

24 September 2025

ANDREWS SYKES GROUP PLC
 ("Andrews Sykes" or the "Company" or the "Group")

Half Year Results
Unaudited results for the six months ended 30 June 2025

Summary of Results

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000
Revenue from continuing operations	37,944	38,387
EBITDA* from continuing operations	13,564	13,139
Operating profit	10,003	9,726
Profit for the financial period	7,439	7,075
Cash and cash equivalents	23,412	21,108
Net funds	6,931	6,645
	(pence)	(pence)
Basic earnings per share	17.77	16.90
Interim dividend declared per equity share	11.90	11.90

* Earnings before interest, taxation, depreciation, profit on the sale of plant and equipment and amortisation

Enquiries

Andrews Sykes Group plc
 Carl Webb, Group Managing Director
 Ian Poole, Group Chief Financial Officer and Company Secretary

T: +44 (0)1902 328 700

Houlihan Lokey UK Limited (Nominated Advisor)
 Tim Richardson

T: +44 (0) 20 7839 3355

CHAIRMAN'S STATEMENT

Overview of H1 2025

The Group's revenue for the six months ended 30 June 2025 (the "period") was £37.9 million, a decrease of £0.4 million compared with the same period in 2024. Unfavourable exchange rate movements in both the Euro and the Dirham decreased revenue by £0.3 million when compared to the prior period. Operating profit for the period was £10.0 million compared with £9.7 million for the same period in 2024. This is a record level and the first time operating profit above £10.0 million has been generated in the first half of the year. Overall, net funds decreased by £0.2 million from £7.2 million as at 31 December 2024 to £6.9 million as at 30 June 2025. This was largely driven by an increased investment in our UK depot network following the £2.0 million acquisition of a new depot in the North West. As at 30 June 2024 net funds were £6.6 million. A further breakdown of net funds is given in note 8.

Operations review

Revenue in the period at Andrews Sykes Hire in the UK declined by 10.9% compared with the same period in 2024, with reduced pump revenue accounting for the majority of this decrease. With the UK experiencing one of the driest springs on record, and England experiencing the driest start to a year since 1976, weather-related revenue opportunities were negatively impacted.

Our businesses in Europe fared more positively, with revenue in the period increasing 8.1% compared to the same period in 2024. This was largely driven by a standout performance from our Dutch subsidiary, with revenue increasing 18.9% on the same period in 2024 and all product classes experiencing an increase in revenue. Our Italian business continued to grow, with revenue increasing 1.8% compared to 2024. Our Belgium revenue was impacted by a slow start to the summer cooling season, with total revenues decreasing 11.1% on 2024. Following the construction crisis in 2024, revenue in our Luxembourg business remained depressed and decreased 19.6% on 2024. These challenges to revenue growth have led to the combined operating profit for the UK and European hire businesses decreasing £0.4 million compared to the level achieved in 2024.

Andrews Air Conditioning and Refrigeration, our UK air conditioning installation business, continues to experience difficult trading conditions with a reduction in service and maintenance revenue. Overall revenue for this business decreased 24.5% in the period compared to the first six months of 2024. Overheads have been reduced to right-size the business which in turn has resulted in a small operating profit compared to a small loss in the prior period.

Khansaheb Sykes, our business based in the UAE, continues to experience an improvement in trading performance and the recent trend of revenue growth. Revenue increased 38.0% versus the first half of 2024, aided by a one-off large pump sale contract worth in excess of £1.0 million. Core underlying hire revenues, excluding pump sales, have increased 15.0% to the first half of 2024. The increased turnover in the UAE has resulted in operating profit being £0.3 million higher than in the first half of 2024. Our newly incorporated subsidiary in Saudi Arabia, under common management with Khansaheb Sykes, has taken its first pump sale order with the revenue to be recognised on delivery in the second half of the year. Management remain confident of the future growth prospects of this market.

Profit for the period and Earnings per Share

Profit before tax for the period was £10.0 million compared with £9.7 million in the same period last year. This increase is attributable to the £0.3 million increase in operating profit, with finance income of £0.5 million and finance costs of £0.5 million both being comparable to the prior period.

The total tax charge for the period decreased by £0.1 million to £2.6 million (2024: £2.7 million), an effective tax rate of 25.8% (2024: 27.4%). The decrease in the overall effective rate of tax is driven by an increase in profits generated in the UAE which are subject to a lower rate of corporation tax than the UK and Europe.

Profit after tax in the period was £7.4 million (2024: £7.1 million). Basic earnings per share increased by 0.87 pence, or 5.1%, to 17.77 pence (2024: 16.90 pence) reflecting this increase in profit.

Dividends

The final dividend of 14.00 pence per ordinary share for the year ended 31 December 2024 was approved by members at the AGM held on 17 June 2025. Accordingly, on 20 June 2025 the Company paid dividends totalling £5.9 million to shareholders on the register as at 23 May 2025.

The Board continues to adopt the policy of returning value to shareholders whenever possible. The Group remains profitable, cash generative and financially strong. Accordingly, the Board has decided to declare an interim dividend of 11.90 pence per ordinary share (2024: 11.90 pence) which in total amounts to £5.0 million. The interim dividend will be paid on 31 October 2025 to shareholders on the register as at 3 October 2025.

Outlook

Trading in the second half of the year to date has broadly followed the trend of the first half, with continued softness in the UK market being offset by strong performances in Europe and the Middle East. Whilst trade in the UK has been more subdued than in the comparable period of last year, with challenging market conditions prevailing, the Group's

focus on continued cost control and operational efficiency will limit the impact. Our European businesses have benefitted from a strong start to the summer season with warm June and July temperatures presenting good revenue opportunities for the Group in these jurisdictions. Several of our European businesses have set record revenue run rates during July and continue to trade positively compared to the prior period. The Middle East continues to trade comparatively positively in the second half of the year as it did in the first half of the year. Overall, the Board remains confident of delivering full year results in line with its expectations, with the geographical diversification of the Group mitigating the risk of any one market underperforming. In the longer term, the Board remains optimistic that the business will continue to improve but are mindful of the impact that adverse macro-economic issues can pose to the business and customer demand.

JJ Murray
Executive Chairman
23 September 2025

Consolidated Income Statement
for the six months ended 30 June 2025

	Note	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Revenue	2	37,944	38,387	75,942
Cost of sales		(14,182)	(14,143)	(26,743)
Gross profit		23,762	24,244	49,199
Distribution costs		(6,177)	(6,492)	(11,335)
Administrative expenses		(7,582)	(8,026)	(14,677)
Operating profit		10,003	9,726	23,187
EBITDA*		13,564	13,139	30,933
Depreciation		(2,632)	(2,814)	(5,968)
Depreciation of right-of-use assets		(1,588)	(1,386)	(2,929)
Profit on the sale of plant and equipment and right-of-use assets		659	787	1,151
Operating profit		10,003	9,726	23,187
Finance income	3	517	521	1,060
Finance costs	3	(488)	(497)	(1,060)
Profit before tax		10,032	9,750	23,187
Tax expense	4	(2,593)	(2,675)	(6,389)
Profit for the period from continuing operations attributable to equity holders of the Parent Company		7,439	7,075	16,798
Earnings per share from continuing operations:				
Basic and diluted	5	17.77p	16.90p	40.13p
Dividend per equity share paid during the period		14.00p	14.00p	25.90p
Proposed dividend per equity share		11.90p	11.90p	14.00p

* Earnings before interest, taxation, depreciation, profit on sale of plant and equipment and amortisation.

Consolidated Statement of Comprehensive Total Income

for the six months ended 30 June 2025

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Profit for the period	7,439	7,075	16,798
Other comprehensive income			
Currency translation differences on foreign currency operations	32	(216)	(464)
Foreign exchange differences on IFRS 16 adjustments	-	10	-
Net other comprehensive expense that may be reclassified to profit and loss	32	(206)	(464)
Re-measurement of defined benefit pension assets and liabilities	74	96	(49)
Related asset restriction	(17)	(9)	275
Net other comprehensive income that will not be reclassified to profit and loss	57	87	226
Other comprehensive expense for the period net of tax	89	(119)	(238)
Total comprehensive income for the period attributable to equity holders of the Parent Company	7,528	6,956	16,560

Consolidated Balance Sheet

At 30 June 2025

	Unaudited 30 June 2025 £000	Unaudited 30 June 2024 £000	31 December 2024 £000
Non-current assets			
Property, plant and equipment	21,502	18,898	19,403
Right-of-use assets	15,567	13,218	14,874
Deferred tax assets	-	79	-
Defined benefit pension scheme surplus	1,838	1,634	1,786
	38,907	33,829	36,063
Current assets			
Stocks	2,754	2,759	2,394
Trade and other receivables	15,724	17,216	17,888
Current tax asset	738	159	769
Cash and cash equivalents	23,412	21,108	23,181
	42,628	41,242	44,232
Current liabilities			
Trade and other payables	(15,345)	(17,204)	(15,865)
Current tax liabilities	-	-	(471)
Right-of-use lease obligations	(2,814)	(2,353)	(2,556)
	(18,159)	(19,557)	(18,892)
Net current assets	24,469	21,685	25,340
Total assets less current liabilities	63,376	55,514	61,403
Non-current liabilities			
Deferred tax liabilities	(245)	-	(185)
Right-of-use lease obligations	(13,667)	(12,110)	(13,473)
Provisions	(1,611)	(1,842)	(1,560)
	(15,523)	(13,952)	(15,218)

Net assets	47,853	41,562	46,185
Equity			
Called up share capital	419	419	419
Share premium	13	13	13
Retained earnings	43,867	37,350	42,231
Translation reserve	3,305	3,531	3,273
Other reserve	249	249	249
Total equity	47,853	41,562	46,185

Consolidated Cash Flow Statement
for the six months ended 30 June 2025

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Operating activities			
Profit for the period	7,439	7,075	16,798
Adjustments for:			
Tax charge	2,593	2,675	6,389
Finance costs	488	497	1,060
Finance income	(517)	(521)	(1,060)
Profit on disposal of plant and equipment and right-of-use assets	(659)	(787)	(1,151)
Depreciation of property, plant and equipment	2,632	2,814	5,968
Depreciation of right-of-use assets	1,588	1,386	2,929
Difference between pension contributions paid and amounts recognised in the Income Statement	68	125	166
Increase in inventories	(700)	(372)	(1,196)
Decrease in receivables	2,108	1,791	901
Decrease in payables	(481)	(294)	(1,541)
Movement in provisions	37	(1,061)	(1,310)
Cash generated from continuing operations	14,596	13,328	27,953
Interest paid	(488)	(439)	(1,015)
Corporation tax paid	(2,941)	(3,036)	(6,615)
Net cash inflow from operating activities	11,167	9,853	20,323
Investing activities			
Disposal of property, plant and equipment	278	673	1,162
Purchase of property, plant and equipment	(4,317)	(2,561)	(5,387)
Interest received	424	467	952
Net cash outflow from investing activities	(3,615)	(1,421)	(3,273)
Financing activities			
Capital repayments for right-of-use lease Obligations	(1,498)	(1,394)	(2,920)
Equity dividends paid	(5,860)	(5,860)	(10,841)
Net cash outflow from financing activities	(7,358)	(7,254)	(13,761)
Net increase in cash and cash equivalents	194	1,178	3,289
Cash and cash equivalents at the start of the period	23,181	19,967	19,967
Effect of foreign exchange rate changes	37	(37)	(75)
Cash and cash equivalents at the end of the period	23,412	21,108	23,181

Consolidated Statement of Changes in Equity
for the six months ended 30 June 2025

	Share capital	Share premium	Translation reserve	Capital redemption reserve	UAE legal reserve	Netherlands capital reserve	Retained earnings	Attributable to equity holders of the parent
	£000	£000	£000	£000	£000	£000	£000	£000
At 31 December 2023	419	13	3,737	161	79	9	36,048	40,466
Profit for the period	-	-	-	-	-	-	7,075	7,075
Other comprehensive (expense)/ income for the period net of tax	-	-	(206)	-	-	-	87	(119)
Total comprehensive (expense)/ income	-	-	(206)	-	-	-	7,162	6,956
Dividends paid	-	-	-	-	-	-	(5,860)	(5,860)
Total of transactions with shareholders	-	-	-	-	-	-	(5,860)	(5,860)
At 30 June 2024	419	13	3,531	161	79	9	37,350	41,562
Profit for the period	-	-	-	-	-	-	9,723	9,723
Other comprehensive (expense)/ income for the period net of tax	-	-	(258)	-	-	-	139	(119)
Total comprehensive (expense)/ income	-	-	(258)	-	-	-	9,862	9,604
Dividends paid	-	-	-	-	-	-	(4,981)	(4,981)
Total of transactions with shareholders	-	-	-	-	-	-	(4,981)	(4,981)
At 31 December 2024	419	13	3,273	161	79	9	42,231	46,185
Profit for the period	-	-	-	-	-	-	7,439	7,439
Other comprehensive income for the period net of tax	-	-	32	-	-	-	57	89
Total comprehensive income	-	-	32	-	-	-	7,496	7,528
Dividends paid	-	-	-	-	-	-	(5,860)	(5,860)
Total of transactions with shareholders	-	-	-	-	-	-	(5,860)	(5,860)
At 30 June 2025	419	13	3,305	161	79	9	43,867	47,853

Notes to the Interim Financial statements

1 General information and accounting policies

These interim financial statements have been prepared in accordance with the recognition and measurement principles of international accounting standards in conformity with the requirements of the Companies Act 2006.

The information for the 12 months ended 31 December 2024 does not constitute the Group's statutory accounts for 2024 as defined in Section 434 of the Companies Act 2006. Statutory accounts for 2024 have been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain statements under Section 498(2) or (3) of the Companies Act 2006. These interim financial statements, which were approved by the Board of Directors on 23 September 2025, have not been audited or reviewed by the auditors.

Basis of preparation

The interim financial statement has been prepared using the historical cost basis of accounting except for:

- (i) Properties held at the date of transition to IFRS which are stated at deemed cost:

- (i) Assets held for sale which are stated at the lower of (i) fair value less anticipated disposal costs and (ii) carrying value;
- (iii) Derivative financial instruments (including embedded derivatives) which are valued at fair value; and
- (iv) Pension scheme assets and liabilities calculated at fair value in accordance with IAS 19

The annual financial statements of the Group are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the AIM Rules issued by the London Stock Exchange.

Accounting policies

The principal accounting policies applied in preparing the interim Financial Statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006 and are consistent with the policies set out in the Annual Report and Accounts for the year ended 31 December 2024.

No new standards or interpretations issued since 31 December 2024 have had a material impact on the accounting of the Group.

Functional and presentational currency

The financial statements are presented in pounds Sterling because that is the functional currency of the primary economic environment in which the group operates.

2 Revenue

An analysis of the Group's revenue is as follows:

	Unaudited six months ended 30 June 2025	Unaudited six months ended 30 June 2024	Year ended 31 December 2024
	£000	£000	£000
Continuing operations			
Hire and hire related	34,385	34,625	70,932
Sales	2,904	2,922	3,441
Maintenance	378	575	1,091
Installation and sale of units	277	265	478
Group consolidated revenue from the sale of goods and provision of services	37,944	38,387	75,942

The geographical analysis of the Group's revenue by destination is:

	Unaudited six months ended 30 June 2025	Unaudited six months ended 30 June 2024	Year ended 31 December 2024
	£000	£000	£000
United Kingdom	21,112	23,217	44,297
Europe	11,913	11,609	23,980
Middle East and Africa	4,919	3,561	7,665
	37,944	38,387	75,942

The geographical analysis of the Group's revenue by destination is not materially different to that by origination.

3 Finance income and costs

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Finance income			
Net interest on net defined benefit pension surplus	63	54	108
Interest receivable on bank deposit accounts	424	467	952
Inter-company foreign exchange gains	30	-	-
	517	521	1,060
Finance costs			
Interest charge on right-of-use lease obligations	(488)	(439)	(1,015)
Inter-company foreign exchange losses	-	(58)	(45)
	(488)	(497)	(1,060)

4 Income tax expense

The total effective tax charge for the financial period represents the best estimate of the weighted average annual effective tax rate expected for the full financial year applying tax rates that have been substantively enacted by the balance sheet date. UK corporation tax has been provided at 25% being the tax rate in the UK for 2025. Deferred tax has been calculated based on the rates that the directors anticipate will apply when the temporary timing differences are expected to reverse.

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Current tax			
UK corporation tax at 25% (June and December 2024: 25% and 25%)	1,293	1,907	3,288
Adjustments in respect of prior periods	-	-	(19)
	1,293	1,907	3,269
Overseas tax	1,240	720	2,223
Overseas tax adjustments in respect of prior periods	-	-	586
	1,240	720	2,809
Total current tax charge	2,533	2,627	6,078
Deferred tax			
Origination and reversal of timing differences	60	48	325
Adjustments in respect of prior periods	-	-	(14)
Total deferred tax charge	60	48	311
Total tax charge for the financial period	2,593	2,675	6,389

5 Earnings per share

Basic earnings per share

The basic figures have been calculated by reference to the weighted average number of ordinary shares in issue and the earnings as set out below. There are no discontinued operations in any period.

	Unaudited six months ended 30 June 2025	Unaudited six months ended 30 June 2024	Year ended 31 December 2024
Weighted average number of ordinary shares	41,858,744	41,858,744	41,858,744
	£000	£000	£000
Basic earnings	7,439	7,075	16,798
	pence	pence	pence

Diluted earnings per share

There were no dilutive instruments outstanding as at 30 June 2025 or either of the comparative periods and therefore there is no difference in the basic and diluted earnings per share for any of these periods. There were no discontinued operations in any period.

6 Dividend payments

Dividends declared and paid on ordinary one pence shares during the 6 months ended 30 June 2025 were as follows:

	Paid during the six months ended 30 June 2025	
	Pence per share	Total dividend paid £000
Final dividend for the year ended 31 December 2024 paid on 20 June 2025 to members on the register as at 23 May 2025	14.00p	5,860

The above dividend was charged against reserves during the 6 months ended 30 June 2025.

On 23 September 2025 the directors declared an interim dividend of 11.90 pence per ordinary share which in total amounts to £4,981,000. This dividend will be paid on 31 October 2025 to shareholders on the register as at 3 October 2025 and will be charged against reserves in the second half of 2025.

Dividends declared and paid on ordinary one pence shares during the 6 months ended 30 June 2024 were as follows:

	Paid during the six months ended 30 June 2024	
	Pence per share	Total dividend paid £000
Final dividend for the year ended 31 December 2023 paid on 21 June 2024 to members on the register as at 24 May 2024	14.00p	5,860

The above dividend was charged against reserves during the 6 months ended 30 June 2024.

Dividends declared and paid on ordinary one pence shares during the 12 months ended 31 December 2024 were as follows:

	Paid during the year ended 31 December 2024	
	Pence per share	Total dividend paid £000
Final dividend for the year ended 31 December 2023 paid on 21 June 2024 to members on the register as at 24 May 2024	14.00p	5,860
Interim dividend declared on 24 September 2024 and paid on 1 November 2024 to members on the register as at 4 October 2024	11.90p	4,981
	<u>25.90p</u>	<u>10,841</u>

The above dividends were charged against reserves during the 12 months ended 31 December 2024.

7 Pensions

The Group closed the UK Group defined benefit pension scheme to future accrual as at 29 December 2002. The assets of the defined benefit pension scheme continue to be held in a separate trustee administered fund. Over recent years the Group has taken steps to manage the ongoing risks associated with its defined benefit liabilities including completing an insurance buy-in of the scheme meaning the scheme has been derisked in terms of investment, interest rate, inflation and longevity risks. The buy-in secures an insurance asset that fully matches, subject to final price adjustments, the remaining pension liabilities of the scheme.

As at 30 June 2025 the Group had a net defined benefit pension scheme surplus, calculated in accordance with IAS 19 using the assumptions as set out below, of £2,451,000 (30 June 2024: £2,514,000; 31 December 2024: £2,382,000). The asset has been recognised in the financial statements as the directors are satisfied that it is measurable in accordance with IFRIC 14.

The last formal triennial funding valuation was as at 31 December 2022. The valuation, including a revised schedule of contributions, was agreed between the pension scheme trustees and the Board of directors in December 2023 and was effective from 1 January 2024. In accordance with this schedule of contributions, the group is no longer required to make any regular contributions into the scheme. Consequently, the Group expects to make total contributions to the defined benefit pension scheme of £Nil during 2025.

Assumptions used to calculate the scheme surplus

The IAS 19 figures are based on a number of actuarial assumptions as set out below, which the actuaries have confirmed they consider appropriate.

	30 June 2025	30 June 2024	31 December 2024
Rate of increase in pensionable salaries	n/a	n/a	n/a
Rate of increase in pensions in payment	2.95%	3.20%	3.05%
Discount rate	5.55%	5.10%	5.45%
Inflation assumption - RPI	2.95%	3.20%	3.20%
Inflation assumption - CPI	2.55%	2.75%	2.80%
Percentage of members taking maximum tax-free lump sum on retirement	0.00%	0.00%	0.00%

The demographic assumptions used for 30 June 2025, were the same as used in 31 December 2024, 30 June 2024 and the last full actuarial valuation performed as at 31 December 2022.

Assumptions regarding future mortality experience are set based on advice in accordance with published statistics. The mortality table used at 30 June 2025, 30 June 2024 and 31 December 2024 is 100% S3PA CMI2023 with a 1.25% per annum long term improvement for both males and females, heavy tables for males and medium tables for females.

Valuation

The defined benefit scheme funding has changed under IAS 19 as follows:

Funding status	Unaudited six months to 30 June 2025 £000	Unaudited six months to 30 June 2024 £000	Year to 31 December 2024 £000
Scheme assets at end of period	27,754	28,644	28,330
Benefit obligations at end of period	(25,303)	(26,130)	(25,948)
Surplus in scheme	2,451	2,514	2,382
Impact of asset restriction	(613)	(880)	(596)
Net pension asset recognised on the balance sheet	1,838	1,634	1,786

8 Net funds and movement in financing liabilities

	Unaudited six months ended 30 June 2025 £000	Unaudited six months ended 30 June 2024 £000	Year ended 31 December 2024 £000
Cash and cash equivalents per consolidated cashflow statement	23,412	21,108	23,181
Gross funds	23,412	21,108	23,181

Right-of-use lease obligations at the beginning of the period	(16,029)	(15,397)	(15,397)
Capital repayments for right-of-use lease obligations	1,498	1,395	2,920
New right-of-use leases entered into during the period	(2,279)	(918)	(4,210)
Non-cash movements re: termination of right-of-use lease obligations	333	411	616
Foreign exchange	(4)	46	42
Right-of-use lease obligations at the end of the period	(16,481)	(14,463)	(16,029)
 Gross debt	 (16,481)	 (14,463)	 (16,029)
 Net funds	 6,931	 6,645	 7,152

9 Distribution of interim financial statements

Following a change in regulations in 2008, the Company is no longer required to circulate this half year report to shareholders. This enables us to reduce costs associated with printing and mailing and to minimise the impact of these activities on the environment. A copy of the interim financial statements is available on the Company's website, www.andrews-sykes.com.

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