

Chair's statement

Strategic actions beginning to unlock the full potential of Oxford Instruments



"This has been an excellent year for Oxford Instruments, with strong financial results and significant early progress on the delivery of our strategy."

NEIL CARSON
Chair

It has been a year of positive progress at Oxford Instruments, culminating in an excellent set of results which underline our confidence in the mid-term outcomes set out in last year's strategic update (and in Richard's review on page 12).

A year on, we have streamlined our divisional structure, begun our operational transformation and completed our regional pivot, reducing our exposure in China, while continuing to focus on our core strengths. Through these actions, we are creating a simpler, sharper and more commercially focused organisation, to put ourselves in the best possible shape to fulfil our strong potential. The revenue, profit and margin growth we have achieved demonstrate that we are heading in the right direction.

Our business is driven by supporting academic research and the development of new applications and products, accelerating our customers' progress in our chosen structural growth markets. We anticipate global drivers, connecting academic and commercial researchers, and acting as a catalyst to unlock real world progress. Our unique position provides us with valuable resilience from the usual macro market cyclicality, as we help customers globally to fulfil the ever-present need to innovate.

Over the coming year, we will continue to focus on reshaping Oxford Instruments and deploying our capital on the most value-creating areas of the business, in pursuit of improved outcomes for all our stakeholders.

Our people delivering positive change

I have been impressed with the way teams around the business have embraced our strategic priorities, immediately getting under way with delivery in pursuit of our ambitions. I was pleased to be able to join part of the strategy-focused Leadership conference held last September and hear at first hand some of the plans that were taking shape, many of which have already come to fruition. Our new ways of working, set out on page 61, have proven to be a strong set of guiding principles for teams and individuals as they work to make Oxford Instruments a more customer-led, commercially focused business, and are becoming part of the everyday language of Oxford Instruments, as intended.

Chair's statement continued

I would like to take this opportunity to thank all our employees around the world for their contribution to an excellent set of results. On behalf of the Board, I also wish a warm welcome to new colleagues at our newly acquired business FemtoTools in Zurich, who joined us formally at the end of June 2024. FemtoTools is now fully integrated with Imaging & Analysis, addressing new customers and new markets as part of Oxford Instruments.

Sustainability

This has been a milestone year on our sustainability journey, with the approval of our ambitious science-based net zero plans by the Science Based Targets initiative (SBTi) and the publication of our net zero transition plan, which sets out how we will reach net zero in Scopes 1 and 2 by 2030, and across all three scopes by 2045.

Board changes in the year

It is my pleasure, on behalf of my fellow Directors, to welcome two new members to the Board this year. Paul Fry joined Oxford Instruments in January and took up the roles of Chief Financial Officer and Executive Director on 1 April 2025. Paul brings a wealth of highly relevant experience in business transformation, most recently as CFO at Argenta Group, and previously at Vectura plc, and is already demonstrating the value he will bring to the organisation as he partners with Richard Tyson to drive the company forward and unlock its full potential. We also welcomed Rowena Innocent, who joined us as a Non-Executive Director on 17 February 2025. Rowena holds a number of academic and advisory posts in addition to her role as consultant at AcoustoFab Ltd, and with more than 30 years' experience in high-tech product design and manufacturing, her deep technical understanding and commercial acumen will be an asset to our Board.

I would like to offer our sincere best wishes to Gavin Hill, who stepped down as Chief Financial Officer and Executive Director at the end of the financial year (31 March 2025), and who will leave Oxford Instruments this month.

Gavin has made a very significant contribution to Oxford Instruments over the past nine years, and has been a strong steward of the company's finances throughout his tenure, shaping our growth and building the foundations for ongoing success. We wish Gavin every happiness and success in the future.

Our thanks and best wishes also go to Mary Waldner, who stepped down as Non-Executive Director in February 2025, after nine years of sterling service to the Board, and to Reshma Ramachandran, who stepped down in July 2024 due to her executive role limiting the time available to commit to Oxford Instruments.

Parting ways with NanoScience

This week marks an important moment for Oxford Instruments, with the sale of our quantum-focused business NanoScience. For Oxford Instruments, the decision is consistent with our focus on our three core markets: materials analysis, semiconductor, and healthcare and life science. It aligns with our strategy to focus and invest in the best areas of opportunity to create value for shareholders, and supports progress towards our medium-term margin targets.

For NanoScience, the new owners Quantum Design's desire to lead the business through the next stage of its journey is a testament to its talented team and excellent technology. I wish our departing colleagues every success in the future.

I also want to acknowledge NanoScience's direct connection to the groundbreaking work begun by our founders, Sir Martin and Lady Audrey Wood, with its long history of making advances in low-temperature physics and magnet technology. We will continue to celebrate the vital role of the Woods in our success and carry their innovative ethos with us into the future.

Dividend

In line with our progressive dividend policy and strong trading performance in the year, the Board is proposing a final dividend of 17.1p per share (2024: 15.9p), which is subject to approval at the AGM on 28 July 2025.



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Looking ahead

In common with all businesses, we are operating in a very complex and fast-moving environment. The world order is shifting, the climate is changing, and rapid and consequential technological advances are taking place – many of them helped along by Oxford Instruments, as we set out in this report. Coping with a constantly changing world requires real agility and resilience, qualities which the people of Oxford Instruments have in abundance.

If recent months and years are any guide, we and others may face unpredictable geopolitical and macroeconomic events through the coming year – but our purpose and strategy give us real clarity as we move forward, and whatever lies ahead on the world stage, there is much positive progress within our own control as we look to the year ahead. I have every confidence that our excellent team will address the coming year with their characteristic innovative and agile spirit, and look forward to reporting on our progress in 12 months' time.

NEIL CARSON
Chair

12 June 2025