

ASX RELEASE

Trajan achieves record H1 revenues and builds further momentum,
maintaining full year FY25 Guidance

Financial Summary – H1 FY25

- Group Net Revenue \$81.0M, up 6.0% on previous corresponding period (PCP: \$76.4M)
 - Components & Consumables segment \$48.9M, up 4.9% (PCP: \$46.6M)
 - Capital Equipment segment \$29.9M, up 8.1% (PCP: \$27.6M)
 - Disruptive Technologies segment stable at \$2.2M (PCP: \$2.2M)
- Group Normalised EBITDA (nEBITDA) \$7.9M, up 97.2% (PCP: \$4.0M). Operating segments were:
 - Components & Consumables segment \$16.3M, up 10.7% (PCP: \$14.7M)
 - Capital Equipment segment \$5.6M, up 10.2% (PCP: \$5.1M)
 - Disruptive Technologies segment (\$1.0M), improved 65.8% (PCP: (\$2.9m))
- Operating NPATA of \$1.0M (PCP: \$1.3M)
- Proforma Gross Margin 39.7% (PCP: 39.7%)
 - Components & Consumables was 41.2% (PCP: 39.6%)
 - Capital Equipment was 36.2% (PCP: 39.8%)
- Net Debt decreased a further \$2.3M in H1 to \$30.6M, a \$6.2M reduction on PCP (PCP: \$36.7M)
- \$10.4M Cash at 31 December 2024 (June 2024: \$11.2M)

Outlook

- Guidance maintained:
 - FY25 Net Revenue Guidance of \$160.0M to \$165.0M (FY24: \$155.0M).
 - Group nEBITDA of \$17.0M to \$19.0M (FY24: \$12.3M).

27th February 2025 – Global analytical science and device company Trajan Group Holdings Limited (ASX: TRJ) (Trajan or the Company) has today released its Half Year FY25 financial results (H1FY25).

Customer demand and revenue showed strong growth compared to the prior corresponding period (PCP H1FY24). The major product groups in the Consumables & Components segment achieved double digit revenue growth rates. In the Capital Equipment segment, demand is growing with the order book expanding by \$2.4M since June 2024 supporting momentum into the second half.

Trajan Founder, Managing Director and CEO Mr. Stephen Tomisich said: “There is a lot to be pleased about with this first half performance. We saw strong order demand for our Capital Equipment portfolio, including the Pharmaceutical sector, strong growth in the core consumables portfolio and with microsampling progressing towards break even.”

“The Capital Equipment segment performance also benefited from a broadening mix across the application areas. The scene is set for a healthy H2 in this segment.”

“In Components & Consumables segment, the overall growth profile moderated due to the slow return of the Pharmaceutical industry and the performance of a single biotech syringe product, and we expect these factors to diminish in H2.”

“We’ve balanced an improved financial profile with creating a product portfolio that will continue to meet the demand of our customers in the future. We posted record H1 revenues, have significantly reduced debt and are seeing tangible evidence of the integration benefits of our acquired businesses with both Axel Semrau and LEAP Technologies receiving more orders in H1 than they did for the full year when acquired.”

“Our suite of emerging product lines positions us well for the future with growing contribution to revenue as we continue to accelerate commercialisation. In just 12 months we’ve been able to manage our investment in Disruptive Technologies from \$4.9M to an expected \$1.0M.”

Group Net Revenue

Net Revenue at the Group level was \$81.0M up 6.0% on PCP (\$76.4M) with a strong contribution from the **Capital Equipment segment at \$29.9M, up 8.1% (PCP: \$27.6M)**. Notably the Capital Equipment order book was \$11.4M at the reporting date. As foreshadowed at the full year FY24 results, the half saw a return of momentum in Pharmaceutical applications in the Capital Equipment segment and the beginning of contributions from both Clinical and Environmental workflows. Trajan’s MOSH/MOAH and food safety solutions also continued to perform well.

Components & Consumables net revenue was \$48.9M, up 4.9% on PCP, with most core product lines increasing by 15-20% over PCP. The strengthening performance of this segment was partially offset by lower demand from one of our OEM partners resulting from a single biotech syringe being discontinued by an end-user customer, as reported in the Company’s October 2024 Business Update.

Whilst customer feedback and Capital Equipment orders support the recovery in the Pharmaceutical sector, there remains softness in some products connected to this industry.

In **Disruptive Technologies** revenue was stable at **\$2.2M (PCP: \$2.2M)**, however there is strength in the order book for this segment with more than \$200K of Microsampling product orders awaiting dispatch.

During the period Trajan advanced the commercial activation program for Versiti, previously known by the project name Hummingbird, with the appointment of a dedicated Global Product Manager. Building on successful development work in the US for onsite quality measurement of drugs and biologicals during production, Versiti field evaluation units will be available to pharmaceutical customers in 2025 as Trajan advances towards commercial launch.

Group EBITDA, Operating NPATA and Gross Margin

Group Normalised EBITDA (nEBITDA) was \$7.9M up 97.2% over PCP, (\$4.0M), with an expectation based on current growth trajectory, pricing actions and historic performance of an uplift in H2 to drive the full year result into the Guidance range. For reference nEBITDA in H2 FY24 was \$8.3M.

Within the Disruptive Technologies, which includes Microsampling and emerging technologies, Microsampling is expected to operate at breakeven for the full year FY25 whilst investment in emerging technologies is expected to be held at circa \$1.0M.

Operating NPATA was \$1.0M (PCP: \$1.3M) due to tax impacts related to revaluation of intercompany loans. Excluding these impacts, operating NPATA improved in-line with nEBITDA performance.

Proforma Gross Margin was 39.7% (PCP: 39.7%). Proforma Gross Margin percentage for the Capital Equipment segment of 36.2% (PCP: 39.8%) was lower due to the product mix being biased towards Food with consideration to cost of materials, legacy distribution, and pricing strategies. These products are currently undergoing pricing refinement as part of the global commercial activation and market adoption program.

Notably proforma Gross Margin in Components & Consumables was 41.2% which was a 1.6 percentage points improvement on PCP (39.6%).

Trajan retains the goal of progressing towards longer term Proforma Gross Margin of 50% and EBITDA Margin of 20%.

Balance Sheet and Cashflow

Free cash flow increased from \$2.6M PCP to \$6.6M. Net Debt was reduced by a further \$2.3M in H1 to \$30.6M, taking the trailing Net Leverage Ratio (based on annual nEBITDA) to below 2X.

The Company finished the period with \$10.4M cash.

Guidance Reconfirmed

Guidance has been reconfirmed for Group Revenue between \$160.0M to \$165.0M (FY24: \$155.0M) and nEBITDA between \$17.0M to \$19.0M (FY24 \$12.3M). The Company is maintaining its expectation that Proforma Gross Margin will return to growth in the second half as a result of the product mix in Capital Equipment, continued growth in Components & Consumables, and pricing action.

The Microsampling portfolio of products within the Disruptive Technologies segment remains on track to be nEBITDA breakeven in FY25, and the level of investment in this segment to be circa \$1.0M.

Mr Tomisich concluded: "We remain confident in the strength of the business going into the second half and maintain guidance."

"Whilst we all continue to observe volatility in the global geopolitical setting, the global diversity of Trajan's product lines, operations, customers and markets positions it well to respond to any new or emerging risks, as we have demonstrated in the past."

Investor Conference Call

Investors are invited to join a live webcast and Q&A hosted by Trajan CEO and Managing Director, Stephen Tomisich and Chief Financial Officer, Alister Hodges on Thursday 27 February 2025 at 9:30am Australian Eastern Daylight Time (AEDT). Investors are invited to submit questions beforehand via the webinar registration page.

To register for the webcast, please follow this link:

https://trajanscimed.zoom.us/webinar/register/WN_YGGOM-qeSQeW7Idf10W_sA

Registered participants will receive a confirmation email containing the Zoom access link and alternative phone dial-in details.

Authorised for ASX release by the Board of Trajan Group Holdings Limited.

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About Trajan

Trajan is a global developer and manufacturer of analytical and life sciences products and devices founded to enable science that benefits people by enriching personal health through scientific tools and solutions. These products and solutions are used in the analysis of biological, food, and environmental samples. Trajan has a portfolio and pipeline of new technologies which support the move towards decentralised, personalised data-based healthcare.

Trajan is a global organisation of more than 600 people, with seven manufacturing sites across the US, Australia, Europe and Malaysia, and operations in Australia, the US, Asia, and Europe.