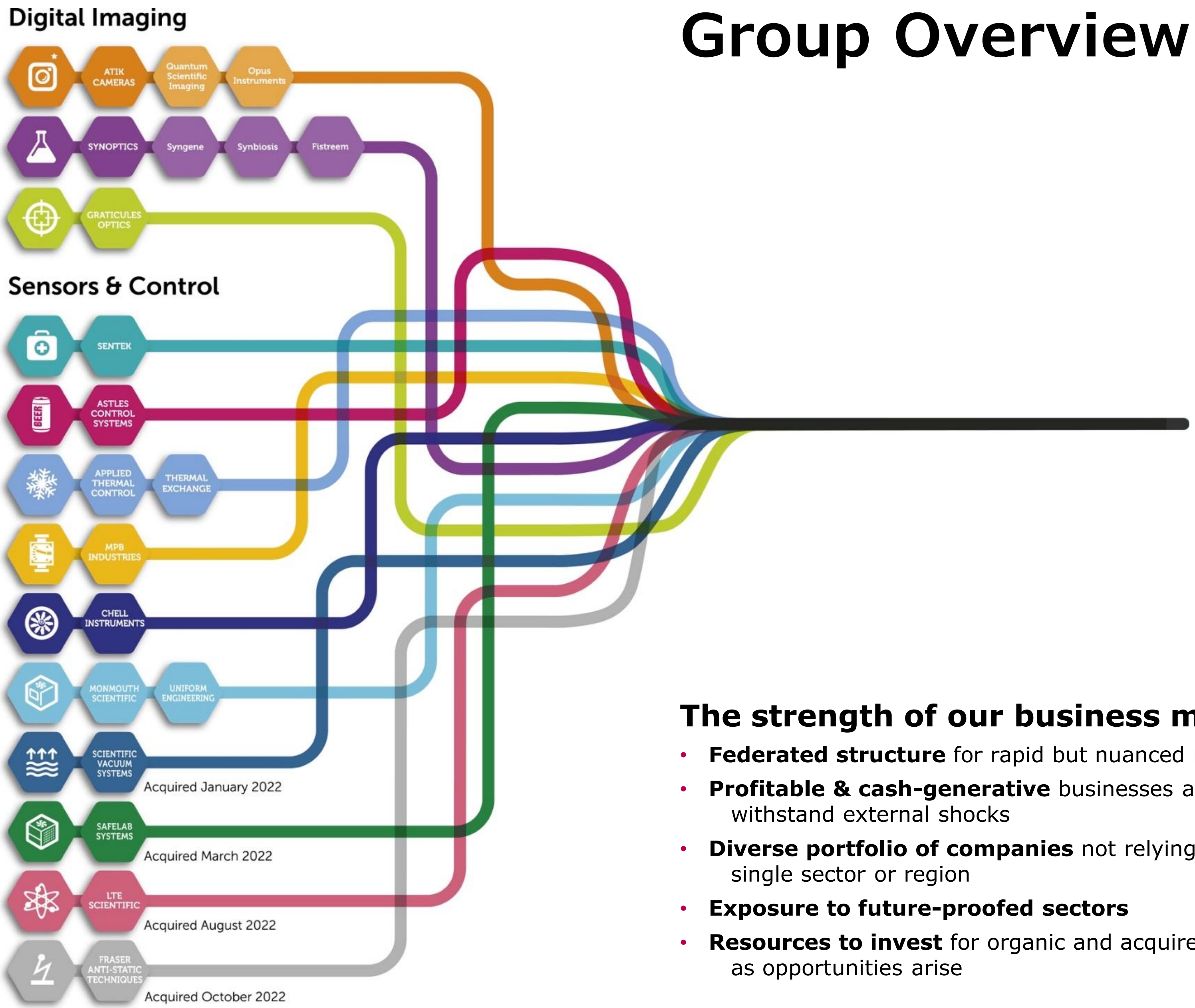
Agenda

- Group Overview
- Track Record & Buy-and-Build Strategy
- Growth Drivers
- Acquisitions in FY2023
- Operations
- Outlook

Group Overview

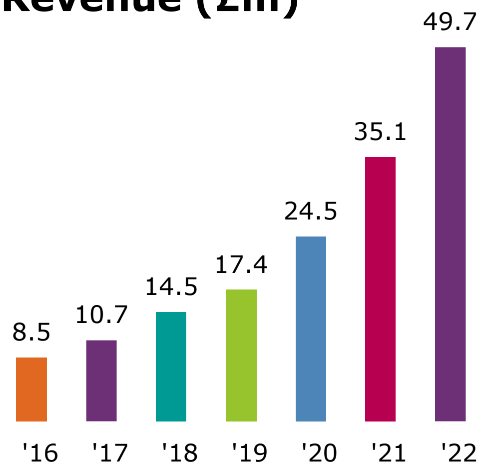


The strength of our business model:

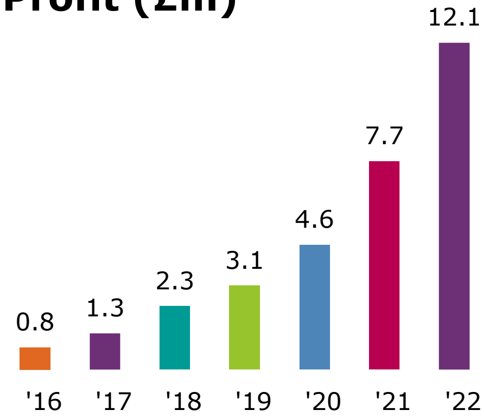
- **Federated structure** for rapid but nuanced response
- **Profitable & cash-generative** businesses able to withstand external shocks
- **Diverse portfolio of companies** not relying on a single sector or region
- **Exposure to future-proofed sectors**
- **Resources to invest** for organic and acquired growth as opportunities arise

Track Record

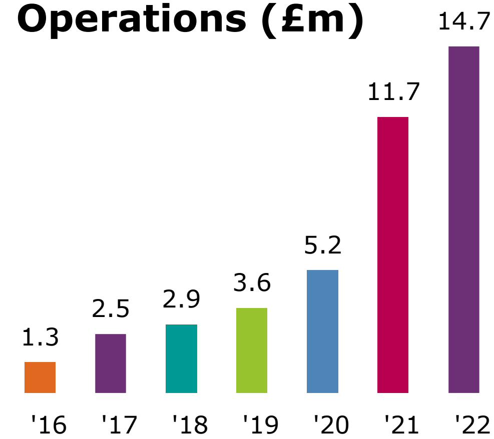
Revenue (£m)



Adjusted Operating Profit (£m)



Cash Generated from Operations (£m)

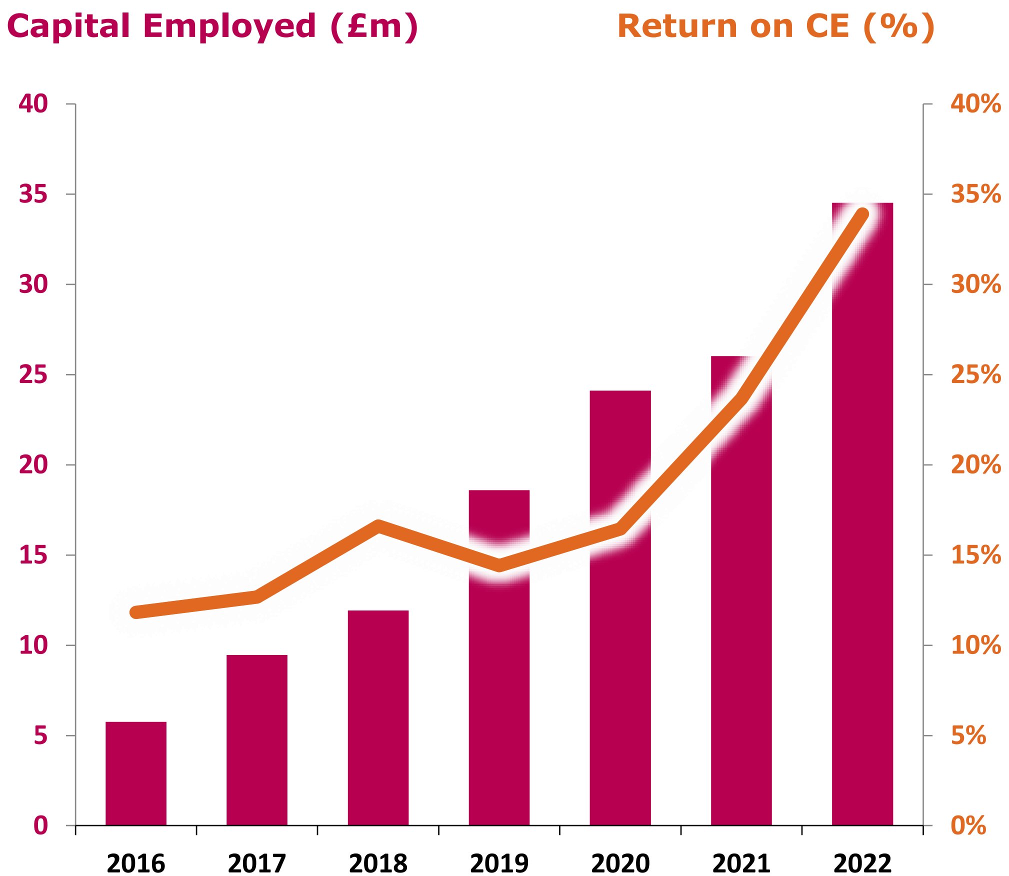


Strong Financial Growth

Metric	2016-2022 CAGR	2021-2022 growth
Revenues	34%	42%
Adjusted Op. Profit	57%	57%
Op. Profit	63%	72%
Cash gen. from Ops.	50%	25%
Adjusted diluted EPS	32%	43%

Share Price (Pence)

Buy and Build Strategy Execution



Capital Employed: Total Equity + Bank borrowings – Cash

Return on CE: EBIT / average (beg. & end) Capital Employed

Capital Employed

- Has increased by ~35% CAGR for 6 years from £6m to £35m
- Entirely due to acquisitions **("Buy")**
  - Net tangible assets are negative

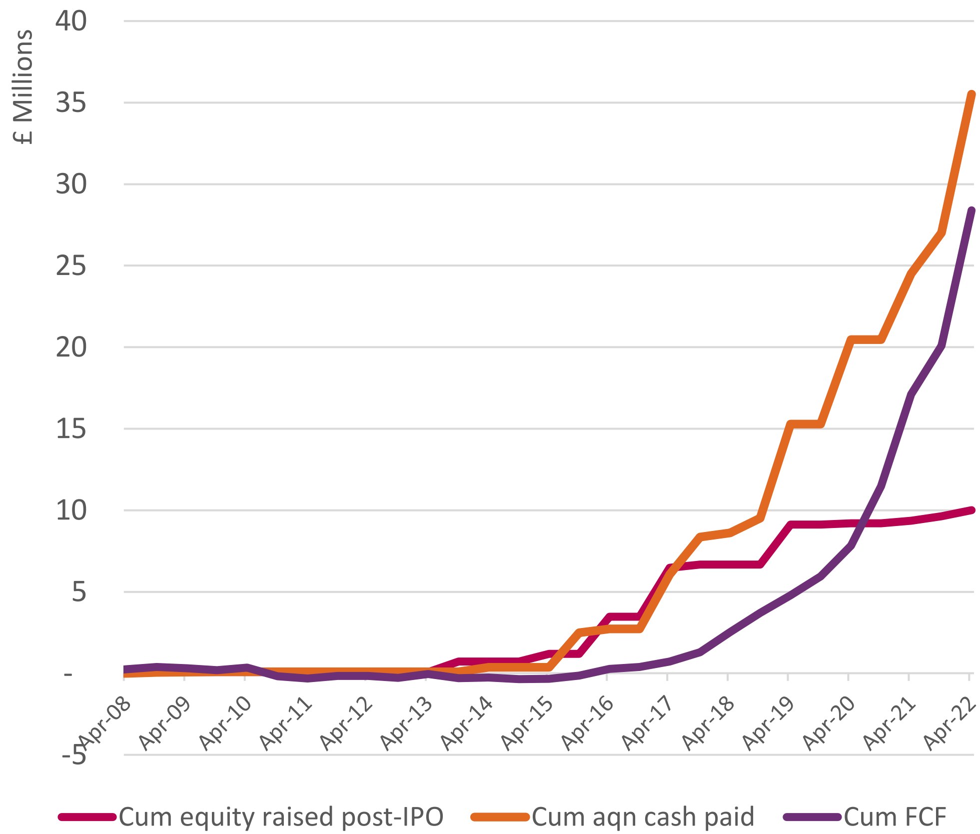
Return on Capital Employed

- Has increased over time from ~12% to 34% in 2022
- Acquired businesses typically yielding 14-20%
- Reflects our willingness to invest in the businesses, generating organic growth and operating margin improvement **("Build")**

17 acquisitions made since 2014

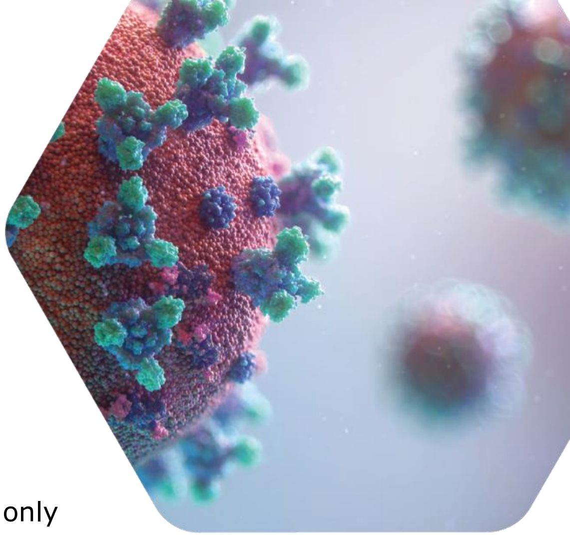
- 6 combined with existing units
- 11 new stand-alone operating units

Buy and Build Funding



- Buy-and-build model started in 2014, with acquisitions largely funded through equity raises until 2018
- Last equity raise (£2.4m) was in February 2019 (at 34p/share)
  - Some sellers have opted to take a portion of acquisition consideration in SDI equity
- Free Cash Flow has been the primary source of acquisition funding since 2018 until the LTE acquisition
- Borrowing capacity has also increased in line with FCF growth
- The Fraser Anti-Static Techniques acquisition was funded via debt

Growth Drivers



Organic growth

- 22% organic sales growth in 2022 (2021: 19% organic growth)

- Atik contributed 16% organic growth. Growth in other businesses was 9%.
  - Atik sales in FY23 expected to be lower than in FY22, based on confirmed PCR orders only
  - Good prospects of leveraging its position across other life science applications

M&A

Background

- Between 1 and 4 acquisitions made each year since 2014 and portfolio of operating businesses has grown from 2 to 14 (net of mergers)
- Early acquisitions funded by share placing now using internally generated cash and bank debt

Acquisition Criteria

- Scientific and technical instrumentation with a manufacturing bias
- Profitable and cash generative
- Strong track record
- Available at a fair price
- Our track record of friendly integration of acquired businesses is a key asset

Current Status

- Acquired 2 businesses this financial year – LTE Scientific and Fraser Anti-Static Techniques
- Acquisition pipeline is strong

LTE Scientific

Sensors and Controls

Background and Operations

Acquired in August 2022. Specialises in the design and manufacture of sterilizers, decontamination and thermal processing equipment, used in the life science and medical market sectors.

A leading UK manufacturer of autoclave sterilizers, which sterilize objects placed in a pressure vessel by injecting steam under pressure at temperatures ranging typically from 105˚C to 137˚C. These are used in laboratories and hospitals.

Other manufactured products include environmental rooms and chambers, endoscope storage cabinets, laboratory ovens, incubators and drying cabinets.

Based within a 44,000 sq ft freehold building in Greenfield, Greater Manchester. Managed by John Lees, who has been Managing Director for the past 25 years and continues to lead the business. Approximately 70 staff.

For the year ended 31 December 2021, revenues of c£6.4 million, EBIT of £0.4 million and statutory profit before tax of £0.4 million (all audited).

Fraser Anti-Static Techniques

Sensors and Controls

Background and Operations

Acquired in October 2022. A leading UK manufacturer of anti-static products which eliminate, clean, generate or measure static electricity in a variety of industries including plastics, packaging, printing, food processing, medical and pharma amongst others.

Operates across three freehold sites in Bampton, Devon and a R&D building in Bristol, covering in total 24,500 sq ft and has approximately 47 employees. Sales offices in Shanghai, China and Dresden, Germany.

Bruce Clothier, who has been CEO for the last seven years, has stayed on to lead the business. Bob Fraser, who founded the business in 1991, will stay on as a consultant.

For year ended 30 November 2021, revenues of c.£7.4m, adjusted EBIT of £1.6m (adjusted to reflect Fraser's ongoing cost base with the Group) and statutory profit before tax of £1.87m.

Operations

We continue to invest across the Group in facility improvement and expansion, capital equipment, R&D, marketing and people, to enable and accelerate organic growth

Examples include:

- Building refurbishment continues at Graticules Optics, part of a rolling programme across the Group driven by commercial opportunities
- Continuing to invest in developing our range of products across the business
- Recruitment pressures have eased at some, but not all of our business
- The hiring of new marketing talent has led to some companies improving their websites. We have seen some uptick in enquiries as a result

The acquisition of LTE Scientific has increased synergistic opportunities with other members of the Group, in particular with Monmouth and Safelab Systems. This is being actively explored

Supply chain issues have been challenging across the Group and our agile local management has been working hard to secure availability of supplies. Increased costs have also been passed to customers where possible. Staff turnover remains low, but vacancies can be difficult to fill

Trade shows and exhibition attendance have restarted and our businesses have attended ACHEMA (Berlin), Analytica (Munich) and VISION (Stuttgart)

Outlook

- We will continue to invest in our existing portfolio of companies to drive organic growth

- The Group continues to look for complementary acquisitions fitting our criteria

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