



**Stelrad Group plc
("Stelrad" or the "Group")
Final results for the year ended
31 December 2025**

Further progress in adjusted operating profit, optimised for growth

Stelrad Group plc ("Stelrad" or "the Group" or "the Company", LSE: SRAD), a leading specialist manufacturer and distributor of steel panel and other designer radiators in the UK, Europe and Turkey, today announces its audited financial results for the year ended 31 December 2025.

Results summary	2025	2024	Movement %
Revenue, £m	279.6	290.6	(3.8)
Operating profit, £m	17.5	31.4	(44.3)
Operating profit margin, %	6.3	10.8	(4.5 ppts)
Profit for the year, £m	0.8	16.5	(94.9)
Earnings per share - basic, pence	0.66	12.97	(94.9)
Exceptional items, £m	(14.9)	-	n/a
Adjusted operating profit, £m ⁽¹⁾	32.5	31.5	3.0
Adjusted operating profit margin, % ⁽¹⁾	11.6	10.8	0.8 ppts
Adjusted profit for the year, £m ⁽¹⁾	16.7	16.6	0.2
Adjusted earnings per share - basic, pence ⁽¹⁾	13.08	13.05	0.2
Free cash flow, £m ⁽¹⁾	20.5	9.6	114.6
Return on capital employed, % ⁽¹⁾	30.1	27.1	3.0 ppts
Net debt before lease liabilities, £m ⁽¹⁾	51.2	59.7	(14.3)
Total dividend per share, pence	8.09	7.79	3.9

⁽¹⁾ The Group uses some alternative performance measures to track and assess the underlying performance of the business. Alternative performance measures are defined in the glossary of terms and reconciled to the appropriate financial statements line item at the end of this announcement.

Further progress in adjusted operating profit

- Adjusted operating profit of £32.5 million, an increase of 3.0% (2024: £31.5 million), driven by further margin management activities and strategic initiatives to drive favourable product mix.
- Statutory operating profit of £17.5 million, after exceptional items of £14.9 million relating to a non-cash impairment charge on the assets of Radiators SpA and cost optimisation led restructuring activities in our Turkish and Danish facilities.
- An eighth consecutive year of growth in contribution per radiator to £20.50 (2024: £20.15), demonstrating the Group's proven ability to continue to drive higher-margin sales mix and the cumulative benefits of operational efficiencies across the Group.
- Continued economic uncertainty in core territories of UK & Ireland and Europe resulted in a 3.8% decline in revenue to £279.6 million, albeit at a lower rate of decline than the prior year (2024: (5.7%)).
 - UK & Ireland: revenue down 4.4% against a volume decline of 6.9%, with revenue supported by an increase in average size of radiators sold.
 - Europe: revenue down 3.9%, primarily as a result of softer demand in the French DIY market in quarter four.
 - Turkey & International: revenue increased 3.9% with an improvement in market conditions.
- Return on capital employed grew by 3.0 ppts (2024: 1.6 ppts) to 30.1% reflecting higher adjusted operating profit and the impairment of Radiators SpA assets.
- Significantly increased free cash flow of £20.5 million (2024: £9.6 million) driven by improved working capital control, disciplined capital expenditure and reduced interest costs.
- Strong cash management, with leverage at 31 December 2025 improving to 1.16x (2024: 1.37x), based on net debt before lease liabilities.
- In December 2025, the Group's £100 million loan facility was successfully renewed with our long-term banking partners, reducing the Group's future borrowing costs.
- Recommended final dividend up 5% to 5.05 pence per share (2024: 4.81 pence per share), reflecting the Board's ongoing confidence in Stelrad's future prospects, the strength of the Group's balance sheet and cash conversion.

Optimised for growth

- Significant operational improvements and commercial optimisation throughout the Group's flexible, low-cost manufacturing base.
 - Further margin enhancement expected as a result of exit from loss making contract in Radiators SpA and the full-year impact of 2025 restructuring activities.
- Industry-leading customer service and product availability, with On Time In Full ("OTIF") delivery in the UK of 98% (2024: 98%), underpinning the Group's market share positions and ability to maximise opportunity from a market recovery.
- Market leadership in six of Stelrad's ten core territories, with a top three position in three of the remaining four, provides the Group with a solid platform for future market share growth.

Driving structural trends of premiumisation and decarbonisation

- Continued progress in strategies to drive adoption of higher-margin and value-added product ranges through

leveraging Stelrad's trade strengths, optimising distribution channels and boosting Stelrad's consumer appeal delivered a record level of 6.4% premium steel panel mix of total steel panel volume.

- In the UK market, the Group's strategic initiatives to promote high output conventional radiators, develop hybrid products for low temperature systems and introduce electric ranges into core markets have driven 33% annual growth in these products since 2022, positioning Stelrad effectively for decarbonisation.

Current trading and outlook

- The Board is confident in Stelrad making further progress in the current financial year, underpinned by the Group's competitive advantages, leading market share positions and strategic initiatives.
- Trading in the early months of the financial year has been in line with management expectations. The Group's end markets are stable, but market demand remains subdued, and we expect this to continue for at least the first half of 2026. In the meantime, the Group continues to leverage operational opportunities to optimise future growth and profitability.
- Whilst there remains a level of uncertainty around the timing of a wider market recovery, we remain confident in the attractiveness of our markets, underpinned by long-term structural growth drivers, and the opportunities that a market recovery presents for a stronger, simpler Stelrad.

Commenting on the Group's performance, Trevor Harvey, Chief Executive Officer, said:

"2025 demonstrated once again our ability to deliver adjusted operating profit growth through the market cycle while continuously improving our operations and positioning as we optimise our business for further progress. There remains a level of uncertainty around the timing of a wider market recovery, however, we remain confident in the opportunities that a market recovery offers for a stronger, simplified and more operationally efficient Stelrad."

"Our leadership positioning across the range of markets where we operate provides us with a platform from which to build and positions the Group well to continue to drive the adoption of higher-margin, value-added products, including increasing the penetration of premium panel and higher heat output ranges in key markets."

"The Board remains confident in delivering further progress during 2026. Our operational excellence initiatives, underpinned by our competitive advantages and market positioning, mean that Stelrad remains well-placed to outperform its peers in the near term and benefit from any medium-term market recovery."

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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. In the data reported by BRG Building Solutions for 2024, Stelrad extended its market leadership position, with 24.2% share by volume of the European steel panel radiator market, excluding Russia and Belarus. The Group is now market leader in six countries - the UK, France, Belgium, the Netherlands, Ireland and Denmark, with a top three position in a further 12 territories.

Stelrad is headquartered in Newcastle upon Tyne in the UK and in 2025 employed 1,300 people, with manufacturing and distribution facilities in Çorlu (Turkey), Mexborough (UK), Moimacco (Italy) and Nuth (Netherlands), with a further commercial and distribution operation in 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://stelradplc.com/>.

Chair's statement

Overview

Stelrad has consistently delivered a strong underlying financial performance against a challenging macroeconomic backdrop in recent years and 2025 marked the third consecutive year of progress in adjusted operating profit performance.

Our core geographies of the UK and Europe continue to be impacted by the ongoing effects of high interest rates and inflation suppressing activity in both RMI and new build markets. However, Stelrad's ability to deliver further progress despite these ongoing challenges clearly demonstrates the inherent strengths of our business with the Group's flexible, low-cost manufacturing footprint, leading levels of customer service and unrivalled product availability underpinning our leading competitive position in the market.

While these competitive strengths are ingrained within the business, our highly experienced Executive and Senior Management teams further strengthened and simplified our operations over the last year. As a result, we have positioned the Group to fully capitalise on opportunities within an inherently attractive market, with a stronger, simpler and more operationally efficient Stelrad primed for growth.

Performance and results

The Group delivered another successive improvement in adjusted operating profit, increasing by 3.0% to £32.5 million (2024: £31.5 million), with an adjusted operating profit margin of 11.6% (2024: 10.8%) despite a decline in revenue to £279.6 million (2024: £290.6 million), making strong progress towards our medium-term targets. Statutory operating profit was £17.5 million (2024: £31.4 million), with the statutory result stated after exceptional items totalling £14.9 million, which are linked to non-cash impairment charges and restructuring initiatives undertaken in the year.

This strong performance was the result of clear actions by our highly experienced management team, driving an enhanced product mix combined with tight cost control across our manufacturing sites. As a result, our key contribution per radiator KPI increased for the eighth successive year to £20.50 (2024: £20.15), nearing our medium-term target of £21.

Purpose

Stelrad's purpose is helping to heat homes sustainably. Given Stelrad's influential market position with custom

Stelrad's purpose is helping to heat homes sustainably. Given Stelrad's influential market position with system specifiers, suppliers and customers, we have a pivotal role to play in the transition to decarbonised heating systems. We continue to develop our product range in this area, ensuring that we can both capture market share arising from legislative tailwinds and drive the wider transition to low carbon systems.

Environmental, social and governance ("ESG") objectives

Achieving our purpose, helping to heat homes sustainably, demands relentless focus on reducing Stelrad's own environmental impact, a consistently high level of employee engagement and high standards of corporate governance.

These elements are at the heart of Stelrad's culture and values.

Our sustainability framework, Fit for the Future, is consistent with that core purpose, setting out our approach to delivering both our business strategy and our sustainability commitments to stakeholders and the environment.

We continued to make significant progress with initiatives to reduce the Group's carbon footprint in the year, reducing our energy consumption by 2.3%, along with a 5.6% reduction in our Scope 1 and 2 emissions.

We also achieved further progress embedding safety across all of our manufacturing sites, with a substantial reduction in lost time incidents at our Çorlu facility, and several sites recording zero lost time incidents during the year.

Board

In February 2026, Martin Payne, Non-Executive Director and Chair of the Audit & Risk Committee, notified the Board that he will not be standing for re-election and will retire from the Board at the 2026 AGM. Martin has been a valued member of the Board since the Company's IPO in October 2021. On behalf of the Board, I would like to thank Martin for the contribution that he has made to the Company over the past four and a half years, and we wish him well for the future. A process is underway to identify a replacement Non-Executive Director and Chair of the Audit and Risk Committee.

Dividend

The Board is recommending a final dividend of 5.05 pence per share, a rise of 5% on the prior year, reflective of our ongoing confidence in Stelrad's future prospects and the strength of the Group's balance sheet. The final dividend will be paid on 26 May 2026 to shareholders on the register on 24 April 2026, subject to approval by shareholders at the Annual General Meeting on 20 May 2026.

Summary

While there remains a level of uncertainty around the timing of a market recovery, the work of our highly experienced management team over the last three years in executing our strategy has positioned Stelrad incredibly well to deliver continued progress through the cycle, underpinned by our competitive advantages.

Bob Ellis
Chair

13 March 2026

Chief Executive Officer's review

Continued progress through the market cycle

During 2025, Stelrad continued to demonstrate and enhance our operational excellence, underpinned by our core competitive advantages of:

1. a flexible, low-cost manufacturing footprint;
2. outstanding customer service; and
3. unmatched product availability.

These competitive advantages allowed us to continue to deliver growth in adjusted operating profits and margins, despite the subdued market environment. This was achieved through a combination of our strategy to drive product mix towards higher specification products and an ongoing focus on cost controls within our operations. Statutory operating profit fell in the year to £17.5 million (2024: £31.4 million) due to exceptional items totalling £14.9 million incurred in the year, the existence of which help position the Group strongly for the future.

Reflecting the well documented market conditions in the UK and our core European territories, volumes declined by 4% year on year, albeit with a small improvement in volumes during the second half and encouraging progress in a number of key markets.

As a result, revenues during the year declined 3.8% to £279.6 million, a decrease of £11.0 million on the prior year (2024: £290.6 million), primarily driven by revenue declines in the UK & Ireland (4.4% decrease) and Europe (3.9% decrease), with an increase in revenues from our smaller operations in Turkey & International (3.9%).

While persisting market headwinds remain frustrating, our performance over the year further underlined Stelrad's ability to continue to deliver against our strategy through the market cycle.

In the last three years we have driven operational excellence within both our manufacturing sites and distribution networks. This is clearly demonstrated by the progress in our contribution per radiator KPI, increasing for the eighth successive year to £20.50, an increase of £0.35 on the prior year.

As a stronger, simpler Stelrad, enabled by our competitive advantages and operational excellence, we continue to ensure that our business is well placed to capture the opportunities posed by a market recovery and actively deliver against our four key strategic priorities of:

1. growing market share;
2. improving product mix;
3. optimising our routes to market; and
4. positioning effectively for decarbonisation.

Market leadership provides a platform for growth

As we have emphasised previously, our highest priority as a management team is to ensure that Stelrad is well placed to take advantage of a market recovery when it materialises.

Key to this is maintaining both our market leadership and the operational capabilities that underpin it, including our customer service and product availability. The Group remains an industry leader when it comes to both of these capabilities, with On Time In Full deliveries in the UK of 98% (2024: 98%).

As the industry's largest manufacturer of radiators, we have a strong track record of delivering high quality products

As the clear leader of the European steel panel radiator market, with 24.2% share in 2024 (source: BRG Building Solutions, excluding Russia and Belarus), our competitive advantages underpin our market leadership in six of Stelrad's ten core territories, with a top three position in three of the remaining four. This provides the Group with a solid platform for future targeted, profitable market share growth and positions us as a key beneficiary of a market recovery.

Country	2024 Market volume ('000 units)	2024 Stelrad share	Market position
UK	4,661	52.1%	1
Turkey	4,180	7.3%	4
Germany	1,880	17.5%	3
France	1,250	33.1%	1
Poland	1,172	10.8%	2
Sweden	500	15.4%	3
Belgium	395	43.1%	1
Netherlands	350	49.2%	1
Ireland	255	39.4%	1
Denmark	210	49.8%	1
Ten core markets	14,853	28.5%	1
Others	3,360	5.5%	
Total	18,213	24.2%	1

Strategic initiatives enable above-market growth through product mix

Market leadership also means we are well positioned to both drive and benefit from long-term structural trends of premiumisation and decarbonisation within our markets. Both of these trends will underpin future demand for higher-margin, higher added-value products, enabling both above-market growth and further margin progression.

Premiumisation, the increased customer demand for premium steel panel and designer radiators, remains a key trend and opportunity in our industry, particularly in core territories such as the UK where premium steel panel penetration is currently low.

Although the total volume of premium panel radiators decreased by 1.6% to 271k units sold (2024: 276k), reflecting ongoing economic uncertainty, this was at a rate lower than the decline in overall volume.

As a result, in 2025, continued progress in our three-pillar strategy to drive adoption of higher-margin and value-added product ranges through leveraging Stelrad's trade strengths, optimising distribution channels and boosting Stelrad's consumer appeal, delivered a record level of 6.4% premium steel panel mix of total steel panel volume.

Heating system decarbonisation remains a structural tailwind for us, particularly following the implementation of Part L of the UK building regulations. Reflecting this, and for a third consecutive year, in 2025 there was a further increase in the heat output of the UK average radiator size sold, up 1.5% versus 2024.

The Group has a clear, three-pillar strategy for decarbonisation growth, which consists of promoting and developing our range of high-output conventional radiators, developing hybrid heat emitters and introducing electric radiators into core markets.

In the UK since 2022, Stelrad's combined sales of high-output conventional and electric radiators have increased by 33% per annum and, at the beginning of 2026, the Group launched our ThermoBreeze hybrid heat emitter into mainland European markets.

Embedded operational excellence driving continued progress

In tandem with our strategic initiatives, embedding operational and commercial excellence has been a key driver of earnings growth throughout the current market cycle. Over the last three years, we have embedded an array of cost initiatives across all of the Group's sites, positioning us to benefit from a market recovery and the ensuing increase in volumes with a minimal increase in the Group's fixed cost base.

Prior to the year end, and following the earlier restructuring of our Turkish operations, we restructured our Danish business to further enhance future operational margins in 2026 and beyond, while maintaining our flexible, low-cost manufacturing capability and capacity within these operations.

As detailed in the Group's interim results in August 2025, we took significant steps to restructure our European operations, particularly in Radiators SpA. This included the decision to terminate all supply under a loss-making contract for steel panel radiators. The exit from this contract has been margin-enhancing at a Group level in the first months of 2026.

We continue to work to reposition the focus of the Radiators SpA business on electrical and designer products - the key ranges that underpinned the strategic rationale for our acquisition in 2022, with Radiators SpA continuing to provide increased access to new channels to markets, particularly in European territories.

These proactive margin management and cost reduction activities across our manufacturing sites, alongside our strategic initiatives to drive a more favourable product mix, resulted in an adjusted operating profit for the year of £32.5 million, an increase of 3.0% or £1.0 million (2024: £31.5 million). With the resulting exceptional items totalling £14.9 million, including non-cash impairment charges of £12.6 million, statutory operating profit reduced to £17.5 million (2024: £31.4 million).

We continue to assess opportunities to improve the Group's competitive position and operational efficiency.

Outlook

The Board is confident in Stelrad making further progress in the current financial year, underpinned by the Group's competitive advantages, leading market share positions and strategic initiatives. Trading in the early months of the financial year has been in line with management expectations. The Group's end markets are stable, but market demand remains subdued, and we expect this to continue for at least the first half of 2026. In the meantime, the Group continues to leverage operational opportunities to optimise future growth and profitability.

Whilst there remains a level of uncertainty around the timing of a wider market recovery, we remain confident in the attractiveness of our markets, underpinned by long-term structural growth drivers, and the opportunities that a market recovery present for a stronger, simpler Stelrad.

Our leadership across the range of markets where we operate positions the Group well to continue to drive the adoption of higher-margin, value-added products, including premium steel panel radiators and the higher heat output, hybrid and electric radiators particularly suitable for low and zero carbon heating systems.

Moreover, the Group's market leadership in Europe, low-cost manufacturing footprint and outstanding customer proposition are expected to provide opportunities for further market share gains, enabling Stelrad to maximise its exposure to future growth across end markets.

Trevor Harvey
Chief Executive Officer
13 March 2026

Finance and business review

The Group has delivered another year of adjusted operating profit growth driven by proactive margin management initiatives and cost reduction activities across our manufacturing sites.

Group overview

The following table summarises the Group's results for the years ended 31 December 2025 and 31 December 2024.

	2025 £m	2024 £m	Movement £m	Movement %
Revenue	279.6	290.6	(11.0)	(3.8)
EBITDA⁽¹⁾	44.1	43.5	0.6	1.3
Adjusted operating profit⁽¹⁾	32.5	31.5	1.0	3.0
Exceptional items	(14.9)	-	(14.9)	n/a
Amortisation of customer relationships	(0.1)	(0.1)	-	49.6
Operating profit	17.5	31.4	(13.9)	(44.3)
Net finance costs	(7.4)	(8.0)	0.6	7.5
Profit before tax	10.1	23.4	(13.3)	(56.9)
Income tax expense	(9.3)	(6.9)	(2.4)	(34.5)
Profit for the year	0.8	16.5	(15.7)	(94.9)
Earnings per share - basic (p)	0.66	12.97	(12.31)	(94.9)
Adjusted profit for the year⁽¹⁾	16.7	16.6	0.1	0.2
Adjusted earnings per share - basic (p)⁽¹⁾	13.08	13.05	0.03	0.2
Total dividend per share (p)	8.09	7.79	0.30	3.9
Return on capital employed (%)⁽¹⁾	30.1	27.1	n/a	3.0 ppts
Net debt before lease liabilities⁽¹⁾	51.2	59.7	(8.5)	(14.3)

(1) The Group uses some alternative performance measures to track and assess the underlying performance of the business. Alternative performance measures are defined in the glossary of terms and reconciled to the appropriate financial statements line item at the end of this announcement.

Financial overview

The Group delivered another year of adjusted operating profit growth, despite the ongoing suppression of volumes across Stelrad's core UK and European markets. The resilient adjusted operating performance has been driven by the implementation of proactive margin management initiatives, cost reduction activities and structural currency gains, which have allowed the Group to offset the impact of a continued reduction in demand during 2025.

Revenue for the year was £279.6 million, a decrease of £11.0 million, or 3.8%, on last year (2024: £290.6 million). The decline in revenue was due to a 4.3% decrease in sales volumes during the year, partially offset by selling price benefits and product mix improvements. Selling prices have benefited from a third successive annual increase in average radiator size in the UK and the impact of price increases. Promisingly, there was a small improvement in volumes in the second half versus the first half, and year on year there was progress in a number of key markets.

Adjusted operating profit for the year was £32.5 million, an increase of £1.0 million, or 3.0%, compared to last year (2024: £31.5 million). Adjusted operating profit increased despite lower sales volumes, as a result of proactive margin management and cost reduction activities across our manufacturing sites, enhanced product mix, strong fixed cost control and structural currency benefits. The structural currency benefits arise from the way the Group has structured its Turkish operations, with the gain being a result of the year-to-date devaluation of the Turkish Lira against the Euro which will continue to benefit the cost base of our Turkish operations in the future.

Operating profit for the year was £17.5 million, a decrease of £13.9 million, or 44.3%, compared to last year (2024: £31.4 million). Operating profit is stated after the deduction of exceptional items of £14.9 million (2024: £nil), of which £12.6 million relates to non-cash items, and the amortisation of customer relationships of £0.1 million (2024: £0.1 million).

Despite a challenging market environment, proactive management actions have meant that contribution per radiator has increased to £20.50 (2024: £20.15), providing the Group with very strong operating leverage that will drive considerable profitability improvements when volumes recover. The Group continues to focus on the sale of premium, higher added-value products throughout its markets, recognising the additional margin that these products generate. Year on year the proportion of premium panel sales to total steel panel volume increased by 0.1 ppts to 6.4% with further progress expected as the economic environment improves.

The statutory profit for the year was £0.8 million (2024: £16.5 million) due to exceptional items of £14.9 million (2024: £nil), of which £12.6 million relates to non-cash items. Adjusted profit for the year increased by £0.1 million, or 0.2%, to £16.7 million (2024: £16.6 million). Interest charges reduced by £0.6 million year on year, despite one-off amortisation charges, as interest rates continue to fall. Tax charges increased year on year due to a 5% increase in the withholding tax charges applied to dividends received from Turkey during 2025, the country mix of profits and the one-off derecognition of some tax losses.

Earnings per share was 0.66 pence (2024: 12.97 pence). Adjusted earnings per share was 13.08 pence (2024: 13.05 pence).

At 31 December 2025 the Group had cash of £19.0 million (2024: £18.6 million) and undrawn available facilities of £30.6 million (2024: £21.1 million), with net debt before lease liabilities of £51.1 million (2024: £59.7 million).

Selective investments in working capital have been made in the year to enhance customer relationships in the UK market, offset by more beneficial payment terms due to a change of steel suppliers.

The Group has made pleasing progress towards its medium-term targets in the year, despite challenging market

conditions, with growth in contribution per radiator, adjusted operating profit margins, operating cash flow conversion and return on capital employed. The Board remains confident in the ability for the Group to achieve all medium-term targets.

Revenue by geographical market

The table below sets out the Group's revenue by geographical market.

Revenue by geographical market	2025 £m	2024 £m	Movement £m	Movement %
UK & Ireland	131.3	137.4	(6.1)	(4.4)
Europe	133.5	139.0	(5.5)	(3.9)
Turkey & International	14.8	14.2	0.6	3.9
Total	279.6	290.6	(11.0)	(3.8)

UK & Ireland

The Group's revenue in UK & Ireland for the year was £131.3 million (2024: £137.4 million), a decrease of £6.1 million, or 4.4%. This was principally a result of a decrease in sales volumes of 6.9%, partially offset by a continued increase in the average size of radiators sold, with a 1.5% year on year higher output, though the penetration of premium panel products sold was impacted by low UK consumer confidence.

Europe

The Group's revenue in Europe for the year was £133.5 million (2024: £139.0 million), a decrease of £5.5 million, or 3.9%. Revenue has been negatively impacted by a 3.4% decline in sales volumes, with volumes affected by weak demand in the French DIY market in quarter four.

Turkey & International

The Group's revenue in Turkey & International for the year was £14.8 million (2024: £14.2 million), an increase of £0.6 million, or 3.9%. This was principally a result of higher volumes sold in Turkey due to an improvement in market conditions.

Adjusted operating profit by geographical market

The table below sets out the Group's adjusted operating profit by geographical market.

Adjusted operating profit by geographical market	2025 £m	2024 £m	Movement £m	Movement %
UK & Ireland	30.0	29.6	0.4	1.4
Europe	7.3	7.9	(0.6)	(7.6)
Turkey & International	1.2	1.0	0.2	13.5
Central costs	(6.0)	(7.0)	1.0	14.3
Total	32.5	31.5	1.0	3.0

UK & Ireland

The Group's adjusted operating profit in UK & Ireland for the year was £30.0 million (2024: £29.6 million), an increase of £0.4 million, or 1.4%. The result includes the benefit of favourable material prices and the increase in the average size of radiators sold offset by lower sales volumes.

Europe

The Group's adjusted operating profit in Europe for the year was £7.3 million (2024: £7.9 million), a decrease of £0.6 million, or 7.6%. A high fixed cost base in Europe, combined with the sales volume decrease, has led to a reduction in operating margin percentage in recent years. We expect margins for the Europe segment to recover in line with market recovery as variable profit margins remain strong.

The Group will continue to focus on improving the margins of Radiators SpA's sales, with the exit from a significant loss-making contract at the end of 2025 providing renewed opportunity to focus business efforts on the product ranges which are unique to Radiators SpA.

Turkey & International

The Group's adjusted operating profit in Turkey & International for the year was £1.2 million (2024: £1.0 million), an increase of £0.2 million, or 13.5%. Turkish operating margins have benefited from the operational efficiencies arising from the restructuring of our Turkish business in the second half of 2025.

Central costs

Central costs for the year were £6.0 million (2024: £7.0 million), a decrease of £1.0 million, or 14.3%. The reduction is due to the removal of one-off costs from the prior year, supported by strong cost control year on year.

Exceptional items

During the year, the charge for exceptional items was £14.9 million (2024: £nil), of which £12.6 million relate to non-cash items and £2.3 million relate to cash items.

The main elements of the non-cash exceptional items relate to impairment of goodwill of £2.7 million, impairment of customer relationships of £1.4 million, impairment of property, plant and equipment of £5.8 million and a provision against inventories of £2.3 million, all within the Radiators SpA business.

The Radiators SpA business has been exposed to declining market volumes in France and Germany since its acquisition in July 2022, resulting in deteriorating operating margins despite active fixed cost management. Since the acquisition, the business has been impacted by a significantly low margin, and latterly a loss-making contract, for the supply of steel panel radiators which has contributed to suppressed European operating margins.

Negotiations during the year to reset the price on this contract have been unsuccessful and, in line with the Group's focus on commercial discipline, decisive action has been taken to terminate all supply under this contract, effective at the end of 2025. Whilst the exit from this loss-making contract will negatively impact future revenue and volumes, it will result in improved contribution and the opportunity to reduce fixed costs in the short term. The exit from the contract presents an increased opportunity to focus attention on the electrical and designer product ranges which are unique to this division and were the key strategic rationale for acquiring the business. The refocused business will be underpinned by a rationalised product profile that will provide greater operational efficiency.

Additionally, restructuring costs of £2.7 million have been incurred or provided for as a result of significant proactive margin management initiatives and cost reduction activities across our sites in Turkey, Italy and Denmark. Of these, £2.3 million relate to cash items and £0.4 million relate to non-cash items.

These costs are one-off in nature and disclosing these costs as exceptional allows the true underlying performance of the Group to be better understood.

Finance costs

The Group's net finance costs for the year were £7.4 million (2024: £8.0 million). The decrease of £0.6 million is due to a decrease in the interest rate of the Group's debt from a blended rate of 6.6% during 2024 to a blended rate of 5.3% during 2025, partially offset by the one-off loan fee amortisation on the pre-existing loan facility of £0.3 million upon refinancing.

The refinancing of the Group's £100 million loan facility, which completed in December 2025, reduces the Group's future loan margin. The refinanced loan is for an initial period of three years up to December 2028 and includes a two-year extension option.

Income tax expense

The Group's income tax expense for the year was £9.3 million (2024: £6.9 million), an increase of £2.4 million, or 34.5%, which includes the derecognition of tax losses in Radiators SpA, connected to the impairment recognised in the year. In 2024, the effective tax rate was 29.4%. In 2025, the Group's adjusted effective tax rate has risen to 34.4% due to a 5% increase in the withholding tax charges applied to dividends received from Turkey during 2025 and the country mix of profits.

Earnings per share and adjusted earnings per share

Profit for the year reduced to £0.8 million (2024: £16.5 million) and basic earnings per share was 0.66 pence (2024: 12.97 pence) due to the impact of the exceptional items and one-off refinancing costs, including exceptional tax, of £15.8 million in the year (2024: £nil). The weighted average number of shares was 127.4 million (2024: 127.4 million).

Adjusted profit for the year increased by £0.1 million, or 0.2%, to £16.7 million (2024: £16.6 million) and, consequently, basic adjusted earnings per share was 13.08 pence (2024: 13.05 pence).

Dividends and reserves

The Group is committed to delivering returns for its shareholders via a progressive dividend policy. The Board has confidence in the Group's financial position and believes that its leading market positions, regulatory tailwinds, product premiumisation upside and favourable contribution per radiator will lead to strong future financial performance, as demonstrated by the Group's medium-term targets published at our Capital Markets Event in November 2024. On this basis, despite suppressed earnings caused by short-term trading headwinds, the Board recommends payment of a final dividend of 5.05 pence per share (2024: 4.81 pence per share) on 26 May 2026 to shareholders on the register at 24 April 2026, an increase of 5% on the 2024 final dividend. The cost to the Group of the 2025 final dividend is £6.4 million (2024: £6.1 million).

The Group paid an interim dividend in respect of the year ended 31 December 2025 of 3.04 pence per share (2024: 2.98 pence), an increase of 2% on the 2024 interim dividend. Therefore, the total dividend in respect of the year ended 31 December 2025 will be 8.09 pence per share (2024: 7.79 pence), an increase of 3.9% on 2024.

Cash flow

The following table summarises the Group's cash flow for the years ended 31 December 2025 and 31 December 2024.

	2025 £m	2024 £m	Movement £m
EBITDA ⁽¹⁾	44.1	43.5	0.6
Exceptional items - cash items	(2.3)	-	(2.3)
Gain on disposal of property, plant and equipment	(0.1)	(0.1)	-
Share-based payment charge	0.7	0.4	0.3
Working capital	(0.8)	(10.1)	9.3
Working capital - exceptional items	0.3	(2.3)	2.6
Net capital expenditure	(7.7)	(8.4)	0.7
Cash flow from operations⁽¹⁾	34.2	23.0	11.2
Income tax paid	(8.0)	(6.2)	(1.8)
Net interest paid	(5.7)	(7.2)	1.5
Free cash flow⁽¹⁾	20.5	9.6	10.9
Cash flow from operations	34.2	23.0	11.2
<i>Adjusted for</i>			
Exceptional items - cash items	2.3	-	2.3
Exceptional items impact on working capital	(0.3)	2.3	(2.6)
Adjusted cash flow from operations⁽¹⁾	36.2	25.3	10.9
	2025	2024	Movement
Cash flow from operations ⁽¹⁾ (£m)	34.2	23.0	11.2
Adjusted cash flow from operations ⁽¹⁾ (£m)	36.2	25.3	10.9
Adjusted operating profit ⁽¹⁾ (£m)	32.5	31.5	1.0
Cash flow from operations conversion ⁽¹⁾ (%)	105.4	73.0	32.4 ppts
Adjusted cash flow from operations conversion ⁽¹⁾ (%)	111.4	80.3	31.1 ppts

(1) The Group uses some alternative performance measures to track and assess the underlying performance of the business. Alternative performance measures are defined in the glossary of terms and reconciled to the appropriate financial statements line item at the end of this announcement.

The Group's free cash flow for the year was £20.5 million (2024: £9.6 million), an increase of £10.9 million. This reflects improved working capital control, reduced capital expenditure and reduced interest paid year on year, partially offset by increased income tax paid. Selective investments in working capital have been made in the year to enhance customer relationships in the UK market; however, these have been offset by more beneficial payment terms due to a change in steel suppliers. Interest payments have reduced year on year due to reductions in interest rates. Capital expenditure has been reduced due to a planned UK IT infrastructure project that has been deferred until 2026. The increase in income tax paid is impacted by the Group's UK business becoming cash tax paying in the year, after fully utilising its historical tax losses.

The Group's cash flow from operations for the year was £34.2 million (2024: £23.0 million), an increase of £11.2 million. Adjusted operating profit for the year was £32.5 million (2024: £31.5 million), an increase of £1.0 million. Cash flow from operations conversion for the year was 105.4% (2024: 73.0%), an increase of 32.4 ppts. Adjusted cash flow from operations conversion for the year was 111.4% (2024: 80.3%), an increase of 31.1 ppts.

Capital expenditure

The Group's capital expenditure mainly relates to investment in operating plant and equipment. Key capital expenditure in the year ended 31 December 2025 related to various maintenance and upgrade projects, including a successfully completed IT infrastructure upgrade in our Turkish business. Capital expenditure for 2026 will continue to focus on ensuring our operating platform is well maintained whilst making a periodic investment in our IT infrastructure.

Return on capital employed and capital allocation priorities

Return on capital employed for the year was 30.1% (2024: 27.1%), an increase of 3.0 ppts. This improvement is due to an increase in adjusted operating profit and an impairment of assets.

Capital allocation considerations remain high on the Group's agenda, and investment in working capital is considered a key part of the Group's prioritisation of investment for organic growth under its capital allocation framework set out at the Capital Markets Event in November 2024. Additionally, alongside investment in organic growth, dividends have progressively increased, whilst the Group's debt leverage ratio before lease liabilities has improved to 1.16x (2024: 1.37x), demonstrating a controlled and balanced approach to capital allocation and balance sheet prudence given the challenging macroeconomic environment.

Net debt and leverage

At 31 December 2025, net debt (including lease liabilities) of £58.7 million (2024: £67.6 million) comprises £70.1 million (2024: £78.3 million) drawn down against the multicurrency facility and £7.6 million (2024: £7.9 million) lease liabilities net of £19.0 million (2024: £18.6 million) cash.

	2025 £m	2024 £m
Revolving credit facility - GBP	32.3	41.8
Revolving credit facility - Euro	13.1	13.1
Term loan	24.7	23.4
Cash	(19.0)	(18.6)
Net debt before lease liabilities	51.1	59.7
Lease liabilities	7.6	7.9
Net debt	58.7	67.6
EBITDA	44.1	43.5
Debt leverage ratio before lease liabilities	1.16x	1.37x

The debt leverage ratio before lease liabilities at 31 December 2025 was 1.16x (2024: 1.37x).

Leigh Wilcox
Chief Financial Officer
13 March 2026

Consolidated income statement for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Continuing operations			
Revenue	3	279,598	290,577
Cost of sales		(193,327)	(201,617)
Gross profit		86,271	88,960
Selling and distribution expenses		(40,588)	(41,729)
Administrative expenses		(16,282)	(17,165)
Other operating income/(expenses)	4	3,001	1,319
Exceptional items	5	(14,925)	-
Operating profit		17,477	31,385
Finance income		173	186
Finance costs	6	(7,576)	(8,189)
Profit before tax		10,074	23,382
Income tax expense	7	(9,230)	(6,864)
Profit for the year		844	16,518

	Note	2025	2024
Earnings per share			
Basic	8	0.66p	12.97p
Diluted	8	0.66p	12.87p

Consolidated statement of comprehensive income for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Profit for the year		844	16,518
Other comprehensive income/(expense)			
<i>Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods:</i>			
Net (loss)/gain on monetary items forming part of net investment in foreign operations and qualifying hedges of net investments in foreign operations	7	(916)	867
Income tax effect		229	(217)
Exchange differences on translation of foreign operations		5,009	(4,711)
Net other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods		4,322	(4,061)
<i>Other comprehensive (expense)/income not to be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement losses on defined benefit plans	7	(113)	(925)
Income tax effect		28	232
Net other comprehensive expense not to be reclassified to profit or loss in subsequent periods		(85)	(693)
Other comprehensive income/(expense) for the year, net of tax		4,237	(4,754)
Total comprehensive income for the year, net of tax attributable to owners of the parent		5,081	11,764

Consolidated balance sheet
as at 31 December 2025

	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Property, plant and equipment	10	72,491	79,173
Intangible assets	11	347	4,652
Trade and other receivables	14	299	284
Deferred tax assets	7	4,836	4,821
		77,973	88,930
Current assets			
Inventories	13	62,402	67,311
Trade and other receivables	14	47,164	45,478
Income tax receivable		348	235
Financial assets		-	293
Cash and cash equivalents	15	18,978	18,633
		128,892	131,950
Total assets		206,865	220,880
Equity and liabilities			
Equity			
Share capital	18	127	127
Merger reserve		(114,469)	(114,469)
Retained earnings		231,253	239,788
Foreign currency reserve		(63,531)	(67,853)
Total equity		53,380	57,593
Non-current liabilities			
Interest-bearing loans and borrowings	12	74,411	83,329
Deferred tax liabilities	7	222	209
Provisions	17	1,832	1,910
Net employee defined benefit liabilities		4,625	5,118
		81,090	90,566
Current liabilities			
Trade and other payables	16	67,058	69,210
Financial liabilities	12	221	-
Interest-bearing loans and borrowings	12	2,579	2,212
Income tax payable		1,466	550
Provisions	17	1,071	749
		72,395	72,721
Total liabilities		153,485	163,287
Total equity and liabilities		206,865	220,880

Consolidated statement of changes in equity
for the year ended 31 December 2025

	Attributable to the owners of the parent				
	Issued share capital £'000	Merger reserve £'000	Retained earnings £'000	Foreign currency £'000	Total £'000
At 1 January 2024	127	(114,469)	233,329	(63,792)	55,195
Profit for the year	-	-	16,518	-	16,518
Other comprehensive expense for the year	-	-	(693)	(4,061)	(4,754)
Total comprehensive income/(expense)	-	-	15,825	(4,061)	11,764
Share-based payment charge	-	-	440	-	440
Dividends paid (note 9)	-	-	(9,806)	-	(9,806)
At 31 December 2024	127	(114,469)	239,788	(67,853)	57,593
Profit for the year	-	-	844	-	844
Other comprehensive income/(expense) for the year	-	-	(85)	4,322	4,237
Total comprehensive income	-	-	759	4,322	5,081
Share-based payment charge	-	-	704	-	704
Dividends paid (note 9)	-	-	(9,998)	-	(9,998)
At 31 December 2025	127	(114,469)	231,253	(63,531)	53,380

Consolidated statement of cash flows
for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Operating activities			
Profit before tax		10,074	23,382
Adjustments to reconcile profit before tax to net cash flows:			
- Depreciation of property, plant and equipment	10	11,393	11,692
- Amortisation of intangible assets	11	330	468
- Gain on disposal of property, plant and equipment		(80)	(118)
- Share-based payments charge		704	440
- Exceptional items - non-cash elements		12,663	-
- Finance income		(173)	(186)
- Finance costs	6	7,576	8,189
Working capital adjustments:			
- Decrease in trade and other receivables		517	3,885
- Decrease/(increase) in inventories		4,690	(6,143)
- Decrease in trade and other payables		(4,430)	(6,743)
- Increase/(decrease) in provisions		94	(2,176)
- Movement in other financial assets/liabilities		531	(610)
- Decrease in other pension provisions		(1)	(7)
- Difference between pension charge and cash contributions		(1,921)	(581)
		41,967	31,492
Income tax paid		(8,000)	(6,265)
Interest received		173	186
Net cash flows generated from operating activities		34,140	25,413
Investing activities			
Proceeds from sale of property, plant, equipment and intangible assets		185	341
Purchase of property, plant and equipment	10	(5,215)	(5,861)
Purchase of intangible assets	11	(35)	(100)
Net cash flows used in investing activities		(5,065)	(5,620)

net cash flows used in investing activities		(3,003)	(3,020)
Financing activities			
Transaction costs related to refinancing		(733)	-
Proceeds from external borrowings		-	3,388
Repayment of external borrowings		(10,219)	(5,150)
Payment of lease liabilities		(2,662)	(2,865)
Interest paid		(5,905)	(7,372)
Dividends paid	9	(9,998)	(9,806)
Net cash flows used in financing activities		(29,517)	(21,805)
Net decrease in cash and cash equivalents		(442)	(2,012)
Net foreign exchange difference		787	(797)
Cash and cash equivalents at 1 January	15	18,633	21,442
Cash and cash equivalents at 31 December	15	18,978	18,633

Notes to the consolidated financial statements for the year ended 31 December 2025

1 Basis of preparation

The results for the year ended 31 December 2025, including comparative financial information, have been prepared in accordance with UK adopted international accounting standards ("IFRS") in conformity with the requirements of the Companies Act 2006 and the disclosure guidance and transparency rules sourcebook of the United Kingdom's Financial Conduct Authority.

Stelrad Group plc ("the Company") has adopted all IFRS in issue and effective for the year.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of IFRS, this announcement does not itself contain sufficient information to comply with IFRS. The Company expects to publish full financial statements that comply with IFRS in March 2026.

The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 December 2025 but is derived from those accounts. Statutory accounts for 2025 will be delivered in due course. The auditors have reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under s498 (2) or (3) of the Companies Act 2006.

Going concern

Having considered the Group's current trading, cash flow generation and debt maturity and applying severe but plausible stress testing scenarios, the Directors have concluded that it is appropriate to prepare the consolidated financial statements on a going concern basis. Under a severe but plausible downside scenario, the Group remains within its debt facilities and its financial covenants for at least 12 months after the date the accounts are signed. Based on this going concern review, the Directors have concluded that, at the time of approving the financial statements, the Group will be able to continue to operate within its existing facilities and is well placed to manage its business risks successfully.

The financial information presented in respect of the year ended 31 December 2025 has been prepared on a basis consistent with the financial information presented for the year ended 31 December 2024.

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made judgements which would have a significant effect on the amounts recognised in the consolidated financial statements.

Impairment of non-financial assets

Intangible assets, including goodwill, that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Details of the impairment assessment of goodwill and other assets, which includes key estimates, are disclosed in note 11.

Impairment of inventories

Following the exit from a loss making contract in the Radiators SpA business in the year, the Group has reduced the operational complexity and product range of the business, resulting in a one-off inventory provision of £2.3 million. The inventory provision has been classified as exceptional in nature because of the direct link between the exit from the loss making contract and the reduction in operational complexity of the business, and resultant product range rationalisation.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Rebates

A proportion of rebates is paid to the end consumers of goods sold. Uncertainties exist over the value of the rebates recognised as, until claims are made by end consumers, the Group cannot be certain which consumers have purchased which products. Due to this uncertainty, estimates are made over what contractual rates, if any, will apply to goods sold.

Management makes significant estimates and assumptions in order to assess the level of rebate required at the balance sheet date. Management is able to utilise market information and historical/current data and trends in order to make an appropriate estimate.

A reasonably possible change in the estimates surrounding rebates would not result in a material impact on the financial statements.

3 Segmental information

IFRS 8 Operating Segments requires operating segments to be determined from the Group's internal reporting to the

Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Chief Executive Officer and Chief Financial Officer. The operating segments are determined to be the key geographical regions in which the Group operates. The CODM receive management information as part of the internal reporting framework based upon the key geographical regions. The CODM assesses the performance of geographical segments based on a measure of revenue and adjusted operating profit.

Adjusted operating profit is earnings before interest, tax, amortisation of customer relationships and exceptional items.

Revenue by geographical market

	2025 £'000	2024 £'000
UK & Ireland	131,254	137,351
Europe	133,526	138,971
Turkey & International	14,818	14,255
Total revenue	279,598	290,577

The revenue arising in the UK, being the Company's country of domicile, was £126,046,000 (2024: £134,442,000). All revenue arising in the UK was to external customers.

Adjusted operating profit by geographical market

	2025 £'000	2024 £'000
UK & Ireland	29,959	29,548
Europe	7,331	7,937
Turkey & International	1,183	1,042
Central costs	(6,002)	(7,005)
Adjusted operating profit	32,471	31,522
Exceptional items	(14,925)	-
Amortisation of customer relationships	(69)	(137)
Operating profit	17,477	31,385

Further detail on the exceptional items can be found in note 5.

The revenue information above is based on the locations of the customers. All revenue arises from the sale of goods.

One customer has revenues in excess of 10% of revenue (2024: one).

Non-current operating assets

	2025 £'000	2024 £'000
UK	14,662	16,324
The Netherlands	16,779	17,453
Turkey	26,622	25,549
Italy	13,916	23,894
Other	859	605
Total	72,838	83,825

The CODM reviews the non-current operating assets based on the geographical regions in the table above, rather than those used when reviewing revenue and adjusted operating profit, because this is the physical location of the assets. These values agree to the measurement of the assets per the financial statements.

4 Other operating income/(expenses)

	2025 £'000	2024 £'000
Net gain on disposal of property, plant and equipment	80	118
Foreign currency gains	3,559	723
Net losses on forward derivative contracts	(1,052)	(35)
Sundry other income	414	513
	3,001	1,319

5 Exceptional items

	2025 £'000	2024 £'000
Impairment of goodwill	2,694	-
Impairment of customer relationships	1,392	-
Impairment of property, plant and equipment	5,814	-
Inventory provision	2,307	-
Restructuring costs	2,718	-
	14,925	-

During the year ended 31 December 2025, the charge for exceptional items was £14,925,000, of which £2,262,000 relates to cash items and £12,663,000 relates to non-cash items.

During the year, an impairment was recognised in respect of the Radiators SpA cash-generating unit, resulting in an impairment of goodwill of £2,694,000, an impairment of customer relationships of £1,392,000, an impairment of property, plant and equipment of £5,814,000 and an inventory provision of £2,307,000, which has arisen due to the circumstances surrounding the impairment.

Additionally, restructuring costs of £2,718,000 have been incurred or provided for as a result of proactive margin management initiatives and cost reduction activities across our sites in Turkey, Italy and Denmark.

Further detail can be found in the Finance and Business Review within the exceptional items section on page 13.

All exceptional items have been presented as such because they are one-off in nature and separate disclosure allows the underlying trading performance of the Group to be better understood.

6 Finance costs

	2025 £'000	2024 £'000
Interest on bank loans	4,461	5,723
Amortisation of loan issue costs	692	375

Amortisation of loan issue costs	1,047	921
Interest expense on defined benefit liabilities	97	129
Finance charges payable on lease liabilities	1,279	1,041
Other finance charges	7,576	8,189

Amortisation of loan issue costs includes £342,000 related to a one-off loan fee amortisation upon refinancing, which has been classified as one-off refinancing costs in note 8 when calculating the adjusted earnings per share.

7 Income tax expense

The major components of income tax expense are as follows:

	2025 £'000	2024 £'000
Consolidated income statement		
Current income tax:		
Current income tax charge	8,794	5,083
Adjustments in respect of current income tax charge of previous year	(41)	(127)
Deferred tax:		
Relating to origination and reversal of temporary differences	477	1,908
Income tax expense reported in the income statement	9,230	6,864

	2025 £'000	2024 £'000
Consolidated statement of comprehensive income		
Tax related to items recognised in other comprehensive income/(expense) during the year:		
Deferred tax on actuarial loss	(28)	(232)
Current tax on monetary items forming part of net investment and on hedges of net investment	(229)	217
Income tax credited to other comprehensive income	(257)	(15)

Reconciliation of tax expense and the accounting profit at the tax rate in the United Kingdom of 25% (2024: 25%):

	2025 £'000	2024 £'000
Profit before tax	10,074	23,382
Profit before tax multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	2,519	5,846
Adjustments in respect of current income tax charge of previous year	(41)	(127)
Non-deductible expenses	2,883	352
Differences arising due to tax losses	1,048	286
Other timing differences (including exceptional charges)	2,150	721
Benefit of overseas investment incentives	-	(220)
Withholding tax on dividend income	1,508	1,032
Effect of different overseas tax rates	(837)	(1,026)
Total tax expense reported in the income statement	9,230	6,864

Deferred tax

Deferred tax relates to the following:

	Consolidated balance sheet		Consolidated income statement	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Capital allowances	(784)	(641)	11	(742)
Pension	901	1,010	(189)	99
Fixed asset fair value adjustments	(184)	(1,303)	1,165	58
Losses available for offsetting against future income	2,343	3,322	(1,069)	(965)
Other temporary differences	2,338	2,224	(395)	(358)
Deferred tax charge			(477)	(1,908)
Net deferred tax assets	4,614	4,612		
Reflected in the balance sheet as:				
Deferred tax assets	4,836	4,821		
Deferred tax liabilities	(222)	(209)		
Deferred tax assets, net	4,614	4,612		

Reconciliation of deferred tax assets, net

	2025 £'000	2024 £'000
Opening balance as at 1 January	4,612	6,467
Tax charge recognised in income statement	(477)	(1,908)
Tax income recognised in other comprehensive income/(expense)	28	232
Exchange adjustment	451	(179)
Closing balance as at 31 December	4,614	4,612

The Group offsets tax assets and liabilities if it has a legally enforceable right to set them off and they are levied by the same tax authority. Deferred tax assets in respect of losses of £602,000 (2024: £2,118,000) have been recognised in respect of two (2024: two) loss-making subsidiary companies; these are recognised on the grounds of future projected performance.

Deferred tax asset recognition

The deferred tax assets have been analysed in detail at the year end and the recognition of assets, in particular those in respect of tax losses, has been scrutinised in detail with modelling undertaken to ensure that they are likely to be utilised over a period of time where profitability can be estimated with reasonable certainty.

Unrecognised deferred tax balances

	2025 £'000	2024 £'000
Capital allowances	14	13
Losses available for offsetting against future income	2,741	3,486
	2,755	3,499

The Group has tax losses which arose in the United Kingdom of £10,964,000 (2024: £13,944,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they either relate to CIR losses which cannot be reliably

have not been recognised in respect of these losses as they either relate to intangible assets which cannot be reliably utilised in the short term or they arose prior to April 2017 in subsidiaries that are not profit making and where there is no evidence of recoverability in the near future.

8 Earnings per share

	2025 £'000	2024 £'000
Net profit for the year attributable to owners of the parent	844	16,518
Exceptional items	14,925	-
Amortisation of customer relationships	69	137
Refinancing costs (note 6)	342	-
Tax on exceptional items	582	-
Tax on amortisation of customer relationships	(19)	(38)
Tax on refinancing costs	(86)	-
Adjusted net profit for the year attributable to owners of the parent	16,657	16,617

	2025 Number	2024 Number
Basic weighted average number of shares in issue	127,352,555	127,352,555
Diluted weighted average number of shares in issue	127,474,048	128,389,983

Earnings per share		
Basic earnings per share (pence per share)	0.66	12.97
Diluted earnings per share (pence per share)	0.66	12.87
Adjusted earnings per share		
Basic earnings per share (pence per share)	13.08	13.05
Diluted earnings per share (pence per share)	13.07	12.94

9 Dividends paid

The Board is recommending a final dividend of 5.05 pence per share (2024: 4.81 pence per share), which, if approved, will mean a final dividend payment of £6,431,000 (2024: £6,126,000).

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated financial statements.

	2025 £'000	2024 £'000
Declared and paid during the year		
Equity dividend on ordinary shares:		
Final dividend for 2024: 4.81p per share (2023: 4.72p per share)	6,126	6,011
Interim dividend for 2025: 3.04p per share (2024: 2.98p per share)	3,872	3,795
	9,998	9,806

	2025 £'000	2024 £'000
Dividend proposed (not recognised as a liability)		
Equity dividend on ordinary shares:		
Final dividend for 2025: 5.05p per share (2024: 4.81p per share)	6,431	6,126

10 Property, plant and equipment

	Freehold land and buildings £'000	Leasehold buildings £'000	Assets under construction £'000	Plant and equipment £'000	Fixtures, fittings and motor vehicles £'000	Total £'000
Cost						
At 1 January 2024	46,202	12,741	1,266	89,078	12,280	161,567
Additions	124	214	4,951	980	742	7,011
Transfers	214	-	(4,438)	3,820	404	-
Disposals	-	(140)	-	(829)	(806)	(1,775)
Exchange adjustment	(1,675)	(587)	(19)	(3,929)	(331)	(6,541)
At 31 December 2024	44,865	12,228	1,760	89,120	12,289	160,262
Additions	201	706	2,243	2,748	1,267	7,165
Transfers	34	-	(1,346)	1,114	198	-
Disposals	(259)	(1,422)	-	(11,869)	(1,065)	(14,615)
Exchange adjustment	1,961	669	60	4,601	411	7,702
At 31 December 2025	46,802	12,181	2,717	85,714	13,100	160,514
Accumulated depreciation and impairment						
At 1 January 2024	14,749	5,760	-	45,766	8,045	74,320
Depreciation charge	1,616	1,489	-	6,766	1,821	11,692
Disposals	-	(47)	-	(806)	(699)	(1,552)
Exchange adjustment	(411)	(298)	-	(2,461)	(201)	(3,371)
At 31 December 2024	15,954	6,904	-	49,265	8,966	81,089
Depreciation charge	1,415	1,486	-	6,745	1,747	11,393
Disposals	(260)	(1,422)	-	(11,853)	(1,061)	(14,596)
Impairment (note 11)	5,815	-	-	(23)	22	5,814
Exchange adjustment	654	388	-	3,002	279	4,323
At 31 December 2025	23,578	7,356	-	47,136	9,953	88,023
Net book value						
At 31 December 2025	23,224	4,825	2,717	38,578	3,147	72,491
At 31 December 2024	28,911	5,324	1,760	39,855	3,323	79,173
At 31 December 2023	31,453	6,981	1,266	43,312	4,235	87,247

The carrying value of right-of-use assets within property, plant and equipment, by line item, at the year end is:

	2025 £'000	2024 £'000
Leasehold buildings	4,819	5,299
Plant and equipment	1,546	1,175
Fixtures, fittings and motor vehicles	1,040	1,255
	7,405	7,729

Right of use asset additions within property, plant and equipment, by line item, during the year are:

right-of-use asset additions within property, plant and equipment, by line item, during the year are:

	2025 £'000	2024 £'000
Leasehold buildings	706	214
Plant and equipment	736	523
Fixtures, fittings and motor vehicles	508	413
	1,950	1,150

Depreciation of right-of-use assets within property, plant and equipment, by line item, during the year is:

	2025 £'000	2024 £'000
Leasehold buildings	1,465	1,462
Plant and equipment	577	565
Fixtures, fittings and motor vehicles	607	739
	2,649	2,766

Land and buildings with a carrying amount of £12,024,000 (2024: £18,095,000) are subject to a first charge to secure the Group's bank loan.

No borrowing costs have been capitalised since the assets have not met the criteria for qualifying assets.

11 Intangible assets

	Goodwill £'000	Customer relationships £'000	Technology and software costs £'000	Total £'000
Cost				
At 1 January 2025	2,607	1,737	1,357	5,701
Additions	-	-	35	35
Disposals	-	-	(210)	(210)
Exchange adjustment	146	97	73	316
At 31 December 2025	2,753	1,834	1,255	5,842
Accumulated amortisation and impairment				
At 1 January 2025	-	323	726	1,049
Amortisation	-	69	261	330
Disposals	-	-	(124)	(124)
Impairment	2,694	1,392	-	4,086
Exchange adjustment	59	50	45	154
At 31 December 2025	2,753	1,834	908	5,495
Net book value				
At 31 December 2025	-	-	347	347
At 31 December 2024	2,607	1,414	631	4,652

Included in technology and software costs are assets under construction of £nil (2024: £nil), which are not amortised.

Impairment

Goodwill is subject to annual impairment testing. All of the goodwill recognised was allocated to a single cash generating unit ("CGU"), being the Radiators SpA division which, after the impairment was recognised, had a total carrying value of £13.9 million. A CGU represents the lowest level in the Group at which goodwill is monitored for internal management purposes.

Management is required to assess CGUs for impairment where it believes there are triggers for impairment. During the year, management identified that there were triggers for impairment with respect to the Radiators SpA CGU and performed an impairment review as set out below.

Impairment tests were performed by analysing the carrying amount allocated to the CGU against the higher of fair value less costs to sell or its value in use. Both methods used the net present value of the CGU's discounted future cash flows covering a three year period.

Terminal growth rates of 1.8% were applied beyond this, based on historical macroeconomic performance and projections of the sector served by the CGUs.

When assessing for impairment, management has considered the impact of climate change, particularly in the context of the risks and opportunities identified within the Task Force on Climate related Financial Disclosures Report, and has not identified any material short term impacts from climate change that would impact the recoverable amount of the CGU.

For the value in use model, a pre tax discount rate of 14.8% has been applied in determining the recoverable amounts of the CGU. The pre tax discount rate was estimated based on the Group's risk adjusted cost of capital. Other key assumptions throughout the budget period are EBITDA, which has been included in the terminal value at a margin of 7%, volumes, contribution per radiator sold and capital expenditure. The key assumptions have been determined using past experience or external sources of information.

Further detail on the impairment can be found in the Finance and Business Review within the exceptional items section on page 13.

Based on the impairment tests performed, the recoverable amount calculated in the impairment review of the Radiators SpA CGU was lower than the carrying amount. As a result, an impairment has been recognised, reducing goodwill by £2,694,000, customer relationships by £1,392,000 and property, plant and equipment by £5,814,000. Inventories are not included in the carrying value of the CGU; however, the circumstances surrounding the impairment have resulted in an additional inventory provision of £2,307,000. The tax impact of the total impairment was a charge of £856,000.

12 Financial liabilities

Financial liabilities - other - not interest bearing

Financial instruments through profit or loss reflect the change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

	2025 £'000	2024 £'000
Liabilities		
Financial instruments at fair value through profit or loss		
Derivatives not designated as hedges - foreign exchange forward contracts	224	

Derivatives not designated as hedges - foreign exchange forward contracts	221	-
Total instruments at fair value through profit or loss	221	-
Current	221	-
Non-current	-	-

Financial liabilities - interest-bearing loans and borrowings

	Effective interest rate %	Maturity	2025 £'000	2024 £'000
Current interest-bearing loans and borrowings				
Lease liabilities			2,579	2,212
			2,579	2,212
Non-current interest-bearing loans and borrowings				
Lease liabilities			4,979	5,671
Revolving credit facility - GBP	SONIA + 1.75%	4 Dec 2028	32,300	41,750
Revolving credit facility - Euro	Euribor + 1.75%	4 Dec 2028	13,097	13,146
Term loan	Euribor + 1.75%	4 Dec 2028	24,750	23,436
Unamortised loan costs			(715)	(674)
			74,411	83,329
Total interest-bearing loans and borrowings			76,990	85,541

The Group has a £100 million loan facility jointly financed by National Westminster Bank plc and Barclays Bank plc. The facility consists of a £76.027 million revolving credit facility ("RCF") and a €28.346 million term loan facility.

During the year ended 31 December 2025, the £100 million loan facility was renewed. The renewed facility is for an initial three-year term until December 2028, with an extension option for two further years, and is provided by the two existing lenders.

The RCF and term loan facilities are secured on the assets of certain subsidiaries within the Group.

Changes in liabilities arising from financing activities

	1 January 2025 £'000	Cash flows £'000	Non-cash changes £'000	31 December 2025 £'000
Liabilities from financing activities				
Revolving credit facility - GBP	41,750	(9,450)	-	32,300
Revolving credit facility - Euro	13,146	(769)	720	13,097
Term loan	23,436	-	1,314	24,750
Lease liabilities	7,883	(712)	387	7,558
	86,215	(10,931)	2,421	77,705
Other assets				
Cash and cash equivalents	(18,633)	442	(787)	(18,978)
	(18,633)	442	(787)	(18,978)
Net liabilities arising from financing activities	67,582	(10,489)	1,634	58,727

The non-cash changes all relate to foreign exchange differences.

13 Inventories

	2025 £'000	2024 £'000
Raw materials	23,183	23,818
Work in progress	2,796	3,388
Finished goods	33,350	37,063
Other consumables	3,073	3,042
	62,402	67,311

The cost of inventories recognised as an expense in the year was £193,327,000 (2024: £201,617,000). The provision for the impairment of stocks increased in the year, giving rise to a cost of £3,754,000 (2024: cost of £760,000), of which £2,307,000 was recognised as an exceptional item (note 5). At 31 December 2025, the provision for the impairment of stocks was £7,958,000 (2024: £3,974,000).

14 Trade and other receivables

	2025 £'000	2024 £'000
Current		
Trade receivables	43,508	42,279
Other receivables	2,842	2,629
Prepayments	814	570
	47,164	45,478
Non-current		
Other receivables	299	284
	299	284

The table below sets out the movements in the allowance for expected credit losses of trade receivables:

	2025 £'000	2024 £'000
At 1 January	548	806
Charge for the year	-	14
Utilised	(20)	-
Unused amounts reversed	(7)	(246)
Exchange adjustment	31	(26)
At 31 December	552	548

As at 31 December, the ageing of trade receivables (gross of impairment) is as follows:

	Total £'000	Current £'000	<30 days £'000	30-90 days £'000	>90 days £'000
2025					
Gross carrying amount	44,060	32,679	9,881	1,500	-
2024					
Gross carrying amount	42,827	32,844	5,484	2,879	2,420

Gross carrying amount	42,821	33,241	3,404	3,813	249
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15 Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and on hand	18,978	18,633

16 Trade and other payables

	2025 £'000	2024 £'000
Current		
Trade payables	44,040	46,581
Other payables and accruals	17,168	18,485
Other taxes and social security	5,595	3,822
Interest payable	255	322
	67,058	69,210

17 Provisions

	Warranty £'000	Compensation fund £'000	Restructuring £'000	Unused vacation £'000	Total £'000
At 1 January 2024	746	1,220	2,684	347	4,997
Arising during the year	332	126	-	765	1,223
Released	(169)	-	-	-	(169)
Utilised	(430)	-	(2,323)	(440)	(3,193)
Exchange adjustment	(27)	(59)	(52)	(61)	(199)
At 31 December 2024	452	1,287	309	611	2,659
Arising during the year	362	3	332	626	1,323
Released	-	(115)	-	-	(115)
Utilised	(310)	(65)	(9)	(461)	(845)
Exchange adjustment	27	67	24	(237)	(119)
At 31 December 2025	531	1,177	656	539	2,903
Current	116	-	656	299	1,071
Non-current	415	1,177	-	240	1,832

Compensation fund

The supplementary customer compensation fund is made in accordance with European legislation to provide for potential severance payments to agents.

Restructuring

The restructuring provision relates to Group-wide restructuring programmes undertaken to drive cost savings for future periods.

Unused vacation

A provision is recognised in respect of an unused vacation pay liability due to certain employees in Turkey. The timing of the provision is dependent on the rate at which employees take additional vacation.

18 Share capital and reserves

	2025 Number	2025 £	2024 Number	2024 £
Authorised, called up and fully paid				
Ordinary shares of £0.001 each	127,352,555	127,353	127,352,555	127,353
		127,353		127,353

19 Commitments and contingencies

Commitments

Amounts contracted for but not provided in the financial statements amounted to £1,349,000 (2024: £177,000) for the Group. All amounts relate to property, plant and equipment.

Contingent liabilities

Termo Teknik Ticaret ve Sanayi A.S. has issued letters of guarantee and letters of credit to its steel suppliers amounting to 846,000 (2024: 17,917,000) and 36,444,000 (2024: 18,071,000) respectively. Termo Teknik Ticaret ve Sanayi A.S. has also issued letters of guarantee denominated in Turkish Lira totalling TL28,993,000 (2024: TL26,514,000).

The Group enters into various forward currency contracts to manage the risk of foreign currency exposures on certain purchases and sales. The total amount of unsettled forward contracts as at 31 December 2025 is £13,863,000 (2024: £12,123,000) on purchases and £23,750,000 (2024: £17,500,000) on sales.

The fair value of the unsettled forward contracts held at the balance sheet date, determined by reference to their market values, is a liability of £221,000 (2024: asset of £293,000).

As part of the £100 million loan facility, renewed in December 2025, the Group is party to a cross-collateral agreement secured on specific assets of certain Group companies. No liability is expected to arise from the agreement.

Under an unlimited multilateral guarantee, the Company, in common with certain fellow subsidiary undertakings in the UK, has jointly and severally guaranteed the obligations falling due under the Company's net overdraft facilities. No liability is expected to arise from this arrangement.

Reconciliation of alternative performance measures and glossary of terms

The Group uses some alternative performance measures to monitor and assess the underlying performance of the business. These measures include adjusted operating profit and adjusted profit for the year. These measures are deemed useful as they aid comparability year on year. The use of alternative performance measures compared to statutory IFRS measures does give rise to limitations, including a lack of comparability across companies and the potential for them to present a more favourable view. Further, these measures are not a substitute for IFRS measures of profit. Alternative performance measures are defined in the glossary of terms below. Alternative performance measures are reconciled to the appropriate financial statements line item being disclosed.

Reconciliation of adjusted profit for the year and adjusted earnings per share

	2025 £'000	2024 £'000
Profit for the year	844	16,518
Adjusted for:		

Exceptional items	14,925	-
Amortisation of customer relationships	69	137
Refinancing costs	342	-
Tax on exceptional items	582	-
Tax on amortisation of customer relationships	(19)	(38)
Tax on refinancing costs	(86)	-
Adjusted profit for the year	16,657	16,617
Basic weighted average number of shares in issue	127,352,555	127,352,555
Diluted weighted average number of shares in issue	127,474,048	128,389,983
Earnings per share		
Basic earnings per share (pence per share)	0.66	12.97
Diluted earnings per share (pence per share)	0.66	12.87
Adjusted earnings per share		
Basic earnings per share (pence per share)	13.08	13.05
Diluted earnings per share (pence per share)	13.07	12.94

Reconciliation of adjusted operating profit and EBITDA

	2025 £'000	2024 £'000
Operating profit	17,477	31,385
<i>Adjusted for:</i>		
Exceptional items	14,925	-
Amortisation of customer relationships	69	137
Adjusted operating profit	32,471	31,522
<i>Adjusted for:</i>		
Depreciation	11,393	11,692
Amortisation (excluding customer relationships)	261	331
EBITDA	44,125	43,545

Reconciliation of cash flow from operations, adjusted cash flow from operations and free cash flow

	2025 £'000	2024 £'000
EBITDA (see reconciliation above)	44,125	43,545
<i>Adjusted for:</i>		
Exceptional items - cash items	(2,262)	-
Gain on disposal of property, plant and equipment	(80)	(118)
Share-based payments	704	440
Working capital adjustments	(520)	(12,375)
Net capital expenditure	(7,727)	(8,485)
Cash flow from operations	34,240	23,007
Income tax paid	(8,000)	(6,265)
Interest paid - net	(5,732)	(7,186)
Free cash flow	20,508	9,556
Cash flow from operations (see reconciliation above)	34,240	23,007
<i>Adjusted for:</i>		
Exceptional items	2,262	-
Exceptional items' impact on working capital	(330)	2,320
Adjusted cash flow from operations	36,172	25,327

	2025 £'000	2024 £'000
Decrease in trade and other receivables	517	3,885
Decrease/(increase) in inventories	4,690	(6,143)
Decrease in trade and other payables	(4,430)	(6,743)
Increase/(decrease) in provisions	94	(2,176)
Movement in other financial assets/liabilities	531	(610)
Decrease in other pension provisions	(1)	(7)
Difference between pension charges and cash contributions	(1,921)	(581)
Working capital adjustments	(520)	(12,375)

	2025 £'000	2024 £'000
Proceeds from sale of property, plant, equipment and intangible assets	185	341
Purchase of property, plant and equipment	(5,215)	(5,861)
Purchase of intangible assets	(35)	(100)
Payment of lease liabilities	(2,662)	(2,865)
Net capital expenditure	(7,727)	(8,485)

Reconciliation of business capital employed and return on capital employed

	2025 £'000	2024 £'000
Property, plant and equipment	72,491	79,173
Technology and software costs	347	631
Inventories	62,402	67,311
Trade and other receivables	47,463	45,762
Trade and other payables	(67,058)	(69,210)
Provisions	(2,903)	(2,659)
Net employee defined benefit liabilities	(4,625)	(5,118)
Financial (liabilities)/assets	(221)	293
Business capital employed	107,896	116,183

	2025 £'000	2024 £'000
Adjusted operating profit	32,471	31,522
Business capital employed	107,896	116,183
Return on capital employed	30.1%	27.1%

Reconciliation of net debt and leverage

	2025 £'000	2024 £'000
Total interest-bearing loans and borrowings	76,990	85,541
Cash and cash equivalents	(18,978)	(18,633)
<i>Adjusted for:</i>		
Unamortised loan costs	715	674
Net debt	58,727	67,582
EBITDA (see reconciliation above)	44,125	43,545
Debt leverage ratio	1.33	1.55

Reconciliation of net debt and leverage before lease liabilities

	2025 £'000	2024 £'000
Total interest-bearing loans and borrowings	76,990	85,541
Cash and cash equivalents	(18,978)	(18,633)
<i>Adjusted for:</i>		
Unamortised loan costs	715	674
Lease liabilities	(7,558)	(7,883)

Net debt before lease liabilities	51,169	59,699
EBITDA (see reconciliation above)	44,125	43,545
Debt leverage ratio before lease liabilities	1.16	1.37

Adjusted cash flow from operations: Cash flow from operations before exceptional items and the impact of exceptional items on working capital.

Adjusted EPS: Adjusted earnings per share is calculated on adjusted profit for the year divided by the weighted average number of shares in issue.

Adjusted operating profit: Operating profit before exceptional items, amortisation of customer relationships, foreign exchange differences (until 31 December 2022) and the impact of IAS 29 (until 31 December 2022).

Adjusted profit for the year: Earnings before exceptional items, amortisation of customer relationships, foreign exchange differences (until 31 December 2022), the impact of IAS 29 (until 31 December 2022) and tax thereon.

Business capital employed: The sum of property, plant and equipment, technology and software costs, trade and other receivables, inventories, other current financial assets, provisions, net employee defined benefit liabilities, trade and other payables and other current financial liabilities.

CAGR: Compound annual growth rate.

Cash flow from operations: EBITDA, less exceptional items, plus or minus movements in operating working capital, less share-based payment expense, less net investments in property, plant and equipment, less technology and software costs, less finance lease payments.

Cash flow from operations conversion: Calculated by dividing cash flow from operations by adjusted operating profit.

Contribution: Revenue from sale of the Group's products less any cost of direct materials, variable distribution costs, variable selling costs, direct labour costs and other variable costs.

Debt leverage ratio: Calculated by dividing net debt by EBITDA.

Debt leverage ratio before lease liabilities: Calculated by dividing net debt before lease liabilities by EBITDA.

EBITDA: Profit before interest, taxation, depreciation, amortisation, exceptional items, foreign exchange differences (until 31 December 2022) and the impact of IAS 29 (until 31 December 2022).

Free cash flow: Cash flow from operations less tax paid less net interest paid.

Net debt: The sum of revolving credit facilities, term loan and lease liabilities net of cash.

Return on capital employed: Adjusted operating profit as a percentage of business capital employed.

RMI: Repair, maintenance and improvement activities.

Certain statements in this presentation are forward-looking statements which are based on Stelrad Group plc's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. Such forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, Stelrad Group plc undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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