



12 May 2025

Victrex plc - Interim Results 2025

STRONG FOUNDATIONS - IMPROVEMENT ACTIONS - NAVIGATING UNCERTAINTY

Strong volume growth & FY volume guidance upgraded PBT held back by FX, China & mix; strong cash conversion

Victrex plc is an innovative world leader in high performance polymers, delivering sustainable products which enable environmental and societal benefit. This announcement covers interim results (unaudited) for the 6 months ended 31 March 2025.

	H1 2025	H1 2024	% change (reported)	% change (constant currency ¹)
Group sales volume	2,018 tonnes	1,737 tonnes	+16%	N/A
Group revenue	£145.9m	£139.3m	+5%	+8%
Average selling price (ASP)	£72.3/kg	£80.2/kg	-10%	-7%
Gross profit	£64.3m	£66.8m	-4%	+3%
Gross margin	44.1%	48.0%	-390bps	N/A
Underlying profit before tax (PBT) ¹	£23.2m	£28.0m	-17%	flat
Reported PBT	£17.2m	£3.3m	+421%	N/A
Underlying EPS ¹	22.6p	27.0p	-16%	N/A
EPS	17.4p	3.1p	+461%	N/A
Dividend per share	13.42p	13.42p	flat	N/A

Highlights:

- **Volumes +16%, driven by VARs; first 2,000 tonne half-year since H2 2022**
 - H1 2025 Group sales volume 2,018 tonnes; up 16% vs prior year (Q2 up 14% vs Q2 24)
 - VARs +30% & Transport down 2% (Aero +7%, Automotive down 4%)
 - Electronics +17% and Energy & Industrial +15%
 - H1 2025 Group revenue £145.9m, up 5% vs H1 2024 & up 8% in constant FX
 - Medical (implantable & non-implantable) flat at £30.2m; growth in all non-Spine segments
 - ASP £72.3/kg, impacted by sales mix (driven by VAR volumes) & FX
- **Underlying PBT flat in constant FX; held back by sales mix & China ramp-up**
 - H1 2025 Underlying PBT down 17% at £23.2m (H1 2024: £28.0m), flat in constant currency
 - H1 2025 Reported PBT £17.2m after £6.0m exceptional items (ERP costs & Project Vista)
 - FY 2025 currency headwind weighted to H1 (£5m FX impact in H1 at PBT level)
 - H1 2025 GM 44.1% due to mix, slower China ramp-up & FX; despite improved asset utilisation
- **Driving operational improvement through self-help actions**
 - Strong cost control: overheads² broadly flat ex wage inflation & employee reward accrual
 - Project Vista 'Go to Market' approach: driving sales excellence in Sustainable Solutions
 - Enhanced Medical structure: targeting new application growth in non-implantable/pharma
 - New ERP system launched; enabling enhanced digital solutions & 'cost to serve' opportunities
- **Major milestone for 'Magma' mega-programme**
 - TechnipFMC contract award from Petrobras; supporting scale-up for 'Magma' (composite pipe solution for energy industry based on VictrexTM PEEK)
- **Further improvement in cash generation**
 - Improved underlying operating cash conversion¹ of 128% (H1 2024: 64%)
 - H1 2025 net debt £40.7m (H1 2024: £49.8m) (including cash of £25.4m after payment of FY 2024 final dividend (H1 2024: £28.5m))
 - Further inventory reduction; £12.3m YoY reduction to £114.4m (H1 2024: £126.7m)
 - Lower cash capital expenditure at £8.6m (H1 2024: £21.8m) after investment phase completed
 - Interim dividend maintained at 13.42p/share

¹ Alternative performance measures are defined in note 13

² Underlying operating overheads¹

STRONG FOUNDATIONS - IMPROVEMENT ACTIONS - NAVIGATING UNCERTAINTY

Commenting on the results, Jakob Sigurdsson, Chief Executive of Victrex, said:

H1 volumes up 16%: softer mix

"With sales volumes up 16%, Sustainable Solutions saw good year on year and sequential improvement across most end-markets. VARs was the key driver of volume growth, impacting sales mix. Like for like pricing, excluding sales mix and currency, was robust across our end-markets outside of VARs.

"Medical revenues were broadly flat due to ongoing inventory management amongst major medical device companies and some lingering impact from Volume Based Pricing (VBP) in China, primarily in Spine. Pleasingly, we saw good growth in all segments outside of Spine, with non-Spine growing above the levels of our record year for Medical in FY 2023. However, visibility remains low on the speed of broader Medical recovery and its benefit for our second half. We continue to monitor for recovery on a customer by customer basis. In non-implantable Medical, including pharmaceutical applications, we now have several new opportunities.

Driving operational improvement

"Cost control remains strong, with underlying operating overheads broadly flat excluding wage inflation. With strong foundations in place following completion of our recent asset investments and upgrades, we are also taking a number of improvement actions to help underpin near-term profitability and navigate a clearer pathway towards growth. These include Project Vista, which is driving an improved Go to Market strategy, supporting good progress in our Sustainable Solutions business. Procurement efficiency is also a key area of focus.

Gross margin and PBT impacted by FX, sales mix and China operational challenges

"Gross margin & underlying PBT was lower, impacted by a sizeable FX headwind of £5m in the first half, a subdued performance in Medical and adverse sales mix. Our China facility contributed £4m to the reduction in profit year-over-year, more than anticipated as it experienced initial operational challenges. We have actions in place to support operational improvement in H2, with other headwinds also expected to ease.

Key milestone for 'Magma'

"We remain on track to deliver a step-up in our mega-programme revenues this year. The key milestone in H1 was a technological order from Petrobras to TechnipFMC, supporting scale-up for 'Magma' - a composite pipe for the energy industry - with an uptick in Victrex volumes expected from FY 2026, and sizeable long-term volumes thereafter.

Outlook - upgrading volume guidance: Medical, FX & China headwinds to H2 PBT growth

"Macroeconomic uncertainty is likely to continue for the remainder of FY 2025. Whilst the majority of Victrex's product portfolio is currently exempt from incremental US tariffs, we are mindful of the potential impact on global sales demand. Volume momentum remains positive and we are slightly upgrading our volume guidance to high-single digit volume growth for the full year, reflecting the volume strength seen in H1.

"We are targeting a substantial improvement in H2 PBT compared to H1. This is supported by the typical second-half weighting of profits, as well as the current volume momentum driven by Sustainable Solutions. In Medical, we expect continued growth in non-Spine, and we are monitoring closely for signs of improvement in Spine. Operational improvement in our China manufacturing facility is progressing, however, the full year profit headwind will be higher than previous guidance. These factors, and other previously guided headwinds, including FX, will constrain PBT growth for H2, compared to H2 2024, though we expect these to ease into the next financial year. Given macro-uncertainty, together with the effects noted, we have a range of outcomes for full year profit. For H2, our target is to deliver PBT similar to H2 2024, driving some PBT growth in constant currency on a full year basis.

"Victrex has a strong and diversified core business, supported by improvement actions, well-invested assets, increasing mega-programme commercialisation, and the opportunity for continued cashflow improvement."

About Victrex:

Victrex is an innovative world leader in high performance polymer solutions, focused on the strategic markets of automotive, aerospace, energy & industrial, electronics and medical. Every day, millions of people use products and applications which contain our sustainable materials - from smartphones, aeroplanes and cars to energy production and medical devices. With over 40 years' experience, we develop world leading solutions in PEEK and PAEK based polymers, semi-finished and finished parts which shape future performance for our customers and our markets, enable environmental and societal benefits, and drive value for our shareholders. Find out more at www.victrexplc.com

A presentation for investors and analysts will be held at 9.00am (UK time) this morning via a dial-in facility, which can be accessed by registering on the following link:

[Victrex Interim Results Meeting May 2025 Registration Page!](#)

The presentation will be available to download from 8.30am (UK time) today on Victrex's website at www.victrexplc.com under the Investors/Reports & Presentations section.

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Interim results statement for the 6 months ended 31 March 2025

Strong volume growth & FY volume guidance upgraded PBT held back by FX, China & mix; strong cash conversion

	Volume (t)			Revenue (£m)		
	H1 2025	H1 2024	Growth	H1 2025	H1 2024	Growth
<i>Transport (Aero & Auto)</i>	524	532	-2%			
<i>Electronics</i>	222	190	+17%			
<i>Energy & Industrial</i>	323	280	+15%			
<i>VARs</i>	862	662	+30%			
Sustainable Solutions	1,931	1,664	+16%	115.7	108.8	+6%
Medical	87	73	+19%	30.2	30.5	-1%
Total Group	2,018	1,737	+16%	145.9	139.3	+5%

Operating review

Positive volume momentum; H1 volumes up 16%

Group sales volume of 2,018 tonnes was 16% up on the prior year (H1 2024: 1,737 tonnes) and up 14% in Q2 (Q2 volumes of 1,120 tonnes vs Q2 2024: 986 tonnes), driven by Sustainable Solutions and the end-markets of Aerospace, Electronics, Energy & Industrial and Value Added Resellers ('VARs'). Automotive remained subdued.

We are upgrading our guidance for volume growth for the full year, from mid-single digit to high-single digit growth.

Revenue up 5% offset by sales mix and currency

Positive trading momentum helped drive H1 2025 Group revenue up 5% to £145.9m (H1 2024: £139.3m) and up 8% in constant currency. Revenue growth lagged volume growth as incremental sales came at lower than average ASPs, driven predominantly by VARs.

Divisional performance

New Medical reporting structure

With new and emerging opportunities within non-implantable Medical, including in pharmaceutical related applications, we now report Medical revenues and gross profit comprising both implantable and non-implantable volumes (non-implantable volumes were previously reported within Sustainable Solutions).

Sustainable Solutions

Half year revenue in Sustainable Solutions was up 6% at £115.7m (H1 2024 (restated): £108.8m), after a solid start to the year, driven by VARs. We also saw some initial benefits from Project Vista and organisational changes, including a more regionally focused sales structure with enhanced digital solutions to support customers and key account management capabilities.

Medical

Medical revenues continue to be impacted by industry destocking, particularly in Spine although we saw good year on year growth in all non-Spine segments, including 32% growth in Cranio Maxilo Facial (CMF). Most of the major medical device customers have continued to report high inventory levels, despite a healthy growth rate in clinical procedures. The latest industry indicators suggest some improvement during H2 2025, and we continue to carefully monitor with our customers, although visibility remains low.

Medical revenues at the half year of £30.2m were down 1% on the prior year (H1 2024 (restated): £30.5m). Medical implantable revenues - as previously reported individually - were flat.

Across our core Medical business, we continue to see good growth opportunities once destocking headwinds clear, with support from increasing penetration in Cardio, Orthopaedics and Drug Delivery. Revenues in Medical were 25% Spine and 75% non-Spine (H1 2024 (restated): 39% Spine and 61% non-Spine).

ASP impacted by FX headwinds and sales mix

Average selling price ('ASP') was below our guidance at £72/kg, down 10% on the prior year due to the impact of sales mix, with weaker Medical and improvement in VARs (alongside end market sales mix across both divisions) and currency moving adversely during the year. Like-for-like pricing was robust across most end markets, excluding VAR which is typically where we see more competitive pricing, in what is a lower cost to serve model, with long standing customer relationships. ASP in constant currency was down 7%.

For FY 2025, average selling prices are expected to be in the £72/kg - £75/kg range reflecting sales mix and currency.

Sustainable product revenues

Our alignment to megatrends like CO2 reduction, energy efficiency and clinical innovation supports the use of Victrex™ PEEK, enabling environmental and societal benefit for our customers. These typically focus on Aerospace, Automotive and Medical, with some applications in Electronics (energy efficiency) also being part of our measure of sustainable product revenues². In H1 2025, 55% of our revenues were based on sustainable products (H1 2024: 58%), with the growth in Aerospace being offset by lower Medical revenues. VARs is excluded from sustainable

product revenues.

Project Vista: underpinning profitability & business improvement

Whilst trading conditions remained mixed during H1 2025, our 'self-help' and improvement actions remain strong, including cost control, with underlying operating overheads in H1 2025 broadly flat excluding wage inflation and employee reward.

Our Project Vista programme is enhancing how we Go to Market and serve our customers, through digital tools, R&D digitalisation and a more regional focus to our sales teams. We are already seeing an initial return on these improvements in our Sustainable Solutions business and look forward to further progress across the Group.

Mega-programmes: major 'Magma' milestone

In FY 2024, mega-programme revenues totalled £10.2m and we are targeting a step-up this year, driven by continued progress in Aerospace and a broader customer offering in Trauma.

Our mega-programmes are defined as potential game changing projects in the end-markets we serve. Each mega-programme offers revenue potential of at least (and in some cases significantly more than) £50m per year.

H1 2025 key milestones in our mega-programme portfolio included:

Aerospace Composites: final qualifications completed with OEMs for our LMPAEK™ grade, with increasing 'use cases' supporting much larger applications within future aircraft. Near-term opportunities include retrofit or 'running changes' as existing models take advantage of selected thermoplastic composite parts to drive fuel efficiency and manufacturing efficiency, for example in engine housings and interior structures or other applications. We also have new business in Advanced Air Mobility (AAM) to support short to medium term growth, as AAM applications focus on lightweight and durable materials.

In **E-mobility**, our applications include in wire coatings where our VICTREX XPI™ polymer grades can replace enamels used in coatings, avoiding harsh solvents and offering performance benefits and efficiency. Whilst more 800 volt batteries are launched on E-mobility platforms this year, slower adoption rates in EVs is likely to moderate revenue progress. Our materials will be supporting a range of Automotive brands, including those in China and Europe.

Magma, our composite pipe for the energy industry, offers a potential game-changing solution, with lightweighting, durability, a reduced carbon footprint for installation and ease of manufacturing being key parts of the proposition. Following the award of the ETEC contract order by Petrobras to TechnipFMC, we anticipate volumes starting to scale up from 2026 onwards, subject to the final commercial roadmap between TechnipFMC and Petrobras.

In **Trauma**, revenue is targeted to increase in this programme during FY 2025, beyond the £1m level of last year. Victrex manufactures the PEEK composite based trauma plates in-house, or via our partner. We have added new customers in Asia.

In our **PEEK Knee** programme, we are targeting the first commercial PEEK Knee in the market during 2025. Site recruitment for a US clinical trial is also progressing, targeting 120 patients, with the first US Knee implant expected shortly.

PEEK Knee would be an alternative to existing implants, which primarily use metal (cobalt chrome), with a proportion of customers impacted by metal sensitivity or discomfort. PEEK Knee continues to be the largest of our mega-programme opportunities by annual revenue potential.

Innovation investment - the Group is on track for R&D investment of 5-6% of revenues this year. With our strategic goal to increase the proportion of Medical revenues in our portfolio - to reduce cyclical and enhance earnings stability - the focus of innovation investment remains in our Medical Acceleration programme.

Financial review

Gross profit slightly down; up 3% in constant FX

Gross profit was down 4% at £64.3m (H1 2024: £66.8m), driven by currency, a softer sales mix and increased costs from initial operating challenges in our new China facility (including annualised depreciation costs), and wage inflation. Gross profit was up 3% in constant currency. We will continue to see some positive impact from higher asset utilisation, alongside the benefit of lower raw material prices. Higher asset utilisation in our UK facilities represented a tailwind in H1 2025 of approximately £2.6m. Production levels in FY 2025 are expected to be approximately 20% higher than FY 2024, with production more closely matching sales, and a slower rate of inventory unwind than seen in FY 2024.

Gross margin lower on sales mix, currency and China costs; expecting FY improvement

Half year Group gross margin of 44.1% was 390 basis points ('bps') lower than last year (H1 2024: 48.0%), driven by a softer sales mix within Sustainable Solutions, initial operational challenges of China ramp-up and a sizeable currency headwind. Excluding our China manufacturing facility, gross margin was 46.6%.

In the second half, based on some Medical recovery and the benefit of lower manufactured cost (improved asset utilisation and lower raw material prices), gross margin is expected to show some improvement. On a full year basis, we anticipate full year gross margin will now be lower than our guidance level of approximately 50%, in a range of 45-47%. This guidance reflects the impact of sales mix on ASP (VAR driving performance in Sustainable Solutions, and growth in non-Spine within Medical) and operational challenges in our China manufacturing facility.

Our focus continues to be on a mid-to-high fifty percent gross margin level over the medium term, whilst noting that sales mix, asset utilisation, China ramp-up and the expected increase in parts contribution to revenue will play a key role over the coming years.

China facilities; initial operational challenges & slower ramp-up

Commercial production commenced for our Victrex Panjin manufacturing facility in China during the second half of last year, with H1 2025 seeing the annualised cost impact, including depreciation. This facility is an important strategic and geographic play for Victrex over the medium term and beyond. The facility will help to broaden our portfolio of PEEK grades, with a new 'Elementary' type 2 PEEK polymer grade. Automotive, Electronics and VAR end-markets offer attractive long-term opportunities in this region, with both existing and new customers. However, ramp-up has been slower than our expectations, primarily driven by initial manufacturing challenges in increasing scale. We are tackling these challenges and expect to be able to deliver in line with demand by the end of the year. End market demand for domestic made product remains robust in China. We now expect our sales volume from this facility will be closer to 50 tonnes in FY 2025, compared to our original expectations of 100-200 tonnes. This will result in an additional profit headwind of up to £2m in FY 2025, compared to our initial expectations.

Operating efficiency in these assets - comprising polymer production and compounding facilities - will improve over the coming years as volumes ramp-up from current levels. Our taskforce to improve the facility, after initial operational challenges, is in place and making progress.

Gains & losses on foreign currency net hedging

Fair value gains and losses on foreign currency contracts in H1 2025 were a gain of £2.2m (H1 2024: gain of £2.5m), arising from contracts where the deal rate obtained in advance was favourable to the average exchange rate prevailing at the date of the related hedged transactions. We continue to hedge the net currency exposure, which reflects the diversity of our customer and cost base across regions.

Our hedging policy is kept under review, for the duration of hedging, level of cover and currencies covered. It requires that at least 80% of our US Dollar and Euro forecast cash flow exposure is hedged for the first six months, then at least 75% for the second six months of any rolling twelve-month period.

Sizeable currency headwind for FY 2025

FY 2025 will see a sizeable currency headwind of approximately £8m-£9m at PBT, based on spot rates and currency contracts in place at the date of this report. Unhedged currencies - predominantly in Asia - are also set to increase in importance as we see further growth in China and other parts of Asia over the coming years. With the recent strengthening of Sterling, particularly against the US dollar, early implications for FY 2026 suggest a small headwind from currency.

Underlying operating overheads¹ up 5%; overheads broadly flat excluding wage inflation & employee reward

Underlying operating overheads, which exclude exceptional items of £6.0m, increased by 5% to £40.3m (H1 2024: £38.4m) with a focus on tight cost control, offset by targeted innovation investment, wage inflation and bonus accrual. Excluding wage inflation and employee reward, underlying operating overheads were broadly flat. Tight cost control prevails, including on recruitment, travel and reductions in discretionary spend. We retain additional cost options should the macro-environment deteriorate.

In the second half we will incur the additional expense from the employer increase to National Insurance (NI) contributions for our UK employees, which is expected to be approximately £1m per annum.

Going forward, our intention is to keep investment targeted and to deliver an appropriate return. Underlying operating overheads are therefore expected to show only limited increases, excluding the effect of wage inflation and bonus accrual.

Net interest expense

Interest payments for our China loan started to be expensed (rather than capitalised) from H2 2024, resulting in a net interest expense of £0.8m in H1 2025 (H1 2024 - net interest expense of £0.4m). There is expected to be an expense of approximately £2m in FY 2025, based on currently prevailing interest rates.

Underlying PBT down on FX, China costs, Medical and mix

Underlying PBT of £23.2m was down 17% (H1 2024: £28.0m). The continuing impact of Medical destocking, an adverse sales mix (across both divisions) and some price pressure in VARs resulted in a weaker drop through to PBT, despite the positive top line momentum. Whilst operating efficiency overall was slightly improved compared to H1 2024 - as we saw improved asset utilisation - costs from our China facility were higher than our expectations, as we saw initial operational challenges and a slower ramp-up. Currency was also a headwind to underlying PBT of £4.6m in H1 2025 and is expected to be a headwind of £8m-£9m at PBT level on a full year basis.

Reported PBT up 421%

Reported PBT increased by 421% to £17.2m (H1 2024: £3.3m) as we saw a much lower proportion of exceptional items compared to the prior year. This reflects exceptional items of £6.0m in total (H1 2024: £24.7m), mainly comprising ERP system costs, with our Microsoft D365 system being successfully implemented during Q2.

Lower exceptional items

FY 2025 will see the final costs of implementing our ERP system, and associated business improvements, with the majority of costs incurred during the first half. With benefits from our Project Vista programme helping support and underpin mid-term profitability, these costs will be treated as an exceptional item, with total costs, including consultancy, expected to be less than £10m for the year as a whole.

Earnings per share up 461%

Basic earnings per share ('EPS') of 17.4p was 461% up on the prior year (H1 2024: 3.1p per share), reflecting the improvement in reported PBT, including the effect of exceptional items being lower. Underlying EPS was down 16% at 22.6p (H1 2024: 27.0p).

Taxation

The total tax charge was £3.6m (H1 2024: £0.8m) giving an effective tax rate of 21.2% (H1 2024: 24.5%), lower than the prior year, but higher than the mid-term guidance range due to the impact of a lower proportion of profits being eligible for the patent box rate.

Our mid-term guidance for an effective tax rate is approximately 14%-18%. In FY 2025 the effective rate will exceed the top end of the range, with unrecognised China losses and the proportion of UK profits available for patent box being the key drivers. We continue to monitor global taxation developments and their impact on the effective rate.

Robust balance sheet

With a strong balance sheet to support our global customers, we have demonstrated the ability to invest and support security of supply over recent years, through a major capital investment phase which has now concluded. Net assets at 31 March 2025 totalled £433.8m (H1 2024: £460.8m).

ROIC¹

We focus on Return on Invested Capital ('ROIC') as one of our strategic KPIs. We continue to enjoy strong returns compared to the broader Chemical sector, with our 5 year average ROIC at 16% (based on FY 2020 - FY 2024).

Inventory moving closer to FY 2025 target

The increased inventory required for our UK Asset Improvement programme started to be unwound during FY 2024. H1 2025 closing inventory was £114.4m, reflecting further progress towards our target of approximately £100m by the end of FY 2025. Whilst this goal of approximately £100m is higher than historic levels, it reflects the broader business and geographic portfolio, including an increased range of polymer grades, product forms and parts to serve a wider customer base. Despite further inventory unwind in FY 2025, our planned production levels will be approximately 20% higher, supporting operating efficiency and gross margin.

Capital expenditure reducing; well-invested assets

Following a period of substantial investment in assets and capability - both in the UK and China - we have well invested assets that underpin our future growth programmes and increasingly differentiated portfolio. As a result, cash capital expenditure reduced to £8.6m (H1 2024: £21.8m) and we anticipate capital expenditure on a full year basis being around the lower end of our 8-10% of Group revenues guidance.

Over the coming years, investment will include increased ESG related capital spend in our manufacturing facilities, to support decarbonisation, subject to available technology. Current ESG related capital expenditure remains relatively small and is primarily for our Continuous Improvement ('CI') activities. Options to phase investment in support of decarbonisation programmes are being assessed, whilst noting our existing SBTi validated decarbonisation targets, including our interim target of a 50.1% reduction in Scope 1 & Scope 2 market-based emissions by 2032, from a baseline set in FY 2022.

Overall capital expenditure guidance remains at approximately 8-10% of revenues for the coming years.

Operating cash conversion of 128%

Cash generated from operations was ahead of the prior year, at £34.6m (H1 2024: £34.1m). As a result, and with lower capital expenditure, underlying operating cash conversion¹ was 128% (H1 2024: 64%). With a highly cash-generative business model, we expect to see a continuing improvement in absolute cash generation.

In February 2025 we paid the 2024 final dividend of 46.14p/share at a value of £40.1m. Net debt at 31 March 2025 was £40.7m (H1 2024: £49.8m), including cash of £25.4m (H1 2024: £28.5m). The Group utilised its UK RCF and China bank facility borrowings - put in place for the investment in new China manufacturing assets - during the first half. Borrowings, including lease liabilities, at 31 March 2025 were £66.1m (H1 2024: £78.3m, FY 2024: £50.4m) including £15.0m drawn on the RCF.

Interim dividend maintained

The Board has proposed to maintain the interim dividend at 13.42p/share (H1 2024: 13.42p/share interim dividend), which reflects the balance of mixed trading with expectations of profit growth in H2 2025. We intend to grow the regular dividend in line with earnings growth once underlying dividend cover returns closer to 2.0x.

Capital allocation policy

Whilst growth investment remains the focus for the Group, including the option of M&A focused on technology to support and underpin our mega-programmes, or adjacent high performance materials that complement and enhance our PEEK offering, we also note the opportunity for additional shareholder returns. As cashflow continues to improve, share buybacks remain an option for future shareholder returns, alongside special dividends, within our capital allocation policy.

Whilst the Group had a modest drawdown of its RCF, the prospects for improving cashflows, and reducing net debt as trading improves, are positive. Capital expenditure reduction and inventory unwind also support improved cashflows over the medium term.

Culture of innovation recognised in Britain's Most Admired Companies and FTSE Women Leaders

With our investment in people, assets and capability over recent years, we have a motivated, innovative and engaged workforce. Victrex was pleased to be recognised in Britain's Most Admired Companies list, receiving 3rd place in Chemicals. As a recognition of progress developing females in leadership roles, as well as our Board being comprised of 56% women, we were also named as 4th in the FTSE 250 for Women in Leaders and Women on Boards.

Jakob Sigurdsson

Chief Executive, 12 May 2025

1 Alternative performance measures are defined in note 13

2 Sustainable revenues as a % of total revenues is a other internal metric calculated as the % of revenue earned from sustainable products, which are defined as those which offer a quantifiable environmental or societal benefit. These are primarily in automotive and aerospace (supporting CO2 reduction) but also in energy and industrial and electronics (e.g. wind energy applications, or those which support energy efficiency) and medical (both implantable and non-implantable), supporting better patient outcomes.

Sustainable Solutions

	6 Months Ended 31 Mar 2025 £m	6 Months Ended 31 Mar 2024* £m	% Change (reported)	% Change (constant currency)
Revenue	115.7	108.8	6%	10%
Gross profit	40.8	42.1	-3%	5%

*Restated to reflect non-implantable medical reclassification from Sustainable Solutions to Medical segment (see Note 4).

The Group reports divisional performance through Sustainable Solutions and Medical. An end-market based summary of our performance and growth opportunities continues to be provided. Within Sustainable Solutions end-markets, we have Electronics, Energy & Industrial, Transport (Automotive & Aerospace) and Value Added Resellers ('VARs').

With an enhanced regional focus, as well as end-market focus, and a reorganisation in our Go to Market strategy as part of Project Vista, Sustainable Solutions saw improvement in revenue during the first half.

Good volume momentum, softer sales mix

After a solid start to the year, revenue in Sustainable Solutions continued to see positive momentum during the first half, with H1 2025 revenue up 6% at £115.7m (H1 2024 (restated): £108.8m). This was supported by improvement in Aerospace, Electronics, Energy & Industrial and VAR.

Revenue in constant currency was up 10%. Pricing remained relatively robust, although we saw the impact of faster growing VARs volumes influencing sales mix through the year, together with some price pressure in this area. VARs remains our lowest cost to serve end-market, with limited R&D and a low-touch business model to support long-term customers in this area. VARs customers convert our materials into stock shapes or compounds for onward processing in several end-markets.

Although we saw improved asset utilisation, gross margin was lower at 35.3% (H1 2024 (restated): 38.7%) impacted by annualised costs for our China facility, sales mix, together with a sizeable currency headwind.

Electronics

During the first half, we saw some improvement in the Global Semiconductor and Consumer Electronics markets (which together make up approximately two-thirds of our exposure in this end-market), Electronics sales volumes grew 17% at 222 tonnes (H1 2024: 190 tonnes), though we did see some slowing of demand in Q2.

Industry forecasts continue to suggest an improvement for Semiconductor in 2025, with ING Think forecasting Semiconductor demand to increase by 9.5%, driven by data centres and increasing adoption of AI applications.

Victrex's core applications include CMP rings (for Semiconductor), as well as newer applications utilising PEEK, including for Semiconductor, 5G, cloud computing and other extended application areas. The increased level of data usage in society, AI and cloud-based services is supportive to long-term growth in this end-market, though we are mindful of the short-term demand cycle. Our AptivTM film business supports small space acoustic applications including in speaker diaphragms and related components, where we also saw an improvement driven by application growth and consumer demand. Next generation smartphones are already using increased AptivTM content to support increased functionality.

Energy & Industrial ('E&I')

VictrexTM PEEK has a long-standing track record of durability and performance benefit in many demanding Oil & Gas applications, where lightweighting, durability and performance are key. The trend of metal replacement in demanding applications remains important. In recent years, E&I has also been developing broader business across energy applications. These include in wind energy and opportunities in hydrogen. We now have a small but growing proportion of revenue coming from wind and renewable based applications. Sales volume of 323 tonnes was up 15% on the prior year (H1 2024: 280 tonnes), reflecting improvement in energy, offset by continuing weakness across General Industrial (which makes up more than half of this segment).

Our development of VictrexTM PEEK as a PFAS (Per and Polyfluoroalkyl chemicals) alternative continues to make good progress. Industry concerns around PFAS has sparked global action. Regulators across the UK, EU and the US are proposing to ban or restrict PFAS substances to only a few critical uses. Manufacturers using these products are looking to find safer alternative materials, without compromising product performance with VictrexTM PEEK well placed.

Transport (Automotive & Aerospace)

Victrex materials support "Avoided emissions" through underpinning CO2 emission reduction, which is a key megatrend. Across Aerospace and Automotive, our materials offer lightweighting, durability, dielectric properties and heat resistance.

Overall Transport sales volume was down 2% to 524 tonnes (H1 2024: 532 tonnes), with Aerospace up 7% and Automotive down 4%, the latter against a tougher comparative. This performance reflects continuing increases in plane build as the Aerospace industry recovers post-pandemic, as well as incremental business from China. In Automotive, industry forecasts have been revised down so far in 2025, with increasing tariffs and lack of demand both being key factors. S&P Global forecasts car production in 2025 of 2% growth.

Automotive

The majority of Victrex's application areas will transition between internal combustion engine ('ICE')

platforms and electric vehicles ('EVs'). Overall, translation across ICE to EVs remains a net benefit opportunity, with current Victrex PEEK content averaging around 11g per car. Our assessment of the EV opportunity is for a long term potential of over 200g per electric vehicle across several application areas.

In E-mobility, with a slower adoption for electric vehicles in many regions, FY 2025 is expected to see a similar level of revenue, though new platforms utilising PEEK, particularly around larger and higher voltage batteries, support mid-term growth. Applications include wire coatings, slot liners and rotor sleeves, where the insulative properties of Victrex™ PEEK suit the more demanding performance requirements. China is a particular focus area, with qualifications in place or in progress.

Aerospace

Aerospace volumes were up 7%, reflecting the benefit of plane build continuing to increase and new business in China. The latest indicators for long-term plane build forecasts 42,000 new or replacement aircraft by 2043 (source: Airbus). With manufacturing speed and efficiency a key driver, Victrex™ PEEK's offering to support faster cycle times in part manufacture positions us well. We continue to enjoy good application growth in Aptiv™ film and also our LMPAEEK™ grade (and use as composite tape).

COMAC in China is forecasting a ramp up of production for the C919 model over the coming years, including doubling plane build in 2025 (vs 2024). Victrex™ PEEK supports a broad range of aircraft platforms, with one of the highest production models being the Boeing 737-Max, as well as higher content models such as the Airbus A350.

Overall, the mid-term outlook for Aerospace remains positive. Short to mid-term opportunities include Advanced Air Mobility (AAM), where lighter materials and strength are key requirements. Victrex is building development collaborations, which are beginning to move towards supply contracts, helping to drive growth in this attractive area.

Value Added Resellers ('VARs')

VARs process PEEK into stock shapes or compounds, for onward sale into multiple supply chains. End market alignment, whilst difficult to fully track, supports a similar alignment to our Sustainable Solutions end-markets, with the exception of Aerospace, where sales volumes are largely direct to OEMs or tier suppliers. Victrex regards VARs as a good barometer of the general health of the supply chain and economic recovery, with customers processing high volumes of PEEK.

With some macro improvement H1 volumes were up 30% to 862 tonnes (H1 2024: 662 tonnes). VARs remains the most price competitive of our Sustainable Solutions end-markets.

Regional trends

The Group continues to report regional performance. North America saw the most progress vs prior year, driven by a better performance in Energy & Industrial. Europe also saw improvement as VAR drove a better first half, with Asia-Pacific also ahead, supported by Electronics.

Europe was up 10%, at 1,077 tonnes (H1 2024: 977 tonnes), driven by VARs primarily. North America was up 41% at 359 tonnes (H1 2024: 254 tonnes), reflecting Energy & Industrial, with Asia-Pacific up 15% at 582 tonnes (H1 2024: 506 tonnes).

Medical

	6 Months Ended 31 Mar 2025 £m	6 Months Ended 31 Mar 2024* £m	% Change (reported)	% Change (constant currency)
Revenue	30.2	30.5	-1%	1%
Gross profit	23.5	24.7	-5%	-1%

*Restated to reflect non implantable medical reclassification from Sustainable Solutions to Medical segment (see Note 4).

Medical strategy

To date, over 15 million patients have PEEK-OPTIMA™ based implanted devices. With origins in Spine, our Medical strategy is broadening the range of applications we serve, with good progress made across Arthroscopy, Active Implantables and Drug Delivery, Cranio Maxilo Facial (CMF), Cardio - all of which grew in H1 2025 - as well as our mega-programmes of Trauma and Knee.

Growing opportunities in non-implantable Medical

Building on the Project Vista led improvements in Sustainable Solutions, this year we have begun targeting increasing opportunities in non-implantable Medical, which was previously not a focus area. Applications in pharmaceutical related opportunities are already offering us near-term growth potential. We are now reporting Medical revenues as a combination of implantable and non-implantable Medical (non-implantable revenues were previously reported through Sustainable Solutions).

Medical Acceleration investment

With our New Product Development Centre in Leeds supporting customer scale up in Trauma and Knee, we have assets and capability in place to support major medical device companies. Our Knee programme includes collaboration with the 5th largest global Knee player, and negotiations for additional collaborations with other top 4 companies.

Performance (Implantable & Non-implantable)

The trends seen across the medical device industry, as noted by a range of companies supplying into this industry, continued to impact us through the first half, as some customers further reduced their inventories from historically high levels. This follows the build-up of product as surgeries reopened after the COVID pandemic. Visibility on a broader recovery remains low.

Our spine business continued to be most affected due to higher inventory levels and the impact of Volume Based Procurement ('VBP') in China, which has resulted in some changes in market share amongst customers as well as pricing pressure. Spine was 25% of medical revenues in the half compared to 39% (restated) in the comparable period in the prior year. Non-spine represented 75% of medical revenues.

Other (non-spine) medical revenues grew strongly in the half, reversing the destocking trend and reaching levels above the non-spine revenues of FY 2023. Going forward, with destocking easing and procedural growth remaining healthy, the declines in spine are expected to ease, giving confidence in a return to growth in total medical in the future led by non-spine indications.

Gross profit was £23.5m (H1 2024 (restated): £24.7m) and gross margin was broadly stable at 77.8% (H1 2024: 81.0%), reflecting the impact of currency. Geographically, Asia-Pacific and US revenues were flat, with Europe down 3%.

Progress on the Medical mega-programmes is covered in the operating review.

Diversifying our Medical business

Our focus on broadening applications in non-Spine has supported good growth over recent years, offset by the impact of titanium 3D printed spinal cages taking market share. Beyond applications like Arthroscopy and Cranio Maxillo-Facial ('CMF'), we are seeing good traction in Cardio (PEEK used in artificial hearts and heart pumps), as well as Active Implantable devices. CMF revenues continue to progress and were up 32% vs H1 2024, driven by increasing adoption versus the metal alternatives and lower industry inventory levels. The increasingly diversified range of applications, with a lower dependence on Spine, provides a stronger platform to drive future medical growth.

Condensed Consolidated Income Statement

		Unaudited Six months ended 31 March 2025	(Restated) Unaudited Six months ended 31 March 2024	Audited Year ended 30 September 2024
	Note	£m	£m	£m
Revenue	4	145.9	139.3	291.0
Gains on foreign currency net hedging	4	2.2	2.5	5.2
Cost of sales	4	(83.8)	(75.0)	(161.9)
Gross profit	4	64.3	66.8	134.3
Sales, marketing and administrative expenses*		(36.7)	(34.3)	(71.0)
Research and development expenses		(9.6)	(8.7)	(17.5)
Operating profit before exceptional items		24.0	28.4	60.3
Exceptional items*	5	(6.0)	(4.6)	(14.5)
Operating profit*		18.0	23.8	45.8
Financial income		0.3	0.3	0.7
Finance costs		(1.1)	(0.7)	(1.9)
Result of associate*	5	-	(20.1)	(21.2)
Profit before tax and exceptional items		23.2	28.0	59.1
Exceptional items	5	(6.0)	(24.7)	(35.7)
Profit before tax		17.2	3.3	23.4
Income tax expense	6	(3.6)	(0.8)	(7.6)
Profit for the period		13.6	2.5	15.8
Profit/(loss) for the period attributable to:				
Owners of the Company		15.2	2.7	17.2
Non-controlling interests		(1.6)	(0.2)	(1.4)
Earnings per share				
Basic	7	17.4p	3.1p	19.8p
Diluted	7	17.2p	3.0p	19.7p
Dividends (pence per share)				
Interim		13.42	13.42	13.42
Final		-	-	46.14
		13.42	13.42	59.56

An interim dividend of 13.42p per share will be paid on 27 June 2025 to shareholders on the register at the close of business on 30 May 2025. This dividend will be recognised in the period in which it is approved.

* The reclassification of £20.1m of exceptional items for the six months ended 31 March 2024 from Sales, marketing and administrative expenses to Result of associate is detailed in note 5.

Condensed Consolidated Statement of Comprehensive Income

Unaudited

Unaudited

Audited

	Six months ended 31 March 2025 £m	Six months ended 31 March 2024 £m	Year ended 30 September 2024 £m
Profit for the period	13.6	2.5	15.8
Items that will not be reclassified to profit or loss			
Defined benefit pension schemes' actuarial (losses)/gains	(1.2)	(1.1)	0.3
Income tax on items that will not be reclassified to profit or loss	0.3	0.2	(0.1)
	(0.9)	(0.9)	0.2
Items that may be subsequently reclassified to profit or loss			
Currency translation differences for foreign operations	1.4	(3.5)	(6.7)
Effective portion of changes in fair value of cash flow hedges	(1.5)	4.3	9.6
Net change in fair value of cash flow hedges transferred to profit or loss	(2.2)	(2.5)	(5.2)
Income tax on items that may be reclassified to profit or loss	0.9	(0.4)	(1.1)
	(1.4)	(2.1)	(3.4)
Total other comprehensive expense for the period	(2.3)	(3.0)	(3.2)
Total comprehensive income/(expense) for the period	11.3	(0.5)	12.6
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company	12.9	(0.3)	14.0
Non-controlling interests	(1.6)	(0.2)	(1.4)

Condensed Consolidated Balance Sheet

	Note	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Assets				
Non-current assets				
Property, plant and equipment		350.5	358.1	352.1
Intangible assets		16.7	17.9	17.1
Financial assets held at fair value through profit and loss		3.5	3.5	3.5
Financial assets held at amortised cost		1.0	0.8	1.0
Deferred tax assets		5.5	5.8	6.2
Retirement benefit asset		9.9	8.8	10.7
		387.1	394.9	390.6
Current assets				
Inventories		114.4	126.7	115.1
Current income tax assets		5.2	4.6	3.9
Trade and other receivables		47.5	48.7	45.8
Derivative financial instruments	9	2.9	3.6	7.3
Cash and cash equivalents	8	25.4	28.5	29.3
		195.4	212.1	201.4
Total assets		582.5	607.0	592.0
Liabilities				
Non-current liabilities				
Deferred tax liabilities		(40.7)	(34.9)	(40.8)
Borrowings	8	(46.7)	(60.7)	(32.9)
Long term lease liabilities	8	(7.7)	(8.2)	(8.3)
Retirement benefit obligations		(2.3)	(2.4)	(2.5)
		(97.4)	(106.2)	(84.5)
Current liabilities				
Derivative financial instruments	9	(1.1)	(0.1)	(0.3)
Borrowings	8	(9.9)	(8.0)	(7.5)
Current income tax liabilities		(0.8)	(2.2)	(2.2)
Trade and other payables		(37.7)	(28.3)	(34.2)
Current lease liabilities	8	(1.8)	(1.4)	(1.7)
		(51.3)	(40.0)	(45.9)
Total liabilities		(148.7)	(146.2)	(130.4)
Net assets		433.8	460.8	461.6
Equity				
Share capital		0.9	0.9	0.9
Share premium		62.1	62.0	62.1
Translation reserve		(2.5)	(0.7)	(3.9)
Hedging reserve		1.1	2.0	3.9

Retained earnings		373.2	394.8	398.0
Equity attributable to owners of the Company		434.8	459.0	461.0
Non-controlling interest	10	(1.0)	1.8	0.6
Total equity		433.8	460.8	461.6

Condensed Consolidated Cash Flow Statement

	Note	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Cash flows from operating activities				
Cash generated from operations	12	34.6	34.1	88.7
Interest received		0.3	0.3	0.7
Interest paid		(0.3)	(0.4)	(1.1)
Net income tax paid		(3.5)	(3.4)	(4.3)
Net cash flow generated from operating activities		31.1	30.6	84.0
Cash flows (used in)/generated from investing activities				
Acquisition of property, plant and equipment and intangible assets		(8.6)	(21.8)	(32.6)
Withdrawal of cash invested for greater than three months		-	0.1	0.1
Other loans granted		-	(0.4)	(0.7)
Loan to associated undertakings		-	(1.3)	(2.2)
Net cash flow used in investing activities		(8.6)	(23.4)	(35.4)
Cash flows (used in)/generated from financing activities				
Proceeds from issue of ordinary shares exercised under option		-	0.2	0.2
Repayment of lease liabilities		(1.1)	(1.0)	(1.9)
Bank borrowings received		21.7	30.6	33.8
Bank borrowings repaid		(6.4)	(0.8)	(31.1)
Interest paid on capital-related bank borrowings		(0.5)	(0.6)	(1.1)
Dividends paid		(40.1)	(40.1)	(51.8)
Net cash flow used in financing activities		(26.4)	(11.7)	(51.9)
Net decrease in cash and cash equivalents		(3.9)	(4.5)	(3.3)
Effect of exchange rate fluctuations on cash held		-	(0.4)	(0.8)
Cash and cash equivalents at beginning of period		29.3	33.4	33.4
Cash and cash equivalents at end of period		25.4	28.5	29.3

Condensed Consolidated Statement of Changes in Equity

	Share capital	Share premium	Translation reserve	Hedging reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling interest	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Equity at 1 October 2024 (audited)	0.9	62.1	(3.9)	3.9	398.0	461.0	0.6	461.6
Total comprehensive income for the period								
Profit for the period attributable to owners of the Company	-	-	-	-	15.2	15.2	-	15.2
Loss for the period attributable to non-controlling interest	-	-	-	-	-	-	(1.6)	(1.6)
Other comprehensive income/(expense)								

Currency translation differences for foreign operations	-	-	1.4	-	-	1.4	-	1.4
Effective portion of changes in fair value of cash flow hedges	-	-	-	(1.5)	-	(1.5)	-	(1.5)
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	(2.2)	-	(2.2)	-	(2.2)
Defined benefit pension schemes' actuarial losses	-	-	-	-	(1.2)	(1.2)	-	(1.2)
Tax on other comprehensive (expense)/income	-	-	-	0.9	0.3	1.2	-	1.2
Total other comprehensive income/(expense) for the period	-	-	1.4	(2.8)	(0.9)	(2.3)	-	(2.3)
Total comprehensive income/(expense) for the period	-	-	1.4	(2.8)	14.3	12.9	(1.6)	11.3
Contributions by and distributions to owners of the Company								
Equity-settled share-based payment transactions	-	-	-	-	1.2	1.2	-	1.2
Tax on equity-settled share-based payment transactions	-	-	-	-	(0.2)	(0.2)	-	(0.2)
Dividends to shareholders	-	-	-	-	(40.1)	(40.1)	-	(40.1)
Equity at 31 March 2025 (unaudited)	0.9	62.1	(2.5)	1.1	373.2	434.8	(1.0)	433.8

	Share capital	Share premium	Translation reserve	Hedging reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling interest	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Equity at 1 October 2023 (audited)	0.9	61.9	2.8	0.6	432.8	499.0	2.0	501.0
Total comprehensive income for the period								
Profit for the period attributable to owners of the Company	-	-	-	-	2.7	2.7	-	2.7
Loss for the period attributable to non-controlling interest	-	-	-	-	-	-	(0.2)	(0.2)
Other comprehensive (expense)/income								
Currency translation differences for foreign operations	-	-	(3.5)	-	-	(3.5)	-	(3.5)
Effective portion of changes in fair value of cash flow hedges	-	-	-	4.3	-	4.3	-	4.3
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	(2.5)	-	(2.5)	-	(2.5)
Defined benefit pension schemes' actuarial losses	-	-	-	-	(1.1)	(1.1)	-	(1.1)
Tax on other comprehensive (expense)/income	-	-	-	(0.4)	0.2	(0.2)	-	(0.2)
Total other comprehensive (expense)/income for the period	-	-	(3.5)	1.4	(0.9)	(3.0)	-	(3.0)
Total comprehensive (expense)/income for the period	-	-	(3.5)	1.4	1.8	(0.3)	(0.2)	(0.5)

Contributions by and distributions to owners of the Company								
Share options exercised	-	0.1	-	-	-	0.1	-	0.1
Equity-settled share-based payment transactions	-	-	-	-	0.7	0.7	-	0.7
Tax on equity-settled share-based payment transactions	-	-	-	-	(0.4)	(0.4)	-	(0.4)
Dividends to shareholders	-	-	-	-	(40.1)	(40.1)	-	(40.1)
Equity at 31 March 2024 (unaudited)	0.9	62.0	(0.7)	2.0	394.8	459.0	1.8	460.8

	Share capital	Share premium	Translation reserve	Hedging reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling interest	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Equity at 1 October 2023 (audited)	0.9	61.9	2.8	0.6	432.8	499.0	2.0	501.0
Total comprehensive income/(expense) for the year								
Profit for the year attributable to owners of the Company	-	-	-	-	17.2	17.2	-	17.2
Loss for the year attributable to non-controlling interest	-	-	-	-	-	-	(1.4)	(1.4)
Other comprehensive (expense)/income								
Currency translation differences for foreign operations	-	-	(6.7)	-	-	(6.7)	-	(6.7)
Effective portion of changes in fair value of cash flow hedges	-	-	-	9.6	-	9.6	-	9.6
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	(5.2)	-	(5.2)	-	(5.2)
Defined benefit pension schemes' actuarial gains	-	-	-	-	0.3	0.3	-	0.3
Tax on other comprehensive income	-	-	-	(1.1)	(0.1)	(1.2)	-	(1.2)
Total other comprehensive (expense)/ income for the year	-	-	(6.7)	3.3	(0.2)	(3.2)	-	(3.2)
Total comprehensive (expense)/income for the year	-	-	(6.7)	3.3	17.4	14.0	(1.4)	12.6
Contributions by and distributions to owners of the Company								
Share options exercised	-	0.2	-	-	-	0.2	-	0.2
Equity-settled share-based payment transactions	-	-	-	-	0.2	0.2	-	0.2
Tax on equity-settled share-based payment transactions	-	-	-	-	(0.6)	(0.6)	-	(0.6)
Dividends to shareholders	-	-	-	-	(51.8)	(51.8)	-	(51.8)
Equity at 30 September 2024 (audited)	0.9	62.1	(3.9)	3.9	398.0	461.0	0.6	461.6

Notes to the Financial Report

1. Reporting entity

Victrex plc (the 'Company') is a public company which is limited by shares and is listed on the London Stock Exchange. This Company is incorporated and domiciled in the United Kingdom. The address of its registered office is Victrex Technology Centre, Hillhouse International, Thornton Cleveleys, Lancashire FY5 4QD, United Kingdom.

These condensed consolidated interim financial statements (the "Financial Report") as at and for the six months ended 31 March 2025 comprise those of the Company and its subsidiaries (together referred to as the 'Group').

This Financial Report is an interim management report as required by DTR 4.2.3 of the Disclosure and Transparency Rules of the UK Financial Conduct Authority.

The comparative figures for the financial year ended 30 September 2024 are extracted from the Group's statutory financial statements for that year (referred to as the '2024 Annual Report'). The 2024 Annual Report has been reported on by the Group's auditor, filed with the Registrar of Companies and is available on request from the Group's Registered Office or to download from www.victrexplc.com. The auditor's report on 2024 Annual Report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006.

The Financial Report is unaudited and was approved for issue by the Board of Directors on 12 May 2025.

2. Basis of preparation

The Financial Report for the half-year reporting period ended 31 March 2025 has been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

This Financial Report does not constitute statutory accounts within the meaning of Section 43 of the Companies Act 2006 and do not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the 2024 Annual Report, which has been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

Climate change

The Group's assessment of the impact of climate change was detailed on page 152 of the 2024 Annual Report. This review was made in line with the requirements of the Task Force on Climate Related Financial Disclosures (TCFD) and with specific consideration of the disclosures made in the Sustainability report in the 2024 Annual Report. From the work undertaken at that time, the Directors concluded that there had been no material impact on the financial statements for the year ending 30 September 2024 from the potential impact of climate change. Whilst the Group's analysis on the impact of climate change continues to evolve, the Directors are not aware of any changes in circumstance or situation, particularly in the areas reviewed, that would change the outcome of this assessment at this time, and therefore the same conclusion continues to be appropriate for the period ending 31 March 2025.

Use of Judgements and estimation uncertainty

The Group uses estimates and assumptions in applying the critical accounting policies to value balances and transactions recorded in the financial statements. The estimates and assumptions that, if revised, would have a significant risk of a material impact on the valuation of assets and liabilities within the next financial year were the same as that applied to the consolidated financial statements for the 2024 Annual Report, being retirement benefits and the valuation of inventory.

Consistent with the 2024 Annual Report, the Directors also consider that the application of the exceptional items accounting policy involves significant judgements. Further details of the exceptional items are disclosed in note 5. There are no other judgements that the Directors have made in the process of applying accounting policies that would have a significant effect on the amounts recognised in the financial statements.

Going Concern

The Directors have performed a robust going concern assessment including a detailed review of the business' 24-month rolling forecast and consideration of the principal risks faced by the Group and the Company, as detailed on pages 38 to 42 of the FY 2024 Annual Report. This assessment has paid particular attention to current trading results and the economic uncertainty created by recent changes impact of the ongoing global economic challenges on the aforementioned forecasts.

The company maintains a strong balance sheet providing assurance to key stakeholders, including customers, suppliers and employees. The Group had net debt of £40.7m at 31 March 2025, an increase of £19.6m from 30 September 2024, and a reduction from £9.1m at 31 March 2024. The increase in net debt since September 2024 relates to the payment of the final regular dividend in February 2025 of £40.1m. The group continued to be cash generative during the period with cash generated from operations of £34.6m (6 months ended 31 March 2024 - £34.1m) and capital expenditure, £8.6m (6 months ended 31 March 2024 - £21.8m), being carefully managed whilst still delivering key programmes. Underlying operating cash conversion improved to 128%, a significant improvement on the six months ended 31 March 2024 of 64%, supported by the lower capital expenditure. The Group drew on its UK revolving credit facility ahead of paying the final dividend, with a maximum drawn down of £18.0m, which had been reduced to £13.0m by the date of this report. The Group maintains a cash balance sufficient to manage short term liquidity and provide headroom against ongoing trading volatility. The cash balance at 31 March 2025 was £25.4m. Approximately 40% is held in the UK, on instant access, where the company incurs the majority of its expenditure. At the date of this report, the Group has drawn debt of £33.4m in its Chinese subsidiaries (with a total facility of £44m available until December 2026) and has unutilised UK banking facilities of £47m through to October 2027, of which £27m is committed and immediately available and £20m is available subject to lender approval.

The 24-month forecast is derived from the company's Integrated Business Planning ('IBP') process which runs monthly. Each area of the business provides forecasts which consider a number of external data sources, triangulating with customer conversations, trends in market and country indices as well as forward-looking industry forecasts: for example, forecast aircraft build rates from the two major manufacturers for Aerospace, rig count and purchasing manager indices for E&I, World Semiconductor Trade Statistics semiconductor market forecasts for Electronics and Needham and IQVIA forecasts for Medical procedures.

The assessment of going concern included conducting scenario analysis on the aforementioned forecast. Sustainable Solutions has continued to see a growth in sales volumes, the third consecutive half of growth and the first 2,000t half since FY 2022, Medical continues to experience lower demand, revenue was in line with the softer levels since FY 2023, in line with industry trends, primarily major customers ongoing inventory reduction programmes and the adverse impact of Volume Based Procurement in China. Whilst volumes have been improving, the economic outlook remains mixed, with Chemical sector activity remaining depressed, oversupply from China in addition to the recent advent of increases in global tariffs, the effect of which on the general operating business environment has yet to be evidenced, particularly with respect to the US economy. The scenario analysis performed by management focuses on the Group's ability to sustain a reduction in Sustainable Solutions volumes and a further period of suppressed demand in Medical. In assessing the severity of the scenario analysis the scale and longevity of the impact experienced during previous economic downturns has been considered, including the differing impacts on Sustainable Solutions versus Medical segments.

Using the IBP data and the reference points from previous economic cycles management has created two scenarios to model the impact of a reversal of the recovery seen in Sustainable Solutions over the past year and the continuing effect of destocking and VBP within Medical at a regional/market level and aggregated levels on the Group's profits and cash generation through to June 2026 with consideration also given to the six months beyond this. The impact of climate change and the Group's goal of Net Zero across all scopes by 2050 are considered as part of the aforementioned IBP process, from both a revenue and cost perspective, with the anticipated impact (assessed as insignificant over the shorter-term going concern period) incorporated in the forecasts. As a result, the scenario testing noted below does not incorporate any additional sensitivity specific to climate change.

The directors have modelled the following scenarios:

Scenario 1 - Sustainable Solutions demand reduces back to the levels seen during the most recent low point in H2 FY 2023 from June 2025 for 6 months, before recovering to the levels seen in the past 12 months for the remainder of the going concern period. Medical revenue remains in line with the softer level experienced during FY 2024 and H1 2025 through to December 2025 before recovery commences at a rate of 10% per annum through the remainder of the going concern period. Inventory is reduced in line with sales.

Scenario 2 - in line with scenario 1 through to December 2025 but with the lower demand continuing throughout the going concern period. This would give an annualised volume below c.3,300 tonnes, a level not seen since 2013, prior to H2 FY 2023. In this scenario, destocking would continue to impact Medical revenue throughout the going concern period which result in annualised revenue of c.£61m, a level last seen in 2016 with the exception of the COVID impacted FY 2020 when hospitals were closed for elective procedures. With the period of prolonged lower demand, a more aggressive unwind of the inventory balance has been assumed. The Directors consider scenario 2 to be a severe but plausible scenario.

Commercial sales from the new PEEK manufacturing facility in China commenced during H2 FY 2024; however, with volumes building over time the entity will require additional funding to see it through to net cash generation. In concluding on the going concern position, it has been assumed that Victrex will provide the additional funds in full, which the Board consider to be the worst case scenario.

Before any mitigating actions the sensitised cash flows show the company has significantly reduced cash headroom, which would require continued use of the committed facility during the going concern period. The level of facility drawn down is higher in scenario 2 but in neither scenario is the committed facility fully drawn, nor drawn for the whole year. With cash levels lower than has historically been the case for Victrex, the company has identified a number of mitigating actions which are readily available to increase the headroom. These include:

- Use of committed facility - the remainder of the committed facility could be drawn at short notice. Conversations with our banking partners indicate that the £20m uncommitted accordion could also be readily accessed. The covenants of the facility have been successfully tested under each of the scenarios;
- Deferral of capital expenditure - the base case capital investment over the next 12 months is lower than recent years with major projects now completed in China and the UK. This could be further reduced by limiting expenditure to essential projects and deferring all other projects later into 2025 or beyond;
- Reduction in discretionary overheads - costs would be limited to prioritise and support customer related activity;
- Reduction in inventory levels - inventory remains at an elevated level and following a significant reduction in FY 2024 continues to be gradually unwound with a further reduction forecast. The scenarios noted above include an acceleration of the inventory unwind but a more aggressive approach could be taken to provide additional cash resources; and
- Deferral/cancellation of dividends - the Board considers the cash position and interests of all stakeholders before recommending payment of a dividend. A dividend has been proposed for payment in June 2025 of c.£12m and in the past a final dividend of c.£40m has been paid in February, giving a combined annual outflow of c.£52m.

Reverse stress testing was performed to identify the level that sales would need to drop by in order for the Group to be unable to meet its liabilities as they fall due by the end of the going concern assessment period. Sales volumes would need to consistently drop materially below the low point in scenario 2, which is not considered plausible.

As a result of this detailed assessment and with reference to the Company's strong balance sheet, existing committed facilities and the cash preserving levers at the Company's disposal, but also acknowledging the current

committed resources and the cash generating levels of the company's disposal, but also acknowledging the current economic uncertainty created by the increase in global tariffs, particularly in the US, the depressed Chemical market and the war in Ukraine continuing, the Board has concluded that the company has sufficient liquidity to meet its obligations when they fall due for a period of at least 12 months after the date of this report. For this reason, it continues to adopt the going concern basis for preparing the interim financial statements.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied in the 2024 Annual Report except for the application of relevant new standards. None of the new standards have had a material impact on the Group's consolidated result or financial position.

4. Segment reporting

The Group's business is strategically organised as two business units (operating segments): Sustainable Solutions, which focuses on our Energy & Industrial, VARs, Transport and Electronics markets, and Medical, which focuses on implantable and non-implantable medical markets.

	Unaudited Six months ended 31 March 2025			(Restated) Unaudited Six months ended 31 March 2024			(Restated) Unaudited Year ended 30 September 2024		
	Sustainable Solutions	Medical	Group	Sustainable Solutions	Medical	Group	Sustainable Solutions	Medical	Group
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Segment revenue	118.2	30.2	148.4	111.9	30.5	142.4	235.1	62.0	297.1
Internal revenue	(2.5)	-	(2.5)	(3.1)	-	(3.1)	(6.1)	-	(6.1)
Revenue from external sales	115.7	30.2	145.9	108.8	30.5	139.3	229.0	62.0	291.0
Gains on foreign currency net hedging	1.9	0.3	2.2	1.9	0.6	2.5	4.2	1.0	5.2
Cost of sales	(76.8)	(7.0)	(83.8)	(68.6)	(6.4)	(75.0)	(148.4)	(13.5)	(161.9)
Segment gross profit	40.8	23.5	64.3	42.1	24.7	66.8	84.8	49.5	134.3

Restatement of segment reporting

At the start of FY 2025 the group's management structure changed with a consolidation of our two Medical businesses under the leadership of the Managing Director for Medical. The non-implantable Medical business, which in FY 2024 represented 3% of Group revenue, has historically been managed by the Managing Director for Sustainable Solutions and Board reporting has consolidated this business with the other Sustainable Solutions businesses. However, with more strategic opportunities arising in this market, including more focus on pharmaceutical applications, across an increasingly similar value proposition to the implantable business, the Board concluded that the two Medical businesses would benefit from being under the same Managing Director. The way in which results are reported to the Board has been realigned with Medical now comprising both the implantable and non-implantable businesses. The Board is considered the entity's chief operating decision maker ("CODM") and therefore the way the Board reviews the results of the business should be consistent with the way the results are externally reported. Accordingly, the segmental disclosures have been updated to reflect the revised structure with the comparatives for FY 2024 and H1 2024 restated on a consistent basis.

There is no change to the profit numbers at the group level as a result of this change.

Tables setting the previous and new segmental reporting for H1 2024 and FY 2024 comparatives are set out below. With the exception of the previously reported segmental numbers for FY 2024, which have been extracted from the audited FY 2024 Annual Report, the numbers are unaudited.

H1 2024

	Previous segment results (Unaudited) Six months ended 31 March 2024			New segmental results (Unaudited) Six months ended 31 March 2024		
	Sustainable Solutions	Medical	Group	Sustainable Solutions	Medical	Group
	£m	£m	£m	£m	£m	£m
Segment revenue	114.5	26.4	140.9	111.9	30.5	142.4
Internal revenue	(1.6)	-	(1.6)	(3.1)	-	(3.1)
Revenue from external sales	112.9	26.4	139.3	108.8	30.5	139.3
Gains on foreign currency net hedging	1.9	0.6	2.5	1.9	0.6	2.5
Cost of sales	(70.1)	(4.9)	(75.0)	(68.6)	(6.4)	(75.0)
Segment gross profit	44.7	22.1	66.8	42.1	24.7	66.8

FY 2024

	Previous segment results (Audited) Year ended 30 September 2024			New segmental results (Unaudited) Year ended 30 September 2024		
	Sustainable Solutions	Medical	Group	Sustainable Solutions	Medical	Group
	£m	£m	£m	£m	£m	£m
Segment revenue	240.6	53.0	293.6	235.1	62.0	297.1
Internal revenue	(2.6)	-	(2.6)	(6.1)	-	(6.1)
Revenue from external sales	238.0	53.0	291.0	229.0	62.0	291.0
Gains on foreign currency net hedging	4.2	1.0	5.2	4.2	1.0	5.2
Cost of sales	(151.9)	(10.0)	(161.9)	(148.4)	(13.5)	(161.9)
Segment gross profit	90.3	44.0	134.3	84.8	49.5	134.3

5. Exceptional items

Items that are, in aggregate, material in size and/or unusual or infrequent in nature, are disclosed separately as exceptional items in the Condensed Consolidated Income Statement.

The separate reporting of exceptional items, which are presented as exceptional within the relevant category in the Condensed Consolidated Income Statement, helps provide an indication of the underlying performance of the Group.

	Unaudited Six months ended 31 March 2025 £m	(Restated) Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Included within sales, marketing and administrative expenses:			
Business process improvements including ERP system	6.0	4.6	9.9
Impairment of property, plant and equipment relating to gears manufacturing	-	-	4.6
	6.0	4.6	14.5
Included within Result of associate*:			
Impairment of investment in associate	-	9.1	9.1
Fair value loss on loans due from Bond	-	11.0	11.9
Legal fees in relation to Bond	-	-	0.2
	-	20.1	21.2
Exceptional items before tax	6.0	24.7	35.7
Tax on exceptional items	(1.5)	(3.9)	(8.0)
Exceptional items after tax	4.5	20.8	27.7

* The exceptional items relating to the impairment of investment in associate and fair value loss on loans due from Bond 3D High Performance Technology BV ('Bond') of £20.1m was presented within sales, marketing and administrative expenses in the Financial Report for the six months ended 31 March 2024. This was subsequently presented within Result of associate for the year ended 30 September 2024 within the 2024 Annual Report, and therefore the prior year comparative for the six months ended 31 March 2024 has been re-presented on a consistent basis. Operating profit for the six months ended 31 March 2024 is therefore revised at £23.8m, compared to £3.7m as previously reported. There has been no change in profit for the period as a result of this restatement.

Business process improvements including ERP system implementation

During FY 2022 the Group commenced a multi-year improvement project centred around the implementation of a new cloud-based ERP system. The project, which includes process redesign, customisation and configuration of the new ERP system, change management and training, will deliver benefits to both customer interactions and internal business processes including those covering procurement, back-office processing and organisational efficiency.

The project costs relating directly to the new ERP system implementation do not meet the criteria for capitalisation (as the majority of costs relating to past systems have), in line with the IFRS Interpretations Committee's decision clarifying how arrangements in respect of cloud-based Software as a Service ('SaaS') systems should be accounted for. Accordingly, the cost is expensed rather than capitalised and amortised. Given the size of the overall improvement project and its impact on the reported profit-based metrics, the fact the system is evergreen and thus this level and nature of cost will not happen again, it meets the Group's criteria to be presented as exceptional. The improvement project will be completed in 2025 with phase I of the ERP system successfully going live during H1 2025.

FY 2024 exceptional items

Full details of the non-cash exceptional items recognised in the year ended 30 September 2024 comprising the impairment of property, plant and equipment relating to gears manufacturing of £4.6m, and impairment of investment in associate, fair value loss on loans (including both convertible loan notes and 2024 bridging loan) and legal fees totalling £21.2m are detailed in the 2024 Annual Report in Note 5.

The cash flow in the year associated with exceptional items was a £6.9m outflow (H1 2024: £4.1m outflow, FY 2024: £11.7m outflow).

6. Income tax expense

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
UK corporation tax	2.1	0.1	(0.7)
Overseas tax	0.7	0.1	2.7
Deferred tax	0.9	0.5	5.3
Tax adjustments relating to prior years	(0.1)	0.1	0.3
Total tax expense in income statement	3.6	0.8	7.6
Effective tax rate	21.2%	24.5%	32.5%

Deferred tax assets/liabilities have been recognised at the rate they are expected to reverse. For UK assets/liabilities this is 25% for the majority of assets and liabilities (31 March 2024 and 30 September 2024: 25%), being the UK tax rate effective from 1 April 2023. For overseas assets/liabilities the corresponding overseas tax rate has been applied.

7. Earnings per share

	Unaudited Six months ended 31 March 2025	Unaudited Six months ended 31 March 2024	Audited Year ended 30 September 2024
Earnings per share			
- basic	17.4p	3.1p	19.8p
- diluted	17.2p	3.0p	19.7p
Profit for the financial period attributable to the owners of the Company (£m)	15.2	2.7	17.2
Weighted average number of shares			
- basic	86,989,295	86,950,951	86,950,951
- diluted	87,911,751	87,992,025	87,371,283

8. Cash and borrowings

Net debt

Net debt comprises cash and cash equivalents, offset by borrowings and IFRS 16 lease liabilities.

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Cash and cash equivalents	25.4	28.5	29.3
Bank loans due within one year	(9.9)	(8.0)	(7.5)
Borrowings due within one year	(9.9)	(8.0)	(7.5)
Bank loans due over one year	(38.5)	(52.7)	(25.0)
Loan payable to non-controlling interest	(8.2)	(8.0)	(7.9)
Borrowings due over one year	(46.7)	(60.7)	(32.9)
Current lease liabilities	(1.8)	(1.4)	(1.7)
Non-current lease liabilities	(7.7)	(8.2)	(8.3)
Net debt	(40.7)	(49.8)	(21.1)

Bank loans

Bank loans comprise the UK revolving credit facility and China banking facility, split between a capital expenditure facility and a working capital facility.

UK Revolving credit facility

The Group has a banking facility of £60.0m (£40.0m committed and £20.0m accordion) which expires in October 2027. Interest is charged at a rate of SONIA +0.75% to SONIA +1.05% depending on the level of utilisation. The facility contains covenant measures which are tested biannually, consisting of leverage and interest cover.

In February 2025, £18.0m of the £40.0m committed facility was drawn. As at 31 March 2025, £3.0m had been repaid, with £15.0m remaining drawn (31 March 2024: £26.0m drawn; 30 September 2024: £nil drawn) and is included in 'Bank loans due over one year'. £2.0m of the drawn down amount at 31 March 2025 has been repaid at the date of this report.

China banking facility

The Group's total capital expenditure facility is RMB 250m with the amount due at 31 March 2025 £26.5m/RMB 241m (31 March 2024: £27.1m/RMB 244m; 30 September 2024: £26.2m/RMB 243m). The amount due on the capital

expenditure facility is split between the amount due within one year of £3.0m/RMB 27m (31 March 2024: £0.4m/RMB 4m; 30 September 2024: £1.2m/RMB 11m) and the amount due after one year of £23.5m/RMB 214m (31 March 2024: £26.7m/RMB 240m; 30 September 2024: £25.0m/RMB 232m).

The facility is repayable in line with an agreed schedule up to December 2026. Interest is charged at the five-year Loan Prime Rate of the People's Bank of China. The purpose of the loan was to fund the construction of a manufacturing facility in China.

During FY 2024, interest of £0.7m was capitalised as part of qualifying capital expenditure within property, plant and equipment. Capitalisation ceased in April 2024 when the property, plant and equipment to which the loans relate was commissioned. From this point all interest is charged to the income statement, included within finance costs.

The working capital facility in China is RMB 150m. Each drawdown under the working capital facility is required to be repaid at least annually, after which the balance can be redrawn. As such all amounts due on the working capital facility of £6.9m/RMB 63m (31 March 2024 £7.6m/RMB 68m; 30 September 2024: £6.3m/RMB 58m) is included within the amount due within one year. Interest is charged at the one-year Loan Prime Rate of the People's Bank of China +50bps and is charged to the income statement, included within finance costs.

Loan payable to non-controlling interest

The Group's loan payable to the non-controlling interest, Liaoning Xingfu New Material Co., Ltd ('LX'), is interest bearing at 4% per annum. Interest payable on the shareholder loan is rolled up into the value of the loan, until repayment occurs. The purpose of the shareholder loan was to fund the construction of a manufacturing facility in China, with the interest payable capitalised as part of qualifying capital expenditure within property, plant and equipment until that plant is commissioned, which took place in April 2024. No interest was capitalised accordingly in H1 2025 (H1 2024: £0.1m, FY 2024 £0.2m).

The RMB 65m loan is unsecured. At 31 March 2025 the Sterling value of the loan, including rolled up interest and the impact of exchange rate movements, was £8.2m (31 March 2024: £8.0m, 30 September 2024 £7.9m).

The loan is repayable in two instalments, the first is on 30 September 2026 (RMB 50 million), with the second on 30 September 2027 (RMB 15 million), or such date as may be mutually agreed by the shareholders, LX and Victrex Hong Kong Limited.

9. Derivative financial instruments

The notional contract amount, carrying amount and fair value of the Group's forward exchange contracts are as follows:

	Unaudited As at 31 March 2025		Unaudited As at 31 March 2024		Audited As at 30 September 2024	
	Notional contract amount	Carrying amount and fair value	Notional contract amount	Carrying amount and fair value	Notional contract amount	Carrying amount and fair value
	£m	£m	£m	£m	£m	£m
Current assets	115.0	2.9	155.1	3.6	170.9	7.3
Current liabilities	45.9	(1.1)	11.0	(0.1)	(5.2)	(0.3)
	160.9	1.8	166.1	3.5	165.7	7.0

The fair values have been calculated by applying (where relevant), for equivalent maturity profiles, the rate at which forward currency contracts with the same principal amounts could be acquired on the balance sheet date. These are categorised as Level 2 within the fair value hierarchy. Fair value gains on foreign currency contracts of £2.2m have been recognised in the income statement in the period (H1 2024 - gains of £2.5m; FY 2024 - gains of £5.2m).

10. Non-controlling interest

The non-controlling interest recognised relates to the Group's subsidiary company, Victrex (Panjin) High Performance Materials co., Ltd ('VIPL'), where the Group continues to hold a 75% equity interest with the remaining 25% held by LX. VIPL is a limited liability company set up for the purpose of the manufacture of PAEK polymer powder and granules, based in mainland China. The income statement and balance sheet of VIPL are fully consolidated with the share owned by LX represented by a non-controlling interest.

In the period to 31 March 2025 the subsidiary incurred a loss of £6.3m (H1 2024: loss of £0.9m; FY 2024: loss of £5.7m), of which £1.6m (H1 2024 £0.2m; FY 2024: £1.4m) is attributable to the non-controlling interest. Total non-controlling interest as at 31 March 2025 is -£1.0m (31 March 2024: £1.8m; 30 September 2024: £0.6m).

11. Exchange rates

The most significant Sterling exchange rates used in the financial statements under the Group's accounting policies are:

	Unaudited Six months ended 31 March 2025		Unaudited Six months ended 31 March 2024		Audited Year ended 30 September 2024	
	Average	Closing	Average	Closing	Average	Closing
US Dollar	1.31	1.28	1.24	1.27	1.26	1.32
Euro	1.20	1.20	1.16	1.16	1.16	1.18

The "average" exchange rates in the above table are the weighted average spot rates applied to foreign currency

transactions, excluding the impact of foreign currency contracts. Gains and losses on foreign currency contracts, to the point where transferred to profit or loss, where net hedging has been applied for cash flow hedges, are separately disclosed in the income statement.

12. Reconciliation of profit to cash generated from operations

	Unaudited Six months ended 31 March 2025 £m	(Restated) Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Profit after tax for the period	13.6	2.5	15.8
Income tax expense	3.6	0.8	7.6
Result of associate*	-	20.1	21.2
Net finance costs	0.8	0.4	1.2
Operating profit*	18.0	23.8	45.8
Adjustments for:			
Depreciation	12.1	9.2	21.5
Amortisation	0.4	1.8	1.7
Loss on disposal of non-current assets	0.1	0.8	0.1
Gain on early termination of long-term lease liabilities	-	-	(0.1)
Impairment of investment in associate undertakings and convertible loan notes	-	-	4.6
Equity-settled share-based payment transactions	1.2	0.7	0.2
Gains on derivatives recognised in income statement that have not yet settled	1.5	(1.6)	(2.4)
Decrease in inventories	1.0	6.5	17.2
Increase in trade and other receivables	(2.7)	(3.0)	(1.7)
Increase/(decrease) in trade and other payables	3.5	(3.8)	2.5
Retirement benefit obligations charge less contributions	(0.5)	(0.3)	(0.7)
Cash generated from operations	34.6	34.1	88.7

* The explanation for the reclassification of £20.1m of exceptional items for the six months ended 31 March 2024 is detailed in note 5.

13. Alternative performance measures

We use alternative performance measures (APMs) to assist in presenting information in an easily comparable, analysable and comprehensible form. The measures presented in this report are used by the Board in evaluating performance. However, this additional information presented is not required by IFRS or uniformly defined by all companies. Certain measures are derived from amounts calculated in accordance with IFRS but are not in isolation an expressly permitted GAAP measure. The measures are presented below.

APM 1 Operating profit before exceptional items (referred to as underlying operating profit) is based on operating before the impact of exceptional items. This metric is used by the Board to assess the underlying performance of the business excluding items that are, in aggregate, material in size and / or unusual or infrequent in nature. Exceptional items are disclosed in note 5;

	Unaudited Six months ended 31 March 2025 £m	(Restated) Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Operating profit*	18.0	23.8	45.8
Exceptional items*	6.0	4.6	14.5
Underlying operating profit	24.0	28.4	60.3

APM 2 Profit before tax and exceptional items (referred to as underlying profit before tax) is based on Profit before tax before the impact of exceptional items. This metric is used by the Board to assess the underlying performance of the business excluding items that are, in aggregate, material in size and / or unusual or infrequent in nature. Exceptional items are disclosed in note 5;

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Profit before tax	17.2	3.3	23.4
Exceptional items	6.0	24.7	35.7
Underlying profit before tax	23.2	28.0	59.1

APM 3 Constant currency revenue and associated metrics are used by the Board to assess the year on year underlying performance of the business excluding the impact of foreign currency rates, which can by nature be volatile. Constant currency revenue metrics are reached by applying current half year (HY 2025) weighted average spot rates to prior half year (HY 2024) revenue transactions;

Group	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	% change
Revenue at reported currency	145.9	139.3	5%
Impact of FX translation	-	(4.0)	
Revenue at constant currency	145.9	135.3	8%
Volume	2,018	1,737	
ASP at constant currency	72.3	77.9	-7%

Sustainable Solutions	Unaudited Six months ended 31 March 2025 £m	(Restated) Unaudited Six months ended 31 March 2024 £m	% change
Revenue at reported currency**	115.7	108.8	6%
Impact of FX translation	-	(3.3)	
Revenue at constant currency	115.7	105.5	10%

Medical	Unaudited Six months ended 31 March 2025 £m	(Restated) Unaudited Six months ended 31 March 2024 £m	% change
Revenue at reported currency**	30.2	30.5	-1%
Impact of FX translation	-	(0.7)	
Revenue at constant currency	30.2	29.8	+1%

** The prior year comparatives for the six months ended 31 March 2024 have been restated for APM 3 to reflect the change in segmental reporting relating to the non implantable medical market. See note 4 for further details.

APM 4 Underlying operating cash conversion is used by the Board to assess the business' ability to convert underlying operating profit into cash effectively. Underlying operating cash conversion is underlying operating cash flow as a percentage of underlying operating profit. Underlying operating cash flow is underlying operating profit before depreciation, amortisation and loss on disposal, less capital expenditure, adjusted for working capital movements.

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Underlying operating profit (APM 1)	24.0	28.4	60.3
Depreciation, amortisation and loss on disposal#	12.6	11.8	23.3
Change in working capital	2.7	(0.3)	17.5
Capital expenditure	(8.6)	(21.8)	(32.6)
Operating cash flow	30.7	18.1	68.5
Operating cash conversion	128%	64%	114%

#Excludes the impact of loss on disposal of right of use assets.

APM 5 Underlying EPS is earnings per share based on profit after tax but before exceptional items divided by the weighted average number of shares in issue. Further details of the exceptional items are disclosed in note 5. This metric is used by the Board to assess the underlying performance of the business excluding items that are, in aggregate, material in size and/or unusual or infrequent in nature;

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Profit after tax attributable to owners of the Company	15.2	2.7	17.2
Exceptional items	6.0	24.7	35.7
Tax on exceptional items	(1.5)	(3.9)	(8.0)
Profit after tax before exceptional items net of tax	19.7	23.5	44.9
Weighted average number of shares	86,989,295	86,950,951	86,950,951
Underlying EPS (pence)	22.6	27.0	51.7

APM 6 Underlying operating overheads is made up of sales, marketing and administrative expenses, and research and development expenses, before exceptional items. Further details of the exceptional items are disclosed in note 5. This metric is used by the Board to assess the underlying performance of the business excluding items that are, in aggregate, material in size and/or unusual or infrequent in nature.

	(Restated)	
Unaudited	Unaudited	Audited

	Unaudited Six months ended 31 March 2025 £m	Unaudited Six months ended 31 March 2024 £m	Audited Year ended 30 September 2024 £m
Sales, marketing and administrative expenses*	36.7	34.3	71.0
Exceptional items*	(6.0)	(4.6)	(14.5)
Research and development expenses	9.6	8.7	17.5
Underlying operating overheads	40.3	38.4	74.0

* The prior year comparative for the six months ended 31 March 2024 has been recalculated for APM 1 and APM 6 to reflect the reclassification of the exceptional items relating to the impairment of investment in associate and fair value loss on loans due from Bond 3D High Performance Technology BV ('Bond') of £20.1m from sales, marketing and administrative expenses to Result of associate. See note 5 for further details.

Responsibility Statement of the Directors

The Directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted by the UK and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

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

During the period since the approval of the Victrex plc Annual Report for the year ended 30 September 2024, there have been the following changes in the directorate:

1/ Jane Toogood stepped down from the Board at the conclusion of the AGM on 7th February 2025.

The Directors of Victrex plc are detailed on our Group website www.victrexplc.com.

By order of the Board

Jakob Sigurdsson
Chief Executive
12 May 2025

Ian Melling
Chief Financial Officer
12 May 2025

Forward-looking statements

Sections of this half-yearly Financial Report may contain forward-looking statements, including statements relating to: certain of the Group's plans and expectations relating to its future performance, results, strategic initiatives and objectives, future demand and markets for the Group's products and services; research and development relating to new products and services; and financial position, including its liquidity and capital resources.

These forward-looking statements are not guarantees of future performance. By their nature, all forward looking statements involve risks and uncertainties because they relate to events that may or may not occur in the future, and are or may be beyond the Group's control, including: changes in interest and exchange rates; changes in global, political, economic, business, competitive and market forces; changes in raw material pricing and availability; changes to legislation and tax rates; future business combinations or disposals; relations with customers and customer credit risk; events affecting international security, including global health issues and terrorism; the impact of, and changes in, legislation or the regulatory environment (including tax); and the outcome of litigation.

Accordingly, the Group's actual results and financial condition may differ materially from those expressed or implied in any forward-looking statements. Forward-looking statements in this half-yearly Financial Report are current only as of the date on which such statements are made. The Group undertakes no obligation to update any forward-looking statements, save in respect of any requirement under applicable law or regulation. Nothing in this Financial Report shall be construed as a profit forecast.

Shareholder information:

Victrex's Annual Reports and half-yearly Financial Reports are available on request from the Company's Registered Office or to download from our corporate website, www.victrexplc.com

Financial calendar:

Record date~
Payment of interim dividend

30 May 2025
27 June 2025

~ The date by which shareholders must be recorded on the share register to receive the dividend

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