

20 March 2024

LPA GROUP PLC

("LPA", the "Company" or the "Group")

Trading Update

LPA Group plc, the innovation-led engineering specialist in electronic and electro-mechanical components and systems, provides a trading update for the years ending 30 September 2024 and 30 September 2025. The Company has received revised schedules for delivery to customer for three of its rail contracts currently in production. The rail products are for UK and EU end customers. The revised delivery schedules have resulted in changes to management expectations as follows.

For the current financial year ending 30 September 2024, full year Group revenues are expected to reduce by c.£1.5m to c.£24.7m. This would result in full year adjusted PBT, and reported PBT, reducing to breakeven. For the financial year ending 30 September 2025, revenues and earnings are also expected to be impacted, and revised FY25 guidance will be provided in due course.

Despite this revised schedule, which is out of the Group's control, we remain focused on delivering against our long-term growth strategy. As the picture develops further we will review and update accordingly.

Paul Curtis, CEO of LPA Group, commented:

"This change to schedules on contracted orders further reiterates the need to rebalance the business to a more even split between standard products vs bespoke projects, and the growing of our other marketplaces outside of rail. We are pleased to report that our aviation sales are trading strongly and that the recent acquisition of RedBox International is proving positive and on schedule to be fully integrated into our Saffron Walden site over the coming months. We are fully committed to delivering a more robust business and will work through these challenges."

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About LPA

LPA Group plc (AIM: LPA) is an innovation-led engineering specialist in electronic and electro-mechanical components and systems.

Focused on transport (rail and aviation), defence, infrastructure and industrial markets and supplying into hostile and challenging environments, LPA is known for engineering solutions to improve product reliability, reducing maintenance and life cycle costs.

The Group has three sites across the UK, selling to customers in the UK and overseas. Two of these are design and manufacturing sites: LPA Connection Systems - electro-mechanical systems for rail, aviation and industrial, and LPA Lighting Systems - LED lighting and electronic systems for rail and infrastructure. The third site is LPA Channel Electric - a value added distributor of engineered components for rail, aerospace, and defence.

With over 160 years of UK design and manufacture, and with origins in the first ever light installed in 'Electric Avenue', Brixton; innovation is core to LPA and to the products and services supplied to our customers worldwide.

For more information visit www.lpa-group.com

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.