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Rotork PLC

05 August 2025

Tuesday 5 August 2025



Rotork plc

2025 Interim results

Growth+ drives order intake, full year expectations unchanged

Adjusted highlights	H1 2025	H1 2024	% change	OCC ² % change
Order intake	£391.1m	£374.4m	+4.5%	+6.3%
Revenue	£367.3m	£361.4m	+1.6%	+3.3%
Adjusted ¹ operating profit	£80.8m	£76.5m	+5.7%	+10.1%
Adjusted ¹ operating margin	22.0%	21.2%	+80bps	+140bps
Adjusted ¹ basic earnings per share	7.1p	6.9p	+3.5%	+7.7%
Cash conversion ³	89%	106%		

Reported highlights	H1 2025	H1 2024	% change
Revenue	£367.3m	£361.4m	+1.6%
Operating profit	£64.7m	£66.9m	-3.1%
Operating margin	17.6%	18.5%	-90bps
Profit before tax	£65.1m	£69.7m	-6.6%
Basic earnings per share	5.7p	6.0p	-5.8%
Interim dividend	2.95p	2.75p	+7.3%

Summary

- Good H1 order intake despite a volatile macro backdrop, with 6.3% OCC growth year-on-year (YoY). All divisions experienced good order growth in H1, as a result of our Growth+ strategy
- Sales increased by 3.3% OCC YoY. The H1 book-to-bill⁴ ratio was 1.06x (2024: 1.04x), with an expected second half phasing of deliveries
- Adjusted operating profit grew 10.1% OCC YoY, with the adjusted operating margin at 22.0%, supported by Target Segment growth, mix and operational efficiencies
- ROCE³ of 37.0% (2024: 36.9%) remained at a high level, reflecting strong margins and a disciplined approach to capital allocation. The acquisition of Noah was completed and £22m was returned to shareholders via a share buyback (£30m by the end of July)
- The Board has declared an interim dividend of 2.95 pence per share (7.3% YoY growth) and we expect to complete the remaining portion of the buyback by the end of the year

Kiet Huynh, Chief Executive, commenting on the results, said:

"We're pleased to see good first-half order growth across all divisions, underpinned by our Growth+ strategy. There was a particularly strong order performance in Water & Power driven by the Target Segment focus on markets such as water infrastructure and treatment. Sales momentum accelerated during the period and we are confident of further growth in the second half, supported by order-book

visibility and our project pipeline.

The Group continues to benefit from our strategic focus, business model and the dedication of our people. Growth+ is driving results, with Target Segment sales up 7% and Rotork Service growing ahead of the group, now contributing 23% of Group revenues. With a strong balance sheet, we're confident that we will continue to grow shareholder returns and can pursue value-accretive opportunities through bolt-on M&A and share buybacks.

Looking ahead, our full year expectations are unchanged and we continue to anticipate 2025 to be another year of progress on an OCC basis."

¹ Adjusted³ figures exclude the amortisation of acquired intangible assets and other adjustments (see note 2).

² OCC³ is organic constant currency results which exclude acquired businesses and are restated at 2025 H1 average exchange rates.

³ Adjusted figures, organic constant currency ('OCC') figures, cash conversion and ROCE are alternative performance measures and are used consistently throughout these results. They are defined in full and reconciled to the reported measures in note 2.

⁴ Book-to-bill ratio (BtB) is calculated as orders received in the period divided by revenue in the period.

Rotork plc
Kiet Huynh, Chief Executive Officer
Ben Peacock, Chief Financial Officer
Alex Toms, Investor Relations Director

Tel: +44 (0)1225 733 200

FTI Consulting
Nick Hasell
Susanne Yule

Tel: + 44 (0)20 3727 1340

There will be a virtual presentation for analysts and institutional investors at 8.00am BST today with access via <https://www.investis-live.com/rotork/68557556d645df000ef79a14/vdes>. Please join the webcast a few minutes before 8.00am to complete registration.

Summary

H1 results overview

Group order intake increased by 4.5% YoY (6.3% higher on an OCC basis) to £391.1m, with a book-to-bill ratio of 1.06x (2024: 1.04x). All divisions reported good OCC order intake growth with the strongest growth in Water & Power and solid growth in Oil & Gas and Chemical, Process & Industrial (CPI).

Group revenue increased 1.6% compared to the prior year to £367.3m (3.3% higher OCC). Underlying market trends remained unchanged with stronger revenue momentum towards the end of the half due to delivery phasing and the 2024 sales comparator (H1 2024 OCC sales growth 11.6%). NOAH Actuation Co., Ltd. ('Noah'), acquired in March 2025, delivered a good initial performance, contributing 1.2% to total sales. This was in line with our business plan, primarily contributing to CPI and Water & Power. FX was a -2.8% headwind to revenues.

The Target Segment pillar of our strategy continued to deliver strong results, with H1 Target Segment revenue growth of 7% OCC. Within the divisions, Water & Power saw the strongest sales performance (8.6% OCC) helped by underlying water market growth in several geographies and our Target Segment approach in water infrastructure and treatment, and alternative energy. Power markets were also strong. Oil & Gas delivered modest growth of 2.3% OCC, with strong growth in upstream revenues (electrification), weaker midstream markets despite good growth in LNG and stable downstream sales. CPI sales were broadly flat YoY on an OCC basis (+0.3% OCC), reflecting good performance in mining and marine markets, but weaker trends in chemical markets.

From a regional perspective, APAC was the fastest-growing area, delivering mid to high single-digit OCC sales growth, driven primarily by a strong performance in Water & Power. EMEA recorded modest OCC growth, supported by solid Oil & Gas activity, though partially offset by softer CPI sales. In the Americas, sales were flat year-on-year, with strength in CPI counterbalanced by weaker trends in Oil & Gas.

Rotork Service, a key differentiator in our industry, reported another good trading performance, growing faster than the broader Group. For the period, it reached 23% of Group sales (22% in H1 2024) with good growth in Europe, India and the Middle East.

Adjusted operating profit reached £80.8m with an adjusted operating margin of 22.0%, up 80 bps YoY. The strong margin performance was primarily driven by the Oil & Gas segment, where margins improved to 25.8%, supported by strong Target Segment growth, product mix and operational efficiencies. CPI's reported margin was down slightly compared to the previous year (up 80bps on an OCC basis), whereas Water & Power saw softer margins driven by an unfavourable shift in mix and higher levels of investment.

Adjusted EPS of 7.1p rose 3.5% YoY on a reported basis, supported by strong underlying operating profit growth, partially offset by FX headwinds and lower net finance income following the acquisition of Noah and the share buyback. Reported basic earnings per share was 5.7p (2024: 6.0p), a decrease of 5.8% driven by lower net finance income of £0.4m (2024: £2.8m) and increased adjusting items, including Business Transformation costs, of £16.1m (2024: £9.6m).

Cash conversion of 89% (2024: 106%) was lower YoY largely driven by increases in working capital to support delivery phasing. Business Transformation cash costs and capex were in line with our expectations. Net cash finished the period at £43.3m. ROCE of 37.0% (2024: 36.9%) remained at a high level.

Safety

In the first half of 2025, we recorded a Lost Time Injury Rate of 0.12, compared to 0.09 recorded in H1 2024. Our Total Recordable Injury Rate was 0.37 (FY 2024: 0.22, H1 2024: 0.19). The safety of our people remains our top priority. In response to our first half performance, we are re-doubling our efforts to ensure the health and wellbeing of all our employees.

Growth+ strategy update

Our Growth+ strategy is rooted in our core purpose, keeping the world flowing for future generations, and our vision to lead in intelligent flow control. The strategy reflects our commitment to sustainability and our contribution to a low-carbon future, while delivering advanced, intelligent systems that enhance safety, efficiency, and uptime for our customers.

Our financial ambition is to deliver mid to high single-digit revenue growth and adjusted operating margin in the mid-20% range over time. Our strategy is structured around three key pillars: Target Segments, Customer Value and Innovative Products & Services. All are underpinned by our mission to Enable a Sustainable Future, supporting both our customers' environmental goals and our own.

Within our **Target Segments**, we are focusing on areas with the highest-potential across all divisions, those best positioned to deliver above-market growth and attractive returns. Major industry trends such as automation, electrification and digitalisation are accelerating demand, and we are investing where these trends create the greatest impact. In the first half of the year, we delivered several key wins across our Target Segments, including:

- Oil & Gas - upstream electrification on a next generation fully electrified offshore gas platform in the North Sea, decarbonisation-related spend for a new LNG facility in the Middle East, and a midstream electrification project for a significant gas pipeline in the Americas
- CPI - cooling and related applications for datacentres in a number of regions, alternative energy and electrification retrofit and newbuild projects in marine, and local processing and refining projects in LATAM mining markets
- Water & Power - desalination wins in Australia, the Middle East and the Americas, project wins across multiple consortia in the TenneT programme in the North Sea, and a PFAS water treatment project in the US

The **Customer Value** strategic pillar ensures that our customers remain at the centre of everything we do. Our focus ranges from go-to-market improvements, strengthening our global supply chain, and elevating the overall customer experience. In May, Rotork became a member of the Rockwell Technology Partner Program, increasing our visibility and integration within their network. Our IQ3 Pro electric actuator with Ethernet connectivity is now included in Rockwell's product catalogue and system design tools, making it easier for engineers, EPCs and end users to discover and specify our products.

Within Rotork Service, we launched a series of new customer offerings, including our Reliability Services Quote Builder tool, which streamlines and personalises maintenance plan quotations. Internally, we rolled out our DNA initiative, a group-wide competency framework built on a number of key behaviours that will support our continued sustainable, connected and purposeful growth.

The third pillar, **Innovative Products & Services**, continues to gain strong momentum as we develop new offerings that drive growth and reinforce our position as a market leader. Our strategy prioritises electrified and connected solutions that align closely with our Target Segments and leverage the strengths of Rotork Service. Recent launches include the IQ3 Perform, providing a cost-effective entry into IQ3 ownership across selected markets, the PICO intelligent controller, and the rollout of Noah products across our broader sales network.

Capital allocation, dividend & share buyback

We have a clear and disciplined approach to capital allocation. Our priorities in order remain organic investment, a progressive dividend, acquisitions and shareholder returns. We have a track record of over 20 years of progressive dividend per share growth (excluding covid), have strengthened the Group through two acquisitions (Hanbay and Noah) since 2023 under the Growth+ strategy and returned £80m of excess cash to shareholders since the beginning of 2024 through share buybacks.

In H1 we continued to deploy capital to drive further value creation:

- The Board declared a 2025 interim dividend of 2.95p per ordinary share (7.3% growth YoY). The interim dividend will be paid on 22 September 2025 to ordinary shareholders on the register on 15 August 2025
- On 11 March 2025, we announced the acquisition of Noah for an enterprise value of £42m. Noah is a leading South Korean manufacturer of electric actuators, aligning with Rotork's end markets and key target segments, and broadens Rotork's geographical coverage in Asia Pacific
- The Group completed £22m of the £50m buyback announced at the FY 2024 results (£30m by the end of July). The ordinary shares purchased will be cancelled.

Rotork remains a highly cash-generative business, with considerable financial flexibility, and we are well positioned to pursue value-generating opportunities in line with our Growth+ strategy.

Board update

As announced on 1 August 2025, Karin Meurk-Harvey has advised the Board that she will step down as a director of Rotork with effect from the conclusion of the Company's next AGM on 1 May 2026.

Market update and outlook

The outlook for our end markets remains supportive. We are confident that our Growth+ strategy, focused on Target Segments, will enable us to drive growth above our broader end markets despite the current uncertain global environment.

We continue to see opportunities in Oil & Gas markets. Our Target Segment approach in upstream and midstream electrification, LNG, decarbonisation and high Service exposure should continue to be tailwinds for growth. We expect downstream markets (which represent the largest segment of the Oil & Gas division) to be stable and despite the more uncertain macro environment, the book-to-bill ratio remains positive.

CPI remains focused on pivoting between the growth opportunities in its end markets. Its broad end markets have experienced subdued demand over the last 24 months, due to the energy crisis in Europe and slow investment growth in China. However, we expect the division to continue to identify Target Segments in structural growth markets, with a focus on specialty chemicals (including pharmaceuticals), mining, critical HVAC and marine markets.

The outlook is positive for Water & Power. Stricter water regulations are expected to remain a key driver for the division supported by tightening compliance requirements, growing demand for advanced treatment technologies and favourable funding cycles. Additionally, we expect to benefit from rephasing of projects into H2, supportive power markets, and good momentum in Rotork Service.

Our full-year expectations are unchanged, and we continue to anticipate 2025 to be another year of progress on an OCC basis.

Divisional review

Oil & Gas

£m	H1 2025	H1 2024	Change	OCC ² Change
Revenue	£169.6m	£170.2m	-0.4%	+2.3%
Adjusted operating profit	£43.8m	£38.8m	+13.1%	+17.3%
Adjusted operating margin	25.8%	22.8%	+300bps	+330bps

Divisional revenue increased by 2.3% OCC YoY, with sales momentum gaining strength through the first half. Order intake outpaced sales resulting in a healthy book-to-bill ratio.

Upstream markets delivered good growth in H1, helped by strong growth in electrification related revenues. Electrification spend continues to see tailwinds as drilling and process equipment offerings expand, decarbonisation spend increases and customers look to improve process control and reliability. Midstream revenues were slightly down due to reduced spending in the US, despite good growth in LNG. Downstream markets were stable helped by solid demand for refined products and investments in operational efficiency.

Regionally, the division saw good growth in EMEA, helped by very strong upstream and midstream electrification growth. Markets in APAC were stable while the Americas declined, due to weaker demand in downstream markets.

Adjusted operating profit increased by 17.3% OCC to £43.8m. The margin increased to 25.8% helped by strong Target Segment growth, product mix, and operational efficiencies.

Chemical, Process & Industrial (CPI)

£m	H1 2025	H1 2024	Change	OCC ² Change
Revenue	£101.4m	£100.9m	+0.5%	+0.3%
Adjusted operating profit	£23.7m	£23.7m	-0.1%	+3.6%
Adjusted operating margin	23.4%	23.5%	-10bps	+80bps

CPI sales remained broadly flat in H1 on an OCC basis, with underlying momentum improving as the period progressed. Orders grew faster than sales, maintaining a healthy book-to-bill ratio heading into the second half. Noah made a good first contribution post-acquisition, adding 3.0% to divisional sales in H1.

Mining continued to perform well in the period driven by strong copper demand in South America and Indonesia. Marine demand was supported by investment in electrification and alternative fuels for both new projects and retrofits. In contrast, the chemical sector saw weaker growth, largely due to challenging YoY comparisons and a weak bulk chemical market. Datacentres recorded strong growth, and despite limited exposure, general industrial markets delivered solid results. The broad process market saw a modest decline.

On a regional basis, CPI recorded robust growth in the Americas. EMEA declined with lower sales in chemical and process markets in Europe. APAC grew helped by good performance in India.

Adjusted operating profit of £23.7m was broadly flat YoY, with a margin of 23.4%. The solid underlying performance (OCC margins up 80bps) was offset by FX and the initial integration of Noah.

Water & Power

£m	H1 2025	H1 2024	Change	OCC ² Change
Revenue	£96.3m	£90.3m	+6.7%	+8.6%
Adjusted operating profit	£24.5m	£24.3m	+0.6%	+4.2%
Adjusted operating margin	25.4%	26.9%	-150bps	-110bps

Divisional sales increased by 8.6% on an OCC basis, showing consistent growth throughout the period and maintaining a favourable book-to-bill ratio.

Water & Power saw robust demand in water infrastructure and treatment markets, with good growth in several regions. Alternative energy markets (including nuclear, hydro and solar) also saw strong growth, helped by wins in the HVDC market. Power markets also delivered good growth, driven by strong performance in the gas power segment (US, Middle East and China) and traditional generation markets.

Across regions, Water & Power posted strong results in APAC, with notable success in desalination, alternative energy and treatment projects. In the Americas, sales were broadly flat YoY but EMEA grew helped by strength in core gas power markets.

Adjusted operating profit of £24.5m was higher YoY on an OCC basis. Despite operating leverage on higher volumes, mix effects and higher investment resulted in the adjusted operating margin declining YoY.

By order of the Board

Kiet Huynh
Chief Executive
4 August 2025

Financial review

Financial Key Performance Indicators (KPIs)

	H1 2025	H1 2024	FY 2024
Revenue growth	1.6%	8.0%	4.9%
Adjusted operating margin	22.0%	21.2%	23.6%
Cash conversion	89%	106%	119%
Return on capital employed	37.0%	36.9%	37.3%
Adjusted EPS growth	3.5%	18.0%	8.7%

The KPIs are defined below:

- Revenue growth is defined as the increase in revenue divided by comparative period revenue
- Adjusted operating margin is defined as adjusted operating profit as a percentage of revenue (note 2a)
- Cash conversion is defined as cash generated from operations (note 12) as a percentage of adjusted operating profit (note 2i)
- Return on capital employed is defined as adjusted operating profit as a percentage of average capital employed. Capital employed is defined as net assets less net cash (cash and short-term deposits less interest-bearing loans and borrowings) and less the pension fund liability net of related deferred tax asset (note 2f)
- Adjusted EPS growth is defined as the increase in adjusted basic EPS (based on adjusted profit after tax) divided by the comparative period adjusted basic EPS (note 2c).

Adjusted earnings reconciliation

£m	H1 2025 Reported results	Amortisation of acquired intangibles	Business Transformation costs	Other costs	H1 2025 Adjusted results	H1 2024 Adjusted results
Operating profit	64.7	1.4	12.6	2.1	80.8	76.5
Profit before tax	65.1	1.4	12.6	2.1	81.2	79.3
Tax	(16.5)	(0.4)	(3.1)	(0.5)	(20.5)	(20.1)
Profit after tax	48.6	1.0	9.5	1.6	60.7	59.2

The table above shows the adjustments between the reported results for the significant non-cash and other adjusting items and the adjusted results. Note 2 of the interim financial statements sets out the alternative performance measures used by the Group and how these reconcile to the reported results. Further details of the adjusting items are provided in note 5.

Adjusting items

Adjusted profit measures are presented alongside reported results as we believe they provide a useful comparison of underlying business trends and performance from one period to the next. The Group believes alternative performance measures, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business.

The reported profit measures are adjusted to exclude amortisation of acquired intangibles, Business Transformation costs associated with the implementation of a new ERP system and integration with business processes, and other adjustments that are considered significant and where treatment as an adjusted item provides stakeholders with additional useful information to assess the trading performance of the Group on a consistent basis. Further details of adjusted items are provided in note 5.

Acquisition

On 12 March 2025, the Group completed the acquisition of 100% of the share capital of Noah for a total purchase consideration of £37.6m. Initial consideration of £35.6m was paid on completion, with a further deferred consideration of £2.0m recognised, with future payment contingent on certain performance conditions being met. Including cash acquired of £3.8m, the total cash outflow for current period acquisitions was £31.8m plus settlement of debt acquired of £8.0m. Further details are provided in note 4.

Cash generation

Cash generated from operations decreased 11.6% to £71.9m (2024: £81.3m) with the increase in adjusted operating profit offset against an increased working capital outflow to support growing revenues. The cash conversion of adjusted operating profit into operating cash was down YoY at 89% (2024: 106%).

Net cash generated from operating activities decreased 25.7% to £39.3m (2024: £52.9m), in line with the cash conversion noted above and adversely impacted by an increase in income taxes paid to £18.6m (2024: £17.1m) and an increase in the cash flow impact of adjusting items to £14.0m (2024: £7.9m).

Capital expenditure in the period was £5.5m (2024: £5.8m), excluding £0.3m in capitalised software (2024: £1.2m) and £2.3m in capitalised product development costs (2024: £1.7m). Our total Research and Development (R&D) cash spend was £6.7m which represented 1.8% of revenue (2024: £6.5m and 1.8% respectively).

As a result, free cash flow (refer to note 2j) in the period was an inflow of £29.3m (2024: £44.0m).

The other major cash outflows in the period were dividends to ordinary shareholders of £42.1m (2024: £39.9m), current period share buyback of £21.6m (2024: £18.1m) and completion of the Noah acquisition of £31.8m (2024: £nil) plus settlement of debt acquired of £8.0m (2024: £nil).

Balance sheet

The Group finished the period with a net cash position of £43.3m (December 2024: £125.3m). This includes cash and cash equivalents of £66.4m (December 2024: £150.0m) offset by lease liabilities of £23.1m (December 2024: £24.7m).

Net working capital in the balance sheet increased £5.0m since the year end, largely driven by inventories to support growing orderbook. In total, net working capital as a percentage of revenue was 26.4% compared with 25.1% in December 2024 and 26.4% in June 2024.

The Group maintains sufficient liquidity for ongoing operations including a £75m Revolving Credit Facility (RCF) which matures in December 2027. As at the end of the period, £nil was drawn under the RCF (December 2024: £nil).

Taxation

The estimated effective tax rate used for the year ending 31 December 2025 is 25.2% (2024 actual rate: 25.4%). Removing the impact of the adjusted items provides a more comparable measure and, on this basis, the adjusted effective tax rate is 25.2% (2024 actual rate: 25.2%).

Share buyback programme

The £50.0m share buyback programme that was announced on 11 March 2025 commenced during the period. By 30 June 2025 shares totalling £21.6m had been purchased and cancelled by the Group. Further details are provided in note 13.

Retirement benefits

The Group operates defined benefit pension schemes in the US and UK, the larger of which is in the UK. Both the schemes are closed to future accrual, with bulk annuities purchased in 2023 and 2024 to cover the UK scheme's pensioner liabilities. The IAS 19 funding position of the UK and US schemes reduced from a net deficit of £3.6m as at 31 December 2024 to a net deficit of £2.4m as at 30 June 2025.

Dividend

The Board has declared an interim dividend of 2.95p (H1 2024: 2.75p) per ordinary share. The interim dividend will be paid on 22 September 2025 to ordinary shareholders on the register at the close of business on 15 August 2025.

The last date for ordinary shareholders to elect for the Dividend Reinvestment Plan ('DRIP') is 1 September 2025. The Rotork DRIP is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.

Risk update

The Group has an established risk management process as part of the corporate governance framework set out in the 2024 Annual Report and Accounts. The principal risks and uncertainties facing our businesses are monitored on an ongoing basis in line with the 2024 Corporate Governance Code. The risk management process is described in detail on pages 68 to 77 of the 2024 Annual Report and Accounts. The Group's principal risks and uncertainties were reviewed by the Board and the Board have concluded that they remain applicable for the second half of the financial year. A more detailed description of the Group's principal risks and uncertainties is set out on pages 70 to 77 of the 2024 Annual Report and Accounts.

Whilst there has been no material change in the principal risks and uncertainties under review by the business since the risks were disclosed in the 2024 Annual Report and Accounts, geopolitical instability remains at an elevated level. The Group continues to monitor potential impacts and put in place mitigations to reduce the impact of those underlying risks. We also continue to respond to the external threat of increasingly sophisticated cyberattacks by investing in our cyber strategy.

We continue to monitor and review emerging risks and opportunities, as described in the 2024 Annual Report and Accounts on page 70. Emerging risks and opportunities are subject to uncertainty and can be difficult to quantify. Emerging risks and opportunities under review include those in relation to geopolitical events, technological, social, environmental, climate and sustainability risks.

Principal risks and uncertainties

- 1. Increased competition:** Increased competition on price, product or technological offering leading to a loss of sales globally or market share.
- 2. Geopolitical instability:** Increasing social and political instability results in disruption and increased protectionism in key geographic markets. Business disruption could impact our sales and might ultimately lead to a loss of assets located in the affected region.
- 3. Health & Safety:** The nature of Rotork's core business and geographical locations involves potential risks to the health and safety of our employees or other stakeholders.
- 4. Compliance with laws and regulations:** Failure of our people or third parties with whom we do business to comply with laws or regulations or to uphold our high ethical standards and values.
- 5. Climate commitments:** We do not deliver against our commitment to enable a sustainable future and Rotork is not recognised by our stakeholders as being part of the solution, leading to reputational damage.
- 6. People:** Our people are critical to delivering success and growth. An inability to attract, retain and develop key and diverse talent could mean we fail to successfully deliver our strategic goals.
- 7. Major in-field product failure:** Major in-field failure of a new or existing Rotork product potentially leading to a product recall, major on-site warranty programme or the loss of an existing or potential customer.
- 8. Supply chain disruption:** Supply chain disruption which may arise such as a tooling failure at a key supplier, logistics issues, severe weather events impacting key suppliers which would cause disruption to manufacturing at a Rotork factory.
- 9. Critical IT system failure and cybersecurity:** Failure to provide, maintain and update the systems and infrastructure required by the Rotork business. Failure to protect Rotork operations, sensitive or commercial data, technical specifications and financial information from cybercrime.
- 10. Business change management:** The delivery of our strategic initiatives relies upon our ability to deliver a series of key change programmes without causing business disruption or having a negative impact to our day-to-day operations.

Statement of Directors' Responsibilities

The directors confirm that, to the best of their knowledge, this condensed consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the United Kingdom, the interim financial statements give a true and fair view of the consolidated assets, liabilities, financial position and profit of the Company and its group companies taken as a whole, and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months, and any material changes in the related-party transactions described in the last annual report.

These interim financial statements and the interim management report are the responsibility of, and have been approved by, the directors. A list of the current directors can be found in the "About Us" section of the Rotork website: www.rotork.com.

By order of the Board

Kiet Huynh
Chief Executive
4 August 2025

Independent Review Report to Rotork plc

We have been engaged by Rotork plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income and expense, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Huw Brown

for and on behalf of KPMG LLP

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

4 August 2025

Condensed consolidated income statement

For the six months ended 30 June 2025

	Note	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Revenue	3	367.3	361.4	754.4
Cost of sales		(185.1)	(187.5)	(382.5)
Gross profit		182.2	173.9	371.9
Other income		0.3	0.5	1.8
Distribution costs		(3.0)	(3.1)	(6.7)
Administrative expenses		(114.6)	(104.3)	(230.9)
Other expenses		(0.2)	(0.1)	(0.2)
Operating profit	3	64.7	66.9	135.9
Finance income	6	4.0	3.7	7.3
Finance expense	6	(3.6)	(0.9)	(2.7)
Profit before tax		65.1	69.7	140.5
Income tax expense	7	(16.5)	(17.7)	(35.7)
Profit for the period		48.6	52.0	104.8
Attributable to:				
Owners of the parent		47.7	51.7	103.6
Non-controlling interests		0.9	0.3	1.2
		48.6	52.0	104.8

Basic earnings per share	9	5.7p	6.0p	12.1p
Diluted earnings per share	9	5.6p	6.0p	12.1p
Operating profit				
Adjustments to profit:		64.7	66.9	135.9
- Amortisation of acquired intangible assets	5	1.4	1.3	2.6
- Defined benefit scheme settlement loss	5	-	-	18.0
- Other adjustments	5	14.7	8.3	21.9
Adjusted operating profit	2, 3	80.8	76.5	178.4
Adjusted basic earnings per share	2, 9	7.1p	6.9p	15.9p
Adjusted diluted earnings per share	2, 9	7.0p	6.8p	15.8p

Condensed consolidated statement of comprehensive income

For the six months ended 30 June 2025

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Profit for the period	48.6	52.0	104.8
Other comprehensive income and expense			
<i>Items that may be subsequently reclassified to the income statement:</i>			
Foreign currency translation differences	(18.7)	(11.3)	(12.9)
Changes in fair value of cash flow hedges net of tax	0.5	0.3	(0.1)
	(18.2)	(11.0)	(13.0)
<i>Items that may not be subsequently reclassified to the income statement:</i>			
Actuarial gain/(loss) in pension scheme net of tax	1.0	-	0.6
Income and expenses recognised directly in equity	(17.2)	(11.0)	(12.4)
Total comprehensive income for the period	31.4	41.0	92.4
Attributable to:			
Owners of the parent	30.7	40.6	91.1
Non-controlling interests	0.7	0.4	1.3
	31.4	41.0	92.4

Condensed consolidated balance sheet

At 30 June 2025

	Note	30 June 2025 £m	30 June 2024 £m	31 Dec 2024 £m
Non-current assets				
Goodwill		240.2	224.4	224.8
Intangible assets		46.1	30.8	31.4
Property, plant and equipment		96.6	74.2	90.3
Derivative financial instruments		0.6	0.3	0.1
Defined benefit scheme surplus		-	12.8	-
Deferred tax assets		19.0	12.3	22.1
Total non-current assets		402.5	354.8	368.7
Current assets				

Inventories	10	88.4	93.9	83.4
Trade receivables		150.8	137.4	149.5
Current tax		4.8	4.4	4.2
Derivative financial instruments		2.4	1.0	0.9
Other receivables		30.3	25.3	23.8
Cash and short-term deposits		67.1	131.2	150.0
Total current assets		343.8	393.2	411.8
Total assets		746.3	748.0	780.5
Current liabilities				
Interest-bearing loans and borrowings	14	5.0	3.5	4.3
Trade payables		45.1	40.4	43.8
Employee benefits		20.1	18.2	29.1
Current tax		13.5	11.4	16.0
Derivative financial instruments		1.0	0.3	0.4
Other payables		52.4	44.2	50.0
Provisions		4.4	4.4	4.8
Total current liabilities		141.5	122.4	148.4
Non-current liabilities				
Interest-bearing loans and borrowings	14	18.8	8.4	20.4
Employee benefits	11	8.0	4.7	7.7
Deferred tax liabilities		5.3	3.1	4.0
Derivative financial instruments		0.1	-	0.1
Provisions		3.4	1.2	1.4
Total non-current liabilities		35.6	17.4	33.6
Total liabilities		177.1	139.8	182.0
Net assets		569.2	608.2	598.5
Equity				
Issued equity capital	13	4.2	4.3	4.2
Share premium		22.0	21.3	21.9
Other reserves		(17.5)	2.4	0.5
Retained earnings		558.2	578.4	569.2
Equity attributable to the parent		566.9	606.4	595.8
Non-controlling interests		2.3	1.8	2.7
Total equity		569.2	608.2	598.5

Condensed consolidated statement of changes in equity

For the six months ended 30 June 2025

	Issued equity capital	Share premium	Translation reserve*	Capital redemption reserve*	Hedging reserve*	Retained earnings	Attributable to owners of the parent	Non- controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 31									
December 2024	4.2	21.9	(1.8)	1.8	0.5	569.2	595.8	2.7	598.5
Profit for the period	-	-	-	-	-	47.7	47.7	0.9	48.6
<i>Other comprehensive (expense)/income</i>									
Foreign currency translation differences	-	-	(18.5)	-	-	-	(18.5)	(0.2)	(18.7)
Changes in fair value of cash flow hedges	-	-	-	-	0.6	-	0.6	-	0.6
Actuarial gain on defined benefit pension plans	-	-	-	-	-	1.3	1.3	-	1.3
Tax in other comprehensive (expense)/income	-	-	-	-	(0.1)	(0.3)	(0.4)	-	(0.4)
<i>Total other comprehensive (expense)/income</i>	-	-	(18.5)	-	0.5	1.0	(17.0)	(0.2)	(17.2)

* Other reserves on face of the condensed consolidated balance sheet includes the Translation reserve, Capital redemption reserve and Hedging reserve.

For the six months ended 30 June 2025

[illegible]

defined benefit									
pension plans	-	-	-	-	-	0.9	0.9	-	0.9
Tax in other									
comprehensive									
(expense)/income	-	-	-	-	(0.2)	(0.9)	(1.1)	-	(1.1)
Total other									
comprehensive									
(expense)/income	-	-	(11.4)	-	0.3	-	(11.1)	0.1	(11.0)
Total									
comprehensive									
income	-	-	(11.4)	-	0.3	51.7	40.6	0.4	41.0
Transactions with									
owners, recorded									
directly in equity									
Equity settled									
share-based									
payment									
transactions	-	-	-	-	-	1.5	1.5	-	1.5
Tax on equity									
settled share-									
based payment									
transactions	-	-	-	-	-	(0.3)	(0.3)	-	(0.3)
Share options									
exercised by									
employees	-	0.3	-	-	-	-	0.3	-	0.3
Own ordinary									
shares acquired	-	-	-	-	-	(1.3)	(1.3)	-	(1.3)
Own ordinary									
shares awarded									
under share									
schemes	-	-	-	-	-	3.0	3.0	-	3.0
Share buyback									
programme	-	-	-	-	-	(18.1)	(18.1)	-	(18.1)
Dividends paid on									
ordinary shares	-	-	-	-	-	(39.9)	(39.9)	-	(39.9)
Dividends paid to									
non-controlling									
interests	-	-	-	-	-	-	-	(0.3)	(0.3)
Balance at 30 June									
2024	4.3	21.3	(0.2)	1.7	0.9	578.4	606.4	1.8	608.2

* Other reserves on face of the condensed consolidated balance sheet includes the Translation reserve, Capital redemption reserve and Hedging reserve.

Condensed consolidated statement of cash flows

For the six months ended 30 June 2025

	Note	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Cash flows from operating activities				
Cash generated from operations	12	71.9	81.3	212.7
Operating cash flow impact of other adjustments	5	(14.0)	(7.9)	(21.2)
Difference between defined benefit pension charge and cash contribution		-	(3.4)	(3.9)
Income taxes paid		(18.6)	(17.1)	(38.8)
Net cash flows from operating activities		39.3	52.9	148.8
Cash flows from investing activities				
Purchase of property, plant and equipment		(5.5)	(5.8)	(14.0)
Purchase of intangible assets		(0.3)	(1.2)	(1.6)
Product development costs capitalised		(2.3)	(1.7)	(4.3)

Sale of property, plant and equipment		2.0	0.1	0.2
Acquisition of business - net of cash acquired	4	(31.8)	-	-
Settlement of hedging derivatives		(0.7)	1.3	2.7
Interest received		1.0	2.2	4.1
Net cash flows from investing activities		(37.6)	(5.1)	(12.9)
Cash flows from financing activities				
Issue of ordinary share capital		0.1	0.2	0.8
Own ordinary shares acquired		(0.4)	(1.3)	(10.3)
Interest paid		(0.7)	(0.6)	(1.9)
Repayment of lease liabilities		(2.1)	(1.8)	(4.2)
Proceeds from borrowings		7.5	-	-
Repayment of borrowings		(15.5)	-	-
Share buyback programme		(21.6)	(18.1)	(50.3)
Dividends paid on ordinary shares		(42.1)	(39.9)	(63.3)
Dividends paid to non-controlling interests		(1.1)	(0.3)	(0.3)
Net cash flows from financing activities		(75.9)	(61.8)	(129.5)
Net (decrease)/increase in cash and cash equivalents		(74.2)	(14.0)	6.4
Cash and cash equivalents at 1 January		150.0	146.4	146.4
Effect of exchange rate fluctuations on cash held		(9.4)	(1.2)	(2.8)
Cash and cash equivalents at end of period		66.4	131.2	150.0

Notes to the interim financial statements

1. STATUS OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS, ACCOUNTING POLICIES AND BASIS OF SIGNIFICANT ESTIMATES

General information

These interim financial statements are presented in sterling. All values are rounded to the nearest 0.1 million pounds (£m) except where otherwise indicated.

Rotork plc is a public company limited by shares, registered and domiciled in England and Wales. Its ordinary shares have a commercial companies (equity shares) category listing on the London Stock Exchange.

The condensed consolidated interim financial statements for the six months ended 30 June 2025 are unaudited and the auditor has reported in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

The information shown for the year ended 31 December 2024 does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2024 were approved by the Board on 11 March 2025 and delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006. The consolidated financial statements of the Group for the year ended 31 December 2024 are available from the Company's registered office or website.

Basis of preparation

The condensed consolidated interim financial statements of the Company for the six months ended 30 June 2025 comprise the results for the Company and its subsidiaries (together referred to as 'the Group'). These condensed consolidated interim financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim Financial Reporting' as adopted by the United Kingdom. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with international accounting standards in conformity with UK adopted international accounting standards (UK Adopted IFRS).

Adjustments to profit

Adjustments to profit are items of income and expense which, because of the nature, size and/or infrequency of the events giving rise to them, merit separate presentation. These specific items are

presented as a footnote to the income statement to provide greater clarity and an enhanced understanding of the impact of these items on the Group's financial performance. In doing so, it also facilitates greater comparison of the Group's results with prior periods and assessment of trends in financial performance. This split is consistent with how business performance is measured internally.

Adjustments to profit items may include but are not restricted to: costs of significant business restructuring and any associated impairments of intangible or tangible assets, adjustments to the fair value of acquisition-related items such as contingent consideration, acquired intangible asset amortisation and other items considered to be significant due to their nature or the expected infrequency of the events giving rise to them.

Going concern

The directors are satisfied that the Group has sufficient resources to continue in operation for a period of not less than 12 months from the date of this report, and that no material uncertainties exist with respect to this assessment. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

In forming this view, the macroeconomic conditions and the impact of geopolitical instability on the Group have been considered. The directors have reviewed: the current financial position of the Group, which has net cash of £43.3m, an undrawn committed revolving credit facility of £75.0m and overdraft facilities of £45.8m (£0.7m of which was drawn at the period end); the significant order book, which contains customers spread across different geographic areas and industries; and the trading and cash flow forecasts for the Group.

A reverse stress test, where the Group's business model would become unviable, has been performed and the directors believe there is no reasonably possible scenario that would lead to the conditions modelled in the reverse stress test. The Group also has a number of mitigating actions that it can take at short notice to preserve cash, for example reduction in capital programmes, dividend deferral and other reductions in discretionary spend.

Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current financial year are discussed in the financial statements for the year ended 31 December 2024.

Taxation (estimate)

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

Accounting policies

The accounting policies applied and significant estimates used by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025 and income taxes as explained in note 7. The Group has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New accounting standards and interpretations

A number of amended standards became applicable for the current reporting period. The application of these amendments has not had any material impact on the disclosures, net assets or results of the Group.

New standards and interpretations not yet adopted

There are no further narrow scope amendments which have been issued where the application of the

amendments would have a material impact on the disclosures, net assets or results of the Group.

2. ALTERNATIVE PERFORMANCE MEASURES

The Group uses adjusted figures as key performance measures in addition to those reported under adopted IFRS, as management believe these measures provide stakeholders with additional useful information to facilitate greater comparison of the Group's underlying results with prior periods and assessment of trends in financial performance.

The Group believes alternative performance measures, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These alternative performance measures are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Some of these measures are also used for the purpose of setting remuneration targets.

The key alternative performance measures that the Group use include adjusted profit measures and organic constant currency (OCC). Explanations of how they are calculated and how they are reconciled to IFRS reported results are set out below.

a. Adjusted operating profit

Adjusted operating profit is the Group's operating profit excluding the amortisation of acquired intangible assets and other adjusting items as defined in note 1. Further details on these adjustments are given in note 5.

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Operating profit	64.7	66.9	135.9
<i>Adjustments:</i>			
Amortisation of acquired intangible assets	1.4	1.3	2.6
Defined benefit scheme settlement loss	-	-	18.0
Business Transformation costs	12.6	7.6	17.2
Other costs	2.1	0.7	4.7
Adjusted operating profit	80.8	76.5	178.4

b. Adjusted profit before tax

The adjustments in calculating adjusted profit before tax are consistent with those in calculating adjusted operating profit above.

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Profit before tax	65.1	69.7	140.5
<i>Adjustments:</i>			
Amortisation of acquired intangible assets	1.4	1.3	2.6
Defined benefit scheme settlement loss	-	-	18.0
Business Transformation costs	12.6	7.6	17.2
Other costs	2.1	0.7	4.7
Adjusted profit before tax	81.2	79.3	183.0

c. Adjusted basic and diluted earnings per share

Adjusted basic earnings per share is calculated using the adjusted net profit attributable to the ordinary shareholders and dividing it by the weighted average ordinary shares in issue (see note 9). Adjusted net profit attributable to ordinary shareholders is calculated as follows:

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
--	--------------------------	--------------------------	-------------------------

Net profit attributable to ordinary shareholders	47.7	51.7	103.6
<i>Adjustments:</i>			
Amortisation of acquired intangible assets	1.4	1.3	2.6
Defined benefit scheme settlement loss	-	-	18.0
Business Transformation costs	12.6	7.6	17.2
Other costs	2.1	0.7	4.7
Tax effect on adjusted items	(4.0)	(2.4)	(10.5)
Adjusted net profit attributable to ordinary shareholders	59.8	58.9	135.6

Adjusted diluted earnings per share is calculated by using the adjusted net profit attributable to ordinary shareholders and dividing it by the weighted average ordinary shares in issue adjusted to assume conversion of all potentially dilutive ordinary shares (see note 9).

d. Adjusted dividend cover

Dividend cover is calculated as earnings per share divided by dividends per share. Adjusted dividend cover is calculated as adjusted earnings per share as defined in note 2c above divided by dividends per share.

e. Total shareholder return

Total shareholder return is the movement in the price of an ordinary share plus dividends during the year, divided by the opening share price.

f. Return on capital employed

The return on capital employed ratio is used by management to help ensure that capital is used efficiently.

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Adjusted operating profit			
<i>As reported</i>	-	-	178.4
<i>Rolling 12 months</i>	182.7	175.7	-
Net assets	569.2	608.2	598.5
Cash and short-term deposits	(67.1)	(131.2)	(150.0)
Interest-bearing loans and borrowings	23.8	11.9	24.7
Pension deficit/(surplus) net of deferred tax	1.8	(9.6)	2.7
Capital employed	527.7	479.3	475.9
Average capital employed	494.2¹	476.1 ¹	478.4 ²
Return on capital employed	37.0%	36.9%	37.3%

¹ Defined as the average of the capital employed at June 2024, December 2024 and June 2025 (2024: June 2023, December 2023 and June 2024).

² Defined as the average of the capital employed at December 2023 and December 2024.

g. Working capital as a percentage of revenue

Working capital as a percentage of revenue is monitored as control of working capital is key to achieving our cash generation targets. It is calculated as inventory plus trade receivables, less trade payables, divided by revenue.

h. Organic constant currency (OCC)

OCC results adjust for currency movements and for acquisitions and disposals. The prior period results are translated at the reporting period's average exchange rates. Results from acquired businesses are not included until owned for more than one year and are then included on an equal perimeter basis. Disposed businesses are excluded entirely.

Key headings in the income statement are reconciled to OCC as follows:

	First half 2024 £m	Foreign exchange £m	Acquisitions £m	Organic constant currency £m	First half 2025 £m
Revenue	361.4	(10.0)	4.3	11.6	367.3
Cost of sales	(187.5)	5.1	(3.0)	0.3	(185.1)
Gross profit	173.9	(4.9)	1.3	11.9	182.2
Overheads	(97.4)	1.5	(0.9)	(4.6)	(101.4)
Adjusted operating profit	76.5	(3.4)	0.4	7.3	80.8

i. Cash conversion

Cash conversion is calculated as cash generated from operations (referred to as 'adjusted operating cash flow' in prior year) as a percentage of adjusted operating profit. It is monitored to illustrate how efficiently adjusted operating profits are converted into cash. Cash generated from operations is calculated in note 12.

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Cash generated from operations (note 12)	71.9	81.3	212.7
Adjusted operating profit (note 2a)	80.8	76.5	178.4
Cash conversion	89%	106%	119%

j. Free cash flow

Free cash flow is after organic investment and is calculated as 'net cash flows from operating activities', plus 'net cash flows from investing activities' (excluding acquisitions/disposals of businesses), plus 'net cash flows from financing activities' (excluding dividends paid on ordinary shares, the share buyback programme, and proceeds from or repayments of borrowings).

Free cash flow provides an additional view of the available funds of the Group. It is deemed useful to stakeholders as it represents cash flows that could be used for dividends, share buybacks, repayments of borrowings or to fund the Group's strategic initiatives, including any acquisitions.

The reconciliation of net (decrease)/increase in cash and cash equivalents to free cash flow is as follows:

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Net (decrease)/increase in cash and cash equivalents	(74.2)	(14.0)	6.4
<i>Adjustments:</i>			
Dividends paid on ordinary shares	42.1	39.9	63.3
Share buyback programme	21.6	18.1	50.3
Acquisition of business - net of cash acquired	31.8	--	-
Net repayment of borrowings	8.0	-	-
Free cash flow	29.3	44.0	120.0

3. OPERATING SEGMENTS

The three identifiable operating segments where the financial and operating performance is reviewed monthly by the chief operating decision maker are as follows:

- Oil & Gas
- Chemical, Process & Industrial
- Water & Power

The Group's customers are allocated to a segment. Sales to that customer, along with all directly associated costs of that sale, are reported under the segment to which that customer is allocated. Where customers sell into multiple segments, a lead segment is identified. Sales to these customers will generally be allocated to the lead segment unless the sale is of significance and an alternative segment has been identified, in which case it will be reported under the alternative segment.

Costs not directly attributed to a sale are allocated across the three segments. There are some costs which are directly attributable to a segment, but most support costs and facility costs are not directly attributable to a segment and are generally allocated based on split of revenue.

Half year to 30 June 2025

	Oil & Gas £m	Chemical, Process & Industrial £m	Water & Power £m	Corporate expenses £m	Group £m
Revenue from external customers	169.6	101.4	96.3	-	367.3
Segment result / Adjusted operating profit*	43.8	23.7	24.5	(11.2)	80.8
Adjusting items					(16.1)
Operating profit					64.7
Net finance income					0.4
Income tax expense					(16.5)
Profit for the period					48.6

	Oil & Gas £m	Chemical, Process & Industrial £m	Water & Power £m	Group £m
Depreciation		3.6	1.7	7.1
Amortisation of development costs		0.6	0.3	1.2

Half year to 30 June 2024

	Oil & Gas £m	Chemical, Process & Industrial £m	Water & Power £m	Corporate expenses £m	Group £m
Revenue from external customers	170.2	100.9	90.3	-	361.4
Segment result / Adjusted operating profit*	38.8	23.7	24.3	(10.3)	76.5
Adjusting items					(9.6)
Operating profit					66.9
Net finance income					2.8
Income tax expense					(17.7)
Profit for the period					52.0

	Oil & Gas £m	Chemical, Process & Industrial £m	Water & Power £m	Group £m
Depreciation		3.0	1.8	6.7
Amortisation of development costs		0.9	0.5	1.9

Full year to 31 December 2024

Chemical,

	Oil & Gas £m	Process & Industrial £m	Water & Power £m	Corporate expenses £m	Group £m
Revenue from external customers	355.5	205.0	193.9	-	754.4
Segment result / Adjusted operating profit*	92.0	53.0	56.4	(23.0)	178.4
Adjusting items					(42.5)
Operating profit					135.9
Net finance income					4.6
Income tax expense					(35.7)
Profit for the year					104.8

*Adjusted operating profit is operating profit before adjusting items (see note 5).

	Oil & Gas £m	Chemical, Process & Industrial £m	Water & Power £m	Group £m
Depreciation	6.5	3.8	4.0	14.3
Amortisation of development costs	1.3	0.7	0.8	2.8

Balance sheets are reviewed by subsidiary and operating segment balance sheets are not prepared. Therefore, no further analysis of operating segments' assets and liabilities is presented.

Geographical analysis:

Rotork has a worldwide presence in all three operating segments.

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Revenue by end destination			
UK	21.2	28.4	54.6
Other EMEA	122.9	112.0	233.9
Total EMEA	144.1	140.4	288.5
China	54.5	54.9	112.5
India	25.1	25.0	49.2
Other APAC	46.1	40.3	93.6
Total APAC	125.7	120.2	255.3
USA	66.8	69.1	143.5
Other Americas	30.7	31.7	67.1
Total Americas	97.5	100.8	210.6
	367.3	361.4	754.4

4 ACQUISITIONS

Current period acquisitions

i) Noah

On 12 March 2025, the Group completed the acquisition of 100% of the share capital of NOAH Actuation Co., Ltd. ('Noah') for a total purchase consideration of £37.6m. Noah is headquartered in Seoul, South Korea and its acquisition will expand the Group's electric actuator offering. It is fully aligned to the Growth+ strategy and to key Target Segments. Initial consideration of £35.6m was paid on completion, with a further deferred consideration of £2.0m recognised, with future payment contingent on certain performance conditions being met.

In the period to 30 June 2025 Noah contributed £4.3m to Group revenue and £0.4m to consolidated adjusted operating profit. The amortisation charge in the three-month period from the acquired intangible assets was £0.5m.

If the acquisition had occurred on 1 January 2025 the business would have contributed £7.4m to Group revenue, £0.7m to Group adjusted operating profit and £0.5m to adjusted profit attributable to equity shareholders.

ii) Acquisitions fair value table

The acquisition had the following effect on the Group's assets and liabilities as at 30 June 2025.

£m	Book value	Adjustments	Provisional fair value
Non-current assets			
Intangible assets	--	14.4	14.4
Property, plant and equipment	10.7	-	10.7
Current assets			
Inventories	3.2	-	3.2
Trade and other receivables	2.6	-	2.6
Cash and short-term deposits	3.8	-	3.8
Current liabilities			
Trade and other payables	(3.2)	-	(3.2)
Non-current liabilities			
Employee benefits	(1.0)	-	(1.0)
Interest-bearing loans and borrowings	(8.0)	-	(8.0)
Deferred tax liabilities	-	(3.3)	(3.3)
Total net assets at fair value	8.1	11.1	19.2
Goodwill arising on acquisition			18.4
Total consideration			37.6
Cash consideration			35.6
Contingent consideration			2.0
Total consideration			37.6
The total net cash outflow on current period acquisitions was as follows			
Cash paid			35.6
Cash and cash equivalents acquired			(3.8)
Total cash outflow			31.8

The adjustments shown in the table represent the alignment of accounting policies of the acquired businesses to Rotork Group policies and the fair value adjustments of the assets and liabilities at the acquisition date of the business.

Due to their contractual dates, the fair value of receivables (shown above) approximate to the gross contractual amounts receivable. The amount of gross contractual receivables not expected to be recovered is immaterial.

The goodwill arising from this acquisition represents the opportunity to grow through expanding the Group's electric actuator offering and employee know-how.

The intangible assets identified comprise technology, customer relationships and the Noah brand. The intangible assets have been valued by modelling the discounted cashflows attributable to the respective asset. Discount rates between 14% to 15% have been used. Assumptions regarding future cashflows are based on a combination of historic performance data and management's forecasts. The range of potential outcomes based on sensitives around management's forecasts would not lead to any material differences to the values recognised.

iii) Acquisition costs

Acquisition costs of £1.1m have been expensed in administration expenses in the income statement during the period and disclosed as an adjusting item under 'other costs' in note 5.

Prior period acquisitions

There were no acquisitions in the prior period.

5. ADJUSTING ITEMS

Refer to note 1 for details on the adjustments to profit, including an explanation of 'other adjustments'. The adjustments to profit included in statutory profit are as follows:

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Amortisation of acquired intangible assets	(1.4)	(1.3)	(2.6)
Defined benefit scheme settlement loss	-	-	(18.0)
Business Transformation costs	(12.6)	(7.6)	(17.2)
Other costs	(2.1)	(0.7)	(4.7)
Other adjustments	(14.7)	(8.3)	(21.9)
Total adjusting items	(16.1)	(9.6)	(42.5)

Business Transformation costs

During the period £12.6m (2024: £7.6m) of costs were incurred on Business Transformation. The multi-year transformation includes the implementation and integration of common systems and processes throughout the Group, including a new cloud-based ERP system. This brings the total expensed under the programme to £74.7m. These costs were expensed as they do not meet the capitalisation criteria under IAS 38. Costs include an allocation of personnel expenses in respect of employees directly involved in the programme. Over the next three years we will deploy the Business Transformation programme, including the new ERP system, across all other Group entities at an estimated further cost of £50.0m to £55.0m.

Other costs

Other costs have largely been incurred in relation to the acquisition of Noah (note 4) and the relocation of the Shanghai (China) facility to Changshu (China).

Defined benefit scheme settlement loss

In August 2024 the UK defined benefit pension scheme transacted a second bulk annuity, covering the benefits of the remaining UK Scheme's membership (mainly deferred pensioners). Given all the UK Scheme's liabilities are now insured, this second bulk annuity has been accounted for as a settlement under IAS 19 and therefore a loss of £18.0m was recognised in the income statement.

Income statement disclosure

All adjustments are included in administrative expenses. The adjustments are taxable or tax-deductible in the country in which the expense is incurred.

Cash flow statement disclosure

Other adjustments have a net operating cash outflow of £14.0m (2024: £7.9m).

6. FINANCE INCOME AND EXPENSE

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Interest income	1.2	2.2	4.4
Net interest income on pension scheme liabilities	-	0.3	0.2
Foreign exchange gains	2.8	1.2	2.7
Finance income	4.0	3.7	7.3

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
Interest expense	(0.2)	(0.4)	(1.4)
Interest expense on lease liabilities	(0.4)	(0.3)	(0.8)
Net interest charge on pension scheme liabilities	(0.1)	-	-
Foreign exchange losses	(2.9)	(0.2)	(0.5)

Finance expense	(3.6)	(0.9)	(2.7)
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7. INCOME TAXES

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated effective tax rate used for the year ending 31 December 2025 is 25.2% (2024 actual: 25.4%). The estimated adjusted effective tax rate for the year ending 31 December 2025, based on the adjusted profit before tax, is 25.2% (2024 actual: 25.2%). The adjusted effective tax rate is consistent with the prior year as there have been no major changes in the statutory tax rates of the jurisdictions in which Rotork operates.

The Group continues to operate in many jurisdictions where local profits are taxed at their national statutory rates. As a result, the Group income tax charge will be subject to fluctuation depending on the actual profit mix. The adjusted effective tax rate will continue to be higher than the standard UK rate due to higher rates of tax in China, the US, Germany and India.

8. DIVIDENDS

	First half 2025 £m	First half 2024 £m	Full year 2024 £m
<i>The following dividends were paid in the period per qualifying ordinary share:</i>			
5.00p final dividend for 2024 (final dividend for 2023: 4.65p)	42.1	39.9	39.9
2.75p interim dividend for 2024	-	-	23.4
	42.1	39.9	63.3

The following dividends per qualifying ordinary share were declared/proposed after the balance sheet date:

5.00p final dividend for 2024 proposed	-	-	42.1
2.95p interim dividend for 2025 declared (2024: 2.75p)	24.7	23.5	-
	24.7	23.5	42.1

9. EARNINGS PER SHARE

Earnings per share is calculated using the profit attributable to the ordinary shareholders for the period and the weighted average number of ordinary shares in issue (net of own ordinary shares held) for the period. Diluted earnings per share is calculated using the profit attributable to the ordinary shareholders for the period and the weighted average number of ordinary shares in issue (net of own ordinary shares held) for the period adjusted to assume conversion of all potentially dilutive ordinary shares.

	First half 2025 m	First half 2024 m	Full year 2024 m
Weighted average number of shares for basic earnings per share	841.5	858.3	853.6
Dilutive effect of employee share options	4.3	3.5	3.4
Weighted average number of shares for diluted earnings per share	845.8	861.8	857.0
	£m	£m	£m
Net profit attributable to ordinary shareholders	47.7	51.7	103.6
Adjusted net profit attributable to ordinary shareholders (note 2c)	59.8	58.9	135.6
Basic earnings per share	5.7p	6.0p	12.1p

Diluted earnings per share	5.6p	6.0p	12.1p
Adjusted basic earnings per share	7.1p	6.9p	15.9p
Adjusted diluted earnings per share	7.0p	6.8p	15.8p

10. INVENTORIES

	30 June 2025 £m	30 June 2024 £m	31 Dec 2024 £m
Raw materials and consumables	64.6	64.8	64.2
Work in progress	4.8	6.4	3.1
Finished goods	19.0	22.7	16.1
	88.4	93.9	83.4

11. DEFINED BENEFIT PENSION SCHEMES

The defined benefit liability at 30 June 2025 of £2.4m (30 June 2024: £12.8m asset; 31 December 2024: £3.6m liability) is estimated based on the latest full actuarial valuations at 31 March 2022 for UK and US plans. The valuation of the most significant plan, namely the Rotork Pension and Life Assurance Scheme in the UK, has been updated at 30 June 2025 by independent actuaries to reflect updated assumptions regarding discount rates, inflation rates and asset values.

	30 June 2025 %	30 June 2024 %	31 Dec 2024 %
Discount rate	5.7	5.2	5.5
Rate of inflation	3.0	3.1	3.1

12. ADDITIONAL CASH FLOW INFORMATION

		First half 2025 £m	First half 2024 £m	Full year 2024 £m
	Note			
Profit for the year		48.6	52.0	104.8
Income tax expense	7	16.5	17.7	35.7
Finance income	6	(4.0)	(3.7)	(7.3)
Finance expense	6	3.6	0.9	2.7
Operating profit		64.7	66.9	135.9
Amortisation of acquired intangible assets		1.4	1.3	2.6
Defined benefit scheme settlement loss	5	-	-	18.0
Other adjustments	5	14.7	8.3	21.9
Depreciation		7.1	6.7	14.3
Amortisation and impairment of development costs		1.2	1.9	3.6
Equity settled share-based payments		4.4	4.0	6.7
Loss/(profit) on sale of property, plant and equipment		0.1	(0.1)	(0.1)
(Decrease)/increase in provisions		(0.2)	-	0.9
Cash generated from operations before working capital cash flows		93.4	89.0	203.8
Increase in inventories		(4.5)	(11.2)	(1.4)
(Increase)/decrease in trade and other receivables		(7.4)	9.5	(1.1)
(Decrease)/increase in trade and other payables		(0.1)	3.5	12.0
Decrease in employee benefits		(9.5)	(9.5)	(0.6)

Cash generated from operations	71.9	81.3	212.7
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For the purposes of the condensed consolidated cash flow statement, cash and cash equivalents comprise the following:

	30 June 2025	30 June 2024	31 Dec 2024
	£m	£m	£m
Cash and short-term deposits	67.1	131.2	150.0
Bank overdrafts (note 14)	(0.7)	-	-
Cash and cash equivalents	66.4	131.2	150.0

Net cash comprises the following:

	30 June 2025	30 June 2024	31 Dec 2024
	£m	£m	£m
Cash and short-term deposits	67.1	131.2	150.0
Current interest-bearing loans and borrowings (note 14)	(5.0)	(3.5)	(4.3)
Non-current interest-bearing loans and borrowings (note 14)	(18.8)	(8.4)	(20.4)
Net cash	43.3	119.3	125.3

13. SHARE CAPITAL AND RESERVES

The number of ordinary 0.5p shares in issue at 30 June 2025 was 839,598,000 (30 June 2024: 855,823,000; 31 December 2024: 846,381,000). All issued shares are fully paid.

Within the retained earnings are own shares held in Rotork's Employee Benefit Trust. The Group acquired 139,000 of its own shares during the period (30 June 2024: 406,000; 31 December 2024: 3,129,000). The total amount paid to acquire the shares was £0.4m (30 June 2024: £1.3m; 31 December 2024: £10.3m), and this has been deducted from shareholders' equity. At 30 June 2025 the number of shares held in trust for the benefit of directors and employees as required to satisfy potential future maturities under share plans was 3,147,000 (30 June 2024: 1,027,000; 31 December 2024: 3,722,000). In the period 714,000 shares were released to satisfy share plan awards.

In respect of the share buyback programme, the Group bought back and cancelled a total of 6,870,000 ordinary shares of 0.5p each for a total value of £21.6m including costs of £0.1m during the period. The average price paid for these repurchased shares was £3.13. Prior to the period end an additional buyback of 648,000 ordinary shares was in process, but had not yet been fully transacted by 30 June 2025.

In respect of the SAYE scheme, options exercised during the period to 30 June 2025 resulted in 86,000 ordinary 0.5p shares being issued (30 June 2024: 111,000 shares), with exercise proceeds of £0.1m (30 June 2024: £0.3m). The weighted average market share price at the time of exercise was £3.22 (30 June 2024: £3.24) per share.

The share-based payment charge for the period was £4.4m (30 June 2024: £4.0m; 31 December 2024: £6.7m).

14. ANALYSIS OF CHANGES IN NET CASH AND CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

31 Dec 2024	Cash flow	Net acquired debt/cash £m	Net lease additions/ disposals £m	Exchange movement £m	30 June 2025 £m
£m	£m	£m	£m	£m	£m

Cash and short-term deposits	150.0	(77.3)	3.8	-	(9.4)	67.1
Bank overdrafts	-	(0.7)	-	-	-	(0.7)
Cash and cash equivalents	150.0	(78.0)	3.8	-	(9.4)	66.4
Bank loans	-	8.0	(8.0)	-	-	-
Lease liabilities	(24.7)	2.1	-	(1.0)	0.5	(23.1)
Net cash/(debt)	125.3	(67.9)	(4.2)	(1.0)	(8.9)	43.3

At 30 June 2025 total lease liabilities consist of £4.3m (30 June 2024: £3.5m and 31 December 2024: £4.3m) current and £18.8m (30 June 2024: £8.4m and 31 December 2024: £20.4m) non-current.

At 30 June 2025 the committed revolving credit facility of £75.0m was undrawn.

15. SHARE-BASED PAYMENTS

A grant of share awards was made on 31 March 2025 to selected participants at the discretion of the Remuneration Committee. The key information and assumptions from this grant were:

	Equity-Settled			
	Relative TSR condition	Adjusted EPS condition	ROIC condition	Emissions condition
Grant date	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Share price at grant date	£3.13	£3.13	£3.13	£3.13
Shares granted under scheme	512,546	512,546	512,546	170,849
Vesting period	3 years	3 years	3 years	3 years
Expected volatility	23.0%	N/A	N/A	N/A
Risk-free rate	4.0%	N/A	N/A	N/A
Probability of ceasing employment before vesting	5% p.a.	5% p.a.	5% p.a.	5% p.a.
Fair value	£1.81	£3.13	£3.13	£3.13

The basis of measuring fair value is consistent with that disclosed in the 2024 Annual Report & Accounts.

16. RELATED PARTIES

The Group has a related party relationship with its subsidiaries and with its directors and key management. A list of subsidiaries is shown in the 2024 Annual Report and Accounts. Transactions between two subsidiaries for the sale and purchase of products, or for management charges are priced on an arm's length basis.

There were no significant changes in the nature and size of related party transactions for the period to those reported in the 2024 Annual Report and Accounts.

17. FINANCIAL INSTRUMENTS FAIR VALUE DISCLOSURE

The Group held forward currency contracts designated as hedge instruments in both cash flow and fair value hedging relationships. At 30 June 2025 the fair value of these contracts was a net asset of £1.9m (30 June 2024: a net asset of £1.0m; 31 December 2024: a net asset of £0.6m). The fair value was determined using spot exchange rates at the reporting date, adjusted for forward points to reflect the relevant settlement dates. Resulting gains and losses were recognised in other comprehensive income, based on market foreign exchange rates prevailing at the balance sheet date. All derivative financial instruments are categorised as Level 2 of the fair value hierarchy. There was no ineffectiveness to be recorded from the use of foreign exchange contracts.

The other financial instruments, comprising trade and other receivables/payables and contingent consideration, are classified as Level 3 in the fair value hierarchy and their carrying amount is deemed to reflect their fair value. The Group had no derivative financial instruments in the current or previous year with fair values that would be classified as Level 3 in the fair value hierarchy.

18. EXCHANGE RATES

The table below highlights the movements in a selection of exchange rates between 2025 and 2024. Exchange rates to sterling have been as follows:

	Average first half 2025	Average first half 2024	Average full year 2024	Closing 30 June 2025	Closing 30 June 2024	Closing 31 Dec 2024
US dollar	1.30	1.27	1.28	1.37	1.26	1.25
Euro	1.19	1.17	1.18	1.17	1.18	1.21
Chinese renminbi	9.42	9.13	9.20	9.83	9.19	9.13
Indian rupee	111.71	105.30	106.95	117.45	105.48	107.49

Shareholder information

The interim report and half year results presentation are available on the Rotork website at:

www.rotork.com

General shareholder contact numbers:

Shareholder General Enquiry Number (UK): 0371 384 2280

International Shareholders - General Enquiries (from overseas): (00) 44 371 384 2280

For enquiries regarding the Dividend Reinvestment Plan (DRIP) contact:

The Share Dividend Team

Equiniti

Aspect House

Spencer Road

Lancing

West Sussex

BN99 6DA

Tel: 0371 384 2280

Group information

Secretary and registered office:

Stuart Pain

Rotork plc

Rotork House

Brassmill Lane

Bath

BA1 3JQ

Company number:

00578327

Company website:

www.rotork.com

Investors section:

<http://www.rotork.com/en/investors/>

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These statements contain the use of forward-looking terminology such as the words "anticipate", "believe", "intend", "estimate", "expect", "forecasts", "intends", "plans", "projects", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or words of similar meaning. Past business, financial and share performance cannot be relied on as an indication of, and forward-looking statements in this announcement are not guarantees of, future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based upon information known to the Company's directors on the date of this announcement and on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on forward looking statements when making their investment decisions. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), the Company expressly disclaims any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, a change in expectations or otherwise. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws. Nothing in this announcement should be construed as a profit forecast.

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