13 August 2025

Hill & Smith PLC

Half Year Results (unaudited) for the six months ended 30 June 2025

Positive first half results, full year expectations unchanged
£100m share buyback announced

Hill & Smith PLC ("Hill & Smith" or "the Group")a leading provider of solutions that enhance the resilience of vital infrastructure and the built environment, announces its unaudited results for the six months ended 30 June 2025 ("the period").

Financial Results

	Underlying*		Change			Statutory		
	30 June 2025	30 June 2024	***Reported %***	***Constant Currency %***	***OCC %***	**30 June 2025**	30 June 2024	*Change %*
Revenue	**£431.6m**	£422.7m	***+2%***	***+4%***	***+2%***	**£431.6m**	£422.7m	*+2%*
Operating profit	**£73.5m**	£68.4m	***+7%***	***+11%***	***+7%***	**£68.0m**	£63.0m	*+8%*
Operating margin	**17.0%**	16.2%	***+80bps***			**15.7%**	14.9%	*+80bps*
Profit before tax	**£69.0m**	£63.2m	***+9%***			**£63.5m**	£57.8m	*+10%*
Earnings per share	**63.9p**	58.3p	***+10%***			**58.8p**	53.2p	*+11%*
Dividend per share	**18.0p**	16.5p	***+9%***			**18.0p**	16.5p	*+9%*

Highlights:

- **Positive H1 trading performance**
  - Revenue up 4% and underlying operating profit up 11% on a constant currency basis, driven by good performances in US Engineered Solutions and Galvanizing Services
  - Continuing strong infrastructure demand in the US with record order books
  - UK markets more challenging, with subdued activity particularly in road infrastructure
  - Further expansion in underlying operating margin to 17.0%, an increase of 80 basis points

- **Strong cash generation and ROIC**
  - Underlying cash conversion 85% (H1 2024: 83%)
  - ROIC 25.7% (H1 2024: 22.5%), an increase of 320 bps, reflecting good growth in our larger, less capital intensive US Engineered Solutions businesses
  - Covenant leverage at 0.1 times (31 December 2024: 0.3 times), providing significant capital allocation flexibility for both growth and returns

- **Continued portfolio evolution**
  - Active M&A pipeline with multiple ongoing discussions, focused on enhancing growth in our larger US platform businesses through bolt-on acquisitions
  - Divestment of two small, non-core loss-making businesses in Q1

- **EPS up 10% to 63.9p, interim dividend up 9% at 18.0p**

- **£100m share buyback over next c.18 months to be announced today, providing additional return to shareholders within capital allocation framework and reflecting the Group's strong balance sheet**

- **Positive FY25 outlook, underlying operating profit expected to be in line with market expectations†**

- **Confidence in the medium-term growth outlook, reflecting the Group's strong positions in structurally growing**

infrastructure and built environment end markets.

Rutger Helbing, CEO, said:

"We have delivered another record performance in the first half, driven by a strong performance in our larger US platform businesses and better profitability in the UK. We also delivered strong free cash flow resulting in minimal leverage which provides us with significant financial firepower. Our second half outlook remains positive, underpinned by continued growth in our US end markets. In the medium to longer term, the Group is well positioned in infrastructure and built environment end markets with attractive structural growth drivers, and I am confident that we will continue to make good progress in the future.

"Our capital allocation priorities are unchanged, and we continue to see attractive opportunities to deploy capital organically, whilst also making good progress with an active M&A pipeline. Having assessed the capital requirements for the Group, given the strength of the balance sheet and cash generation we have the capacity to return capital to shareholders, without compromising our ability to deliver on our growth priorities. We are therefore today announcing a £100m share buyback."

† *The current company compiled analyst consensus expectation for FY25 is for underlying operating profit of £150.4m with a range of £147.3m-£153.0m.*

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There will be an in-person presentation for analysts and institutional investors this morning at 10:00am, hosted at Deutsche Numis, 45 Gresham Street, London EC2V 7BF, as well as a webcast and conference call with a facility for Q&A for virtual attendees. To register for the webcast, please use this link. For conference call details, please contact jake.terry@mhpgroup.com. A copy of the presentation will be made available at https://hsgroup.com/investors/reports-and-presentations/.

** All underlying measures exclude certain non-underlying items, which are as detailed in note 6 to the Financial Statements and described in the Financial Review. References to an underlying profit measure throughout this announcement are made on this basis. Non-underlying items are presented separately in the Consolidated Income Statement where, in the Directors' judgement, the quantum, nature or volatility of such items gives further information to obtain a proper understanding of the underlying performance of the business. Underlying measures are deemed alternative performance measures ("APMs") under the European Securities and Markets Authority guidelines and a reconciliation to the closest IFRS equivalent measure is detailed in note 5 to the financial statements. They are presented on a consistent basis over time to assist in comparison of performance.*

Where we refer to organic constant currency (OCC) movements, these exclude the impact of currency translation effects and acquisitions, disposals and closures of subsidiary businesses. In respect of acquisitions, the amounts referred to represent the amounts for the period in the current year that the business was not held in the prior year. In respect of disposals and closures of subsidiary businesses, the amounts referred to represent the amounts for the period in the prior year that the business was not held in the current year. Constant currency amounts are prepared using exchange rates which prevailed in the current year.

Notes to Editors

Hill & Smith PLC is a leading provider of solutions that enhance the resilience of vital infrastructure and the built environment. The Group employs c.4,500 people, with the majority employed by its autonomous, agile, customer focussed operating companies based in the UK, USA and India. The Group office is in the UK and Hill & Smith PLC is quoted on the London Stock Exchange (LSE: HILS.L).

The Group's operating companies are organised into three divisions:

- *US Engineered Solutions*
- *UK & India Engineered Solutions*
- *Galvanizing Services*

Our Engineered Solutions businesses manufacture and supply steel and composite solutions for a wide range of infrastructure end markets including power transmission & distribution, water and wastewater management, data centre construction, transport *infrastructure, and other industrial construction.*

Our Galvanizing Services operations, based in the UK and US, increase the sustainability and maintenance free life of steel products including structural steelwork, lighting, bridges, and other products for infrastructure and construction end markets.

H1 review

The Group has delivered a positive first half performance, underpinned by continuing demand for infrastructure products and services in the US and better profitability in the UK.

Revenue in the first half was up 4% and underlying operating profit was up 11% on a constant currency basis. Group underlying operating margin increased by 80 basis points to 17.0% driven by an improved portfolio mix, with good growth seen in our higher margin US businesses, improved UK profitability and a positive impact from non-core divestments in Q1.

US Engineered Solutions delivered good revenue and profit growth against a strong comparator. We saw continued demand for our products and services across our larger platform businesses, which serve a range of attractive structural growth markets including electricity transmission & distribution, water and wastewater, and infrastructure construction. We continue to monitor the effects of tariff announcements on our businesses and supply chains, however we have not seen any significant impact to date.

UK & India Engineered Solutions saw a continuation of subdued demand in the UK, with lower activity levels in road infrastructure and commercial construction, partly offset by growth in data centre related products. However, profitability was ahead of the prior year, supported by project activity and operational efficiencies, with operating margins expanding by 190bps to 9.6%.

Galvanizing Services delivered a record first half performance, reflecting strong momentum in our higher margin US business and good demand in the UK compared with a slower first half in 2024. Volumes grew by 9% overall, with 6% growth in the US and 12% in the UK, and margins remained well within our expected range.

The Group continues to be highly cash generative and deliver strong returns, with cash conversion in the first half of 85% and return on invested capital of 25.7%. The Group balance sheet remains strong at 0.1 times covenant leverage, providing significant capital allocation flexibility.

Strategic progress update

Operating company framework and priority end markets

The refreshed operating company framework and enhanced focus on priority end markets that we introduced in March have now been fully embedded in our annual strategy update process, and we are focused on ensuring that our M&A pipeline is also closely aligned with the framework. Our operating companies are also now focussing on alignment with the framework in terms of the market dynamics they are exposed to, how their business model can deliver increased differentiation, and the management and culture needed to underpin delivery of their strategies.

Our organic growth opportunities will continue to be concentrated towards our higher growth and less cyclical end markets. In the US, we already have a strong footprint, with 80% of revenue in our US businesses being generated from those markets in the first half of 2025. In the UK & India we have less exposure to higher growth markets, however in the first half of the year the share of revenue from less cyclical markets increased to 55%, with good growth in data centres in particular.

M&A and portfolio evolution

We remain focused on enhancing our growth platform businesses through bolt-on M&A, where we have an active pipeline with multiple ongoing discussions. We have significant financial firepower and sufficient internal resource to integrate multiple acquisitions in parallel. Our ambition remains unchanged, and we still expect to invest between £50m-70m per annum on M&A.

As part of our active management of the portfolio, in the first quarter we divested two non-core businesses. In January 2025 we sold Hill & Smith Pty Limited, our subscale Australian roads business, and in February we sold Parking Facilities Limited, a small UK perimeter security access business. These were both loss-making businesses. We continue to monitor our portfolio against our refreshed operating company framework.

Capital allocation

Our approach to capital allocation remains clear and unchanged. We continue to prioritise investment in organic and inorganic growth. In 2025 we are investing in increased capacity for our transmission & distribution and engineered supports businesses in the US, and we continue to maintain an active M&A pipeline.

Having assessed the capital requirements of the business to fund organic growth, execute on acquisitions and provide a growing dividend, the Board is confident that, given the strength of the Group's balance sheet and cash generation, we also have the capacity to make an additional return of capital to shareholders and remain comfortably within our target leverage range of 1-2x. As a result, the Company has today announced a share buyback of £100m over the next c.18 months.

Sustainability

Sustainability underpins the Group's growth strategy, with an ongoing commitment to progress against our sustainability focus areas and goals. Within that, the health and safety of our people remains our top priority. During the period we have expanded our health & safety management tooling to include a robust audit and inspection system, which assists with the identification of hazards, the implementation of corrective actions and the assignment of responsible parties. We have also implemented KPI dashboards to provide operating company leaders with better visibility of lead indicators and continued to emphasise our 'Nine Life Saving Rules', which focus on the activities that have been identified as the highest risk across our operating companies.

We continue to focus on carbon reduction, introducing a greenhouse gas emissions reduction target into our LTIP performance measures for the first time this year. Our US companies are continuing their transition to renewable electricity contracts, and we expect that all of our electricity usage in both the US and UK will be from renewable contracts by 2026. We have also engaged several decarbonisation organisations to help identify energy efficiency and carbon reduction opportunities and these have been shared across the Group, with our operating companies developing individual carbon reduction plans, which include transitioning to more sustainable fuel for lifting equipment and heat management efficiency in our galvanizing facilities.

Talented people are critical to our success, and their wellbeing and development continue to play a vital part in delivery of our long-term strategy. During the first half we have successfully delivered management development programmes to those of our high potential team members who have been identified as prospective future leaders. As part of our senior leader succession plans, we have made some key appointments and continue to target improvements in employee engagement by delivering on agreed action plans and commitments.

New divisional reporting structure

As previously indicated, we have changed our divisional reporting structure in 2025 to better reflect the way the Group is now managed, following the introduction of a regional Group President structure in 2024 and the exit of certain non-core businesses in Q1 2025. This enables a closer focus on geographic end markets and growth opportunities. The new divisional structure is as follows:

- US Engineered Solutions: comprising all US operating companies excluding Galvanizing Services
- UK & India Engineered Solutions: comprising all UK operating companies and India, excluding Galvanizing Services
- Galvanizing Services: no change

The divisional comparatives in this report have been restated to reflect the change.

Recent board updates

As we announced in January, Hannah Nichols, previously Chief Financial Officer, left the Group in April to take up the same position at Coats PLC. On 30 April, we were pleased to announce that Chris McLeish, currently CFO at Ibstock PLC, will become the Group's Chief Financial Officer and is expected to join us on 13 October. Mark Else, Group Financial Controller, will continue as interim Chief Financial Officer until Chris joins.

In March, Leigh-Ann Russell stepped down from the Board, and we thank her for her contribution during her time with Hill & Smith. Later in March, we were pleased to announce the appointment of Gillian Tomlinson to the Board as a non-executive director.

Dividend

Our aim is to provide a growing dividend to shareholders. Given the positive first half performance and our continued confidence in the Group's prospects, we have declared an interim dividend of 18.0p per share, an increase of 9% (2024: 16.5p). The interim dividend will be paid on 7 January 2026 to shareholders on the register on 28 November 2025.

Outlook

The Group is focused on a range of structurally growing US infrastructure and built environment end markets, with our US businesses representing 76% of Group underlying operating profit in the first half. We expect trading in our larger US platform businesses to remain strong in the second half, underpinned by federal, state and private investment to upgrade infrastructure, onshore manufacturing, and support technology change.

The outlook for our UK businesses in the second half is likely to remain challenging given broader economic conditions, budgetary pressures and a lack of road investment schemes. We continue to see attractive medium term growth opportunities in our Indian business.

We expect that the Group's positive first half trading will continue in the second half and that FY25 underlying operating profit will be in line with market expectations.

In the medium to longer term, the Group is well-positioned in infrastructure and built environment end markets with attractive structural growth drivers. This strong position, together with our M&A strategy and the benefits of our agile operating model, provide confidence that the Group will continue to make good progress, in line with our strategic and financial framework.

Operational Review

US Engineered Solutions

	£m		Reported	Constant	OCC
	2025	2024	%	currency %	%
Revenue	**203.6**	190.9	+7	+10	+3
Underlying operating profit (1)	**36.4**	33.5	+9	+13	+7
Underlying operating margin % (1)	**17.9%**	17.5%			
Statutory operating profit	**32.8**	30.0			

(1) Underlying measures are set out in note 5 to the Financial Statements and exclude certain non-underlying items, which are detailed in note 6 to the Financial Statements.

Our US Engineered Solutions businesses provide a range of composite and steel solutions for infrastructure construction including energy transmission & distribution, waterfront protection, transportation, and other industrial facilities. The division also supplies engineered supports for the water, power and liquid natural gas markets, seismic protection solutions for commercial construction, and off-grid solar lighting and power solutions.

The division delivered a strong performance, with 10% revenue and 13% profit growth on a constant currency basis, reflecting continued demand growth across our larger platform businesses and a positive contribution from prior year acquisitions. Underlying operating margins increased by 40 bps to 17.9% (2024: 17.5%).

Our composites business continued to see strong demand for its products and services across a range of infrastructure end markets including electrical grid infrastructure, industrial facilities, waterfront protection, and data centre construction. Both revenue and operating profit were ahead of the prior year, with margins at similar levels. Trident, acquired in July 2024, has been fully integrated into the existing business and is trading well.

Our electrical transmission & distribution business, which supplies substation products and components for grid infrastructure connectivity, delivered a good performance and enters the second half with a record order book following strong order intake in the first half. Several capacity expansion projects are underway to support the growing demand. Capital Steel and Whitlow, which we acquired in January and September 2024 respectively, have both been successfully integrated into the business and are trading well. We continue to see the transmission & distribution market as very attractive, with growth driven by the need to upgrade ageing infrastructure, supported by both federal and state investment, and increasing demands on the electric grid resulting from infrastructure developments.

Our engineered supports business delivered further growth against a record prior period comparator, driven by robust demand from industrial and infrastructure projects including energy, clean water, data centres, and semiconductor plant construction. This more than offset some softness in commercial construction markets and the business enters the second half with a record order book. The expansion of our main site in Waggaman, Louisiana, is progressing well and will bring additional capacity towards the end of the year. FM Stainless, which we acquired in March 2024, continues to perform ahead of our expectations at the time of the acquisition.

Revenue and profit in our off-grid solar lighting business continued to be subdued in the first half, with ongoing soft demand from our largest customers as they continue to review their capital spending plans. During the period the business has further broadened its product offering, diversified its customer base, and strengthened its commercial teams. We are cautiously optimistic for a gradual improvement in performance in the second half.

Whilst revenue in our road traffic safety product business was marginally behind the prior year, profitability improved as a result of better product mix, with a stronger performance in higher margin temporary barrier rentals and crash attenuators, and further adjustments to the cost base. The outlook for the core barrier and attenuator products lines is encouraging, with demand supported by state and federal investment to upgrade road infrastructure and the phased implementation of developments in safety standards.

Overall prospects for future growth in our US Engineered Solutions businesses remain good. We expect market growth to be supported by investment to modernise the ageing electric grid and multi-year state and federal funding to upgrade infrastructure, alongside private investment from US manufacturers and federal funding to upgrade infrastructure, alongside private investment from US manufacturers and producers to onshore vital components and deliver additional data centre capacity.

UK & India Engineered Solutions

	£m		Reported	Constant	OCC
	2025	2024	%	currency %	%
Revenue	**125.5**	132.8	-5	-5	-1
Underlying operating profit [1]	**12.0**	10.2	+18	+19	+12
Underlying operating margin % [1]	**9.6%**	7.7%			
Statutory operating profit	**10.7**	8.9			

(1) Underlying measures are set out in note 5 to the Financial Statements and exclude certain non-underlying items, which are detailed in note 6 to the Financial Statements.

Our UK Engineered Solutions businesses supply products and services to a range of end markets including transport infrastructure, residential construction, data centres, and other industrial and commercial construction. The division also supplies hostile vehicle mitigation (HVM) and off-grid solar lighting solutions. Our business in India manufactures engineered supports primarily for the liquid natural gas market.

Revenue for the first half was 5% lower on a constant currency basis and similar to the prior year on an OCC basis, with the expected reduction in UK road construction activity being offset by increasing demand for our data centre access and security products, as well as project activity in other markets. Underlying operating profit was 19% higher on a constant currency basis and 12% higher on an OCC basis, reflecting a 190 basis point improvement in operating margins, supported by an improved portfolio mix following the two disposals in Q1 and an ongoing focus on operational efficiencies.

As expected, both revenue and underlying operating profit in our UK roads operations were lower than the same period last year. Visibility and delivery of major road schemes remain limited, driven by delays to the release of Road Investment Strategy 3 which is now expected in the first half of 2026. This led to a lower outturn in our temporary rental and permanent barrier businesses. The project outlook for the second half remains challenging and we have taken steps to adjust the cost base accordingly, whilst remaining well placed to benefit when activity improves. Performance across the wider UK roads market was also impacted by local authority budgetary challenges leading to subdued activity. We expect the challenges in UK roads to continue in the short term given the absence of any government clarity on road infrastructure investment plans.

The industrial flooring business benefitted from good demand from data centre and other larger fabrication projects, however demand from smaller order customers was more subdued. Our building products business experienced a continuation of lower demand levels, but a strong focus on cost management resulted in higher profitability. We expect to benefit from improving UK residential construction activity in the second half of the year and into 2026.

Our UK off-grid solar energy business delivered revenue and profit growth following a difficult period of trading in the prior year, with improved activity in water infrastructure, transport, and defence construction end markets. The business has seen a growing order book, which is encouraging for further progress in the second half.

Revenue and profitability across our perimeter security businesses were at similar levels to the prior year. This reflects a good performance in our high security fencing business, particularly in data centre construction where the order book and opportunity pipeline are strong and present significant short to medium term prospects. In contrast, our HVM business saw lower activity in the first half, with budgetary pressures impacting UK markets and limited export activity.

Output in our Indian engineered supports business was impacted by the timing of projects in the first half, resulting in lower revenue and profitability against a strong comparator. However, wider market activity levels remain healthy and we expect an improved performance in the second half, underpinned by international LNG projects.

Galvanizing Services

	£m		Reported	Constant	OCC
	2025	2024	%	currency %	%
Revenue	**102.5**	99.0	+4	+6	+6
Underlying operating profit [1]	**25.1**	24.7	+2	+4	+4
Underlying operating margin % [1]	**24.5%**	24.9%			
Statutory operating profit	**24.5**	24.1			

(1) Underlying measures are set out in note 5 to the Financial Statements and exclude certain non-underlying items, which are detailed in note 6 to the Financial Statements.

The Galvanizing Services division offers hot-dip galvanizing and powder coating services with multi-plant facilities in the US and the UK. Hot-dip galvanizing is a proven steel corrosion protection solution which significantly extends the service life of steel structures and products. The division benefits from a wide sectoral spread of customers who operate in a range of infrastructure and built environment end markets sectoral spread of customers who operate in a range of infrastructure and built environment end markets including industrial and commercial construction, transport products and infrastructure, and transmission & distribution.

The division delivered a good performance in the first half, with 6% revenue growth and 4% underlying operating profit growth on an OCC basis. The operating margin reduced slightly to 24.5% largely due to fluctuations in product mix, but remains well within our expected range for our galvanizing operations.

US

Our US galvanizing business, despite a slower start to the year due to adverse weather conditions, delivered another strong first half performance, with 6% OCC revenue growth and record operating profit. The strong growth is attributable to a 6% increase in production volumes, with good demand from a balanced mix of end markets. Margins were slightly lower than the prior period due to product mix but remain high, reflecting the excellent quality and service levels provided by our local teams. We expect another good performance in the second half.

In the medium to longer term, the outlook for US galvanizing remains positive. The business is well placed to benefit from federal, state and private investment to support industrial expansion and technology change, as well as the ongoing shift towards onshoring of manufacturing.

UK

In the UK, galvanizing revenue was 4% ahead of the same period last year, reflecting a 12% growth in volumes partially offset by lower selling prices in certain markets where pricing pressures remain. Volume growth was ahead of the wider market and reflects the benefits of recent developments in the business including an enhanced customer focus and improvements in productivity. The outlook for the second half remains positive.

Financial Review

Results

The Group has delivered a positive set of results for the first half of 2025. Revenue was £431.6m (2024: £422.7m), up 4% at constant currency and up 2% on an OCC basis. Underlying operating profit was £73.5m (2024: £68.4m), an increase of 7% on a reported basis. OCC operating profit growth was 7% and constant currency growth was 11%. Operating margins improved to 17.0% (2024: 16.2%) reflecting the benefits of an improved portfolio mix following the divestments during the period, and the volume growth in our larger US platform businesses. Underlying profit before taxation was £69.0m (2024: £63.2m). Reported operating profit was £68.0m (2024: £63.0m) and reported profit before tax was £63.5m (2024: £57.8m). Underlying earnings per share increased to 63.9p (2024: 58.3p) and reported earnings per share was 58.8p (2024: 53.2p).

The principal reconciling item between underlying and reported operating profit is the amortisation of acquisition intangibles of £5.5m. Note 6 to the financial statements provides further details on the Group's non-underlying items.

Cash generation

The Group continues to be highly cash generative and delivered 85% underlying cash conversion in the first half. We expect this to continue in the second half, in line with our target level of 80%+ and consistent with historic levels. The calculation of our underlying cash conversion ratio can be found in note 5 to the financial statements.

Operating cash flow before movement in working capital was £90.7m (2024: £83.6m). The working capital outflow in the period was £11.8m (2024: £13.1m outflow), reflecting typical seasonal trading patterns and a continued focus on working capital efficiency . Working capital as a percentage of annualised sales was 15.1% (2024: 16.4%) and debtor days were 56 days (2024: 58 days).

Capital expenditure of £12.3m (2024: £9.8m) represents a multiple of depreciation and amortisation of 1.1 times (2024: 0.9 times).

Net financing costs for the period were £4.5m (2024: £5.2m), which includes amortisation of costs relating to refinancing activities of £0.3m (2024: £0.3m).

The Group generated £51.5m of free cash flow in the period (2024: £43.5m), providing funds to support our acquisition strategy and dividend policy.

Net debt and financing

Net debt at the end of the period amounted to £55.3m (31 December 2024: £96.9m) and includes lease liabilities under IFRS 16 of £42.7m (31 December 2024: £49.0m).

The Group's principal financing facilities comprise a £250m revolving credit facility that expires in November 2027, and 70m senior unsecured notes with maturities in June 2026 and June 2029, together with a further £6.1m of on-demand local overdraft arrangements. Throughout the year the Group has operated well within these facilities and at 30 June 2025, the Group had £295.2m of headroom (£289.1m committed, £6.1m on demand). Approximately 60% of the Group's drawn debt at 30 June 2025 is subject to fixed interest rates, providing a hedge against potential market movements.

The principal borrowing facilities are subject to covenants that are measured biannually in June and December, being net debt to EBITDA of a maximum of 3.0 times and interest cover of a minimum of 4.0 times. The ratio of covenant net debt to EBITDA at 30 June 2025 was 0.1 times (31 December 2024: 0.3 times) and interest cover was 22.8 times (31 December 2024: 20.4 times).

Return on Invested Capital

We use return on invested capital (ROIC) to measure our overall capital efficiency, with a target of achieving returns in excess of 22%, well above the Group's cost of capital, through the cycle. The Group continued to deliver strong returns in the first half, achieving a ROIC of 25.7% for the period (2024: 22.5%), the increase reflecting the faster growth in our larger US platform businesses which are typically lower in capital intensity.

Tax

The underlying effective tax rate for the period was 25.5% (FY 2024: 25.6%). The tax charge for the period was £16.3m (2024: £15.0m) and includes a £1.4m credit (2024: £1.3m credit) in respect of non-underlying amortisation of acquisition intangibles. Cash tax paid in the period was £10.0m (2024: £10.6m).

Exchange rates

The Group is exposed to movements in exchange rates when translating the results of its overseas operations into Sterling. Retranslating 2024 half year revenue and underlying operating profit using average exchange rates for 2025 would have reduced revenue by £8.5m and underlying operating profit by £1.9m, mainly due to Sterling's appreciation against the US Dollar. A one cent movement in the average US Dollar rate currently results in an adjustment of approximately £4m to the Group's annual revenues and £1m to annual underlying operating profit.

Non-underlying items

The total non-underlying items charged to operating profit in the Consolidated Income Statement amounted to £5.5m (2024: £5.4m) and represented the non-cash amortisation of acquired intangible assets. Further details are set out in note 6 to the Financial Statements.

Pensions

The Group operates defined benefit pension plans in the UK and the US. The IAS 19 surplus of these plans at 30 June 2025 was £1.7m, an improvement of £2.5m from 31 December 2024 (deficit of £0.8m). The surplus on the UK scheme, the largest employee benefit obligation in the Group, was £2.2m (31 December 2024: deficit of £0.2m), the improvement mainly due to the Group's deficit recovery payments in the period. Annual deficit recovery payments are £3.7m and are due to end in March 2026.

The Group continues to be actively engaged in dialogue with the UK scheme's Trustees with regards to management, funding and investment strategies. The triennial value of the scheme as at April 2025 is underway and is expected to be finalised in early 2026.

Going concern

After making enquiries, the Directors have reasonable expectations that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future and for the period to 31 December 2026. Accordingly, they continue to adopt the going concern principle.

When making this assessment, the Group considers whether it will be able to maintain adequate liquidity headroom above the level of its borrowing facilities and to operate within the financial covenants on those facilities. The Group has carefully modelled its cash flow outlook for the period to December 2026, considering the ongoing uncertainties in global economic conditions. In this "base case" scenario, which takes into account the maturity of 35m of the Group's Senior Notes in June 2026, the forecasts indicate significant liquidity headroom will be maintained above the Group's borrowing facilities and financial covenants will be met throughout the period, including the covenant tests at 31 December 2025, 30 June 2026 and 31 December 2026.

The Group has also carried out "reverse stress tests" to assess the performance levels at which either liquidity headroom would fall below zero or covenants would be breached in the period to 31 December 2026. The Directors do not consider the resulting performance levels to be plausible given the Group's positive trading performance in the period and the resilience of the infrastructure and built environment end markets in which we operate.

Principal risks and uncertainties

The Group has a process for identifying, evaluating and managing the principal risks and uncertainties that it faces, and the Directors have reviewed these principal risks and uncertainties during the period. It is the Directors' opinion that the principal risks set out on pages 69 to 72 of the Group's Annual Report for the year ended 31 December 2024 remain applicable to the current financial year.

ended 31 December 2024 remain applicable to the current financial year.

The key consideration relating to the review of principal risks and uncertainties during the period is set out below:

Principal Risk	Considerations
Reduction in US Infrastructure spending	The Group's growth is supported by multi-year planned government spending to upgrade US infrastructure. Whilst the Trump administration's tariff announcements and other recent legislative changes have created some volatility and uncertainty, we have not seen any significant impact to date and we are confident that the structural growth factors driving the need for infrastructure upgrades remain intact, and therefore that longer term infrastructure spending will not be significantly impacted. As a result, the Board believe there has been no material change in this risk during the first half of the year.

Directors' Responsibility Statement

We confirm that to the best of our knowledge:

- The condensed set of Financial Statements has been prepared in accordance with IAS 34: Interim Financial Reporting as contained in UK-adopted IFRS;

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

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

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

This report was approved by the Board of Directors on 13 August 2025 and is available on the Company's website (www.hsgroup.com).

Rutger Helbing
Chief Executive Officer

Mark Else
Interim Chief Financial Officer

Financial Statements

Condensed Consolidated Income Statement

Six months ended 30 June 2025

		6 months ended 30 June 2025			6 months ended 30 June 2024			Year ended 31 December 2024		
	Notes	Underlying £m	Non-underlying* £m	Total £m	Underlying £m	Non-underlying* £m	Total £m	Underlying £m	Non-underlying* £m	Total £m
Revenue	4	**431.6**	**-**	**431.6**	422.7	-	422.7	855.1	-	855.1
Cost of sales		**(256.6)**	**-**	**(256.6)**	(255.1)	-	(255.1)	(513.3)	-	(513.3)
Gross profit		**175.0**	**-**	**175.0**	167.6	-	167.6	341.8	-	341.8
Distribution costs		**(12.9)**	**-**	**(12.9)**	(13.2)	-	(13.2)	(26.8)	-	(26.8)
Administrative expenses		**(88.8)**	**(5.5)**	**(94.3)**	(86.2)	(5.4)	(91.6)	(172.0)	(28.1)	(200.1)
Other operating income		**0.2**	**-**	**0.2**	0.2	-	0.2	0.5	-	0.5
Operating profit	4, 5	**73.5**	**(5.5)**	**68.0**	68.4	(5.4)	63.0	143.5	(28.1)	115.4
Financial income	7	**0.4**	**-**	**0.4**	0.2	-	0.2	0.5	-	0.5
Financial expenses	7	**(4.9)**	**-**	**(4.9)**	(5.4)	-	(5.4)	(11.4)	-	(11.4)
Profit before taxation		**69.0**	**(5.5)**	**63.5**	63.2	(5.4)	57.8	132.6	(28.1)	104.5
Taxation	8	**(17.6)**	**1.4**	**(16.2)**	(16.3)	1.3	(15.0)	(34.0)	5.9	(28.1)
Profit for the year attributable to the owners of the parent		**51.4**	**(4.1)**	**47.3**	46.9	(4.1)	42.8	98.6	(22.2)	76.4
Basic earnings per share	9			**58.8p**			53.2p			95.0p
Diluted earnings per share	9			**58.2p**			52.7p			93.9p

* The Group's definition of non-underlying items and further details of the amounts included are set out in note 6.

Condensed Consolidated Statement of Comprehensive Income

Six months ended 30 June 2025

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Profit for the period	**47.3**	42.8	76.4

Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of overseas operations	**(36.8)**	2.7	5.6
Exchange differences on foreign currency borrowings denominated as net investment hedges	**4.9**	(0.5)	(0.6)
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) on defined benefit pension schemes	**0.5**	(0.7)	(0.2)
Taxation on items that will not be reclassified to profit or loss	**(0.1)**	0.2	-
Other comprehensive (expense)/income for the period	**(31.5)**	1.7	4.8
Total comprehensive income for the period attributable to owners of the parent	**15.8**	44.5	81.2

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
Non-current assets				
Intangible assets		**217.5**	212.0	236.0
Property, plant & equipment		**176.2**	184.2	185.1
Right-of-use assets		**39.7**	48.1	43.2
Retirement benefit surplus		**2.2**	-	-
Corporation tax receivable		**-**	1.6	-
Deferred tax assets		**0.1**	0.4	0.1
		435.7	446.3	464.4
Current assets				
Assets held for sale		**-**	2.5	12.7
Inventories		**96.8**	108.2	100.1
Trade and other receivables		**168.1**	159.7	162.5
Current tax assets		**-**	-	1.3
Cash and cash equivalents	12, 13	**71.4**	55.8	55.0
		336.3	326.2	331.6
Total assets		**772.0**	772.5	796.0
Current liabilities				
Liabilities held for sale		**-**	-	(6.9)
Trade and other liabilities		**(132.6)**	(127.2)	(133.5)
Current tax liabilities		**(6.5)**	(7.5)	(0.7)
Provisions		**(6.2)**	(4.7)	(7.1)
Lease liabilities	12, 13	**(8.7)**	(8.5)	(9.1)
Loans and borrowings	12, 13	**(25.7)**	(0.7)	(0.8)
		(179.7)	(148.6)	(158.1)
Net current assets		**156.6**	177.6	173.5
Non-current liabilities				
Other liabilities		**(8.3)**	(1.5)	(11.2)
Provisions		**(2.7)**	(2.4)	(2.3)
Deferred tax liabilities		**(11.7)**	(9.8)	(12.3)
Retirement benefit obligations		**(0.5)**	(3.1)	(0.8)
Lease liabilities	12, 13	**(34.0)**	(41.7)	(36.9)
Loans and borrowings	12, 13	**(58.3)**	(106.5)	(98.7)
		(115.5)	(165.0)	(162.2)
Total liabilities		**(295.2)**	(313.6)	(320.3)
Net assets		**476.8**	458.9	475.7
Equity				
Share capital		**20.1**	20.1	20.1
Share premium		**47.5**	46.8	47.0
Other reserves		**4.9**	4.9	4.9
Translation reserve		**(4.0)**	25.1	27.9
Retained earnings		**408.3**	362.0	375.8
Total equity		**476.8**	458.9	475.7

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2025

	Share Capital £m	Share Premium £m	Other Reserves+ £m	Translation Reserve £m	Retained Earnings £m	Total Equity £m
At 1 January 2025	**20.1**	**47.0**	**4.9**	**27.9**	**375.8**	**475.7**
Comprehensive income						
Profit for the year	-	-	-	-	**47.3**	**47.3**
Other comprehensive expense for the year	-	-	-	**(31.9)**	**0.4**	**(31.5)**
Transactions with owners recognised directly in equity						
Dividends	-	-	-	-	**(13.3)**	**(13.3)**
Credit to equity of share-based payments	-	-	-	-	**1.0**	**1.0**

Own shares held by employee benefit trust	-	-	-	-	**(0.4)**	**(0.4)**
Satisfaction of long-term incentive and deferred bonus awards	-	-	-	-	**(2.5)**	**(2.5)**
Shares issued	-	**0.5**	-	-	-	**0.5**
At 30 June 2025	**20.1**	**47.5**	**4.9**	**(4.0)**	**408.3**	**476.8**

Six months ended 30 June 2024

	Share Capital £m	Share Premium £m	Other Reserves £m	Translation Reserve £m	Retained Earnings £m	Total Equity £m
At 1 January 2024	20.0	44.6	4.9	22.9	332.1	424.5
Comprehensive income						
Profit for the year	-	-	-	-	42.8	42.8
Other comprehensive income for the year	-	-	-	2.2	(0.5)	1.7
Transactions with owners recognised directly in equity						
Dividends	-	-	-	-	(12.0)	(12.0)
Credit to equity of share-based payments	-	-	-	-	1.1	1.1
Own shares held by employee benefit trust	-	-	-	-	1.4	1.4
Satisfaction of long-term incentive and deferred bonus awards	-	-	-	-	(2.9)	(2.9)
Shares issued	0.1	2.2	-	-	-	2.3
At 30 June 2024	20.1	46.8	4.9	25.1	362.0	458.9

Year ended 31 December 2024

	Share Capital £m	Share Premium £m	Other Reserves £m	Translation Reserve £m	Retained Earnings £m	Total Equity £m
At 1 January 2024	20.0	44.6	4.9	22.9	332.1	424.5
Comprehensive income						
Profit for the year	-	-	-	-	76.4	76.4
Other comprehensive income for the year	-	-	-	5.0	(0.2)	4.8
Transactions with owners recognised directly in equity						
Dividends	-	-	-	-	(34.5)	(34.5)
Credit to equity of share-based payments	-	-	-	-	3.4	3.4
Own shares held by employee benefit trust	-	-	-	-	1.6	1.6
Satisfaction of long-term incentive and deferred bonus awards	-	-	-	-	(2.8)	(2.8)
Tax taken directly to the Consolidated Statement of Changes in Equity	-	-	-	-	(0.2)	(0.2)
Shares issued	0.1	2.4	-	-	-	2.5
At 31 December 2024	20.1	47.0	4.9	27.9	375.8	475.7

† Other reserves represent the premium on shares issued in exchange for shares of subsidiaries acquired and £0.2m capital redemption reserve.

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June 2025

	Notes	**6 months ended 30 June 2025 £m**	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Profit before tax		**63.5**	57.8	104.5
Add back net financing costs		**4.5**	5.2	10.9
Operating profit		**68.0**	63.0	115.4
Adjusted for non-cash items:				
Share-based payments		**1.0**	1.1	3.4
Loss/(gain) on disposal of non-current assets		**0.1**	(0.4)	(0.4)
Loss on disposal of assets held for sale		-	-	0.2
Depreciation of owned assets		**10.3**	10.4	20.8
Amortisation of intangible assets		**6.2**	4.8	11.1
Right-of-use asset depreciation		**5.1**	5.1	10.4
Gain on lease termination		-	(0.4)	(0.6)
Release of accrued contingent consideration		-	-	(1.7)
Research & development expenditure credit		-	-	(0.5)
Impairment of non-current assets		-	-	14.0
Loss on remeasurement of assets held for sale		-	-	3.1
		22.7	20.6	59.8
Operating cash flow before movement in working capital		**90.7**	83.6	175.2
(Increase)/decrease in inventories		**(3.7)**	1.8	9.3
Increase in receivables		**(14.5)**	(18.0)	(11.8)
Increase in payables		**6.4**	3.1	3.1
Decrease/(increase) in insurance reimbursement asset		**0.1**	-	(3.8)
Decrease in provisions and employee benefits		**(2.5)**	(3.9)	(3.4)
Net movement in working capital		**(14.2)**	(17.0)	(6.6)
Cash generated by operations		**76.5**	66.6	168.6
Purchase of assets for rental to customers		**(0.1)**	(0.2)	(2.3)
Income taxes paid		**(10.0)**	(10.6)	(26.5)
Interest paid		**(3.4)**	(3.8)	(8.8)
Interest paid on lease liabilities		**(1.0)**	(1.0)	(2.0)
Net cash from operating activities		**62.0**	51.0	129.0
Interest received		**0.4**	0.2	0.5
Proceeds on disposal of non-current assets		**0.3**	0.9	1.1
Proceeds on disposal of assets held for sale		-	-	2.3
Purchase of property, plant and equipment		**(10.8)**	(7.2)	(21.3)

Purchase of intangible assets		**(1.4)**	(2.4)	(5.0)
Acquisitions of subsidiaries		**-**	(11.7)	(44.5)
Deferred consideration in respect of prior year acquisitions		**(1.7)**	(1.4)	(2.1)
Disposals of subsidiaries		**6.4**	-	-
Net cash used in investing activities		**(6.8)**	(21.6)	(69.0)
Issue of new shares		**0.5**	2.3	2.5
Purchase of shares for employee benefit trust		**(2.9)**	(1.5)	(1.2)
Dividends paid	10	**(13.3)**	(12.0)	(34.5)
Repayment of lease liabilities		**(4.8)**	(4.4)	(9.0)
Cash paid on early termination of lease contract		**-**	(0.1)	(0.1)
New loans and borrowings		**17.0**	18.9	62.5
Repayments of loans and borrowings		**(27.4)**	(11.3)	(63.7)
Net cash used in financing activities		**(30.9)**	(8.1)	(43.5)
Net increase in cash and cash equivalents net of bank overdraft		**24.3**	21.3	16.5
Cash and cash equivalents net of bank overdraft at the beginning of the period		**51.3**	34.4	34.4
Effect of exchange rate fluctuations		**(4.2)**	0.1	0.4
Cash and cash equivalents net of bank overdraft at the end of the period	12	**71.4**	55.8	51.3

Notes to the Financial Statements

1. Basis of preparation

Hill & Smith PLC is incorporated in the UK. The Condensed Consolidated Interim Financial Statements of the Company have been prepared on the basis of the UK-adopted International Financial Reporting Standards ('IFRSs') and in accordance with IAS 34: Interim Financial Reporting, comprising the Company, its subsidiaries and its interests in jointly controlled entities (together referred to as the 'Group').

As required by the Disclosure and Transparency Rules of the Financial Services Authority, the Condensed Consolidated Interim Financial Statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published Consolidated Financial Statements for the year ended 31 December 2024 (these statements do not include all of the information required for full Annual Financial Statements and should be read in conjunction with the full Annual Report for the year ended 31 December 2024).

New IFRS standards, interpretations and amendments adopted during 2025

The following amendments apply for the first time in 2025, but do not have an impact on the Condensed Consolidated Interim Financial Statements of the Group.

- Amendments to IAS 21 - Lack of exchangeability

The Condensed Consolidated Interim Financial Statements do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2024 are derived from the Group's statutory accounts for that year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor (i) was unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

These Condensed Consolidated Interim Financial Statements have not been audited or reviewed by an auditor pursuant to the Auditing Practices Board's Guidance on Financial Information.

The Condensed Consolidated Interim Financial Statements are prepared on the going concern basis, as explained in the Financial Review.

2. Financial risks, estimates, assumptions and judgements

The preparation of the Condensed Consolidated Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from estimates.

In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated Financial Statements as at and for the year ended 31 December 2024, relating to actuarial assumptions on pension obligations, impairment of goodwill and other indefinite life intangible assets, and liabilities for uncertain tax positions.

3. Exchange rates

The principal exchange rates used were as follows:

	6 months ended 30 June 2025		6 months ended 30 June 2024		Year ended 31 December 2024	
	Average	**Closing**	Average	Closing	Average	Closing

Sterling to US Dollar (£1 = USD)	**1.30**	**1.37**	1.26	1.26	1.28	1.25
Sterling to Indian Rupee (£1 = INR)	**111.68**	**117.54**	105.27	105.37	106.95	107.22
Sterling to Australian Dollar (£1 = AUD)	**2.04**	**2.09**	1.92	1.89	1.94	2.02

4. Segmental Information

The Group previously reported three operating segments: Engineered Solutions, Galvanizing Services and Roads & Security. During the period ended 30 June 2025, the Group has reassessed its reportable segments under IFRS 8 Operating Segments and has determined that these are now US Engineered Solutions, UK & India Engineered Solutions and Galvanizing Services. The Board has concluded these changes better reflect the way the Group is now managed, enabling closer focus on geographic end markets and growth opportunities. The Group's internal management structure and financial reporting systems differentiate between these segments, and, in reporting, management have taken the view that they comprise a reporting segment on the basis of the following characteristics:

• **The US Engineered Solutions** segment comprises all US operating companies excluding Galvanizing Services;

• **The UK & India Engineered Solutions** segment comprises all UK operating companies and India, excluding Galvanizing Services;

• **The Galvanizing Services** segment contains a group of companies supplying galvanizing and related materials coating services.

Corporate costs are allocated to reportable segments in proportion to the revenue of each of those segments.

The revised segmental structure was effective from 1 January 2025. As required by IFRS 8, comparative segment information for the year ended 31 December 2024 and 6 months ended 30 June 2024 has been restated as indicated by "restated" throughout these Condensed Consolidated Financial Statements. The restatement does not result in any change to the consolidated Group results.

Segmental Income Statement

	6 months ended 30 June 2025			6 months ended 30 June 2024 (restated)		
	Revenue £m	**Reported operating profit £m**	**Underlying operating profit £m**	Revenue £m	Reported operating profit £m	Underlying operating profit £m
US Engineered Solutions	**203.6**	**32.8**	**36.4**	190.9	30.0	33.5
UK & India Engineered Solutions	**125.5**	**10.7**	**12.0**	132.8	8.9	10.2
Galvanizing Services	**102.5**	**24.5**	**25.1**	99.0	24.1	24.7
Group	**431.6**	**68.0**	**73.5**	422.7	63.0	68.4
Net financing costs		**(4.5)**	**(4.5)**		(5.2)	(5.2)
Profit before taxation		**63.5**	**69.0**		57.8	63.2
Taxation		**(16.2)**	**(17.6)**		(15.0)	(16.3)
Profit after taxation		**47.3**	**51.4**		42.8	46.9

	Year ended 31 December 2024 (restated)		
	Revenue £m	Reported operating profit £m	Underlying operating profit £m
US Engineered Solutions	390.3	49.5	69.4
UK & India Engineered Solutions	267.0	16.7	23.8
Galvanizing Services	197.8	49.2	50.3
Group	855.1	115.4	143.5
Net financing costs		(10.9)	(10.9)
Profit before taxation		104.5	132.6
Taxation		(28.1)	(34.0)
Profit after taxation		76.4	98.6

*Underlying operating profit is an alternative performance measure which is stated before non-underlying items as defined in note 6 and is the measure of segment profit used by the Chief Operating Decision Maker, who is the Chief Executive Officer. The reported operating profit columns are included as additional information.

Transactions between operating segments are on an arm's length basis similar to transactions with third parties. Galvanizing Services sold £0.4m of products and services to US Engineered Solutions (six months ended 30 June 2024 (restated): £0.5m, year ended 31 December 2024 (restated): £0.9m) and £3.4m of products and services to UK & India Engineered Solutions (six months ended 30 June 2024 (restated): £3.8m, year ended 31 December 2024 (restated): £7.4m). UK & India Engineered Solutions sold £0.3m of products and services to US Engineered Solutions (six months ended 30 June

2024 (restated): £0.1m, year ended 31 December 2024 (restated): £0.2m). These internal revenues, along with revenues generated within each segment, have been eliminated on consolidation.

In the following tables, revenue from contracts with customers is disaggregated by primary geographical market, major product/service lines and timing of revenue recognition. Revenue by primary geographical market is defined as the end location of the Group's product or service. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	US Engineered Solutions		UK & India Engineered Solutions		Galvanizing Services		Total	
Primary Geographical Markets	**6 months ended 30 June 2025 £m**	6 months ended 30 June 2024 (restated) £m	**6 months ended 30 June 2025 £m**	6 months ended 30 June 2024 (restated) £m	**6 months ended 30 June 2025 £m**	6 months ended 30 June 2024 (restated) £m	**6 months ended 30 June 2025 £m**	6 months ended 30 June 2024 (restated) £m
UK	**-**	-	**101.3**	109.7	**42.9**	41.1	**144.2**	150.8
Rest of Europe	**0.1**	0.2	**14.7**	10.1	**-**	-	**14.8**	10.3
North America	**203.2**	189.8	**0.7**	2.5	**59.6**	57.9	**263.5**	250.2
The Middle East	**0.1**	0.7	**3.6**	4.9	**-**	-	**3.7**	5.6
Rest of Asia	**0.1**	0.1	**4.4**	4.1	**-**	-	**4.5**	4.2
Rest of the world	**0.1**	0.1	**0.8**	1.5	**-**	-	**0.9**	1.6
	203.6	190.9	**125.5**	132.8	**102.5**	99.0	**431.6**	422.7
Major product/service lines								
Manufacture, supply and installation of products	**201.3**	189.0	**119.0**	123.3	**-**	-	**320.3**	312.3
Galvanizing services	**-**	-	**-**	-	**102.5**	99.0	**102.5**	99.0
Rental income	**2.3**	1.9	**6.5**	9.5	**-**	-	**8.8**	11.4
	203.6	190.9	**125.5**	132.8	**102.5**	99.0	**431.6**	422.7
Timing of revenue recognition								
Products and services transferred at a point in time	**105.8**	91.0	**86.8**	88.8	**102.5**	99.0	**295.1**	278.8
Products and services transferred over time	**97.8**	99.9	**38.7**	44.0	**-**	-	**136.5**	143.9
	203.6	190.9	**125.5**	132.8	**102.5**	99.0	**431.6**	422.7

	Year ended 31 December 2024 (restated)			
	US Engineered Solutions £m	UK & India Engineered Solutions £m	Galvanizing Services £m	Total £m
Primary Geographical Markets				
UK	-	221.2	80.9	302.1
Rest of Europe	0.2	22.7	-	22.9
North America	388.2	2.7	116.9	507.8
The Middle East	1.3	9.9	-	11.2
Rest of Asia	0.1	6.6	-	6.7
Rest of the world	0.5	3.9	-	4.4
	390.3	267.0	197.8	855.1
Major product/service lines				
Manufacture, supply and installation of products	385.3	248.4	-	633.7
Galvanizing services	-	-	197.8	197.8
Rental income	5.0	18.6	-	23.6
	390.3	267.0	197.8	855.1
Timing of revenue recognition				
Products and services transferred at a point in time	210.4	177.2	197.8	585.4
Products and services transferred over time	179.9	89.8	-	269.7
	390.3	267.0	197.8	855.1

5. Alternative Performance Measures

The Group presents Alternative Performance Measures ("APMs") in addition to its statutory results. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority. The principal APMs are:

- Underlying profit before tax
- Underlying operating profit
- Underlying operating profit margin
- Organic and constant currency measures of change in revenue and underlying operating profit
- Underlying cash conversion ratio
- Capital expenditure to depreciation and amortisation ratio
- Covenant net debt to EBITDA ratio
- Underlying earnings per share. A reconciliation of statutory earnings per share to underlying earnings per share is provided in note 9.

All underlying measures exclude certain non-underlying items, which are detailed in note 6. References to an underlying profit measure are made on this basis and, in the opinion of the Directors, aid the understanding of the underlying business profit measure are made on this basis and, in the opinion of the Directors, aid the understanding of the underlying business performance as they exclude items whose quantum, nature or volatility gives further information to obtain a fuller understanding of the underlying performance of the business. APMs are presented on a consistent basis over time to assist in comparison of performance.

Reconciliation of underlying to reported profit before tax

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Underlying profit before tax	**69.0**	63.2	132.6
Non-underlying items included in operating profit	**(5.5)**	(5.4)	(28.1)
Reported profit before tax	**63.5**	57.8	104.5

Reconciliation of underlying to reported operating profit by segment

	US Engineered Solutions		UK & India Engineered Solutions		Galvanizing Services		Total	
	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m
Underlying operating profit	**36.4**	33.5	**12.0**	10.2	**25.1**	24.7	**73.5**	68.4
Non-underlying items								
Amortisation of acquisition intangibles	**(3.6)**	(2.4)	**(1.3)**	(1.3)	**(0.6)**	(0.6)	**(5.5)**	(4.3)
Profit on disposal of subsidiaries	**-**	-	**1.1**	-	**-**	-	**1.1**	-
Expenses related to acquisitions and disposals	**-**	(1.1)	**(1.1)**	-	**-**	-	**(1.1)**	(1.1)
Reported operating profit	**32.8**	30.0	**10.7**	8.9	**24.5**	24.1	**68.0**	63.0

	Year ended 31 December 2024 (restated)			
	US Engineered Solutions £m	UK & India Engineered Solutions £m	Galvanizing Services £m	Total £m
Underlying operating profit	69.4	23.8	50.3	143.5
Non-underlying items				
Amortisation of acquisition intangibles	(6.2)	(2.6)	(1.1)	(9.9)
Impairment of assets	(13.2)	-	-	(13.2)
Loss on remeasurement of assets held for sale	-	(3.1)	-	(3.1)
Expenses related to acquisitions and disposals	(0.5)	(1.4)	-	(1.9)
Reported operating profit	49.5	16.7	49.2	115.4

Calculation of underlying operating profit margin

	US Engineered Solutions		UK & India Engineered Solutions		Galvanizing Services		Total	
	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 (restated) £m
Underlying operating profit	**36.4**	33.5	**12.0**	10.2	**25.1**	24.7	**73.5**	68.4
Revenue	**203.6**	190.9	**125.5**	132.8	**102.5**	99.0	**431.6**	422.7
Underlying operating profit margin (%)	**17.9%**	17.5%	**9.6%**	7.7%	**24.5%**	24.9%	**17.0%**	16.2%

	Year ended 31 December 2024 (restated)			
	US Engineered Solutions £m	UK & India Engineered Solutions £m	Galvanizing Services £m	Total £m
Underlying operating profit	69.4	23.8	50.3	143.5
Revenue	390.3	267.0	197.8	855.1
Underlying operating profit margin (%)	17.8%	8.9%	25.4%	16.8%

Measures of organic and constant currency change in revenue and underlying operating profit

	US Engineered Solutions		UK & India Engineered Solutions		Galvanizing Services		Total	
	Revenue £m	Underlying operating profit £m	Revenue £m	Underlying operating profit £m	Revenue £m	Underlying operating profit £m	Revenue £m	Underlying operating profit £m
2024 (restated)	**190.9**	33.5	**132.8**	10.2	**99.0**	24.7	**422.7**	68.4
Impact of exchange rate movements from 2024 to 2025	**(5.9)**	(1.2)	**(0.8)**	(0.1)	**(1.8)**	(0.6)	**(8.5)**	(1.9)
2024 translated at 2025 exchange rates (A)	**185.0**	32.3	**132.0**	10.1	**97.2**	24.1	**414.2**	66.5
Acquisitions and disposals	**12.6**	1.9	**(4.6)**	0.7	**-**	-	**8.0**	2.6
Organic growth/(decline) (B)	**6.0**	2.2	**(1.9)**	1.2	**5.3**	1.0	**9.4**	4.4
2025 (C)	**203.6**	36.4	**125.5**	12.0	**102.5**	25.1	**431.6**	73.5
Organic growth/(decline) % (B divided by A)	**3.2%**	6.8%	**-1.4%**	11.9%	**5.5%**	4.1%	**2.3%**	6.6%
Constant currency change % ((C-A) divided by A)	**10.1%**	12.7%	**-4.9%**	18.8%	**5.5%**	4.1%	**4.2%**	10.5%

Calculation of underlying cash conversion ratio

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m

Underlying operating profit	73.5	68.4	143.5
Calculation of adjusted operating cash flow:			
Cash generated by operations	76.5	66.6	168.6
Less: Purchase of assets for rental to customers	(0.1)	(0.2)	(2.3)
Less: Purchase of property, plant and equipment	(10.8)	(7.2)	(21.3)
Less: Purchase of intangible assets	(1.4)	(2.4)	(5.0)
Less: Repayments of lease liabilities	(4.8)	(4.4)	(9.0)
Proceeds on disposal of non-current assets and assets held for sale	0.3	0.9	3.4
Add back: Defined benefit pension scheme deficit payments	1.9	1.9	3.7
Add back: Cash flows relating to non-underlying items	0.5	1.9	4.0
Adjusted operating cash flow	62.1	57.1	142.1
Underlying cash conversion (%)	85%	83%	99%

Calculation of capital expenditure to depreciation and amortisation ratio

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Calculation of capital expenditure:			
Purchase of assets for rental customers	0.1	0.2	2.3
Purchase of property, plant and equipment	10.8	7.2	21.3
Purchase of intangible assets	1.4	2.4	5.0
	12.3	9.8	28.6
Calculation of depreciation and amortisation:			
Depreciation of property, plant and equipment	10.3	10.4	20.8
Amortisation of development costs	0.6	0.5	1.1
Amortisation of other intangible assets	0.1	-	0.1
	11.0	10.9	22.0
Capital expenditure to depreciation and amortisation ratio	1.1x	0.9x	1.3x

Calculation of net debt to EBITDA ratio

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Reported net debt	55.3	101.6	96.9
Lease liabilities	(42.7)	(50.2)	(46.0)
Lease liabilities included in liabilities held for sale	-	-	(3.0)
Amounts related to refinancing under IFRS 9	1.2	1.8	1.5
Covenant net debt (A)	13.8	53.2	49.4
Underlying operating profit	73.5	68.4	143.5
Depreciation of owned assets	10.3	10.4	20.8
Right-of-use asset depreciation	5.1	5.1	10.4
Amortisation of development costs	0.6	0.5	1.1
Amortisation of other intangible assets	0.1	-	0.1
Underlying EBITDA	89.6	84.4	175.9
Adjusted for:			
Lease payments	(5.8)	(5.4)	(11.0)
Share-based payments expense	1.0	1.1	3.4
Annualised EBITDA of subsidiaries acquired/disposed	1.7	2.9	5.5
Prior period H2 EBITDA	90.5	70.9	n/a
Covenant EBITDA (B)	177.0	153.9	173.8
Covenant net debt to EBITDA (A divided by B)	0.1	0.4	0.3

6. Non-underlying items

Non-underlying items are disclosed separately in the Consolidated Income Statement where, in the Directors' judgement, the quantum, nature or volatility of such items gives further information to obtain a fuller understanding of the underlying performance of the business. The following are included by the Group in its assessment of non-underlying items:

- Gains or losses arising on disposal, closure, restructuring or reorganisation of businesses that do not meet the definition of discontinued operations.
- Amortisation of intangible fixed assets arising on acquisitions, which can vary depending on the nature, size and frequency of acquisitions in each financial period.
- Expenses associated with acquisitions and disposals, comprising professional fees incurred, any consideration which under IFRS 3 (Revised) is required to be treated as a post-acquisition employment expense, and changes in contingent consideration payable on acquisitions.
- Impairment charges in respect of tangible or intangible fixed assets, or right-of-use assets.
- Changes in the fair value of derivative financial instruments

- Changes in the fair value of derivative financial instruments.
- Significant past service items or curtailments and settlements relating to defined benefit pension obligations resulting from material changes in the terms of the schemes.

The non-underlying tax charge or credit comprises the tax effect of the above non-underlying items.

Details in respect of the non-underlying items recognised in the current period and prior year are set out below.

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Impairment of assets	**-**	-	(13.2)
Loss on remeasurement of assets held for sale	**-**	-	(3.1)
Amortisation of acquisition intangibles	**(5.5)**	(4.3)	(9.9)
Profit on disposals of subsidiaries (a)	**1.1**	-	-
Expenses related to acquisitions and disposals (a)	**(1.1)**	(1.1)	(1.9)
Total non-underlying items	**(5.5)**	(5.4)	(28.1)

Notes:

a) Following a strategic review during 2024, the Group took the decision to seek buyers for Hill & Smith Pty Limited, the Group's Australian roads business, and Parking Facilities Limited, one of our smaller UK security businesses. At 31 December 2024, in accordance with IFRS 5, the assets and liabilities of the businesses were recognised as disposal groups held for sale. Following the classification, losses on remeasurement of £1.1m relating to Parking Facilities and £2.0m related to Hill & Smith Pty Limited were recognised in 2024 to reduce the carrying amount of the assets in the disposal groups to their fair value less costs to sell.

In January 2025 the sale of Hill & Smith Pty's trade and assets was completed and in February 2025 the Group sold its shareholding in Parking Facilities. The profit on disposal for each disposal group was as follows:

	Parking Facilities	**Hill & Smith Australia Pty**	**Total**
Initial consideration	2.8	3.7	6.5
Deferred consideration	-	2.0	2.0
Net assets disposed	(2.2)	(5.2)	(7.4)
Profit on disposal	0.6	0.5	1.1
Expenses related to disposals	(0.6)	(0.5)	(1.1)
Total	-	-	-

The £2.0m deferred consideration receivable in respect of the H&S Pty Limited sale is due in two equal tranches, the first of which was received in June 2025 with the second due in December 2025.

7. Net financing costs

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Interest on bank deposits	**0.2**	0.2	0.5
Other interest receivable	**0.2**	-	-
Financial income	**0.4**	0.2	0.5
Interest on loans and borrowings	**(3.5)**	(4.0)	(8.8)
Interest on lease liabilities	**(1.0)**	(1.0)	(2.0)
Financial expenses related to refinancing activities	**(0.3)**	(0.3)	(0.5)
Interest cost on net pension scheme deficit	**-**	(0.1)	(0.1)
Unwinding of discount and effect of changes in discount rate on deferred consideration	**(0.1)**	-	-
Financial expense	**(4.9)**	(5.4)	(11.4)
Net financing costs	**(4.5)**	(5.2)	(10.9)

8. Taxation

Tax has been provided on the underlying profit at the estimated effective rate of 25.5% (2024: 25.8%) for existing operations for the full year.

In October 2017, the European Commission opened a state aid investigation into the Group Financing Exemption in the UK Controlled Foreign Company ('CFC') legislation, announcing in April 2019 that it believed in certain circumstances the CFC regime constituted State Aid. In 2021 the Group received a charging notice from HMRC requiring it to pay £1.6m in respect of state aid that HMRC considered had been unlawfully received in previous years, which was paid in full in 2021.

Applications to annul the Commission's decision had been made in prior years by the UK Government, the Group and other affected taxpayers. The EU General Court delivered its decision on these applications in June 2022, finding in favour of the

Commission. Many of those affected, including the Group, appealed this decision to the Court of Justice of the EU. The appeal was heard on 10 January 2024, and the CJEU's judgement was delivered on 19 September 2024 overturning the Commission's original decision. Following this, HMRC enacted legislation which provided for the tax and interest to be repaid, which was received by the Group in March 2025.

9. Earnings per share

The weighted average number of ordinary shares in issue during the period was 80.5m, diluted for the effect of outstanding share options 81.3m (six months ended 30 June 2024: 80.4m and 81.1m diluted; the year ended 31 December 2024: 80.4m and 81.4m diluted). Underlying earnings per share are shown below as the Directors consider that this measurement of earnings gives valuable information on the underlying performance of the Group:

	6 months ended 30 June 2025		6 months ended 30 June 2024		Year ended 31 December 2024	
	Pence per share	**£m**	Pence per share	£m	Pence per share	£m
Basic earnings	**58.8**	**47.3**	53.2	42.8	95.0	76.4
Non-underlying items*	**5.1**	**4.1**	5.1	4.1	27.6	22.2
Underlying earnings	**63.9**	**51.4**	58.3	46.9	122.6	98.6
Diluted earnings	**58.2**	**47.3**	52.7	42.8	93.9	76.4
Non-underlying items*	**5.0**	**4.1**	5.1	4.1	27.2	22.2
Underlying diluted earnings	**63.2**	**51.4**	57.8	46.9	121.1	98.6

* Non-underlying items as detailed in note 6.

10. Dividends

Dividends paid in the period were the prior year's interim dividend of £13.3m (2024: £12.0m). Dividends declared after the balance sheet date are not recognised as a liability, in accordance with IAS 10. The Directors have proposed an interim dividend for the current year of 18.0p per share (2024: 16.5p per share). The aggregate amount of the proposed dividend is expected to be £14.5m (2024: £13.3m), which will be paid on 7 January 2026 to shareholders on the register on 28 November 2025.

11. Impairment of goodwill and indefinite life intangible assets

IAS 36 *Impairment of Assets* requires the Group to test goodwill and other indefinite life intangible assets for impairment annually, or at other reporting period ends where there is an indication of impairment. In determining which Cash Generating Units (CGUs) to test at 30 June 2025, the Group identified those where the trading performance in the first six months of the year had fallen significantly below previous expectations, or where impairment testing at the prior year end had indicated a relatively low level of headroom and sensitivities to the calculations. On this basis, impairment tests were carried out on the National Signal and Prolectric CGUs.

Consistent with past practice and as disclosed in the Group's 2024 Annual Report, impairment tests on the carrying values of goodwill are performed by comparing the carrying value allocated to each CGU against its value in use. Value in use is calculated as the net present value of that unit's discounted future cash flows. Short-term cash flows are based on latest management forecasts for the second half of 2025 and strategic plans for the following four years, which are prepared taking into account a range of factors including past experience, the forecast future trading environment and macroeconomic conditions in the Group's key markets. The cash flows beyond the strategic plan period use growth rates which reflect the long-term historical growth in GDP of the economies in which each CGU is located, which are 2.0% for the UK and 2.5% for the US. The Board believes the use of long-term historical growth rates is currently the most reliable indicator of future growth rates, given the uncertainty in any forward-looking growth projections at the reporting date. Discount rates are derived from a market participant's cost of capital, risk adjusted for individual CGU's circumstances.

Based on the methodology outlined above, the impairment reviews for National Signal and Prolectric at 30 June 2025 concluded that no impairment charges were required to be recorded in the period. The Group then applied sensitivities to assess whether any reasonably possible changes in assumptions could cause an impairment of the goodwill in each tested CGU.

Sensitivities

National Signal

National Signal is a US designer, manufacturer and supplier of off-grid solar lighting solutions. Following a strong performance in 2023, its results in 2024 and the first half of 2025 have been impacted by lower demand, particularly from its largest customer, leading to lower revenues and profitability. The Group's projections for National Signal result in calculated headroom of £5.6m. These projections assume a continuation of National Signal's strategy to diversify its customer base and develop innovative new solutions to complement its existing product suite. We recognise, however, that there could be varying degrees of success in this strategy and the consequent pace of recovery, and therefore we have modelled a range of scenarios for the outlook. Revenue growth and gross margins are the key assumptions on which the impairment calculations are most sensitive. The following table provides information on the impact on calculated headroom of several scenarios for each of those key assumptions (independently in each case), the first showing the Board approved projections, the second the assumptions that result in zero headroom, and the third a severe but plausible downside scenario. The calculations are not particularly sensitive to other assumptions such as long-term growth rates or the discount rate and we do not believe that there are any reasonable possible changes in assumptions for these metrics that could lead to a material impairment.

Input	Scenario	Sensitivity applied %	Headroom/ (impairment) £m
Compound annual revenue growth 2025-2029	Base case	**29.2**	**5.6**
	Zero headroom	**27.9**	**-**
	H&S sensitivity	**24.1**	**(7.0)**
Average gross profit margin 2025-2029	Base case	**26.8**	**5.6**
	Zero headroom	**24.9**	**-**
	H&S sensitivity	**22.2**	**(7.0)**

Prolectric

Prolectric manufactures, sells and rents a range of off-grid solar energy products including temporary and permanent solar lighting, lighting towers and hybrid power generators, to construction contractors, hire companies and private businesses across the UK infrastructure markets. Following a strong performance subsequent to the Group's acquisition of the business in 2021, its results in 2023 were impacted by a downturn in the UK construction market as well as operational challenges, which led to lower revenues and profitability. As expected, performance in 2024 remained subdued while the operational challenges were resolved, however recent order intake rates have improved and the result for the first half of 2025 is encouraging. The Group's projections for the business result in calculated headroom of £12.9m, an increase on the prior year (£4.4m) reflecting the recovery that Prolectric has delivered to date in 2025 and the resulting improvement in the outlook. However, we acknowledge that there could be variations in the pace of further recovery in underlying UK construction activity and in growth across Prolectric's other markets, and if lower than that assumed in our projections, could result in a future impairment. Revenue growth and gross profit margins are the key assumptions on which the impairment calculations are most sensitive. The following table provides information on the impact on calculated headroom of possible scenarios for each of those key assumptions (independently in each case), the first showing the Board approved projections, the second the assumptions that result in zero headroom, and the third a severe but plausible downside scenario which would trigger a material impairment. The calculations are not particularly sensitive to other assumptions such as long-term growth rates or the discount rate and we do not believe that there are any reasonable possible changes in assumptions for these metrics that could lead to a material impairment.

Input	Scenario	Sensitivity applied %	Headroom/ (impairment) £m
Compound annual revenue growth 2025-2029	Base case	**23.8**	**12.9**
	Zero headroom	**17.7**	**-**
	H&S sensitivity	**14.9**	**(5.0)**
Average gross profit margin 2025-2029	Base case	**46.3**	**12.9**
	Zero headroom	**39.0**	**-**
	H&S sensitivity	**35.8**	**(5.0)**

12. Analysis of net debt

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Cash and cash equivalents in the Consolidated Statement of Financial Position			
Cash and cash equivalents	**71.4**	55.8	55.0
Bank overdraft	**-**	-	(0.3)
Bank overdraft held for sale	**-**	-	(3.4)
Cash and cash equivalents net of bank overdraft	**71.4**	55.8	51.3
Interest bearing loans and other borrowings			
Amounts due within one year	**(25.7)**	(0.7)	(0.5)
Amounts due after more than one year	**(58.3)**	(106.5)	(98.7)
Lease liabilities due within one year	**(8.7)**	(8.5)	(9.1)
Lease liabilities due after more than one year	**(34.0)**	(41.7)	(36.9)
Lease liabilities included in liabilities held for sale	**-**	-	(3.0)
Net debt	**(55.3)**	(101.6)	(96.9)

	6 months ended 30 June 2025 £m	6 months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Change in net debt			
Operating profit	**68.0**	63.0	115.4
Non-cash items	**22.7**	20.6	59.8
Operating cash flow before movement in working capital	**90.7**	83.6	175.2
Net movement in working capital	**(11.8)**	(13.1)	0.6
Decrease/(increase) in insurance reimbursement asset	**0.1**	-	(3.8)
Decrease in provisions and employee benefits	**(2.5)**	(3.9)	(3.4)
Operating cash flow	**76.5**	66.6	168.6

Income taxes paid	**(10.0)**	(10.6)	(26.5)
Net financing costs paid	**(3.0)**	(3.6)	(8.3)
Capital expenditure	**(12.3)**	(9.8)	(28.6)
Proceeds on disposal of non-current assets and assets held for sale	**0.3**	0.9	3.4
Free cash flow	**51.5**	43.5	108.6
Dividends paid	**(13.3)**	(12.0)	(34.5)
Acquisitions of subsidiaries	**(1.7)**	(13.8)	(47.4)
Disposals of subsidiaries	**9.4**	-	-
Amortisation of costs (interest) associated with refinancing activities	**(0.3)**	(0.3)	(0.5)
Purchase of shares for employee benefit trust	**(2.9)**	(1.5)	(1.2)
Issue of new shares	**0.5**	2.3	2.5
Lease additions, terminations and remeasurements	**(3.0)**	(9.9)	(13.3)
Cash paid on early termination of lease contract	**-**	(0.1)	-
Interest on lease liabilities	**(1.0)**	(1.0)	(2.0)
Net debt decrease	**39.2**	7.2	12.2
Effect of exchange rate fluctuations	**2.4**	(0.4)	(0.7)
Net debt at the beginning of the period	**(96.9)**	(108.4)	(108.4)
Net debt at the end of the period	**(55.3)**	(101.6)	(96.9)

13. Financial instruments

The table below sets out the carrying value of the Group's financial assets and liabilities as at 30 June 2025, 30 June 2024 and 31 December 2024. The fair values of all financial assets and liabilities are not materially different to the carrying values.

	Carrying value at 30 June 2025 £m	Carrying value at 30 June 2024 £m	Carrying value at 31 December 2024 £m
Cash and cash equivalents net of bank overdraft	**71.4**	55.8	55.0
Bank overdraft +	**-**	-	(0.3)
Bank overdraft held for sale	**-**	-	(3.4)
Loans and other borrowings due within one year	**(25.7)**	(0.7)	(0.5)
Loans and other borrowings due after more than one year	**(58.3)**	(106.5)	(98.7)
Lease liabilities due within one year	**(8.7)**	(8.5)	(9.1)
Lease liabilities due after more than one year	**(34.0)**	(41.7)	(36.9)
Lease liabilities classified as held for sale	**-**	-	(3.0)
Other assets	**144.0**	139.2	136.1
Other liabilities	**(112.0)**	(117.8)	(111.5)
Contingent consideration	**(11.9)**	(3.5)	(14.6)
Total	**(35.2)**	(83.7)	(86.9)

*Included within cash and cash equivalents net of bank overdrafts are overdrafts amounting to £15.3m (30 June 2024: £20.6m; 31 December 2024: £19.9m) for which the Group has a legally enforceable right of offset and the intention to settle on a net basis.

+Represents an overdraft for which the Group has no right of offset.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either as a direct price or indirectly derived from prices.
- Level 3: inputs for the asset or liability that are not based on observable market data.

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Derivative liabilities	**-**	**(0.1)**	**-**	**(0.1)**
Contingent consideration	**-**	**-**	**(11.9)**	**(11.9)**
Total at 30 June 2025	**-**	**(0.1)**	**(11.9)**	**(12.0)**
Derivative liabilities	-	-	-	-
Contingent consideration	-	-	-	-
Total at 30 June 2024	-	-	-	-
Derivative liabilities	-	(0.1)	-	(0.1)
Contingent consideration	-	-	(14.6)	(14.6)
Total at 31 December 2024	-	(0.1)	(14.6)	(14.7)

At 30 June 2025 the Group did not have any assets or liabilities classified at Level 1 in the fair value hierarchy (30 June 2024: nil, 31 December 2024: nil). There have been no transfers in any direction in the year.

The following table presents the changes in level 3 instruments for the interim period ended 30 June 2025:

	Contingent consideration £m
At 1 January 2025	**(14.6)**
Payments of contingent consideration	1.7
Unwinding of discount on contingent consideration	(0.1)
Exchange adjustments	1.1
At 30 June 2025	**(11.9)**

Details of the contingent consideration which arose on the acquisitions made during the prior year are set out below. No re-measurements have been recognised in the Consolidated Income Statement during the current year.

	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
Contingent consideration liability	Discounted cash flow method	• Probability weighted revenue • Discount rate	• 10% increase/(decrease) in the probability weighted revenues would result in an increase/(decrease) in the fair value of the liability by £1.3m • 100bps increase/(decrease) in the discount rate would result in an increase/(decrease) in the fair value of the liability by £0.3m