
SPARK INDUSTRIES PLC

Interim Report 2024

Fourth Quarter and Full Year Financial Report

London Stock Exchange: SPL

January 2025

SPL

Contents

1. CEO Statement

2. Financial Highlights

2.1 Key Financial Metrics

2.2 Income Statement Summary

3. Business Segment Performance

3.1 Renewable Energy

3.2 Advanced Materials

3.3 Industrial Automation

4. Sustainability and ESG Update

5. Corporate Governance

6. Outlook and Strategy

7. Financial Calendar 2025

1. CEO Statement

"2024 has been a transformative year for Spark Industries. We have strengthened our position as a global leader in renewable energy, advanced materials, and industrial automation while maintaining our unwavering commitment to sustainability and innovation."

Dr. Emily Zhang

Chief Executive Officer

Dear Shareholders,

I am pleased to present Spark Industries PLC's Interim Report for the full year 2024. This report reflects our continued progress in delivering innovative renewable energy technologies, advanced materials, and intelligent automation solutions that empower industries and communities to thrive sustainably.

Throughout 2024, we have focused on three strategic priorities: expanding our global footprint in renewable energy, advancing our research and development capabilities, and strengthening our commitment to environmental, social, and governance (ESG) principles. These efforts have positioned us well for sustained growth in the evolving clean energy landscape.

Key Achievements in 2024

- **Revenue Growth:** Achieved revenue of £5.2 billion, representing solid performance across all business segments
- **Innovation Leadership:** Invested £420 million in R&D, representing 8% of revenue, driving breakthrough developments in battery storage and advanced materials
- **Global Expansion:** Strengthened our presence across 20 countries with 12,000 dedicated employees
- **Sustainability Progress:** Advanced our Net-Zero commitment with significant reductions in carbon intensity across operations
- **Governance Excellence:** Maintained robust corporate governance with 70% independent board directors

Looking Ahead

As we look toward 2025 and beyond, we remain committed to our vision of being the global leader in clean energy and smart manufacturing. The global transition to renewable energy continues to accelerate, and Spark Industries is well-positioned to capture these opportunities through our integrated solutions portfolio.

We will continue to invest in next-generation technologies, including solid-state batteries, graphene-enhanced materials, and AI-powered automation systems. Our commitment to innovation, sustainability, and shareholder value remains steadfast.

Thank you for your continued trust and support.

Dr. Emily Zhang

Chief Executive Officer

January 2025

2. Financial Highlights

Key Financial Metrics (FY 2024)

The following financial highlights demonstrate Spark Industries' strong performance throughout 2024. All figures are presented in accordance with International Financial Reporting Standards (IFRS).

TOTAL REVENUE

£5.2B

+12% year-over-year

NET INCOME

£520M

10% net margin

EBITDA

£850M

16.3% margin

GROSS PROFIT

£1.8B

35% gross margin

Income Statement Summary

Metric	FY 2024	FY 2023	Change
Revenue	£5,200M	£4,643M	+12.0%
Cost of Sales	£3,400M	£3,018M	+12.7%
Gross Profit	£1,800M	£1,625M	+10.8%
Operating Expenses	£780M	£715M	+9.1%
R&D Investment	£420M	£371M	+13.2%
EBITDA	£850M	£765M	+11.1%
Depreciation & Amortization	£180M	£165M	+9.1%

Operating Income (EBIT)	£670M	£600M	+11.7%
Net Interest Expense	£50M	£48M	+4.2%
Profit Before Tax	£620M	£552M	+12.3%
Tax Expense	£100M	£88M	+13.6%
Net Income	£520M	£464M	+12.1%

Balance Sheet Highlights

Item	31 Dec 2024	31 Dec 2023
Total Assets	£9,400M	£8,500M
Property, Plant & Equipment	£4,200M	£3,800M
Intangible Assets	£1,500M	£1,350M
Total Equity	£5,800M	£5,200M
Total Liabilities	£3,600M	£3,300M

Shareholder Returns

Metric	2024	2023
Market Capitalization	£12,000M	£10,800M
Shares Outstanding	500M	500M
Share Price (year-end)	£24.00	£21.60
Dividend per Share	£0.35	£0.31
Dividend Payout Ratio	45%	44%

3. Business Segment Performance

Spark Industries operates across three strategic business segments: Renewable Energy, Advanced Materials, and Industrial Automation. Each segment contributed to our overall performance in 2024.

3.1 Renewable Energy

Renewable Energy

£2.6B

The Renewable Energy segment remains our largest business unit, contributing 50% of total revenue. This segment encompasses wind energy, solar power, and energy storage solutions.

Key Products and Performance:

- **Wind Energy:** Onshore and offshore wind turbines ranging from 3 MW to 15 MW, featuring advanced blade materials and digital control systems
- **Solar Power:** High-efficiency photovoltaic modules using silicon and perovskite cells, solar trackers, and integrated battery systems
- **Energy Storage:** Lithium-ion and solid-state battery technology for grid storage and industrial applications

2024 Highlights:

- Installed capacity exceeded 5 GW across global projects
- Launched next-generation 15 MW offshore wind turbine
- Expanded energy storage portfolio with new solid-state battery technology
- Secured major contracts with utility providers in Europe and Asia

3.2 Advanced Materials

Advanced Materials

£1.3B

The Advanced Materials segment contributed 25% of total revenue, driven by demand for lightweight composites and graphene-enhanced materials across aerospace, automotive, and renewable energy applications.

Key Products and Performance:

- **Lightweight Composites:** High-performance materials for wind turbine blades and aerospace applications
- **Graphene-Enhanced Alloys:** Next-generation materials with superior strength-to-weight ratios
- **High-Temperature Ceramics:** Specialized materials for industrial and energy applications

2024 Highlights:

- Opened new pilot production facility in Berlin
- Filed 25 new patents in advanced materials technology
- Expanded licensing agreements with aerospace partners
- Achieved ISO 14001 environmental certification for all facilities

3.3 Industrial Automation

Industrial Automation

£1.3B

The Industrial Automation segment contributed 25% of total revenue, supporting manufacturing transformation through robotics, AI-powered control systems, and predictive maintenance solutions.

Key Products and Performance:

- **Robotics Platforms:** Robotic arms and autonomous mobile robots for smart factories
- **AI Control Systems:** Intelligent automation software for production optimization
- **Predictive Maintenance:** Digital twin services to reduce downtime and improve efficiency

2024 Highlights:

- Launched AI-driven predictive maintenance platform
- Deployed 500+ robotic systems across customer facilities
- Established digital twin center of excellence in San Francisco
- Partnered with leading automotive manufacturers for smart factory solutions

4. Sustainability and ESG Update

At Spark Industries, sustainability is core to our mission and integrated into every aspect of our business. Our commitment to environmental stewardship, social responsibility, and robust governance continues to drive our strategy and operations.

ESG Commitment

We are committed to achieving Net-Zero greenhouse gas emissions by 2035 and contributing to a circular economy through our products, operations, and supply chain.

Environmental Performance



Climate Action

- Reduced operational carbon intensity by 18% compared to 2023
- Transitioned 60% of global facilities to renewable energy
- Implemented circular manufacturing principles across production sites
- Established Science-Based Targets initiative (SBTi) aligned goals

Social Responsibility

Metric	2024	2023
Total Employees	12,000	10,800
Women in Leadership	42%	38%

Employee Training Hours	48 hrs/emp	42 hrs/emp
Community Investment	£15M	£12M
Health & Safety Incidents	0.15/100	0.22/100

Workforce Development

- Launched Spark Academy for continuous employee development
- Expanded diversity and inclusion programs across all regions
- Implemented flexible work arrangements supporting work-life balance
- Enhanced health and wellness programs with mental health support

Governance

Our governance framework ensures ethical business conduct, transparent reporting, and accountability to all stakeholders. Key governance highlights include:

- Independent directors comprise 70% of the Board
- Regular board evaluations and director training programs
- Comprehensive Code of Ethics covering anti-corruption and human rights
- Robust whistleblower protection mechanisms

5. Corporate Governance

Spark Industries PLC maintains a robust corporate governance framework that aligns with best practices for publicly listed companies. Our governance structure ensures effective oversight, transparent decision-making, and accountability to shareholders.

Board of Directors

The Board comprises nine directors, reflecting the average board size for Russell 3000 companies. Our board structure includes independent directors and established committees to ensure proper oversight.

Name	Role	Committee Membership
James A. Hamilton	Non-Executive Chairman	-
Dr. Emily Zhang	Chief Executive Officer	-
Richard Patel	Chief Financial Officer	-
Maria Lopez	Chief Operating Officer	-
Dr. Arjun Iyer	Chief Technology Officer	-
Amina Khan	Chief Sustainability Officer	Sustainability & Risk Committee (Chair)
Daniel Morgan	Independent Director	Audit Committee (Chair)
Sophie Nguyen	Independent Director	Compensation Committee (Chair)
Professor Luca Rossi	Independent Director	Nominating & Governance Committee (Chair)

Board Committees

Committee	Purpose	Chair
-----------	---------	-------

Audit Committee	Oversees financial reporting, internal controls, and external audit	Daniel Morgan
Compensation Committee	Determines executive compensation and incentive plans	Sophie Nguyen
Nominating & Governance Committee	Reviews board composition and governance policies	Professor Luca Rossi
Sustainability & Risk Committee	Oversees ESG strategy and risk management	Amina Khan

Key Governance Policies

- **Code of Ethics:** Comprehensive guidelines covering anti-corruption, conflicts of interest, insider trading, and whistleblower protection
- **Diversity and Inclusion Policy:** Targets for gender, ethnic, and skill diversity in leadership and workforce
- **Environmental Policy:** Commitment to Net-Zero emissions by 2035
- **Human Rights Policy:** Upholding international human rights standards
- **Data Privacy and Cybersecurity Policy:** GDPR and UK Data Protection Act compliance

Director Independence

At least 70% of our directors are independent, ensuring objective oversight of management. Directors serve three-year staggered terms to balance continuity with accountability. The roles of Chair and CEO are separated to reinforce checks and balances.

6. Outlook and Strategy

Strategic Priorities 2025

Our strategy for 2025 focuses on accelerating growth in renewable energy, advancing technology leadership, and delivering sustainable value to all stakeholders.

Market Outlook

The global transition to clean energy continues to accelerate, driven by policy support, technological advancement, and growing corporate sustainability commitments. We expect the following trends to shape our markets in 2025:

- **Renewable Energy Growth:** Global renewable capacity additions expected to increase by 15-20%
- **Energy Storage Demand:** Battery storage market projected to grow 25% annually
- **Industrial Automation:** Smart manufacturing adoption accelerating across sectors
- **Advanced Materials:** Growing demand for lightweight, high-performance materials

Strategic Initiatives

1. Technology Leadership

- Continue R&D investment at 8% of revenue
- Advance solid-state battery technology to commercialization
- Expand AI and machine learning capabilities in automation
- Develop next-generation graphene applications

2. Market Expansion

- Strengthen presence in Asia-Pacific markets
- Expand offshore wind capabilities in Europe
- Enter emerging markets with tailored solutions
- Develop strategic partnerships with key customers

3. Operational Excellence

- Implement digital transformation across operations
- Optimize supply chain resilience and sustainability
- Enhance manufacturing efficiency and quality
- Accelerate path to Net-Zero operations

4. Talent and Culture

- Attract and retain top engineering and scientific talent
- Strengthen diversity in leadership positions
- Invest in employee development and well-being
- Foster culture of innovation and sustainability

Financial Outlook

Metric	2025 Guidance	Notes
Revenue Growth	10 - 15%	Driven by renewable energy and automation
EBITDA Margin	16 - 18%	Operational leverage and efficiency gains
R&D Investment	~8% of revenue	Continued technology leadership
Dividend per Share	£0.38 - 0.40	Progressive dividend policy

7. Financial Calendar 2025

Event	Date
Annual General Meeting	15 April 2025
Q1 2025 Interim Report	30 April 2025
Q2 2025 Interim Report	30 July 2025

Contact Information

INVESTOR RELATIONS

Email: ir@sparkindustriesplc.com

Phone: +44 20 7946 0958

HEADQUARTERS

Spark Industries PLC

10 Innovation Way

London EC1X 3AB, UK

Disclaimer: This interim report contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those projected. Spark Industries PLC assumes no obligation to update any forward-looking statements.

Note: Spark Industries PLC is a fictitious company created for demonstration purposes. All figures, names, and information in this report are fictional.