE KIT

EXFIL BRAND ACCESSORIES



EXFIL® FACE SHIELD



EXFIL® COUNTERWEIGHT KIT



EXFIL® PELTOR™ HEADSET ADAPTERS FOR RAIL 2.0 HELMETS



EXFIL® OXYGEN MASK STRAP KIT



EXFIL® PELTOR™ BOOM MIC ADAPTER



EXFIL® PELTOR™ QUICK RELEASE ADAPTER BACK PLATES



EXFIL® ALL-TERRAIN MANDIBLE



EXFIL® MARITIME LINER SYSTEM



EXFIL® RAIL 2.0 ACCESSORY KIT



EXFIL® W SPACER PLATE KITS



EXFIL® PICATINNY QUICK RELEASE RAIL ADAPTERS

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M-216™ PICATINNY QUICK RELEASE RAIL ADAPTER



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TEAM WENDY® TRANSIT PACK BY MYSTERY RANCH®



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MAGPUL® MOE® 5-SLOT MOUNTING KIT



SHOCK CORD KIT



PRINCETON TEC® CHARGE MPLS HELMET LIGHT MOUNT



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