12 August 2025

2025 Half Year Results

Trading in line with expectations; reiterating full year guidance

Six months ended 30 June

Statutory (£m/p)	2025	2024	Reported
Revenue[1]	822.2	827.0	(1)%
Operating profit	106.8	147.2	(27)%
Operating profit margin	13.0%	17.8%	(480)bps
Profit before taxation	87.9	124.8	(30)%
Basic earnings per share	85.0	123.8	(31)%
Dividend per share	48.9	47.5	3%

Adjusted[6] (£m/p)	2025	2024	Reported	Organic[4]
Revenue[1]	822.2	827.0	(1)%	3%
Adjusted operating profit	158.8	160.3	(1)%	7%
Adjusted operating profit margin	19.3%	19.4%	(10)bps	70bps
Adjusted profit before taxation	139.9	137.9	1%	
Adjusted basic earnings per share	137.6	137.2	-	
Adjusted cash conversion	61%	53%	800bps	

- Group revenue up 3% organically and ahead of global IP[2] of 2.5% (IP excluding China: 1.7%)
- STS[3] sales in line with H1 2024 organically and up 3% excluding large projects in China and Korea
- ETS[3] sales up 10% organically driven by further operational progress and improved Semicon[5] demand
- WMFTS[3] sales up 2% organically; over 10% Biopharm[5] orders growth to drive higher H2 sales growth
- Group adjusted operating profit up 7% organically; margin of 19.3% up 70bps organically
- Statutory profit and margin of 13.0% impacted by one-off restructuring costs and currency headwinds
- Currency headwinds to revenue (3%) and adjusted operating profit (7%), as expected
- Improved adjusted cash conversion of 61% reflects capital discipline and working capital efficiency
- Interim dividend up 3% to 48.9 pence

Nimesh Patel, Group Chief Executive Officer, commenting on the results said:
"We have delivered first half results in line with expectations despite the challenging macroeconomic environment, demonstrating the strength of the Group's direct sales Business Model. Our focus on driving demand in MRO and solution-sales across STS and WMFTS Process Industries, together with increased manufacturing throughput in ETS, delivered organic sales growth ahead of IP.

"While IP forecasts have been revised down for the remainder of the year, our unchanged full year guidance is supported by strong order books going into the second half, increasing demand from key end markets, and ongoing delivery of operational priorities.

"Colleagues across the Group have successfully stepped up focus on the drivers of growth within our control as we implement our Together for Growth Strategy at pace. Our significant operational efficiency and simplification programme is funding investment in future drivers of accelerated and sustained longer term growth, including digital and decarbonisation, whilst also underpinning our confidence in delivering our medium-term targets."

[1] 'Sales' is used interchangeably with 'revenue' when describing the financial performance of the Group
[2] 'IP': Industrial Production growth
[3] 'STS': Steam Thermal Solutions; 'ETS': Electric Thermal Solutions; 'WMFTS': Watson-Marlow Fluid Technology Solutions
[4] Organic measures are at constant currency and exclude contributions from acquisitions and disposals
[5] 'Biopharm': Pharmaceutical & Biotechnology customers; 'Semicon': Wafer Fabrication Equipment manufacturers
[6] See Appendix to the Financial Statements for an explanation of alternative performance measures and reconciliation to IFRS

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Audio cast
The results presentation will be available as a live audio cast from 9.15 am on the Company's website at spiraxgroup.com or via the following link: **https://edge.media-server.com/mmc/p/bzjsi944/**
A recording will be made available on the website shortly after the meeting.

About Spirax Group plc
Spirax Group is positioned to play a critical role in enabling the industrial transition to net zero, aligned to our Purpose to create sustainable value for all our stakeholders as we engineer a more efficient, safer and sustainable world. We put solving customers' problems at the heart of our total solutions approach. Our global thermal energy and fluid technology solutions improve operating efficiency and safety in our customers' critical industrial processes. Our new-to-world decarbonisation* solutions will use our proprietary technologies to electrify boilers, for the raising of steam, as well as the electrification of other critical industrial process heating applications.

Spirax Group comprises three strong and aligned Businesses: **Steam Thermal Solutions** helps customers control and manage steam within their mission critical industrial applications, such as cleaning, sterilising, cooking and heating. We are helping to put food safely on the world's tables and keeping our hospitals running. **Electric Thermal Solutions** has proprietary technologies that deliver electrification solutions at scale in industrial settings, including for the raising of steam, supporting our customers to achieve their net zero goals. We also deliver freeze protection and defrost solutions critical to aviation and space industries and ensure thermal uniformity in Semiconductor chip manufacturing to power the critical electronic systems we rely on. **Watson-Marlow Fluid Technology Solutions** is engineering vital fluid technology solutions that optimise the efficient use of resources and support advancements in global health, such as lifesaving vaccines and gene therapies.

Spirax Group is headquartered in Cheltenham (UK). We have over 30 strategically located manufacturing plants around the world and are committed to creating a safe and inclusive working culture for our 10,000 colleagues, operating in nearly 70 countries and serving over 100,000 customers globally.

The Company's shares have been listed on the London Stock Exchange since 1959 (symbol: SPX) and we are a constituent of the FTSE 100 and the FTSE4Good Indexes.

* Eliminates Scopes 1 and 2 greenhouse gas emissions when connected to a green electricity source.

Further information can be found at spiraxgroup.com

RNS filter: Results
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SUMMARY FINANCIALS

Six months to 30 June	**H1 2025**	H1 2024	*y-o-y change*	
	£m	£m	*Organic**	*Reported*
SUMMARY FINANCIALS				
Steam Thermal Solutions (STS)	**414.2**	430.8	-	*(4)%*
Electric Thermal Solutions (ETS)	**212.3**	197.7	*10%*	*7%*
Watson-Marlow Fluid Technology Solutions (WMFTS)	**195.7**	198.5	*2%*	*(1)%*
Group Revenue	**822.2**	827.0	*3%*	*(1)%*
STS	**66.2**	98.6		*(33)%*
ETS	**17.8**	20.1		*(11)%*
WMFTS	**43.6**	47.3		*(8)%*
Corporate	**(20.8)**	(18.8)		*11%*
Group Statutory Operating Profit	**106.8**	147.2		*(27)%*
STS	**16.0%**	22.9%		*(690)bps*
ETS	**8.4%**	10.2%		*(180)bps*
WMFTS	**22.3%**	23.8%		*(150)bps*
Group Statutory Operating Profit Margin	**13.0%**	17.8%		*(480)bps*
STS	**97.0**	101.2	*3%*	*(4)%*
ETS	**31.8**	29.1	*12%*	*9%*
WMFTS	**50.6**	48.8	*12%*	*4%*
Corporate	**(20.6)**	(18.8)	*9%*	*10%*
Group Adjusted Operating Profit*	**158.8**	160.3	*7%*	*(1)%*
STS	**23.4%**	23.5%	*60bps*	*(10)bps*
ETS	**15.0%**	14.7%	*30bps*	*30bps*
WMFTS	**25.9%**	24.6%	*240bps*	*130bps*
Group Adjusted Operating Profit Margin*	**19.3%**	19.4%	*70bps*	*(10)bps*
Cash flow				
Statutory cash from operations	**97.5**	93.1		*5%*
Adjusted cash from operations*	**97.0**	85.6		*13%*
Adjusted cash conversion*	**61%**	53%		*800bps*
Net debt*	**658.0**	718.3		*(8)%*
Leverage (net debt to EBITDA)*	**1.8x**	1.9x		

** See Appendix to the Financial Statements for an explanation of alternative performance measures and reconciliation to IFRS*

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW

Summary of first half performance

Global industrial production growth (IP) during the first half was 2.5% or 1.7% excluding China. IP in key markets such as Germany, France, Italy and the UK, contracted during the first half and IP in the USA remained weak. Trading conditions in China remained challenging with customers reducing large project expenditure. In Korea, customers temporarily deferred capital investment decisions as a result of political instability.

Against this backdrop, we remained focused on the operational priorities within our control, including driving growth through MRO and consultative solution-selling across the Group, as well as delivering improvements in manufacturing efficiency and throughput. We have also protected margins against cost inflation and tariff impacts through continued pricing discipline. Our restructuring is on track to deliver annualised benefits of approximately £35 million, most of which we are reinvesting in our organic growth initiatives.

Group organic sales growth of 3% was ahead of IP. Organic growth in adjusted operating profit was 7% and the adjusted operating profit margin of 19.3% was 70bps higher organically. As expected, both sales and adjusted operating profit were impacted by currency movements and were 1% lower than 2024.

STS sales were in line with the first half of 2024 organically, despite the weak IP backdrop, with strong growth in MRO and solution-sales offset by the anticipated weakness in large projects in China and Korea, both of which are more exposed to customers' capital spending than other regions. Excluding large project sales in China and Korea, STS organic sales growth was 3%, demonstrating the success of our Commercial Excellence initiatives. STS margin of 23.4% was up 60bps organically through delivery of manufacturing efficiencies while preserving targeted investments in future growth drivers such as digital and decarbonisation.

ETS organic sales growth of 10% was supported by double-digit demand growth. In Process Heating, strong sales growth was delivered through continued operational progress driving higher shipments from the large order book, supplemented by a material contract win. Equipment Heating benefited from improved Semicon demand. Operating leverage from sales growth, offset by further shipments of legacy orders that have not been repriced for inflation and pre-commissioning costs for the new Medium Voltage (MV) facility in Ogden, delivered a 60bps improvement in ETS margin to 15.3%, before a one-off 30bps exchange rate impact on balance sheet items arising from the sharp weakening of the US dollar following US tariff announcements.

WMFTS organic sales growth was 2%, supported by growth in Process Industries well ahead of IP and new order intake in Biopharm continuing to recover strongly through the first half, driven by end-user and now also OEM customers. Double-digit growth in orders was materially above sales growth. For the first time since 2021 (peak COVID demand) orders now exceed sales, which will underpin higher sales growth in the second half. WMFTS margin expanded by 240bps organically, supported by ongoing manufacturing efficiencies.

Alongside focusing on the execution of our Commercial Excellence and Operational Excellence priorities, we continued to make progress in Health and Safety and with our One Planet Sustainability Strategy. Our all-workplace incident rate[1] (which includes lost time accidents) reduced by 12% from 2.31[1] at the end of 2024 to 2.03[1] in the first half of 2025. We continue to make progress towards meeting our One Planet targets, including a reduction in our absolute Scopes 1 and 2 market-based greenhouse gas emissions of 32% compared to 2024 and an over 60% reduction compared to our 2019 baseline.

The Board has declared an Interim dividend of 48.9 pence (H1 2024: 47.5 pence) per ordinary share representing 3% growth.

[1]*per 100,000 work hours*

Strategic Update
Our Together for Growth Strategy builds on our unique Business Model with operational priorities that enhance our sales, manufacturing and organisational effectiveness to meet our customers' evolving needs and drive organic growth. Through leveraging the power of the Group, we are working differently to deliver efficiencies that generate savings and improve our margin. We are reinvesting savings in targeted areas to capture the significant compounding organic growth opportunities we see ahead. Progress during the first half is set out below.

Commercial Excellence
In STS, we continued to invest in headcount in our regional sales organisations with a focus on higher growth sectors. This is driving MRO and solution-sales, funded from customers' operational expenditure budgets as they focus on improving productivity and reducing costs in their critical processes. In China, double-digit MRO sales growth is partially offsetting the impact of weaker demand for large projects that expand manufacturing capacity, funded from customers' more constrained capital expenditure budgets.

In the USA, STS continued to advance our new approach of working with distributors to drive co-generated demand in partnership with them by leveraging our direct sales engineers' expertise in walking-the-plant and generating solution-sales from new target customers. In the first half, we implemented strategic growth plans with eight distribution partners, resulting in demand growth from this group of 20% compared to last year. Direct sales and co-generated opportunities now account for approximately 50% of total demand in the USA.

In WMFTS EMEA, our sales engineers have historically been geographically focused with responsibility across sectors. Following the reorganisation completed earlier this year, our sales teams are now fully sectorised, supported to develop deep expertise in their customers' processes and focused on maximising opportunities from accounts with the highest potential. We have also established a new Inside Sales team to serve smaller customers and fulfil less complex orders. This has allowed our experienced sales engineers to focus on increasing the frequency of customer visits and on driving solution-sales.

Operational Excellence
Our focus during the first half has been on driving benefits from material usage, procurement and labour productivity. The scale of the savings realised is expected to offset most of the return of variable compensation across the Group, after two years of lower payments.

We have continued to review our manufacturing footprint and product portfolio to optimise what we make and where we make it. In STS, we completed the closure of our facility in Mexico and transferred production to the USA. Following the decision to pause the planned expansion of our Gestra facility in Germany, we have also started a formal process to explore ways of achieving greater efficiency and better performance through discussions with the local Works Council.

In WMFTS, we are reorganising selected activities across our manufacturing footprint to support regional growth, improve customer service, reduce inventory and mitigate tariff barriers to trade. In this context we have begun to assess the transfer of certain UK manufactured components to our USA facility.

In ETS, we continue to drive efficiencies and operational improvements, particularly in our Chromalox facility in Ogden (Utah, USA) where we are successfully increasing manufacturing throughput. We have materially reduced lead times, particularly through design engineering which was a historic bottleneck. Our dedicated MV facility remains on track to be completed on time and within budget.

Organisational Fitness
In the first half, we successfully implemented a simplification of our STS EMEA organisational structure by consolidating the number of operating companies to reduce management layers, without impacting our local direct sales capability. We also consolidated technical sales and service capability to be better leveraged across our operating companies. In ETS, the establishment of a new organisational structure, comprised of three Sales Divisions (Process Heating, Equipment Heating and Heat Trace), is driving increased collaboration and alignment across brands and regions, as well as new product development and customer engagement. In WMFTS, we completed the move from a geographic focus to a sector-based sales model, to strengthen our self-generated solution-selling capability.

Our restructuring is on track to deliver annualised savings of approximately £35 million, of which half are expected to be delivered this year, weighted to the second half. As planned, these savings are mostly being reinvested in our organic growth priorities. The costs of delivery, most of which are expected to be incurred in 2025, remain in line with our expectations.

Digital and Services

In the first half of 2025 we added a further 400+ customer sites to the 1,000 connected sites at the end of 2024. These connections are driving pull-through revenues, especially when accompanied by system audits that allow us to identify optimisation, replacement and repair opportunities. We also continued to refine and develop our proprietary large language model-based training tool, MiM. This tool, which is built using our unique application knowledge to free up sales time, has now been deployed to over 100 sales colleagues as we expand our sector-based content.

Decarbonising Thermal Energy

The decarbonisation of thermal energy in industrial processes is a significant long-term growth opportunity for our Group, representing an additional annual addressable market of close to £7 billion (as set out in our 2024 Capital Markets Day). We are working with customers to optimise, manage and ultimately decarbonise their production processes, through four go-to-market strategies:

Steam and Condensate System Energy Optimisation and Electrical Energy Optimisation

STS sales engineers are experts in identifying and solving inefficiencies in steam and condensate loops, while ETS sales engineers meet the same need in managing electrical energy, skills that underpin our unique competitive advantage. This expertise is core to our customer value proposition and a foundational part of our decarbonisation offer. Continued demand for energy optimisation solutions is driven by our customers' focus on achieving cost and sustainability goals. In STS, we are increasing the number of steam and condensate loop audits undertaken at customer sites to identify and develop these solutions, supported by our digital offerings such as steam trap monitoring.

TargetZero

To electrify the generation of steam without compromising or changing operational processes, we are developing our new-to-world TargetZero solutions (SteamVolt, Electrofit, Steam Battery and High Temperature Heat Pumps) made possible by our unique combination of steam and electric thermal energy expertise. We have reached agreement with several global industrial Boiler OEMs to incorporate our SteamVolt technology into their electric boilers, with our first pilot solution installed at a regional Food & Beverage customer facility and a second one planned for installation in a Chemical plant in the second half. We continue to test and refine our Electrofit solution with a global Food & Beverage customer at two production sites. We are also progressing the development of High Temperature Heat Pump technology for the generation of steam utilising waste process heat.

PoweringZero

In Process Heating (ETS), we have a leading competitive position in incorporating electric thermal energy solutions into our customers' critical processes, helping to replace the burning of fossil fuels. PoweringZero solutions deliver customised Low Voltage (LV), and increasingly, Medium Voltage (MV) heating solutions across a number of industries such as industrial ovens in Food & Beverage, gypsum board manufacture in Construction and tissue manufacturing in Pulp & Paper. Expansion into new sectors such as energy storage, represents a significant new opportunity for the application of these solutions. During the first half, we secured a contract to design and supply MV heaters to a power generation customer for its first renewables energy storage facility in the UK. Prototype higher voltage and higher temperature heating elements, which have the scope to expand our addressable market, are also in testing.

Integrated Thermal Energy Assessment

Customers recognise the depth of our steam and electric thermal expertise and the value that our combined insights and solutions can deliver. During the first half, we made progress in building our integrated thermal energy assessment team of audit experts from across STS, ETS and Cotopaxi, with a defined operating model and go-to-market strategy. We delivered multi-site pilots for customers in our target sectors (Food & Beverage, Downstream Petrochemicals, and Chemicals), validating customer appetite for a combined and holistic review of their thermal energy needs.

Full year guidance

Market environment

In line with our cautious view on global IP in March, CHR's forecast for the second half of 2025 has been revised down to 2.0% and excluding China to 1.7%. Uncertainty around tariffs and the impact on global trade continues to dampen business confidence and demand for large projects, particularly in China, although we are beginning to see a moderation in the rate of decline in large project orders. In Korea, following a return to political stability, we expect trading conditions to improve from the second half and into 2026. Biopharm and Semicon demand is expected to remain strong through the second half.

Exchange rates

Our organic growth guidance is based upon 2024 results as restated for the impact of exchange rate movements in 2025. The currency headwinds we set out in our trading update in May are expected to persist through the remainder of the year, which would impact 2024 sales by approximately 3% to £1,615 million and adjusted operating profit by approximately 6% to £314 million, leading to an adjusted operating profit margin of 19.4%. Movements in exchange rates are often volatile and unpredictable therefore the actual impact may be different.

Restructuring

We remain on track to deliver annualised savings of approximately £35 million from the organisational changes and consolidation of manufacturing facilities that we began implementing in the first half. Half of these savings are expected to be delivered in the current year, weighted to the second half. Expected savings, net of reinvestment in future growth, are included in the Group and Business adjusted operating profit and margin guidance.

We continue to expect approximately £35 million of cash costs and £5 million of non-cash costs to deliver this restructuring most of which will be taken as a restructuring charge in 2025, with the cash impact expected in 2025 and 2026. These costs are excluded from our adjusted operating profit and the margin guidance above.

Full year outlook

Our Group guidance for the full year remains unchanged. We continue to anticipate organic growth in Group revenues consistent with that achieved in 2024 and well ahead of IP. Group adjusted operating profit margin is expected to be ahead of the currency adjusted 19.4% in 2024, driving mid-single digit organic growth in adjusted operating profit.

We expect second half organic sales growth to accelerate. Second half growth will be supported by shipments from the strong order books in STS and WMFTS and continued sales momentum in ETS despite a materially stronger comparator for the second half. This will result in a sales profile aligned with our typical weighting towards the second half. Organic margin progress is also expected to be greater than in the first half, driven by organic sales growth, the drop-through from high margin Biopharm and Semicon sales and the phasing of benefits from our restructuring.

We expect corporate costs to be approximately £40 million, net financing costs to be approximately £40 million and an effective tax rate of 27%. We expect cash conversion to continue to improve to above 80%.

Operating Review

Market environment

Industrial production growth (IP)	2024	2025		
	FY	H1	H2	FY
Europe	-0.3%	0.4%	2.0%	1.2%
North America	-0.3%	0.8%	0.8%	0.8%
South America	0.0%	2.9%	0.9%	1.9%
Asia	3.1%	4.1%	2.5%	3.2%
Global	1.7%	2.5%	2.0%	2.2%
Global (excluding China)	0.8%	1.7%	1.7%	1.7%

Source: CHR Economics July 2025

Global industrial production growth (IP) during the first half was 2.5% or 1.7% excluding China. IP in key markets such as Germany, France, Italy and the UK, contracted during the first half and IP in the USA remained weak. Together these markets accounted for approximately 50% of Group sales in 2024.

While the broader macroeconomic impact of evolving trade tariffs remains uncertain, our local manufacturing presence in the USA helps mitigate our direct exposure and we expect to continue to manage the financial impacts through surcharges, pricing and limited reorganisation of manufacturing activity.

Steam Thermal Solutions

Demand

As highlighted at the time of our full year results in March and our trading update in May, demand for large projects remained weak across all markets, as customers defer or reduce capital expenditure in response to uncertainty around trade tariffs and lower macroeconomic growth. The impact was felt most significantly in China, where our business is more weighted towards large projects than in the rest of STS. Customers also temporarily deferred capital investment decisions in Korea as a result of political instability at the end of 2024 and during the first half of 2025. China and Korea accounted for 22% of STS sales in 2024.

To counter this, our focus on leveraging our direct sales model in target sectors through strong local customer relationships supported demand generation in MRO and solution-sales across all markets.

In China, the double-digit growth in MRO demand delivered in the first half is expected to continue into the second half of the year with the weakness in large projects moderating. Following elections in Korea and the new government's proposal of an economic stimulus package, we anticipate improving demand in the second half, building on sequential growth in the second quarter.

Sales

Sales of £414.2 million were in line with the first half of 2024 organically, with strong growth in MRO and solution-sales offset by weakness in large projects, particularly in China and Korea. Excluding large project sales in China and Korea, STS organic sales growth was 3%.

We anticipate second half sales growth will be supported by a stronger than usual order book at the end of the first half, reflecting customers' requests for shipments into the second half, and further progress in implementing our Commercial Excellence initiatives focused on driving self-generated demand. Sales weakness in China (down 6% organically in the first half, having been down 13% in 2024), is expected to moderate in the second half. Trading in Korea is also expected to begin improving during the second half, building on sequential growth in the second quarter.

Margin

Adjusted operating profit of £97.0 million was 3% higher organically and 4% lower after an adverse exchange rate impact. Adjusted operating margin of 23.4% was 60bps higher organically and in line with our expectations. The drop-through from the organic increase in sales to profit was supported by savings in procurement and manufacturing overheads, net of investment in future growth. We continued to maintain pricing discipline, mitigating cost inflation, tariff impacts and protecting margin. We anticipate second half adjusted operating margin to be similar to the first half.

Statutory results
Sales of £414.2 million were down 4% after an adverse exchange rate impact of 4%. Statutory operating profit of £66.2 million was down 33% driven by an adverse exchange rate impact of 7% as well as restructuring costs of £27.9 million in the period. Statutory operating profit margin of 16.0% decreased by 690bps.

Electric Thermal Solutions

Demand
Demand for ETS solutions remained robust during the first half with double-digit growth in all three Divisions: Process Heating, Equipment Heating and Heat Trace. In Process Heating we continue to see strong interest in both Low Voltage (LV) and Medium Voltage (MV) electrification solutions with a significant and growing pipeline of customer enquiries, including for large projects. During the first half we won a large new contract to deliver bespoke screw plug heating solutions from a supplier of temperature management equipment to the datacentre sector. In Equipment Heating, demand from Semicon customers continued to improve. Demand for our Heat Trace solutions also benefited from datacentre opportunities and our cross-regional go-to-market strategy, which is enabling us to open up new customer relationships.

Sales
Sales of £212.3 million were 10% higher organically. Growth was driven by operational improvements in Process Heating that increased shipments from the large order book carried into 2025 and from a large new contract win. In Equipment Heating, growth was supported by a recovery in demand from the Semicon sector, which accounted for 11% of sales in 2024.

We expect the continuing robust demand environment across all Divisions and delivery against our strong order books to support sales growth during the second half, despite the stronger comparator.

Margin
Adjusted operating profit of £31.8million was 12% higher organically. Operating leverage from sales growth, offset by further shipments of legacy orders that have not been repriced for inflation, and pre-commissioning costs for the new MV facility in Ogden, delivered a 60bps improvement in ETS margin to 15.3%, before a one-off 30bps exchange rate impact on balance sheet items arising from the sharp weakening of the US dollar following US tariff announcements.

Margins improved progressively through the first half and we expect the second half will continue to benefit from operating leverage and the higher drop-through from Semicon sales, partially offset by shipments of residual legacy orders and the ramp-up costs of our new MV facility in Ogden.

Statutory results
Sales of £212.3 million were up 7% after an adverse exchange rate impact of 2%. Statutory operating profit of £17.8 million was down 11% compared to 2024 reflecting the adverse exchange rate impact of 3% as well as one-off restructuring costs of £1.3 million in the period. Statutory operating profit margin of 8.4% was 180bps lower than in 2024.

Watson-Marlow Fluid Technology Solutions

Demand
We continued to see strong recovery in Biopharm order intake in the first half, following double-digit growth in 2024, driven by end-users and now also OEM customers. Growth in orders at over 10% was materially above sales growth. For the first time since 2021 (peak COVID demand) orders now exceed sales.

In Process Industries, our targeted sector focus combined with our direct sales capability enabled us to generate well above IP demand growth from the Water & Wastewater, Food & Beverage and Mining sectors. We also saw strong growth in demand from Medical Devices OEM customers, with several large contracts specified for second half delivery, contributing to the strong order book at the end of the first half.

Sales
Sales of £195.7 million were 2% higher organically supported by strong growth in Process Industries, with Biopharm sales broadly level with 2024, not yet benefiting from the strong growth in order intake.

We expect stronger second half sales growth compared to the first half, benefiting from the continuing strength of Biopharm demand and expanded order books in both Biopharm and Process Industries.

Margin
Adjusted operating profit of £50.6 million was 12% higher organically. Adjusted operating profit margin of 25.9% was 240bps higher organically supported by ongoing manufacturing efficiencies. We anticipate second half adjusted operating profit margin will be in line with the first half, with further benefits from manufacturing efficiencies and the drop-through from higher sales enabling us to step up investments in future growth.

Statutory results
Sales of £195.7 million were down 1% on 2024 after an adverse exchange rate impact of 3%. Statutory operating profit of £43.6 million was down 8% compared to 2024 reflecting the adverse exchange rate impact of 7% as well as one-off restructuring costs of £5.2 million in the period. Statutory operating profit margin of 22.3% was down 150bps.

GROUP CHIEF FINANCIAL OFFICER'S REVIEW

Financial Performance

£m	H1 2024	Exchange	Organic	**H1 2025**	Organic	Reported
Revenue	827.0	(28.1)	23.3	**822.2**	*3%*	*(1)%*
Adjusted operating profit	160.3	(11.4)	9.9	**158.8**	*7%*	*(1)%*
Adjusted operating profit margin	19.4%			**19.3%**	*70bps*	*(10)bps*
Adjusted basic EPS (pence)	137.2			**137.6**		*-%*
Statutory operating profit	147.2			**106.8**		*(27)%*
Statutory operating profit margin	17.8%			**13.0%**		*(480)bps*
Basic EPS (pence)	123.8			**85.0**		*(31)%*

Group sales were 1% lower compared to 2024, including an adverse currency impact. On an organic basis sales were 3% higher, driven by growth in ETS of 10% and WMFTS of 2%, with STS sales flat year on year.

Group adjusted operating profit was 1% lower compared to 2024, including a currency headwind of 7%. On an organic basis, Group adjusted operating profit was 7% higher, as all three Businesses delivered growth, with STS growing by 3%, ETS by 12% and WMFTS by 12%.

Group adjusted operating profit margin of 19.3% was 70bps higher organically compared to 2024, benefiting from the drop-through of organic sales growth and operating efficiencies, partially offset by increases in digital investments within Corporate expenses. STS margin was 60bps higher on an organic basis compared to 2024, with ETS margin 30bps higher and WMFTS margin 240bps higher.

Group statutory operating profit was 27% lower than in 2024 at £106.8 million, with statutory operating profit margin 480bps lower at 13.0%. The reconciling items between adjusted operating profit of £158.8 million and statutory operating profit of £106.8 million are shown below:

- a charge of £17.4 million (H1 2024: £17.3 million) for the amortisation of acquisition-related intangible assets
- a restructuring charge of £34.6 million to simplify our organisation and optimise certain elements of our manufacturing footprint. £2.1 million of this charge related to the impairment of non-current assets as a result of the restructuring

Tax and Interest

Net finance expense was lower than in 2024 at £18.6 million (H1 2024: £21.9 million) as a result of lower average net debt and lower rates on floating debt. Full year finance expense is expected to be approximately £40 million.

The Group effective tax rate reflects the blended average of rates in tax jurisdictions around the world in which the Group operates. The Group adjusted effective tax rate increased by 90bps to 27.4% (H1 2024: 26.5%), due to non-recurring investment incentives in the USA in 2024 and the reduced benefit of the inflation adjustment in Argentina. The Group adjusted effective tax rate is in line with our full year forecast for 2025 of 27%. On a statutory basis the Group effective tax rate was 28.7% (H1 2024: 26.7%).

Earnings per share and dividends

Adjusted earnings per share were broadly in line with 2024 at 137.6 pence, consistent with the small decrease in adjusted operating profit, lower net financing costs and the increase in the effective tax rate. Statutory basic earnings per share were 31% lower at 85.0 pence (H1 2024: 123.8 pence). Statutory fully diluted earnings per share were not materially different to statutory basic earnings per share in either year.

The Board has declared an Interim dividend of 48.9 pence (H1 2024: 47.5 pence) per ordinary share, an increase of 3%, supporting the delivery of consistent shareholder value. The dividend will be paid on 14 November 2025 to shareholders on the register at the close of business on 17 October 2025.

Currency movements

Currency movements on translation negatively impacted Group sales by 3%. The currency impact on adjusted operating profit was, as expected, adverse by 7% due to translational and transactional impacts of £7.4 million and £4.0 million respectively. The translation downside reflects the impact of the strengthening of sterling in the first half against the currencies in which the Group operates. The main transactional exposure flow affecting the Group is the export of products from our factories in the UK, invoiced in sterling, less the import of goods from overseas Group factories and third parties which are priced predominately in euros and US dollars. The net exposure to transactional currency movements is approximately £150 million.

The currency headwinds we set out in our trading update in May are expected to persist through the remainder of the year, which would impact 2024 sales by approximately 3% to £1,615million and adjusted operating profit by approximately 6% to £314 million, leading to an adjusted operating profit margin of 19.4%. Movements in exchange rates are often volatile and unpredictable therefore the actual impact may be different.

Adjusted Cash flow

Six months to 30 June **Adjusted Cash flow**	**2025** **£m**	**2024** **£m**
Adjusted operating profit	158.8	160.3
Depreciation and amortisation (excl. leased assets)	22.1	20.2
Depreciation of leased assets	9.1	9.0
Additional contributions to pension schemes	(3.6)	(3.8)
Equity settled share plans	2.3	4.5
Working capital changes	(48.6)	(56.2)
Repayments of principal under lease liabilities	(8.8)	(8.7)
Capital expenditure (including software and development)	(34.3)	(39.7)
Adjusted cash from operations	**97.0**	**85.6**
Net interest	(17.8)	(21.0)
Income taxes paid	(29.7)	(37.9)
Adjusted Free cash flow	**49.5**	**26.7**
Net dividends paid	(86.8)	(84.2)
(Acquisitions)/Disposals of subsidiaries/associates	(10.1)	2.9
Restructuring costs	(12.9)	(2.5)
Cash flow for the year	**(60.3)**	**(57.1)**
Exchange movements	(1.5)	5.5
Opening net debt	(596.2)	(666.7)
Net debt at 30 June	**(658.0)**	**(718.3)**
Lease liability	(89.8)	(96.0)
Net debt and lease liability at 30 June	**(747.8)**	**(814.3)**

Adjusted cash from operations of £97.0 million (H1 2024: £85.6 million) was £11.4 million higher, with an improved adjusted cash conversion of 61% (H1 2024: 53%). The improvement in cash conversion was driven by lower net capital expenditure, together with improved working capital management, which offset lower adjusted operating profit. Improved working capital management led to a reduction in the half year working capital outflow, with the ratio of working capital to sales decreasing by 190bps to 24.5% (H1 2024: 26.4%).

Net capital expenditure in the first half of the year of £34.3 million was 14% lower than in the comparative period (H1 2024: £39.7 million) and 4% of sales. We are investing for long-term growth while maximising the utilisation of our manufacturing capacity by driving productivity and efficiency improvements. We expect net capital expenditure for the full year to be 4% to 5% of sales.

Adjusted free cash flow of £49.5 million (H1 2024: £26.7 million) increased by 85% driven by improved adjusted cash from operations as well as a reduction of taxes paid in the period. Taxes paid decreased by 22% due to lower operating profit and a non-recurring tax refund from HMRC due to the annulment of the EC’s decision relating to the UK's Controlled Foreign Company regime.

Total cash flow for the period includes a £12.9 million cost related to the Group’s restructuring (H1 2024: £2.5 million).

Financing and Liquidity

Net debt (excluding leases) at 30 June 2025 was £658.0 million (30 June 2024: £718.3 million; 31 December 2024: £596.2 million), with a net debt to EBITDA ratio of 1.8x (H1 2024: 1.9x; 31 December 2024: 1.6x).

As at 30 June 2025, total committed and undrawn debt facilities amounted to £380.0 million, in addition to a net cash balance of £171.9 million. The average tenor of our debt is over four years with the next contractual repayment maturity in May 2026.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group believes the Principal Risks and Uncertainties facing the Group for the remainder of the year as reported in, and unchanged from, the Annual Report 2024. The Group's Principal Risks and uncertainties at 31 December 2024 were detailed on pages 83 to 87 of the Annual Report 2024 and related to the following areas: economic and political instability; significant exchange rate movement; ageing enterprise systems; cybersecurity; loss of manufacturing output at any Group factory; failure to realise acquisition objectives; inability to identify and respond to changes in customer needs: digital/non-digital; and breach of legal and regulatory requirements (including Anti Bribery and Corruption laws).

INDEPENDENT REVIEW REPORT TO SPIRAX GROUP PLC

Conclusion

We have been engaged by 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 Statement of Financial Position, the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and related Notes 1 to 12.

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 United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

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" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. 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.

As disclosed in Note 1 the annual financial statements of the group will be prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion 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 to suggest 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 are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE (UK) 2410, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statement in the half-yearly financial report. 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 paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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 formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
11 August 2025

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2025 £m (unaudited)	30 June 2024 £m (unaudited)	31 December 2024 £m (audited)
ASSETS				
Non-current assets				
Property, plant and equipment		425.4	422.5	433.1
Right-of-use assets		90.2	97.4	95.6
Goodwill		652.3	674.6	669.7
Other intangible assets		398.9	436.5	420.4
Prepayments		2.0	1.1	1.8
Investment in Associate		3.2	3.9	3.3
Taxation recoverable		-	4.9	-
Deferred tax assets		38.4	27.1	34.2
		1,610.4	1,668.0	1,658.1
Current assets				
Inventories		251.0	290.4	253.2
Trade receivables		317.0	322.3	313.8
Other current assets		88.7	70.2	75.1
Taxation recoverable		14.3	9.2	10.6
Cash and cash equivalents	8	303.2	330.1	334.2
		974.2	1,022.2	986.9
Total assets		**2,584.6**	**2,690.2**	**2,645.0**
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables		232.5	234.4	263.0
Provisions		13.2	6.0	5.4
Bank overdrafts	8	131.3	167.8	100.3
Current portion of long-term borrowings	8	125.5	3.8	123.9
Short-term lease liabilities	8	15.8	15.9	17.2
Current tax payable		31.7	25.5	23.3
		550.0	453.4	533.1
Net current assets		**424.2**	**568.8**	**453.8**
Non-current liabilities				
Long-term borrowings	8	704.4	876.8	706.2
Long-term lease liabilities	8	74.0	80.1	77.9
Deferred tax liabilities		61.6	64.4	63.6
Post-retirement benefits	7	38.4	39.2	42.5
Provisions		13.9	6.9	6.3
Long-term payables		6.0	11.2	6.2
		898.3	1,078.6	902.7
Total liabilities		**1,448.3**	**1,532.0**	**1,435.8**
Net assets	2	**1,136.3**	**1,158.2**	**1,209.2**
Equity				
Share capital		19.9	19.8	19.8
Share premium account		92.0	90.4	92.0
Translation reserve		(143.3)	(76.5)	(86.1)
Other reserves		1.2	(11.3)	(7.5)
Retained earnings		1,166.2	1,135.3	1,190.6
Equity shareholders' funds		1,136.0	1,157.7	1,208.8
Non-controlling interest		0.3	0.5	0.4
Total equity		**1,136.3**	**1,158.2**	**1,209.2**
Total equity and liabilities		**2,584.6**	**2,690.2**	**2,645.0**

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months to 30 June 2025 £m (unaudited)	Six months to 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Revenue	2	**822.2**	**827.0**	**1,665.2**
Operating costs		(715.4)	(679.8)	(1,360.6)
Operating profit	2	**106.8**	**147.2**	**304.6**
Financial expenses		(23.6)	(28.4)	(56.7)
Financial income		5.0	6.5	13.0
Net financing expense	3	(18.6)	(21.9)	(43.7)
Share of loss of Associate		(0.3)	(0.5)	(2.0)
Profit before taxation		**87.9**	**124.8**	**258.9**
Taxation	4	(25.2)	(33.5)	(67.5)
Profit for the period		**62.7**	**91.3**	**191.4**
Attributable to:				
Equity shareholders		62.7	91.2	191.2
Non-controlling interest		-	0.1	0.2
Profit for the period		**62.7**	**91.3**	**191.4**
Earnings per share				
Basic earnings per share	5	85.0p	123.8p	259.6p
Diluted earnings per share	5	84.8p	123.6p	258.9p
Dividends				
Dividends per share	6	48.9p	47.5p	165.0p
Dividends paid (per share)	6	117.5p	114.0p	161.5p

All amounts relate to continuing operations. The Notes on pages 21 to 29 form an integral part of the Interim Condensed Consolidated Financial Statements. Adjusted performance measures are included in the Appendix.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months to 30 June 2025 £m (unaudited)	Six months to 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Profit for the period	**62.7**	**91.3**	**191.4**
Items that will not be reclassified to profit or loss:			
Remeasurement gain on post-retirement benefits	1.8	9.6	3.6
Deferred tax on remeasurement gain on post-retirement benefits	(0.9)	(2.3)	(1.1)
	0.9	7.3	2.5
Items that may be reclassified subsequently to profit or loss:			
Exchange loss on translation of foreign operations and net investment hedges	(57.2)	(16.1)	(25.7)
Gain/(loss) on cash flow hedges net of tax	5.0	(0.8)	(2.3)
	(52.2)	(16.9)	(28.0)
Total comprehensive income for the period	**11.4**	**81.7**	**165.9**
Attributable to:			
Equity shareholders	11.4	81.6	165.7
Non-controlling interest	-	0.1	0.2
Total comprehensive income for the period	**11.4**	**81.7**	**165.9**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025 (unaudited)	**Share capital £m**	**Share premium account £m**	**Translation Reserve £m**	**Other reserves £m**	**Retained earnings £m**	**Equity shareholders' funds £m**	**Non-controlling interest £m**	**Total equity £m**
Balance at 1 January 2025	**19.8**	**92.0**	**(86.1)**	**(7.5)**	**1,190.6**	**1,208.8**	**0.4**	**1,209.2**
Profit for the period	**-**	**-**	**-**	**-**	**62.7**	**62.7**	**-**	**62.7**
Other comprehensive (expense)/income:								
Foreign exchange translation differences and net investment hedges	-	-	(57.2)	-	-	(57.2)	-	(57.2)
Remeasurement gain on post-retirement benefits	-	-	-	-	1.8	1.8	-	1.8
Deferred tax on remeasurement gain on post-retirement benefits	-	-	-	-	(0.9)	(0.9)	-	(0.9)
Cash flow hedges	-	-	-	5.0	-	5.0	-	5.0
Total other comprehensive (expense)/income for the period	**-**	**-**	**(57.2)**	**5.0**	**0.9**	**(51.3)**	**-**	**(51.3)**
Total comprehensive (expense)/income for the period	**-**	**-**	**(57.2)**	**5.0**	**63.6**	**11.4**	**-**	**11.4**
Contributions by and distributions to owners of the Company:								
Dividends paid	-	-	-	-	(86.7)	(86.7)	(0.1)	(86.8)
Equity-settled share plans net of tax	-	-	-	-	(1.3)	(1.3)	-	(1.3)
Issue of share capital	0.1	-	-	-	-	0.1	-	0.1
Employee Benefit Trust shares	-	-	-	3.7	-	3.7	-	3.7
Balance at 30 June 2025	**19.9**	**92.0**	**(143.3)**	**1.2**	**1,166.2**	**1,136.0**	**0.3**	**1,136.3**

Other reserves represent the Group's cash flow hedge, capital redemption and employee benefit trust reserves. The non-controlling interest is a 1.5% (30 June 2024: 1.7%; 31 December 2024: 1.6%) share of Spirax Sarco (Korea) Ltd held by employee shareholders.

For the period ended 30 June 2024 (unaudited)	**Share capital £m**	**Share premium account £m**	**Translation Reserve £m**	**Other reserves £m**	**Retained earnings £m**	**Equity shareholders' funds £m**	**Non-controlling interest £m**	**Total equity £m**
Balance at 1 January 2024	**19.8**	**90.1**	**(60.4)**	**(12.9)**	**1,120.3**	**1,156.9**	**0.8**	**1,157.7**
Profit for the period	**-**	**-**	**-**	**-**	**91.2**	**91.2**	**0.1**	**91.3**
Other comprehensive income/(expense):								
Foreign exchange translation differences and net investment hedges	-	-	(16.1)	-	-	(16.1)	-	(16.1)
Remeasurement gain on post-retirement benefits	-	-	-	-	9.6	9.6	-	9.6
Deferred tax on remeasurement gain on post-retirement benefits	-	-	-	-	(2.3)	(2.3)	-	(2.3)
Cash flow hedges	-	-	-	(0.8)	-	(0.8)	-	(0.8)
Total other comprehensive (expense)/income for the period	**-**	**-**	**(16.1)**	**(0.8)**	**7.3**	**(9.6)**	**-**	**(9.6)**
Total comprehensive income/(expense) for the period	**-**	**-**	**(16.1)**	**(0.8)**	**98.5**	**81.6**	**0.1**	**81.7**
Contributions by and distributions to owners of the Company:								
Dividends paid	-	-	-	-	(84.0)	(84.0)	(0.2)	(84.2)
Equity-settled share plans net of tax	-	-	-	-	1.0	1.0	-	1.0
Purchase of shares from non-controlling interest	-	-	-	-	(0.5)	(0.5)	(0.2)	(0.7)
Issue of share capital	-	0.3	-	-	-	0.3	-	0.3
Employee Benefit Trust shares	-	-	-	2.4	-	2.4	-	2.4
Balance at 30 June 2024	**19.8**	**90.4**	**(76.5)**	**(11.3)**	**1,135.3**	**1,157.7**	**0.5**	**1,158.2**

For the year ended 31 December 2024 (audited)	Share capital £m	Share premium account £m	Translation Reserve £m	Other reserves £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
Balance at 1 January 2024	**19.8**	**90.1**	**(60.4)**	**(12.9)**	**1,120.3**	**1,156.9**	**0.8**	**1,157.7**
Profit for the period	**-**	**-**	**-**	**-**	**191.2**	**191.2**	**0.2**	**191.4**
Other comprehensive income/(expense):								
Foreign exchange translation and net investment hedges loss	-	-	(25.7)	-	-	(25.7)	-	(25.7)
Remeasurement gain on post-retirement benefits	-	-	-	-	3.6	3.6	-	3.6
Deferred tax on remeasurement gain on post-retirement benefits	-	-	-	-	(1.1)	(1.1)	-	(1.1)
Loss on cash flow hedges net of tax	-	-	-	(2.3)	-	(2.3)	-	(2.3)
Total other comprehensive (expense)/income for the year	**-**	**-**	**(25.7)**	**(2.3)**	**2.5**	**(25.5)**	-	**(25.5)**
Total comprehensive income/(expense) for the year	**-**	**-**	**(25.7)**	**(2.3)**	**193.7**	**165.7**	**0.2**	**165.9**
Contributions by and distributions to owners of the Company:								
Dividends paid	-	-	-	-	(119.0)	(119.0)	(0.3)	(119.3)
Equity-settled share plans net of tax	-	-	-	-	(3.9)	(3.9)	-	(3.9)
Purchase of shares from NCI	-	-	-	-	(0.5)	(0.5)	(0.3)	(0.8)
Issue of share capital	-	1.9	-	-	-	1.9	-	1.9
Employee Benefit Trust shares	-	-	-	7.7	-	7.7	-	7.7
Balance at 31 December 2024	**19.8**	**92.0**	**(86.1)**	**(7.5)**	**1,190.6**	**1,208.8**	**0.4**	**1,209.2**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Six months to 30 June 2025 £m (unaudited)	Six months to 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Cash flows from operating activities				
Profit before taxation		87.9	124.8	258.9
Depreciation, amortisation and impairment		51.6	49.4	103.7
Profit on disposal of fixed assets		(0.9)	(2.9)	(3.8)
Share of loss of Associate		0.3	-	2.0
Cash payments to the pension schemes greater than the charge to operating profit		(3.6)	(3.8)	(6.4)
Profit on disposal of Associates		-	-	(3.2)
Acquisition related items		-	(4.2)	(7.3)
Restructuring related provisions and impairments		19.6	(2.5)	(2.4)
Equity-settled share plans		2.3	4.5	3.1
Net finance expense		18.6	21.9	43.7
Operating cash flow before changes in working capital and provisions		**175.8**	**187.2**	**388.3**
(Increase)/decrease in trade and other receivables		(22.1)	(30.3)	(34.5)
(Increase)/decrease in inventories		(6.8)	(11.3)	21.9
(Decrease)/increase in provisions		(0.7)	(1.5)	(2.5)
(Decrease)/increase in trade and other payables		(19.0)	(13.1)	16.1
Cash generated from operations		**127.2**	**131.0**	**389.3**
Income taxes paid		(29.7)	(37.9)	(76.5)
Net cash from operating activities		**97.5**	**93.1**	**312.8**
Cash flows from investing activities				
Purchase of property, plant and equipment		(27.8)	(33.2)	(74.3)
Proceeds from sale of property, plant and equipment		1.3	4.4	9.2
Purchase of software and other intangibles		(6.3)	(8.6)	(14.6)
Development expenditure capitalised		(1.5)	(2.3)	(3.9)
Disposal of subsidiaries		-	-	5.6
Acquisition of businesses net of cash acquired		(10.1)	2.9	(4.5)
Acquisition of businesses reimbursed consideration		-	-	4.2
Interest received		5.0	6.5	13.0
Net cash used in investing activities		**(39.4)**	**(30.3)**	**(65.3)**
Cash flows from financing activities				
Proceeds from issue of share capital		-	0.3	1.9
Repaid borrowings		(19.2)	(42.7)	(103.0)
New borrowings		20.8	55.2	76.8
Interest paid including interest on lease liabilities		(22.8)	(27.5)	(54.8)
Repayment of lease liabilities	8	(8.8)	(8.7)	(16.6)
Dividends paid (including minority shareholders)	6	(86.8)	(84.2)	(119.3)
Net cash used in financing activities		**(116.8)**	**(107.6)**	**(215.0)**
Net change in cash and cash equivalents	8	**(58.7)**	**(44.8)**	**32.5**
Net cash and cash equivalents at beginning of period	8	233.9	212.8	212.8
Exchange movement	8	(3.3)	(5.7)	(11.4)
Net cash and cash equivalents at end of period	8	**171.9**	**162.3**	**233.9**
Borrowings	8	(829.9)	(880.6)	(830.1)
Net debt at end of period	8	**(658.0)**	**(718.3)**	**(596.2)**
Lease liabilities	8	(89.8)	(96.0)	(95.1)
Net debt and lease liabilities at end of period	8	**(747.8)**	**(814.3)**	**(691.3)**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

Spirax Group plc is a Company domiciled in the UK. The Condensed Consolidated Interim Financial Statements of Spirax Group plc and its subsidiaries (the Group) for the six months ended 30 June 2025 have been prepared in accordance with United Kingdom adopted International Financial Reporting Standard IAS 34 (Interim Financial Reporting). The accounting policies applied are consistent with those set out in the Spirax Group plc 2024 Annual Report.

These Condensed Consolidated Interim Financial Statements do not include all the information required for full annual statements and should be read in conjunction with the 2024 Annual Report. The comparative figures for the year ended 31 December 2024 do not constitute the Group's statutory Financial Statements for that financial year as defined in Section 434 of the Companies Act 2006. The Financial Statements of the Group for the year ended 31 December 2024 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the United Kingdom. The statutory Consolidated Financial Statements for Spirax Group plc in respect of the year ended 31 December 2024 have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The Consolidated Financial Statements of the Group in respect of the year ended 31 December 2024 are available upon request from the General Counsel and Company Secretary, Charlton House, Cheltenham, GL53 8ER. The Report is also available on our website at www.spiraxgroup.com.

The Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2025, which have been reviewed by the auditor 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' issued by the Financial Reporting Council, were authorised by the Board on 11 August 2025.

The Half Year Report and Interim Financial Statements (Half Year Report) has been prepared solely to provide additional information to shareholders as a body to assess the Group's strategies and the potential for those strategies to succeed. This Half Year Report should not be relied upon by any other party or for any other purpose.

GOING CONCERN

When managing liquidity, the Group's principal objective is to safeguard the ability to continue as a going concern for at least 12 months from the date of signing the 2025 Half Year results. The Group retains sufficient resources to remain in compliance with all the required terms and conditions within its borrowing facilities with material headroom. No material uncertainties have been identified.

The Group continues to conduct ongoing risk assessments with its business operations and on its liquidity. Consideration has also been given to 'reverse stress tests', which seek to identify factors that might cause the Group to require additional liquidity and form a view as to the probability of these occurring.

The Group's financial position remains robust, with the next maturity of our committed debt facilities being €120m US Private Placement which matures in May 2026 and is reflected in the cash flow forecast model. The Group's debt facilities contain a leverage (Net Debt/EBITDA) covenant of up to 3.5x. Certain debt facilities also contain an interest cover (EBITDA/Net Finance Expense) covenant of a minimum of 3.0x. The Group regularly monitors its financial position to ensure that it remains within the terms of these debt covenants. Leverage (defined as net debt divided by adjusted earnings before interest, tax, depreciation and amortisation) was 1.8x at 30 June 2025 (30 June 2024: 1.9x; 31 December 2024: 1.6x), Interest cover (defined as adjusted earnings before interest, tax, depreciation and amortisation divided by net bank interest) was 11x at 30 June 2025 (30 June 2024: 9x; 31 December 2024: 10x).

Reverse stress testing was also performed to assess the level of business under-performance that would be required for a breach of the financial covenants to occur. The results of which evidenced that no reasonably possible change in future forecast cash flows would cause a breach of these covenants. The reverse stress test cash flow modelling does not consider any mitigating actions that the Group would implement in the event of a severe and extended revenue and profitability decline. Such actions would serve to further increase covenant headroom.

This assessment indicates that the Group can operate within the level of its current committed debt facilities, without the need to obtain any new facilities for a period of not less than 12 months from the date of this report.

NEW STANDARDS AND INTERPRETATIONS APPLIED FOR THE FIRST TIME

The Group has applied the following amendments for the first time from 1 January 2025. Adoption has not had a material impact on the disclosures or on the amounts reported in these Financial Statements:

- Lack of Exchangeability (Amendments to IAS 21)

The economy in both Argentina and Turkey remains subject to high inflation. At 30 June 2025 we have concluded that applying IAS 29 (Financial Reporting in Hyperinflationary Economies) is not required as the impact of adopting is not material. We will continue to assess the position going forward.

NEW STANDARDS AND INTERPRETATIONS NOT YET APPLIED

At the date of approval of these Condensed Consolidated Financial Statements, there were no new or revised IFRSs, amendments or interpretations in issue but not yet effective that are potentially material for the Group and which have not yet been applied.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of Interim Financial Statements, in conformity with adopted IFRS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated Financial Statements for the year ended 31 December 2024.

RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge:

- This Condensed Consolidated set of Interim Financial Statements has been prepared in accordance with IAS 34 (Interim Financial Reporting), as adopted by the United Kingdom;

- The interim management report includes a fair review of the information required by:

  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the Condensed Consolidated Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

  b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

The Directors of Spirax Group plc on 11 August 2025 are as listed in the 2024 Annual Report on pages 102 and 103 with the addition of Maria Antoniou who joined the Board as a Non-Executive Director on 1 June 2025.

N. B. Patel
Group Chief Executive Officer
11 August 2025

On behalf of the Board

2. SEGMENTAL REPORTING

As required by IFRS 8 Operating Segments, the segmental structure reflects the current internal reporting provided to the Chief Operating Decision Maker (considered to be the Board) on a regular basis to assist in making decisions on resource allocation to each segment and to assess performance.

The Group is organised into three segments with the following core product expertise:
- Steam Thermal Solutions - Industrial and commercial steam systems
- Electric Thermal Solutions - Electrical process heating and temperature management solutions
- Watson-Marlow Fluid Technology Solutions - Peristaltic and niche pumps and associated fluid path technologies

No changes to the structure of operating segments have been made during the current period.

Analysis by operating segment

Six months to 30 June 2025	Revenue £m	Total operating profit/(loss) £m	Operating profit margin %
Steam Thermal Solutions	414.2	66.2	16.0%
Electric Thermal Solutions	212.3	17.8	8.4%
Watson-Marlow Fluid Technology Solutions	195.7	43.6	22.3%
Corporate	-	(20.8)	
Total	**822.2**	**106.8**	**13.0%**
Net finance expense		(18.6)	
Share of loss of Associate		(0.3)	
Profit before taxation		**87.9**	

Six months to 30 June 2024	Revenue £m	Total operating profit/(loss) £m	Operating profit margin %
Steam Thermal Solutions	430.8	98.6	22.9%
Electric Thermal Solutions	197.7	20.1	10.2%
Watson-Marlow Fluid Technology Solutions	198.5	47.3	23.8%
Corporate	-	(18.8)	
Total	**827.0**	**147.2**	**17.8%**
Net finance expense		(21.9)	
Share of loss of Associate		(0.5)	
Profit before taxation		**124.8**	

Year ended 31 December 2024	Revenue £m	Total operating profit/(loss) £m	Operating profit margin %
Steam Thermal Solutions	867.9	198.9	22.9%
Electric Thermal Solutions	404.6	46.1	11.4%
Watson-Marlow Fluid Technology Solutions	392.7	90.3	23.0%
Corporate	-	(30.7)	
Total	**1,665.2**	**304.6**	**18.3%**
Net finance expense		(43.7)	
Share of loss of Associate		(2.0)	
Profit before taxation		**258.9**	

The following table details the split of revenue by geography for the combined Group:

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
Europe, Middle East and Africa	365.6	366.2	721.3
Asia Pacific	150.8	166.1	338.2
Americas	305.8	294.7	605.7
Total revenue	**822.2**	**827.0**	**1,665.2**

Net financing income and expense

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
Steam Thermal Solutions	(0.6)	(0.1)	(0.4)
Electric Thermal Solutions	0.3	(0.4)	(0.3)
Watson-Marlow Fluid Technology Solutions	(0.3)	(0.1)	-
Corporate	(18.0)	(21.3)	(43.0)
Total net financing expense	**(18.6)**	**(21.9)**	**(43.7)**

Net assets

	30 June 2025		30 June 2024		31 December 2024	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Steam Thermal Solutions	700.3	(185.0)	711.3	(168.8)	693.9	(190.8)
Electric Thermal Solutions	1,097.2	(69.4)	1,149.0	(89.4)	1,139.9	(84.4)
Watson-Marlow Fluid Technology Solutions	395.6	(43.9)	424.6	(38.1)	403.9	(38.8)
Corporate	35.7	(5.8)	33.9	(1.3)	28.3	(9.4)
	2,228.8	(304.1)	2,318.8	(297.6)	2,266.0	(323.4)
Liabilities	(304.1)		(297.6)		(323.4)	
Net deferred tax	(23.2)		(37.3)		(29.4)	
Net tax payable	(17.4)		(11.4)		(12.7)	
Net debt including lease liabilities	(747.8)		(814.3)		(691.3)	
Net assets	**1,136.3**		**1,158.2**		**1,209.2**	

Capital additions, depreciation, amortisation and impairment

	Six months to 30 June 2025		Six months to 30 June 2024		Year ended 31 December 2024	
	Capital additions £m	Depreciation, amortisation and impairment £m	Capital additions £m	Depreciation, amortisation and impairment £m	Capital additions £m	Depreciation, amortisation and impairment £m
Steam Thermal Solutions	25.8	19.0	19.0	16.9	37.7	33.0
Electric Thermal Solutions	11.8	19.5	21.1	18.8	48.4	37.7
Watson-Marlow Fluid Technology Solutions	4.7	12.3	8.7	12.3	18.9	31.0
Corporate	2.9	0.8	4.3	1.4	4.6	2.0
Total	**45.2**	**51.6**	**53.1**	**49.4**	**109.6**	**103.7**

Capital additions include property, plant and equipment at 30 June 2025 of £27.8 million (30 June 2024: £33.2 million; 31 December 2024: £74.3 million). Capital additions also include other intangible assets at 30 June 2025 of £10.8 million (30 June 2024: £10.9 million; 31 December 2024: £18.5 million), of which £3.0 million relates to acquisition related intangibles (30 June 2024: £nil million; 31 December 2024: £nil million). Right-of-use asset additions at 30 June 2025 were £6.6 million (30 June 2024: £9.0 million; 31 December 2024: £16.8 million).

3. NET FINANCING INCOME AND EXPENSE

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
Financial expenses:			
Bank and other borrowing interest payable	(21.2)	(25.9)	(51.7)
Interest expense on lease liabilities	(1.6)	(1.6)	(3.1)
Net interest on pension scheme liabilities	(0.8)	(0.9)	(1.9)
	(23.6)	(28.4)	(56.7)
Financial income:			
Bank interest receivable	5.0	6.5	13.0
Net financing expense	**(18.6)**	**(21.9)**	**(43.7)**
Net bank interest	(16.2)	(19.4)	(38.7)
Interest expense on lease liabilities	(1.6)	(1.6)	(3.1)
Net pension scheme financial expense	(0.8)	(0.9)	(1.9)
Net financing expense	**(18.6)**	**(21.9)**	**(43.7)**

4. TAXATION

Taxation has been estimated at the rate expected to be incurred in the full year.

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
UK corporation tax	3.9	(1.9)	7.4
Foreign tax	31.2	35.6	67.4
Deferred tax	(9.9)	(0.2)	(7.3)
Total taxation	**25.2**	**33.5**	**67.5**
Effective tax rate	**28.7%**	**26.7%**	**26.1%**

The Group's tax charge in future years is likely to be affected by the proportion of profits arising and the effective tax rates in the various countries in which the Group operates. The rate may also be affected by the impact of any acquisitions.

The Group is subject to a tax adjustment in Argentina that seeks to offset the impact of inflation upon taxable profits. This adjustment gave a reduction in the Group's effective tax rate in the period of 75bps on a statutory basis (30 June 2024: 60bps; 31 December 2024: 110 bps). Whilst we include the expected impact of this adjustment in our guidance for the effective tax rate, this is difficult to accurately forecast due to the current levels of inflation in Argentina. Further, in 2024 the Group benefited from non-recurring investment tax incentives in the USA, with no such benefits forecast in 2025.

The Group monitors income tax developments in the territories in which it operates. This includes changes to the USA corporate tax system and the potential for 'retaliatory tax measures' to be implemented by the current administration. Based on relevant draft legislation, these will not create a significant additional tax cost for the Group.

On 4 March 2025, the Group received a refund from HM Revenue & Customs of £4.9 million being the amount recognised as a receivable on its balance sheet. The amount was originally paid in 2021 following the European Commission's 2019 decision that certain aspects of the UK's Controlled Foreign Company regime constituted State Aid, a decision subsequently annulled by the European Court of Justice on 19 September 2024.

5. EARNINGS PER SHARE

	Six months to 30 June 2025	Six months to 30 June 2024	Year ended 31 December 2024
Profit attributable to equity shareholders (£m)	62.7	91.2	191.2
Weighted average shares in issue (million)	73.7	73.6	73.7
Dilution (million)	0.2	0.2	0.2
Diluted weighted average shares in issue (million)	73.9	73.8	73.9
Basic earnings per share	**85.0p**	**123.8p**	**259.6p**
Diluted earnings per share	**84.8p**	**123.6p**	**258.9p**

Basic and diluted earnings per share calculated on an adjusted profit basis are included in the Appendix. The dilution is in respect of the Performance Share Plan.

6. DIVIDENDS

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
Amounts paid in the period:			
Final dividend for the year ended 31 December 2024 of 117.5p (2023: 114.0p) per share	86.7	84.0	84.0
Interim dividend for the year ended 31 December 2024 of 47.5p (2023: 46.0p) per share	-	-	35.0
Total dividends paid	**86.7**	**84.0**	**119.0**
Amounts arising in respect of the period:			
Interim dividend for the year ending 31 December 2025 of 48.9p (2024: 47.5p) per share	36.0	35.0	35.0
Final dividend for the year ended 31 December 2024 of 117.5p (2023: 114.0p) per share	-	-	86.6
Total dividends arising	**36.0**	**35.0**	**121.6**

The Interim dividend for the year ending 31 December 2025 was approved by the Board after 30 June 2025. It is therefore not included as a liability in these Interim Condensed Consolidated Financial Statements. No scrip alternative to the cash dividend is being offered in respect of the 2025 interim dividend.

In addition, dividends paid to minority shareholders at 30 June 2025 were £0.1 million (30 June 2024: £0.2 million; 31 December 2024: £0.3 million).

7. POST-RETIREMENT BENEFITS

The Group is accounting for pension costs in accordance with IAS 19. The disclosures shown here are in respect of the Group's Defined Benefit Obligations. Other plans operated by the Group were either Defined Contribution plans or were deemed immaterial for the purposes of IAS 19 reporting. The full IAS 19 disclosures for the year ended 31 December 2024 are included in the Group's Annual Report.

The amounts recognised in the Consolidated Statement of Financial Position are as follows:

	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
Post-retirement benefits	(38.4)	(39.2)	(42.5)
Related deferred tax asset	9.6	10.1	11.0
Net pension liability	**(28.8)**	**(29.1)**	**(31.5)**

8. ANALYSIS OF CHANGES IN NET DEBT, INCLUDING CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 January 2025 £m	Cash flow £m	Acquired debt* £m	Exchange movement £m	30 June 2025 £m
Current portion of long-term borrowings	(123.9)				(125.5)
Non-current portion of long-term borrowings	(706.2)				(704.4)
Total borrowings	**(830.1)**				**(829.9)**
Lease liability	(95.1)	8.8	(6.1)	2.6	(89.8)
Borrowings	(830.1)	(1.6)	-	1.8	(829.9)
Changes in liabilities arising from financing	**(925.2)**	**7.2**	**(6.1)**	**4.4**	**(919.7)**
Cash at bank	334.2	(27.0)	-	(4.0)	303.2
Bank overdrafts	(100.3)	(31.7)	-	0.7	(131.3)
Net cash and cash equivalents	**233.9**	**(58.7)**	**-**	**(3.3)**	**171.9**
Net debt and lease liability	**(691.3)**	**(51.5)**	**(6.1)**	**1.1**	**(747.8)**
Net debt excluding lease liability	**(596.2)**	**(60.3)**	**-**	**(1.5)**	**(658.0)**

* Debt acquired includes both debt acquired due to acquisition, and debt recognised on the balance sheet due to entry into new leases and disposals of existing leases.

During the period £21.2 million of interest on external borrowings (30 June 2024: £25.9 million; 31 December 2024: £51.7 million) was incurred and paid.

At 30 June 2025 total lease liabilities consist of £15.8 million (30 June 2024: £15.9 million; 31 December 2024: £17.2 million) short-term and £74.0 million (30 June 2024: £80.1 million; 31 December 2024: £77.9 million) long-term.

	1 January 2024 £m	Cash flow £m	Acquired debt* £m	Exchange movement £m	30 June 2024 £m
Current portion of long-term borrowings	(3.6)				(3.8)
Non-current portion of long-term borrowings	(875.9)				(876.8)
Total borrowings	**(879.5)**				**(880.6)**
Lease liability	(96.7)	8.7	(9.1)	1.1	(96.0)
Borrowings	(879.5)	(12.5)	-	11.4	(880.6)
Changes in liabilities arising from financing	**(976.2)**	**(3.8)**	**(9.1)**	**12.5**	**(976.6)**
Cash at bank	359.7	(21.9)	-	(7.7)	330.1
Bank overdrafts	(146.9)	(22.9)	-	2.0	(167.8)
Net cash and cash equivalents	**212.8**	**(44.8)**	**-**	**(5.7)**	**162.3**
Net debt and lease liability	**(763.4)**	**(48.6)**	**(9.1)**	**6.8**	**(814.3)**
Net debt excluding lease liability	**(666.7)**	**(57.3)**	-	**5.7**	**(718.3)**

	1 January 2024 £m	Cash flow £m	Acquired debt* £m	Exchange movement £m	31 December 2024 £m
Current portion of long-term borrowings	(3.6)				(123.9)
Non-current portion of long-term borrowings	(875.9)				(706.2)
Total borrowings	**(879.5)**				**(830.1)**
Lease liability	(96.7)	16.6	(16.5)	1.5	(95.1)
Borrowings	(879.5)	26.2	-	23.2	(830.1)
Changes in liabilities arising from financing	**(976.2)**	**42.8**	**(16.5)**	**24.7**	**(925.2)**
Cash at bank	359.7	(11.6)	-	(13.9)	334.2
Bank overdrafts	(146.9)	44.1	-	2.5	(100.3)
Net cash and cash equivalents	**212.8**	**32.5**	**-**	**(11.4)**	**233.9**
Net debt and lease liability	**(763.4)**	**75.3**	**(16.5)**	**13.3**	**(691.3)**
Net debt excluding lease liability	**(666.7)**	**58.7**	**-**	**11.8**	**(596.2)**

9. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note. Full details of the Group's other related party relationships, transactions and balances are given in the Group's Financial Statements for the year ended 31 December 2024. There have been no material changes in these relationships in the period up to the end of this Report.

No related party transactions have taken place in the first half of 2025 that have materially affected the financial position or the performance of the Group during that period.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table details a comparison of the Group's financial assets and liabilities where book values and fair values differ:

	30 June 2025		30 June 2024		31 December 2024	
	Carrying value £m	Fair value £m	Carrying value £m	Fair value £m	Carrying value £m	Fair value £m
Borrowings	829.9	830.0	880.6	872.3	830.1	822.8

Fair values of financial assets and financial liabilities

Fair values of financial assets and liabilities at 30 June 2025 are not materially different from book values due to their size, the fact that they were at short-term rates of interest or for borrowings at long-term rates of interest where the rate of interest is not materially different to the current market rate. For derivatives, the fair value of forward exchange contracts are marked to market by discounting the future contracted cash flows using readily available market data. For interest-bearing loans and borrowings, fair value is calculated based on discounted expected future principal and interest cash flows using a current market rate of interest. For lease liabilities, the fair value is estimated as the present value of future cash flows, discounted at the incremental borrowing rate for the related geographical location, unless the rate implicit in the lease is readily determinable. For receivables and payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

The Group uses forward currency contracts to manage its exposure to movements in foreign exchange rates. The forward contracts are designated as hedging instruments in a cash flow hedging relationship. At 30 June 2025 the Group had contracts outstanding to economically hedge or to purchase £37.6 million with US dollars, £72.9 million with euros, £8.0 million with Korean won, £16.5 million with Chinese renminbi, £4.1 million with Singapore dollars, €20.6 million with US dollars, €2.7 million with Korean won, €9.3 million with Chinese renminbi and USD 23.3 million with Mexican Pesos. The fair value at the end of the reporting period is a £5.4 million asset (30 June 2024: £0.8 million asset; 31 December 2024: £1.3 million liability).

Financial instruments fair value disclosure

Fair value measurements are classified into three levels, depending on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets and liabilities
- Level 2 fair value measurements are those derived from other observable inputs for the asset or liability
- Level 3 fair value measurements are those derived from valuation techniques using inputs that are not based on observable market data

We consider that the derivative financial instruments fall into Level 2. There have been no transfers between levels during the period.

11. CAPITAL COMMITMENTS

Capital expenditure contracted for, but not provided for, at 30 June 2025 was £6.4 million (30 June 2024: £10.9 million; 31 December 2024: £13.7 million). All capital commitments related to property, plant and equipment and leased assets.

12. EXCHANGE RATES

Set out below is an additional disclosure (not required by IAS 34) that highlights movements in a selection of average exchange rates between half year 2024 and half year 2025.

	Average half year 2025	Average half year 2024	Change %
US dollar	1.30	1.26	(3)%
Euro	1.19	1.17	(2)%
Renminbi	9.41	9.11	(3)%
Won	1,857.89	1,708.29	(9)%
Real	7.50	6.47	(16)%
Argentine peso	1,446.38	1,087.16	(33)%

A negative movement indicates a strengthening in sterling versus that currency. When sterling strengthens against other currencies in which the Group operates, the Group incurs a loss on translation of the financial results into sterling.

On a translation basis, sales decreased by 3% and adjusted operating profit decreased by 5%, with transactional currency also impacting profit adversely by another 2%, giving a total decrease to profit from currency movements of 7%.

Appendix – Alternative performance measures

The Group reports under International Financial Reporting Standards (IFRS) and also uses adjusted performance measures where the Board believes that:

- they help to effectively monitor the performance of the Group; and
- users of the Financial Statements might find them informative.

Certain adjusted performance measures also form a meaningful element of Executive Directors' annual remuneration. A definition of the adjusted performance measures and a reconciliation to the closest IFRS equivalent are disclosed below. The term 'adjusted' is not defined under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. Adjusted performance measures are not considered to be a substitute for, or superior to, IFRS measures.

Adjusted operating profit

Adjusted operating profit excludes items that are considered to be significant in nature and/or quantum at either a Group or an operating segment level and where treatment as an adjusted item provides stakeholders with additional useful information to assess the period-on-period trading performance of the Group. The Group excludes such items including those defined as follows:

- Amortisation and impairment of acquisition-related intangible assets
- Costs associated with the acquisition or disposal of businesses
- Gain or loss on disposal of a subsidiary and / or disposal groups
- Reversal of acquisition-related fair value adjustments to inventory
- Changes in deferred and contingent consideration payable on acquisitions
- Costs associated with a material restructuring
- Material gains or losses on disposal of property
- Accelerated depreciation, impairment and other related costs on non-recurring, material property redevelopments
- Material non-recurring pension costs or credits
- Costs or credits arising from regulatory and litigation matters
- Other material items which are considered to be non-recurring in nature and / or are not a result of the underlying trading of the business
- Related tax effect on adjusting items above and other tax items which do not form part of the underlying tax rate

A reconciliation between operating profit as reported under IFRS and adjusted operating profit is given below.

	Six months to 30 June 2025 £m	**Six months to 30 June 2024 £m**	**Year ended 31 December 2024 £m**
Operating profit as reported under IFRS	**106.8**	**147.2**	**304.6**
Restructuring costs	32.5	-	-
Amortisation of acquisition-related intangible assets	17.4	17.3	34.1
Asset related impairment	2.1	-	5.7
Acquisition-related items	-	(4.2)	(7.3)
Disposal of Associate	-	-	(3.2)
Total adjusting items	**52.0**	**13.1**	**29.3**
Adjusted operating profit	**158.8**	**160.3**	**333.9**

Tax on adjusting items

	Six months to 30 June 2025			Six months to 30 June 2024			Year ended 31 December 2024		
	Adjusted £m	Adj't £m	Total £m	Adjusted £m	Adj't £m	Total £m	Adjusted £m	Adj't £m	Total £m
UK Corporation tax	3.9	-	3.9	(1.9)	-	(1.9)	7.4	-	7.4
Foreign tax	34.9	(3.7)	31.2	35.6	-	35.6	71.1	(3.7)	67.4
Deferred tax	(0.4)	(9.5)	(9.9)	3.0	(3.2)	(0.2)	(1.5)	(5.8)	(7.3)
Total taxation	**38.4**	**(13.2)**	**25.2**	**36.7**	**(3.2)**	**33.5**	**77.0**	**(9.5)**	**67.5**
Effective tax rate	**27.4%**	**25.3%**	**28.7%**	**26.5%**	**24.4%**	**26.7%**	**26.5%**	**30.4%**	**26.1%**

The adjusted effective tax rate is calculated as a percentage of profit before tax and a share of profits of associates.

Adjusted earnings per share

	Six months to 30 June 2025	Six months to 30 June 2024	Year ended 31 December 2024
Profit for the period attributable to equity holders as reported under IFRS (£m)	**62.7**	**91.2**	**191.2**
Items excluded from adjusted operating profit disclosed above (£m)	52.0	13.1	29.3
Tax effects on adjusted items (£m)	(13.2)	(3.2)	(9.5)
Adjusted profit for the period attributable to equity holders (£m)	**101.5**	**101.1**	**211.0**
Weighted average shares in issue (million)	73.7	73.6	73.7
Basic adjusted earnings per share	**137.6p**	**137.2p**	**286.3p**
Diluted weighted average shares in issue (million)	73.9	73.8	73.9
Diluted adjusted earnings per share	**137.3p**	**136.9p**	**285.6p**

Basic adjusted earnings per share is defined as adjusted profit for the period attributable to equity holders divided by the weighted average number of shares in issue. Diluted adjusted earnings per share is defined as adjusted profit for the period attributable to equity holders divided by the diluted weighted average number of shares in issue.

Basic and diluted EPS calculated on an IFRS profit basis are included in Note 5.

Adjusted cash flow

Adjusted cash from operations is used by the Board to monitor the performance of the Group, with a focus on elements of cashflow, such as net capital expenditure, which are subject to day-to-day control by the business. A reconciliation showing the items that bridge between net cash from operating activities as reported under IFRS to adjusted cash from operations is given below:

	Six months to 30 June 2025 £m	Six months to 30 June 2024 £m	Year ended 31 December 2024 £m
Net cash from operating activities as reported under IFRS	**97.5**	**93.1**	**312.8**
Restructuring and acquisition-related costs	12.9	2.5	2.4
Share of loss of Associate	-	0.5	-
Net capital expenditure excluding acquired intangibles from acquisitions	(34.3)	(39.7)	(83.6)
Income tax paid	29.7	37.9	76.5
Repayments of principal under lease liabilities	(8.8)	(8.7)	(16.6)
Adjusted cash from operations	**97.0**	**85.6**	**291.5**

Adjusted cash conversion in the first half was 61% (30 June 2024: 53%). Adjusted cash conversion is calculated as adjusted cash from operations divided by adjusted operating profit. The adjusted cash flow is included on page 12.

Net debt including lease liabilities

A reconciliation between net debt and net debt including lease liabilities is given below. A breakdown of the balances that are included within net debt is given in Note 8. Net debt excludes lease liabilities to be consistent with how net debt is defined for external debt covenant purposes, as well as to enable comparability with prior years.

	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
Net debt	658.0	718.3	596.2
Lease liabilities	89.8	96.0	95.1
Net debt including lease liabilities	**747.8**	**814.3**	**691.3**

Net debt to earnings before interest, tax, depreciation and amortisation (EBITDA)

To assess the size of the net debt balance relative to the size of the earnings for the Group we analyse net debt as a proportion of EBITDA. EBITDA is calculated by adding back depreciation and amortisation of owned property, plant and equipment, software and development to adjusted operating profit. For half year calculations, this is based on the results for the last 12 months all translated at the exchange rate used for the half year period. Net debt is calculated as Cash and cash equivalents less Bank overdrafts, Short-term borrowings and Long-term borrowings (excluding Short-term and Long-term lease liabilities). The net debt to EBITDA ratio is calculated as follows:

	12 month period to 30 June 2025 £m	12 month period to 31 December 2024 £m
Adjusted operating profit	329.3	333.9
Depreciation and amortisation of property, plant and equipment, software and development	44.3	42.5
EBITDA	**373.6**	**376.4**
Net debt	**658.0**	**596.2**
Net debt to EBITDA	**1.8x**	**1.6x**

Organic measures

As we are a multi-national Group of companies, who trade in a large number of foreign currencies and also acquire and sometimes dispose of companies, we also refer to organic performance measures throughout the News Release. These strip out the effects of the movement of foreign currency exchange rates and of acquisitions and disposals. The Board believe that this allows users of the accounts to gain a further understanding of how the Group has performed. Exchange translation movements are assessed by re-translating prior period reported values to current period exchange rates. Exchange transaction impacts on operating profit are assessed on the basis of transactions being at constant currency between years.

The incremental impact of any acquisitions that occurred in either the current period or prior period is excluded from the organic results of the current period at current period exchange rates. For any disposals that occurred in the current or prior period, the current period organic results include the difference between the current and prior period financial results only for the like-for-like period of ownership.

The organic percentage movement is calculated as the organic movement divided by the prior period at current period exchange rates, excluding disposals for the non like-for-like period of ownership. The organic bps change in adjusted operating profit margin is the difference between the current period margin, excluding the incremental impact of acquisitions, and the prior period margin excluding disposals for the non like-for-like period of ownership at current period exchange rates.

A reconciliation of the movement in revenue and adjusted operating profit compared to the prior period is given below:

	Six months to 30 June 2024 £m	Exchange £m	Organic £m	Six months to 30 June 2025 £m	Organic	Reported
Revenue						
Steam Thermal Solutions	430.8	(17.5)	0.9	**414.2**	-	(4)%
Electric Thermal Solutions	197.7	(4.6)	19.2	**212.3**	10%	7%
Watson-Marlow Fluid Technology Solutions	198.5	(6.0)	3.2	**195.7**	2%	(1)%
Total	827.0	(28.1)	23.3	**822.2**	3%	(1)%
Steam Thermal Solutions excluding large projects in China & Korea	373.6	(15.0)	9.2	**367.8**	3%	(2)%
Adjusted operating profit						
Steam Thermal Solutions	101.2	(7.0)	2.8	**97.0**	3%	(4)%
Electric Thermal Solutions	29.1	(0.8)	3.5	**31.8**	12%	9%
Watson-Marlow Fluid Technology Solutions	48.8	(3.6)	5.4	**50.6**	12%	4%
Corporate	(18.8)	-	(1.8)	**(20.6)**	9%	10%
Total	160.3	(11.4)	9.9	**158.8**	7%	(1)%
Adjusted operating profit margin	19.4%			**19.3%**	70bps	(10)bps

Analysis by operating segment

Six months to 30 June 2025	Revenue £m	Adjusted operating profit/(loss) £m	Adjusted operating profit margin %
Steam Thermal Solutions	414.2	97.0	23.4%
Electric Thermal Solutions	212.3	31.8	15.0%
Watson-Marlow Fluid Technology Solutions	195.7	50.6	25.9%
Corporate	-	(20.6)	
Total	**822.2**	**158.8**	**19.3%**
Net finance expense		(18.6)	
Share of loss of Associate		(0.3)	
Adjusted profit before taxation		**139.9**	

Six months to 30 June 2024	Revenue £m	Adjusted operating profit/(loss) £m	Adjusted operating profit margin %
Steam Thermal Solutions	430.8	101.2	23.5%
Electric Thermal Solutions	197.7	29.1	14.7%
Watson-Marlow Fluid Technology Solutions	198.5	48.8	24.6%
Corporate	-	(18.8)	
Total	**827.0**	**160.3**	**19.4%**
Net finance expense		(21.9)	
Share of loss of Associate		(0.5)	
Adjusted profit before taxation		**137.9**	

Year ended 31 December 2024

	Revenue £m	Adjusted operating profit/(loss) £m	Adjusted operating profit margin %
Steam Thermal Solutions	867.9	204.1	23.5%
Electric Thermal Solutions	404.6	64.7	16.0%
Watson-Marlow Fluid Technology Solutions	392.7	99.0	25.2%
Corporate	-	(33.9)	
Total	**1,665.2**	**333.9**	**20.1%**
Net finance expense		(43.7)	
Share of loss of Associate		(2.0)	
Adjusted profit before taxation		**288.2**	

The reconciliation for each operating segment for adjusting items is analysed below:

Six months to 30 June 2025

	Amortisation of acquired intangibles £m	Restructuring costs £m	Asset related impairment £m	Total £m
Steam Thermal Solutions	(2.9)	(25.8)	(2.1)	(30.8)
Electric Thermal Solutions	(12.7)	(1.3)	-	(14.0)
Watson-Marlow Fluid Technology Solutions	(1.8)	(5.2)	-	(7.0)
Corporate expenses	-	(0.2)	-	(0.2)
Total	**(17.4)**	**(32.5)**	**(2.1)**	**(52.0)**

Six months to 30 June 2024

	Amortisation of acquired intangibles £m	Acquisition-related items £m	Total £m
Steam Thermal Solutions	(2.6)	-	(2.6)
Electric Thermal Solutions	(13.2)	4.2	(9.0)
Watson-Marlow Fluid Technology Solutions	(1.5)	-	(1.5)
Corporate expenses	-	-	-
Total	**(17.3)**	**4.2**	**(13.1)**

Year ended 31 December 2024

	Amortisation of acquired intangibles £m	Asset related impairment £m	Acquisition-related items £m	Disposal of Associate £m	Total £m
Steam Thermal Solutions	(5.2)	-	-	-	(5.2)
Electric Thermal Solutions	(25.9)	-	7.3	-	(18.6)
Watson-Marlow Fluid Technology Solutions	(3.0)	(5.7)	-	-	(8.7)
Corporate expenses	-	-	-	3.2	3.2
Total	**(34.1)**	**(5.7)**	**7.3**	**3.2**	**(29.3)**

CAUTIONARY STATEMENTS

This Half Year Report contains forward-looking statements. These have been made by the Directors in good faith based on the information available to them up to the time of their approval of this Report. The Directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The Directors undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.