

17 November 2025

**Stelrad Group plc
("Stelrad" or "the Group")
Trading Update**

Stelrad Group plc ("Stelrad" or "the Group", LSE: SRAD), a leading specialist manufacturer and distributor of steel panel and other designer radiators in the UK, Europe and Turkey, today issues a Trading Update for the 10 months ended 31 October 2025.

Overall RMI and new build end-market activity has remained subdued since the half year. While Stelrad's H2 versus H1 performance to date points towards a degree of stability in the rate of volume declines, the backdrop of ongoing economic uncertainty has continued to suppress volumes, resulting in lower revenues versus the prior year.

The Group continues to implement proactive margin management initiatives and cost reduction activities, with continued operational excellence playing an important role in offsetting declines in volumes. These actions, combined with our focus on higher added value products, are expected to result in another increase in contribution per radiator relative to prior year. In the absence of any improvement in market volumes, we now expect FY25 adjusted operating profit within a range of £32m to £33m, ahead of the prior year (FY24: £31.5m), with positive operating margin growth year-on-year.

The Group's debt leverage ratio is expected to improve further during the year supported by strong cash management (2024: 1.37x). The refinancing of the Group's loan facility, which is expected to complete before the end of the year, will reduce the Group's future borrowing costs. The Group's effective tax rate for the year is expected to increase due to non-cash deferred tax accounting charges and the country mix of profits.

The strength of Stelrad's leading market position, sustainable competitive advantages and ongoing focus on operational excellence means that the Board remains confident in the Group's long-term growth plans and structural growth drivers that will underpin demand for higher-margin, higher added value products, enabling above-market growth.

In the second half we have undertaken a restructuring of our Turkish business which will further enhance operational margins in the future, with an exceptional expense of c.£1.6m being incurred in 2025. We continue to assess further opportunities that will maintain and improve the Group's competitive position.

Actions taken by the business during the second half have positioned the Group well for the eventual recovery in its markets. In particular, the relaunched Stelrad.com website has gained strong traction with customers with encouraging levels of site traffic and high levels of engagement.

Trevor Harvey, Chief Executive of Stelrad, commented:

"Stelrad continues to deliver a strong operational performance and remains on track to achieve growth in adjusted operating profit and margin expansion year-on-year, despite the subdued volume environment. Whilst the continued delay in end-market recovery remains frustrating, Stelrad's flexible, low-cost manufacturing footprint, outstanding customer service and unmatched product availability means that the Group remains well-positioned for the eventual recovery in our end markets, and I remain confident in our ability to deliver long-term value for our stakeholders."

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Notes to Editors

Stelrad Group plc is Europe's leading specialist radiator manufacturer, selling an extensive range of hydronic, hybrid, dual fuel and electrical heat emitters to more than 500 customers in over 40 countries. These include standard, premium and low surface temperature (LST) steel panel radiators, towel warmers, decorative steel tubular, steel multicolumn and aluminium radiators.

The Group has five core brands: Stelrad, Henrad, Termo Teknik, DL Radiators and Hudevad. The Group is market leader by volume in the combined UK, European and Turkish steel panel radiator market, with market share of 19.3%. Excluding the Russian market, Stelrad's share was 24.2% in 2024. The Group is market leader in six countries - the UK, Ireland, France, the Netherlands, Belgium and Denmark, with a top 3 position in a further 12 territories in 2024.

Stelrad is headquartered in Newcastle upon Tyne in the UK and in 2024 employed 1,400 people, with manufacturing and distribution facilities in Çorlu (Turkey), Mexborough (UK), Moimacco (Italy) and Nuth (Netherlands), with further commercial and distribution operations in Kolding (Denmark) and Krakow (Poland).

The Group's origins date back to the 1930s and Stelrad enjoys long established commercial relationships with many of its customers, having served each of its top five current customers for over twenty years.

Further information can be found at: <https://steiradpic.com/>.

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