

2025 Full Year Results

Twelve months ended

31 December 2025

Nimesh Patel

Group Chief Executive Officer

Louisa Burdett

Group Chief Financial Officer

Overview

Strategy delivering growth well ahead of IP with margin progress

- Group organic revenue growth **5%**, well ahead of global IP; all Businesses delivered organic growth and margin progress
- Group margin of **20.0%**, **30bps** higher organically
- STS sales: **+1%**; **+3%** excluding China and Korea large projects, where decline has continued to moderate
- ETS sales: **+11%** supported by further operational progress and strong demand
- WMFTS sales: **+6%** driven by Biopharm recovery; Process Industries continued to outperform IP
- Restructuring completed with **£40m** annualised savings funding investment in growth
- Improved cash conversion: **89%** and leverage reduced to **1.5x**; ROIC higher at **13.1%**
- Expect good organic revenue growth and further margin progress in 2026

**Outperformed
global IP**

**Delivered
operational progress**

**Invested
in future growth**

Demand drivers: global industrial production

Evolution of 2025 IP estimates



Continued weakness in key markets

	% 2025 Sales	2025 IP
USA	29%	1.2%
Germany	9%	(1.0)%
France	8%	0.5%
Italy	5%	(0.3)%
UK	7%	(0.2)%

Global IP (ex. China)	H1	H2	FY
2025	1.7%	1.6%	1.7%
2026	1.6%	2.5%	2.1%

Volatile macroenvironment

IP remains subdued

Tariff management protecting margins

Strength in self-generated demand

IP Source: CHR Economics February 2026

Financial Review

Louisa Burdett
Group Chief Financial Officer

Financial summary

Revenue and profit growth driven by operational focus

12 months to December (£m)	2025	2024	Reported	Organic ¹
Revenue	1,702.9	1,665.2	2%	5%
Adjusted operating profit	339.9	333.9	2%	6%
Adjusted operating profit margin	20.0%	20.1%	(10)bps	30bps
Net finance expense	(38.3)	(43.7)		
Adjusted pre-tax profit	301.0	288.2	4%	
Adjusted effective tax rate	27.3%	26.5%	80bps	
Adjusted EPS	296.3p	286.3p	3%	
DPS	170.0p	165.0p	3%	
ROCE ²	36.0%	35.5%	50bps	
ROIC ²	13.1%	12.8%	30bps	

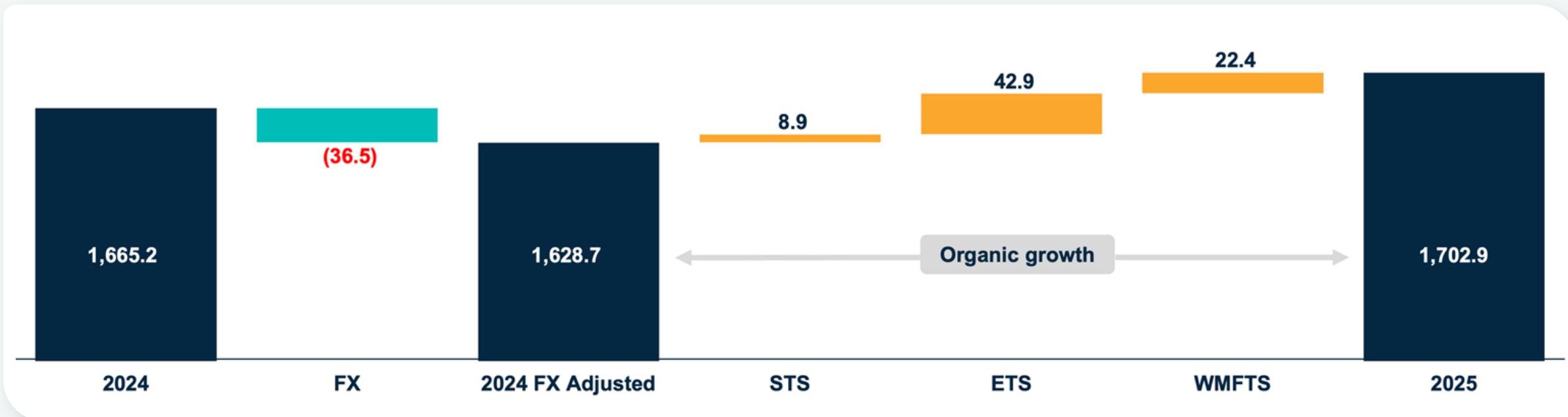
¹ Organic measures are at constant currency and exclude contributions from acquisitions and disposals

² ROCE and ROIC include leases

See Appendix III for definition and reconciliation of adjusted profit measures

Sales bridge

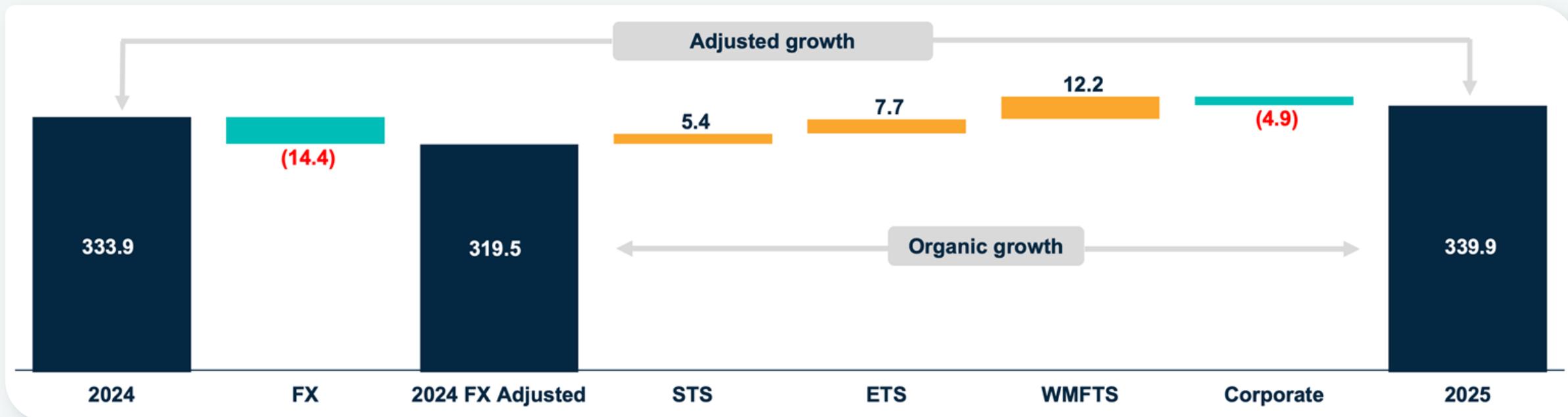
Organic growth well ahead of IP



	2025	2024	Year-on-year organic growth			
	£m	£m	2025 H1	2025 H2	2025 FY	2024 FY
STG	853.4	867.9	-	2%	1%	1%
ETS	441.3	404.6	10%	12%	11%	10%
WMFTS	408.2	392.7	2%	10%	6%	3%
Group	1,702.9	1,665.2	3%	6%	5%	4%

Adjusted operating profit bridge

All three Businesses delivered higher margins



	Trading Profit (£m)		Organic Change	Trading Margin			Organic Change	
	2025	2024	YoY	2025 H1	2025 H2	2025	2024	YoY
STS	200.3	204.1	3%	23.4%	23.5%	23.5%	23.5%	40bps
ETS	71.3	64.7	12%	15.0%	17.2%	16.2%	16.0%	20bps
WMFTS	107.0	99.0	13%	25.9%	26.5%	26.2%	25.2%	160bps
Corporate	(38.7)	(33.9)	14%	-	-	-	-	-
Group	339.9	333.9	6%	19.3%	20.6%	20.0%	20.1%	30ps

Adjusted cash flow

Strong cash conversion and reduced leverage

- Improved cash conversion, driven by disciplined capital expenditure and improved adjusted operating profit
- Working capital ratio 21.8%, 10bps lower than 2024
- Cash tax lower due to non-repeating investment incentives claimed and tax repayments received
- Positive net cash flow after absorbing ~£22 million cash restructuring costs
- Restructuring will deliver ~£40m annualised savings

12 months to December (£m)	2025	2024
Adjusted operating profit	339.9	333.9
Capital expenditure (net)	(64.7)	(83.6)
Working capital changes	(18.6)	1.0
Depreciation, amortisation, repayment of lease liabilities & other	44.9	40.2
Adjusted cash from operations	301.5	291.5
Adjusted cash conversion*	89%	87%
Net interest	(36.6)	(41.8)
Income taxes paid	(65.9)	(76.5)
Adjusted free cash flow	199.0	173.2
Net dividends paid	(122.8)	(119.3)
Proceeds from transactions in own shares	0.3	1.9
Restructuring costs	(22.1)	(2.4)
(Acquisitions)/Disposals of subsidiaries/associates	(10.6)	5.3
Cash flow for the period	43.8	58.7
Exchange movements	(12.3)	11.8
Net debt at 31 December (excluding lease liabilities)	564.7	596.2
Net debt / EBITDA	1.5x	1.6x

*Adjusted cash conversion is calculated as adjusted cash from operations divided by adjusted operating profit

Outlook for 2026 and medium-term margin targets

Continuing focus on operational priorities to deliver organic growth, margin progress and ROIC



2026 guidance

Organic sales growth	Margin
LSD	↔
HSD	↑
HSD	↑
MSD	↑

Operating leverage
+
ETS operational improvement
+
Returns on growth investment
+
Continuous improvement

Foundations in place
to accelerate margin growth

Medium term

Margin targets

23.5%
20%
30%+
22% - 23%



ROIC
improvement to
> 15%

Executing our strategy

Nimesh Patel

Group Chief Executive Officer

Demand drivers: end market dynamics



China
(~15% STS sales)

Market developments

- Weak large project demand, as expected
- Decline moderating compared to 2024
- MRO and solutions demand growing strongly



Our response

- Executing on MRO and solution opportunities
- China sales decline: -3% (2024: -13%)
- Expect improvement to continue through 2026



Semicon
(~3% Group sales)

- High margin, bespoke applications
- Continuing strong demand from OEMs
- Customers reliant on ETS technology



- Rapid step up in production: Operational Excellence
- Delivered double-digit sales growth in Semicon
- Strengthened long-term customer relationships



Biopharm
(~50% WMFTS sales)

- Orders above sales for first year since COVID peak
- Recovery across both OEM and end-users
- Biopharm orders increased by over 10%



- Ready to meet demand as orders ramped-up
- Cost discipline and operating leverage support margin
- Biopharm sales growth for first time since 2022

Delivering on our Operational Priorities



Organisational Fitness

Driving effectiveness

- STS EMEA simplification
- Heat Trace as separate division
- WMFTS EMEA sectorisation



Operational Excellence

Driving growth and margins

- Simplifying manufacturing footprint
- ETS operational efficiencies
- Productivity and procurement savings



Commercial Excellence

Driving growth

- Channel development in STS
- New sector development in ETS
- Solutions in WMFTS

Annualised savings of ~£40m

Investing in growth

Sales headcount

Digital connectivity

New product development

Decarbonisation opportunities

Organisational Fitness

Simplify STS EMEA structure

- Removed management layers
- Increased local sales engineer headcount
- Continue to serve 23 countries



**H2 growth accelerated to 3%,
above IP of 1.1%**

Reorganisation of ETS

- Heat Trace as new division in ETS
- Separate team of sales engineers
- Transformed into significant growth engine



**Double-digit sales
and demand growth**

Sectorisation of WMFTS EMEA

- Reorganised around target sectors
- Expertise strengthening relationships
- Better leveraging direct sales



**Double-digit demand growth in
Medical, Mining and Wastewater**



Reinvestment of savings

Simplifying manufacturing footprint



- Closed STS facility in Mexico, transferred production to USA
- Closed WMFTS facility in Sweden, transferred production to UK
- Consolidated ETS production in USA

Improving ETS operational performance



- Ogden design engineering lead times reduced from 60 weeks to 6 weeks
- Output improved +20% since 2023
- Majority of legacy projects shipped

Savings from continuous improvement



- Focus on procurement, labour productivity and material usage
- Leveraging Group purchasing power: savings of high-single-digit millions

Commercial Excellence

Channels



- **STS:** Partnering with US distributors
- Focus on Hospitals, O&G, Chemicals
- 22 Strategic plans implemented in 2025



HSD growth from early adopters

End markets

- **ETS:** Targeting Datacentre sector with bespoke solution
- Business model in action, leveraging applied and design engineering



Material Datacentre contract win

Solutions



- **WMFTS:** Investing in WM Architect, our single use assembly solution
- Increased headcount and expanded into new regions



WM Architect demand growth
>30%



Reinvestment of savings

Investing for sustained long term organic growth

Digital and Services



Connected customers



Connected products



Direct sales tools



STS turning digital insights into operational improvements across sectors and regions...



WMFTS building customer partnerships by using data to leverage technical expertise and process knowledge...



Decarbonising thermal energy

Four defined GTM strategies

Energy Optimisation | TargetZero | PoweringZero | Thermal Energy Assessment



ETS creating opportunities through our leading competitive position in electric resistance heating...



Leveraging our unique combined expertise to deliver tangible thermal energy savings...

Connected sites more than doubled to >2,000

Reducing costly, unplanned downtime

Contracts won for bespoke solutions

Proving unique customer value proposition and delivery model



Reinvestment of savings

Together for Growth

Unique business model with durable competitive advantage



~2,900 Direct sales engineers*

60% Sales to defensive sectors

~70 Countries with direct sales presence

>100k Customers and large installed base

85% Of revenues from local operating budgets



Long runway for high margin, high ROCE organic growth



Compounding LT growth and improving ROIC

Organic growth
MSD+



Margins
23%+



Cash conversion
> 80%



ROIC improving to
>15%

Leverage
1.0x – 1.5x

Supported
by capital
allocation

*Includes technical application engineers and inside sales

Disciplined capital allocation to drive compounding growth

Building on a long track record of delivering organic growth and total shareholder returns



**Delivered
2025**

**Focused
execution**

**Investing
for growth**

**Building
momentum**

On track to deliver medium-term targets and long-term compounding growth

Appendix

Appendix I

Impact on 2025 reported financial performance from 2026 FX headwinds

2025 Revenue

2025 Average
FX

£1,703m

Projected FX

£1,669m

(2)%

2025 Adjusted Operating Profit

2025 Average
FX

£340m (20.0%)

Projected FX

£330m (19.8%)

(3)%

Appendix II

Exchange rate exposure and impacts

Average exchange rates vs GBP	Proportion of Group results*				
	Sales	Profit	Average FY25	Average FY24	Change
Euro	29%	39%	1.17	1.18	1%
US dollar	29%	25%	1.31	1.28	(3)%
Renminbi	9%	16%	9.44	9.18	(3)%
Won	3%	5%	1,874	1,741	(8)%
Real	3%	3%	7.37	6.93	(6)%
Canadian dollar	2%	3%	1.84	1.75	(5)%
Argentine peso	1%	3%	1,644	1,169	(41)%

When GBP strengthens against other currencies in which the Group operates, the Group incurs a loss on translation of the financial results into GBP

**FY25 Sales and Profit – translation exposure*

Appendix III

Reconciliation of operating profit to adjusted operating profit

The Group uses adjusted figures as key performance measures in addition to those reported under IFRS.

Management believes these measures provide valuable additional information for users of the financial statements in understanding the Group's performance.

Adjusted operating profit and pre-tax profit excludes certain items, which are analysed in the table.

12 months to 31 December (£m)	FY25	FY24
Operating profit as reported under IFRS	265.4	304.6
Restructuring costs	37.0	—
Amortisation of acquired intangibles	34.6	34.1
Asset related impairment	2.9	5.7
Acquisition-related items	—	(7.3)
Disposal of Associate	—	(3.2)
Total adjusting items	74.5	29.3
Adjusted operating profit	339.9	333.9

Appendix IV

Additional guidance (for modelling purposes)

	2025 Actual	2026 Guidance
Exchange rate impact	Revenue: 3% adverse Adjusted Operating Profit: 4% adverse	Revenue: 2% adverse Adjusted Operating Profit: 3% adverse
Corporate costs	£39m	Slightly higher
Exceptional restructuring costs	P&L charge: £40m Cash costs: £22m	Cash costs: ~£11m
Capex (as a percentage of sales)	4%	4% - 5%
Adjusted Effective Tax Rate	27.3%	Similar to 2025
Net Finance Cost	£38m	Similar to 2025
Number of shares in issue (million)	73.7	73.7

Appendix V

Environmental and social progress

Key strategic targets:

Net zero scopes 1 and 2 greenhouse gas emissions by 2030, with an interim target of a 50% reduction (compared to 2019) by 2025

20% reduction in Group energy use (compared to 2019) by 2025

Progress against 2025 strategic targets*

Scopes 1 & 2 emissions
63% lower

Group energy usage
18% lower

Water consumption
reduced by 18%

Biodiversity initiatives
97% of OpCos[^]

*Including acquisitions; Baseline compared to 2019
[^]since **One Planet** launched in 2021