

COBHAM

**Update for the six months ended
30 June 2024**

September 2024

AI Convoy (Luxembourg) S.à r.l.

Introduction

AI Convoy (Luxembourg) S.à r.l. (the **Company**) presents this half-year update in relation to the operations of the Company and its subsidiaries (the **Group**).

The update covers some of the highlights of the first half of 2024 including details of the Group's performance and other major developments across the Group.

Performance update

On an overall basis, the Group's performance in H1 2024 was consistent with last year, with resilient end-markets across defence, space and commercial aerospace. The growth outlook continues to be supported by good customer relationships, strong operational track records across the business and robust demand for our products.

Our CAES advanced radio frequency business saw double digit growth in H1 in both revenue and EBITDA and maintains its strong outlook for growth with an excellent pipeline. Our Cobham Satcom business underperformed budget in H1 due to headwinds in key Maritime product sales.

Investments in net working capital as a result of programme and delivery phasing meant that operating cash generation in the first half of 2024 was negative, but this is typical in the aerospace and defence industries. Cash generation plans through Q3 and Q4 2023 have been secured in order to optimise cash flow through to the end of the year. Meanwhile, the Group has continued to secure its long-term future through investment in R&D and high-tech manufacturing assets.

Corporate transactions

Business disposals

As reported previously, the Group entered into a memorandum of understanding on 12 July 2023 with Thales SA ("Thales") to sell Cobham Aerospace Communications to Thales for approximately USD 1.1bn. Completion of the transaction occurred on 2 April 2024.

On 19 June 2024 the Group entered into an agreement with Honeywell International Inc ("Honeywell") to sell the CAES business to Honeywell for approximately USD 1.9bn. The closing of the transaction took place on 30 August 2024.