28 February 2025

Press Release

The Weir Group PLC reports its Full Year results for the year ended 31 December 2024.

AM demand acceleration and strong execution through second half of 2024
2026 targets for Performance Excellence savings and operating margins upgraded

Project pipeline continuing to strengthen and beginning to convert
- £67m of orders received for Reko Diq and OCP expansion projects
- Overall OE orders[1] slightly down YoY; strong demand in brownfield with Q4 delays in project awards

Installed base expansion and improving H2 activity levels driving strong aftermarket demand growth
- Q4 AM orders[1] +10% YoY (+7% excluding £14m from re-phasing of multi-year contract)
- Full year AM orders[1] +4% reflecting acceleration of demand through second half

Performance Excellence benefits and adjusted operating margins ahead of prior expectation
- Cumulative Performance Excellence savings of £29m to date
- Adjusted operating profit[1,2] of £472m, +9%
- Adjusted operating margin[1,2] of 18.8%; significantly ahead of prior year +170bps

Cash conversion above target range and returns improving further
- Free operating cash conversion of 102% (guidance 90-100%)
- Net debt to EBITDA 0.7x
- Return on capital employed of 19.3%, +130bps

2025 Outlook: Growth in constant currency revenue, operating profit and operating margins
- Strong opening order book and positive activity levels in AM
- Performance Excellence savings of £20m expected in 2025
- Free operating cash conversion of 90-100%
- 2026 Performance Excellence savings target increased to £80m and operating margins expected to be above 20%

	2024	2023	As reported +/-	Constant currency[1] +/-
Continuing Operations[3]				
Orders[1]	**£2,523m**	£2,475m	n/a	+2%
Revenue	**£2,506m**	£2,636m	-5%	-1%
Adjusted operating profit[2]	**£472m**	£459m	+3%	+9%
Adjusted operating margin[2]	**18.8%**	17.4%	+140bps	+170bps
Adjusted profit before tax[2]	**£428m**	£411m	+4%	n/a
Statutory profit before tax	**£347m**	£321m	+8%	n/a
Adjusted earnings per share[2]	**120.0p**	115.9p	+4%	n/a
Return on capital employed	**19.3%**	18.0%	+130bps	n/a
Total Group				
Statutory profit after tax	**£313m**	£229m	+37%	n/a
Statutory earnings per share	**121.1p**	88.2p	+37%	n/a
Free operating cash conversion	**102%**	85%	+17pp	n/a
Dividend per share	**40.0p**	38.6p	+4%	n/a
Net debt[4]	**£535m**	£690m	+£155m	n/a

See footnotes on page 5

Jon Stanton, Chief Executive Officer said:

"Weir is delivering on its mission to provide mining technology for a sustainable future and executing well against the commitments set out in our equity case. We are shaping innovation that will enable the mining industry to scale up and clean up and delivering strong outcomes for customers. At the same time our Performance Excellence programme has created the efficient scalable platform that positions Weir for compounding growth in the years ahead.

The power of our transformed platform was evident in our strong execution in 2024 with operating margins and cash conversion significantly ahead of expectation, supported by strengthening demand conditions in the second half.

As we go into 2025, we have a growing pipeline of project bids, a strong order book, and see positive aftermarket demand drivers in mining. For the full year, we expect to deliver growth in revenue, operating profit and margins. We expect our Performance Excellence programme will deliver incremental savings of £20m in 2025, and cumulative savings of £80m through 2026, moving our operating margins sustainably beyond 20%."

A webcast of the management presentation will begin at 07:30 (GMT) on 28 February 2025 at www.investors.weir.
A recording of the webcast will also be available at www.investors.weir.

CHIEF EXECUTIVE OFFICER'S REVIEW

Introduction

In 2024, we performed strongly against a backdrop of macroeconomic and geopolitical uncertainty. We grew our pipeline of market-leading sustainable original equipment (OE) solutions and delivered growth in our aftermarket (AM) business as customers maximised production at their existing assets. We transformed the way we operate across our businesses and maintained our focus on our customers. We executed well against our commitments to our stakeholders delivering significant growth in operating profit, operating margins and cash generation.

Throughout the year, activity levels in mining markets remained high as customers position to address the long-term structural demand for critical minerals. While permitting remains a challenge in certain geographies, governments around the world have signalled their support for accelerating long delayed applications and bright spots are emerging as customers renew investment in future growth through new greenfield projects. In June we launched our refreshed brand - mining technology for a sustainable future - positioning Weir as a market-leading strategic partner for our customers as they scale up and clean up to deliver the metals and minerals required for the energy transition. This is reflected in our strengthening pipeline of projects that is beginning to convert, while our resilient aftermarket biased business model continues to deliver growth across our businesses.

We made significant progress in our Performance Excellence programme in 2024, delivering cumulative savings of £29m, ahead of expectations. Our achievement reflects our progress in optimising capacity, implementing lean processes and functional transformation across Weir, all while maintaining our commitment to be there for our customers.

Our refreshed sustainability strategy now sits at the core of our We are Weir strategic framework - focusing on what we do internally to deliver sustainable Weir and externally to accelerate sustainable mining. The health, safety and wellbeing of colleagues remains our top priority, and we have taken steps to reinforce and reinvigorate a zero harm culture. Partnering with customers, our engineers are developing innovative new technologies to move less rock, use less energy, use water wisely and create less waste, enabled by intelligent automation. In 2024 we launched ESCO® Nexsys™, the next generation of our market-leading core GET and lip system. We also continued to expand our digital offering with the launch of NEXT intelligent solutions and new MOTION METRICS™ ShovelMetrics™ technology to support our customers in making real-time decisions that help them to run their operations more efficiently and safely.

Our performance in 2024 is a testament to the hard work and dedication of Weir colleagues across the globe. We recognise that the tough choices we have had made as we optimise our business has impacted some of our people. I would like to thank all our employees for their commitment and contribution to our success.

Going into 2025, we have strong operational momentum and supportive mining markets, underpinning our expectations for further revenue growth and margin expansion. We anticipate greater capital expenditure in mining markets will drive heightened demand for our market-leading sustainable solutions, particularly for larger flowsheet solutions. Given the strong delivery of our Performance Excellence programme, we are upgrading the absolute savings target to £80m in 2026 and, as a result, expect to achieve operating margins sustainably beyond 20% in 2026.

Further out, we are well positioned to deliver compelling value creation to our stakeholders. We are a focused mining technology leader with differentiated capabilities and high barriers to entry. Our markets are primed for a multi-decade growth opportunity driven by demand for critical minerals to support the energy transition, as well as the adoption of artificial intelligence (AI). Together with our strong operating platform, we are well positioned to deliver compounding financial benefits, while remaining resilient and doing the right thing for our people and the planet.

OE growth: Demand for critical minerals driving order pipeline conversion

The structural demand drivers for critical metals enabling electrification remain robust, supplemented by growing investment in AI. Despite short-term uncertainty in commodities, constructive changes in mine permitting and greenfield capital expenditure globally drove demand for our larger OE solutions through the second half of the year.

We secured a £53m order to supply an industry-leading fine grinding solution to Barrick Gold's Reko Diq copper-gold project in Pakistan, capitalising on growing industry acceptance of our Redefined Mill Circuit and supporting our customer's need to use less energy and water at this remote mine site. We also secured a £25m order to supply an energy efficient separation solution to OCP's Benguerir and Louta phosphate projects in Morocco, leveraging the market-leading WARMAN® slurry pump and CAVEX® hydrocyclone brands. Demand for OE in smaller brownfield and debottlenecking projects at existing mines remained stable.

Full year constant currency OE orders decreased 4% reflecting delays in timing of project awards in Q4 following a strong Q3, with several medium size orders being received in January. In our core Minerals business, we converted 92% of our completed mill circuit pump trials and in ESCO we won 118 net major diggers as we continue to drive strategic growth initiatives.

Encouragingly, several Tier 1 miners announced plans for additional capex throughout the globe and we continue to position ourselves as an essential partner for our customers in key growth markets. For example, in order to participate in the mining and metals growth strategy of Saudi Arabia, we agreed a head of terms to form a joint venture with Olayan Saudi Holding Company (Olayan), which will extend our extensive expertise in sales and sustainable mining technology solutions to the region. Under the terms of the joint venture, Weir will take the lead on sales, technical and product responsibilities, while Olayan will focus on new business development, capitalising on its strong presence and knowledge of the regional market.

AM growth: Installed base expansion and improving activity levels

Overall, we saw good levels of activity across the global mining sector. Market prices for our main commodity exposures of copper, gold and iron ore were well above customers' cost to produce, while nickel and lithium producers remain under pressure from lower commodity prices.

Across the Group, demand was particularly strong in the Middle East and Africa where we continue to grow market share. Both Minerals and ESCO saw an elevated level of mine-specific headwinds in the first half, such as shutdowns in Panama and Australia, but these trends were more than offset in the second half as the commissioning of new installed base accelerated. From a commodity perspective, order growth was strongest in future facing minerals such as copper and phosphate, while year-on-year demand decreased in both coal and the oil sands.

Infrastructure markets were largely stable through the year. Orders from infrastructure customers grew 2%, though absolute orders remain below peak levels seen in previous years.

Full year constant currency AM orders increased by 4% driven by hard rock mining production trends, installed base expansion and a modest contribution from pricing.

As previously indicated, the large annual recurring order usually received in Minerals during the second quarter has been split this year between the second and fourth quarter due to the timing of the contract renewal - the net effect being that c.£14m of aftermarket orders have shifted to the second half. In 2025, the full annual order of around £31m is expected to be received in the second quarter.

Revenue and margins: Performance Excellence ahead of plan

Despite strong execution in the fourth quarter, revenue for the Group declined 1% for the full year on a constant currency basis with aftermarket growth of 2% offset by the phasing of two large OE project deliveries into 2025. The Group’s book-to-bill was 1.01.

The operating environment in 2024 was stable. Our leading market positions and strong brands enabled us to achieve sufficient price increases during the year to protect our gross margins from any inflationary effects across our cost base.

Progress within our Performance Excellence programme continues at pace and is ahead of our targets for cumulative absolute savings. During the year, we recognised the benefits of projects launched at the start of the programme, including the consolidation of several Minerals manufacturing facilities in the US and APAC, as well as optimisation of our Australian service centre and Latin American distribution footprints. Adoption of our refreshed lean programme, Weir Integrating Network System (WINS) in Minerals, contributed to the largest savings during the year, driving a reduction in overall material cost as well as quality improvements.

We opened our new ESCO foundry in Xuzhou, China, the most efficient in our network, ensuring that we remain highly responsive to demands from within our own supply chain. We also established Weir Business Services (WBS) and are embedding new ways of working through transformation across our Finance, HR and IS&T functions, the benefits of which will be reflected in years to come.

On a constant currency basis, adjusted operating profit grew 9% year-on-year, and adjusted operating margins were 18.8%, up 170bps on the prior year. Expansion in operating margin arose from very strong execution within Performance Excellence workstreams and movement in Minerals revenue mix towards aftermarket.

Returns: Growth in returns and strong balance sheet

Free operating cash conversion for the year increased to 102%, above our 2024 target range of 90% to 100%, benefiting from a strong reduction in working capital driven by lean projects within Performance Excellence. Our strong cash generation continued through the second half of the year and overall represents a significant 17 percentage point improvement on the prior year. Working capital as a percentage of sales reduced to 20.7% (2023: 21.3%).

As a result, net debt to EBITDA at the end of December was 0.7x, giving the Group considerable optionality and flexibility to deploy capital to grow total shareholder returns.

Reflecting our focus on execution together with continuing deleveraging of our balance sheet, return on capital employed (ROCE) was 19.3%, an increase of 130bps versus the prior year.

The Board is recommending a final dividend of 22.1 pence per share. This equates to a total full year dividend of 40.0 pence per share, in line with our policy to pay out 33% of adjusted earnings per share (EPS), and represents an increase of 4% on the prior year. The final dividend will be paid on 30 May 2025 to shareholders on the register on 22 April 2025.

Safety and sustainability: Affirming our vision for a zero harm workplace

Our goal is a zero harm workplace where everyone goes home safe and healthy. In April, tragically one of our colleagues suffered a fatal accident while at work. Since then, we have held safety stand downs to discuss the learnings and re-emphasise that safety must always come first. Overall, in 2024, lost time accident numbers were flat year-on-year and our total incident rate[5] (TIR) was unchanged at 0.42 (2023: 0.42).

Within our businesses we continue to talk openly about mental health and prioritise wellbeing. We were once again recognised by CCLA as a 'top improver' for mental health in an assessment of the UK's largest companies.

We created a new inclusion, diversity and equity (ID&E) Steering Committee of representatives from our senior leadership team as part of our efforts to accelerate the benefits that come with having a vibrant purpose-driven culture.

We invested in our people, supporting a focus on talent and succession planning through learning and personal growth. Our new global mentoring programme will provide additional opportunities to connect our employees and develop mutually rewarding relationships across our workforce. We contributed to science, technology, engineering and maths (STEM) initiatives across the globe, building talent and capabilities for the future.

Our employee net promoter score (eNPS) of 47 remains in the top quartile of manufacturing companies as benchmarked by Peakon. We maintain high levels of participation across our employees, with 88% responding to this year's survey.

We have continued to embed our refreshed sustainability strategy to deliver sustainable Weir and work in partnership with customers to accelerate sustainable mining. We have made great progress against our 2030 scope 1&2 Science Based Targets initiative (SBTi) targets and are well on track to deliver our target to reduce these emissions by 30% versus a 2019 baseline.

Outlook: Growth in revenue, operating profit and margins in 2025

Activity levels in our mining markets are positive as customers look to invest in projects that address structural critical metal demand. Supported by favourable commodity prices, customers continue to prioritise maximising ore production and improving the efficiency of existing mine sites which, together with ongoing installed base expansion, provides a strong underpin for demand for our aftermarket solutions.

We have upgraded our total Performance Excellence savings target to £80m in 2026, with £20m of incremental savings expected in 2025. This is supported by additional capacity optimisation and lean process opportunities that have been identified as we progress with the programme. We anticipate additional exceptional costs of £30m to complete these projects, taking the total expected programme cost to £120m.

The continued favourable backdrop in mining, combined with execution of Performance Excellence, underpins our confidence in delivering 2025 operating profits in line with current market expectations, driven by mid single digit revenue growth and around 50bps of operating margin expansion. We expect free operating cash conversion of between 90% and 100%, in line with our medium-term guidance as capex settles in line with depreciation and our lean operating model continues to deliver working capital efficiency.

Further out, the long-term value creation opportunity for Weir is compelling. The fundamentals for our business are highly attractive, underpinned by long-term structural growth trends in our mining markets, and our technology strategy to accelerate sustainable mining. In addition, we expect the benefits of Performance Excellence will drive further margin expansion and move our operating margins sustainably beyond 20%, while our strong cash generation and balance sheet give us optionality to allocate capital, compounding total shareholder returns.

We are Weir strategic framework: 2024 performance

Each year the Group sets strategic and ESG measures aligned to the 'We are Weir' framework of People, Customer, Technology and Performance. The table below summarises our 2024 performance and rating against each of these measures, with full details outlined in our 2024 Annual Report.

	Strategic initiatives	2024 Measures	2024 Performance and rating
People	Deliver on zero harm for our people and the environment Accelerate our purpose-driven culture and lead in inclusion, diversity and equity Create talent and capabilities for the future	• Retain our talent	• Voluntary attrition <11%
		• Improve our succession planning	• >8% improvement in roles with approved succession plans
		• Maintain top quartile engagement scores	• Engagement score in top 10% of benchmark
		• Improve our safety TIR[5] to 0.385*	• TIR[5] of 0.42 (2023: 0.42)
		• Improve our gender diversity*	• % of female in bands 3-5 improved by 2.5% • No change in % of female in bands 1-2
		• Maintain our mental health benchmark score*	• Maintained Tier 2 ranking in CCLA benchmark score
Customer	Execute our strategic growth initiatives Capture value from new strategic alliances Position Weir as a mining technology solutions partner	• Execute our strategic growth initiatives in each division	• Minerals: executed its key strategic initiatives; orders achieved of £155m vs target of £144m • ESCO: achieved capital orders of $38.5m vs target of $45.3m • ESCO: booked 8 conversions / upgrades to mining lip and adapter system vs target of 5
		• Capture value from strategic alliances	• 7 orders originating from new strategic alliances
		• Position Weir as a mining technology solutions partner	• Refreshed brand marketing strategy, deployed internally across group and divisions.
		• Customer Avoided Emissions*	• GEHO joined HPGR in Avoided Emissions product range
		• Customer water optimisation and waste impact*	• Developed KPIs to report water optimisation and waste impact outcomes
Technology	Revenue from new products Digitise our current business model Execute our Enterprise Technology Roadmap to plan	• Increase revenue from new products	• >£75m of Minerals revenue from new products • >$22m of ESCO revenue from new products
		• Digitise our current business model	• Minerals: >75 NEXT connected sites / new installs • ESCO: >75 Motion Metrics™ connected sites / new installs
		• Enterprise Technology Roadmap execution progress	• Improved our Weir Technology Readiness Levels ahead of our progress target
		• Progress our priority R&D projects*	• Targets for priority R&D projects achieved
Performance	Improve our lean processes Optimise our capacity Functional transformation, including Weir Business Services	• Lean Process	• Minerals: achieved target to improve process management scores • ESCO: achieved target labour hours/ton for US foundry network
		• Capacity Optimisation	• Minerals: achieved target savings • ESCO: achieved Xuzhou 2 progress target
		• Functional Transformation	• Savings achieved relative to value case and key TEA projects delivered
		• Reduce scope 1&2 CO_2e vs 2019 base aligned with SBTi*	• 27% absolute CO_2e reduction[6] achieved and verified
		• ESG data assurance roadmap*	• Assurance roadmap reviewed with Audit Committee and 2024 assurance process underway
		• Further integrate climate risk and opportunity into strategic planning*	• Activity to identify customer physical risk parameters well progressed

**ESG measures*

Notes:

The Group Financial Highlights and Divisional Financial Reviews include a mixture of GAAP measures and those which have been derived from our reported results in order to provide a useful basis for measuring our operational performance. Adjusted results are for continuing operations before adjusting items as presented in the Consolidated Income Statement. Details of other alternative performance measures are provided in note 2 of the Audited Results contained in this press release.

1. 2023 restated at 2024 average exchange rates.
2. Profit figures before adjusting items. Continuing operations statutory operating profit was £391m (2023: £368m). Total operations adjusted operating cash flow excludes additional pension contributions, exceptional and other adjusting cash items, and income tax paid. Total operations net cash generated from operating activities was £450m (2023: £394m).
3. Continuing operations excludes the Oil & Gas Division, which was sold to Caterpillar Inc. in February 2021 and the Saudi Arabian joint venture, which was sold to Olayan Financing Company in June 2021.
4. Refer to note 2 of the Audited Results contained in this press release for further details of alternative performance measures.
5. Total incident rate is an industry standard indicator that measures lost time and medical treatment injuries per 200,000 hours worked.
6. Market-based absolute CO_2 emissions. 2019 is the baseline year for our SBTi-aligned scope 1&2 target of 30% reduction in absolute emissions by 2030.

DIVISIONAL REVIEW

Minerals

Minerals is a global leader in products and integrated solutions for smart, efficient and sustainable processing in mining and infrastructure markets.

2024 Summary

- AM orders[1] +5%; demand growth driven by ore production and installed base expansion
- Revenue[1] -2%; AM +3% from volume and price; OE -14% due to orderbook phasing
- Performance Excellence benefits delivering: operating profit[1,2] +9%; operating margin[1,2] +200bps

2024 Strategic review

We delivered a year of good strategic progress, including the award of two large orders featuring our redefined mill circuit technologies, launching our new digital brand and delivering margin progression supported by Performance Excellence workstreams. Progress across all four pillars of the We are Weir strategic framework is outlined below.

People

On safety, TIR for Minerals was 0.34 (2023: 0.34). We are continuing to implement the lessons learned as a result of the fatal incident suffered by one of our colleagues in the year and are strengthening our commitment to achieve zero harm.

Customers

We are generating high levels of customer interest with our portfolio of sustainable solutions across comminution, separation and tailings. Market acceptance of our redefined mill circuit continues to grow, offering customers reduced CO_2 output, energy demand and operational costs. In 2024, OE orders for comminution doubled year-on-year. Our market-leading WARMAN® slurry pump and CAVEX® hydrocyclone separation technologies were selected by OCP Group for their greenfield phosphate projects in Morocco, a £25m order.

While investing in new growth opportunities, we continue to gain market share in large mill circuit pumps, converting over 90% of our competitive field trials in the year. In 2024, we were selected to provide the largest mill circuit pump in North America to the Highland Valley Copper project in Canada, highlighting our dedication to innovation and quality.

Technology

In September, we launched our new digital brand NEXT intelligent solutions, integrating our existing digital offerings such as Synertrex® and SentianAI to offer customers an integrated platform to help their operations run safer and more efficiently. We now have over 100 sites utilising our digital platform.

We invested in development of our redefined mill circuit products, taking lessons from the Iron Bridge project to extend our strong position in large format HPGRs. In addition, we launched our new ENDURON® Elite screen at MINExpo in September, which is one of the largest screens in the market for hard rock mining, delivering efficiency and energy savings.

Performance

The Division continues to progress key capacity optimisation workstreams, aligning the operational footprint to be closer to customers, and programmes delivering savings across the supply chain.

Within the Performance Excellence programme, the Division has rolled out its bespoke approach to lean manufacturing, Weir Integrating Network System (WINS), across several of our operational sites which has resulted in a significant reduction in the cost of poor quality, while also improving inventory turns.

On sustainability, in our continued drive to reduce our environmental footprint, the Division met its target emissions savings in the year and launched an internal ESG dashboard for several key product lines, which will allow improved ESG data monitoring and reporting across the Division's operations.

2024 Financial review

Constant currency £m	H1[1]	H2	2024	2023[1]	Growth[1]
Orders OE	223	257	480	493	-3%
Orders AM	674	706	1,380	1,311	5%
Orders Total	**897**	**963**	**1,860**	**1,804**	**3%**
Revenue OE	216	237	453	528	-14%
Revenue AM	643	722	1,365	1,320	3%
Revenue Total	**859**	**959**	**1,818**	**1,848**	**-2%**
Adjusted operating profit[2]	**168**	**215**	**383**	**353**	**9%**
Adjusted operating margin[2]	19.5%	22.5%	21.1%	19.1%	+200bps
Adjusted operating cash flow[2]	151	304	455	418	9%
Book-to-bill	1.04	1.00	1.02	0.98	

1. 2023 and 2024 H1 restated at 2024 average exchange rates except for operating cash flow.
2. Profit figures before adjusting items. Adjusted operating cash flow excludes additional pension contributions, exceptional and other adjusting cash items, and income tax paid. Refer to note 2 of the Audited Results contained in this press release for further details of alternative performance measures.

Orders increased by 3% on a constant currency basis at £1,860m (2023: £1,804m), with book-to-bill at 1.02 reflecting installed base expansion and strength in mining markets. OE orders decreased 3% year-on-year, driven by the phasing of large orders and market conditions in certain commodity markets such as nickel and lithium. We received two large orders for the Reko Diq and OCP projects with £42m and £25m recognised in the year, respectively. AM orders increased 5% year-on-year, reflecting installed base expansion, growth in comminution and a minor contribution from price. As expected, H2 included the remaining value of the multi-period order historically recognised fully in H1. Excluding the impact of this order, AM grew 5% sequentially in H2. For the full year, AM orders represented 74% of total orders (2023: 73%), and mining end-markets accounted for 80% of total orders (2023: 84%).

Revenue decreased 2% on a constant currency basis to £1,818m (2023: £1,848m), reflecting the expected reduction in revenue from customers in the Canadian oil sands, the absence of revenue from Russia, and OE order book phasing. Despite these headwinds, AM revenues grew by 3%, reflecting a strong performance in both South America and Australasia benefiting from growth in hard rock mining volumes and contribution from price realisation. Full year revenue mix moved towards aftermarket, which accounted for 75% of revenue, up from 71% in the prior year.

Adjusted operating profit increased 9% on a constant currency basis to £383m (2023: £353m) as the Division benefited from incremental Performance Excellence savings and strong operational execution.

Adjusted operating margin on a constant currency basis was 21.1% (2023: 19.1%). The year-on-year improvement of 200bps reflects strong business execution, incremental savings from Performance Excellence, and the benefit from revenue mix shifting towards aftermarket.

Adjusted operating cash flow increased by 9% to £455m (2023: £418m) reflecting growth in operating profit and a decrease in the working capital outflow to £4m (2023: £26m). Working capital movements include an increase in creditors reflecting phasing of purchases offset by an increase in inventory and debtors impacted by order book phasing.

ESCO

ESCO is a global leader in ground engaging tools (GET), attachments, and artificial intelligence and machine vision technologies that optimise productivity for customers in global mining and infrastructure markets.

2024 Summary

- Orders[1] -1%, growth in core GET and dredge solutions offset by mining attachments
- Revenue[1] +1%, growth in key mining products and dredge solutions
- Strong operational execution: operating profit[1,2] +9%; operating margin[1,2] expansion +140bps

2024 Strategic review

We made strong strategic progress in the year, further improving safety performance, launching our next generation lip and GET system Nexsys™ and opening our new foundry in Xuzhou. Progress across all four pillars of the We are Weir strategic framework is outlined below.

People

Safety performance in ESCO was a highlight, with a reduction in TIR to 0.74 (2023: 0.81). This reflects strong focus across the Division and is an important step forward on our journey to delivering our ambition of zero harm.

Customers

Throughout the year, the Division grew market share in our core GET markets, winning net 118 major digger conversions, as our best-in-class wear life and total cost of ownership model continues to add value to our customers' operations. We also grew orders in the Middle East and Africa, reflecting the momentum in these regions for our market-leading product offerings.

We gained further traction with our MOTION METRICS™ digital solutions, growing our installed base and rolling out our subscription-based offering to customers.

Technology

The commercial launch of our next generation GET technology Nexsys™ was a major highlight in 2024 and we secured several orders in Q4. The technological benefits of improved wear life and reduced adapter change time follow thousands of hours of field trials, with the step change in technology resonating with customers.

We also launched our latest MOTION METRICS™ ShovelMetrics™ payload monitoring solution, which provides optimised truck loading and improved haulage efficiency for customers.

In addition, we received the first order for our next generation hydraulic excavator bucket following extensive field trials. Its lightweight design and high performance improves payload performance and dig efficiency for customers, combined with reduced energy usage and emissions, and it is an important element of the Division's sustainability offerings.

Performance

The Division made strong strides in optimising the performance in its foundry network. The new Xuzhou foundry opened in the year ahead of schedule, with production continuing to ramp up and is increasing the Division’s low cost manufacturing capacity.

Progress in improving the efficiencies in our North American foundries continued in the year with improvements in both operational and quality metrics being ahead of plan.

The Division also launched its proprietary continuous improvement programme, APEX, in the year, setting core principles to drive improvements in safety, quality and efficiencies supporting several of our Performance Excellence workstreams.

2024 Financial review

Constant currency £m	H1[1]	H2	2024	2023[1]	Growth[1]
Orders OE	27	25	52	60	-13%
Orders AM	316	295	611	611	—%
Orders Total	**343**	**320**	**663**	**671**	**-1%**
Revenue OE	26	35	61	55	9%
Revenue AM	308	319	627	625	1%
Revenue Total	**334**	**354**	**688**	**680**	**1%**
Adjusted operating profit[2]	**64**	**65**	**129**	**118**	**9%**
Adjusted operating margin[2]	19.3%	18.3%	18.8%	17.4%	+140bps
Adjusted operating cash flow[2]	70	87	157	137	15%
Book-to-bill	1.02	0.91	0.96	0.99	

1. 2023 and 2024 H1 restated at 2024 average exchange rates except for operating cash flow.
2. Profit figures before adjusting items. Adjusted operating cash flow excludes additional pension contributions, exceptional and other adjusting cash items, and income tax paid. Refer to note 2 of the Audited Results contained in this press release for further details of alternative performance measures.

Orders decreased 1% on a constant currency basis to £663m (2023: £671m), with book-to-bill at 0.96. This reflects strong demand for our core GET products and dredging solutions offset by normalised demand from the Canadian oil sands and a reduction in mining attachment orders. Aftermarket continues to be the largest part of ESCO accounting for 92% of total orders in the year (2023: 91%). In total, mining end-markets accounted for 70% of orders (2023: 72%) and infrastructure accounted for 26% (2023: 25%).

Revenue on a constant currency basis increased by 1% to £688m (2023: £680m) driven by growth in mining GET and dredge solutions within the Middle East and Asia Pacific. Additionally, growth in mining attachment revenues drove an increase of 9% in original equipment revenue.

Adjusted operating profit increased by 9% to £129m (2023: £118m) on a constant currency basis, as the Division benefited from Performance Excellence savings and operational efficiencies.

Adjusted operating margin on a constant currency basis was 18.8% (2023: 17.4%), with the year-on-year improvement of 140bps reflecting incremental Performance Excellence savings and operational efficiencies, despite a headwind from increased R&D spend.

Adjusted operating cash flow increased by 15% to £157m (2023: £137m) reflecting growth in operating profit and a working capital inflow of £3m (2023: outflow of £4m). Working capital movements include a reduction in inventory and increase in payables offset by an increase in receivables.

GROUP FINANCIAL REVIEW

Continuing Operations[3] £m	2024	Constant currency[1] 2023	Constant currency[1] Growth	As reported 2023	As reported Growth
Orders OE	532	553	-4%	n/a	n/a
Orders AM	1,991	1,922	4%	n/a	n/a
Orders Total	**2,523**	**2,475**	**2%**	**n/a**	**n/a**
Revenue OE	514	583	-12%	607	-15%
Revenue AM	1,992	1,945	2%	2,029	-2%
Revenue Total	**2,506**	**2,528**	**-1%**	**2,636**	**-5%**
Adjusted operating profit[2]	**472**	**433**	**9%**	**459**	**3%**
Adjusted operating margin[2]	18.8%	17.1%	+170bps	17.4%	+140bps
Book-to-bill	1.01	0.98	n/a	0.98	n/a
Total Group £m					
Adjusted operating cash flow[2]	591	n/a	n/a	526	12%
Free operating cash conversion	102%	n/a	n/a	85%	+17pp
Net debt[4]	535	n/a	n/a	690	+155

1. 2023 restated at 2024 average exchange rates.
2. Profit figures before adjusting items. Adjusted operating cash flow excludes additional pension contributions, exceptional and other adjusting cash items, and income tax paid.
3. Continuing operations excludes the Oil & Gas Division, which was sold to Caterpillar Inc. in February 2021 and the Saudi Arabian joint venture, which was sold to Olayan Financing Company in June 2021.
4. Refer to note 2 of the Audited Results contained in this press release for further details of alternative performance measures.

Continuing operations orders increased 2% on a constant currency basis, reflecting continued strength in demand for our solutions. Demand for AM increased 4%, with growth in hard rock mining and a contribution from pricing. Towards the end of the year, we saw strengthening in AM orders with Q4 up 10% year-on-year and 11% sequentially. In OE, we saw an overall 4% contraction in orders. Demand for OE was driven by greenfield capital expenditure with momentum building during the second half of the year, while activity in smaller brownfield and debottlenecking projects at existing mines remain stable.

Continuing operations revenue decreased 1% on a constant currency basis, reflecting phasing of large OE shipments partially offset by AM revenues, which increased 2% on a constant currency basis. On a reported basis, revenues decreased 5%, impacted by a foreign exchange translation headwind of £108m. Overall book-to-bill was 1.01.

Continuing operations adjusted operating profit increased by £13m, 3%, to £472m on a reported basis (2023: £459m). Excluding a £26m foreign currency translation headwind, the constant currency increase is £39m, 9%. As explained further in the Divisional reviews, Minerals adjusted operating profit increased £30m on a constant currency basis to £383m (2023: £353m) as the Division benefited from incremental Performance Excellence savings and strong operational execution. ESCO adjusted operating profit increased by £11m on a constant currency basis to £129m (2023: £118m), as the Division benefited from Performance Excellence savings and operational efficiencies.

Unallocated costs at £40m have increased by £2m on a constant currency basis (2023: £38m).

Continuing operations adjusted operating margin of 18.8% is up 170bps versus last year on a constant currency basis and up 140bps as reported, reflecting the incremental benefits of Performance Excellence, as well as Minerals revenue mix moving towards aftermarket.

Continuing operations adjusting items recognised in arriving at operating profit decreased by £9m to £81m (2023: £90m). Intangibles amortisation decreased to £21m (2023: £25m). Exceptional items increased by £33m to £55m (2023: £22m). Within exceptional items, costs of £36m (2023: £29m) were recognised relating to initiatives across all three pillars of our Performance Excellence programme - lean processes, capacity optimisation and functional transformation. Exceptional items in the year also included the £19m impairment of our Trio brand name following a decision to rebrand certain products within the Minerals Division and smaller amounts relating to legacy legal claims and integration costs, offset by the reversal of previously impaired receivables balances resulting from the Russia operations wind down (of which £8m was reversed in the prior year). Other adjusting items of £6m (2023: £43m) are primarily related to movements in the legacy US asbestos-related provision and associated insurance asset.

Continuing operations statutory operating profit of £391m was £23m favourable to the prior year due to the increase in reported adjusted operating profit of £13m as well as a reduction in adjusting items.

Continuing operations net finance costs were £44m (2023: £48m) with a decrease in finance costs of £1m after a foreign currency translation tailwind of £1m on US$ denominated debt. The decrease in net costs was largely due to higher finance income, driven by higher interest rates on increased cash balances in the year.

Continuing operations adjusted profit before tax was £428m (2023: £411m), after a foreign currency translation headwind of £25m. The statutory profit before tax from continuing operations of £347m compares to £321m in 2023 with the increase primarily due to higher adjusted operating profit and a decrease in adjusting items.

Continuing operations adjusted tax charge for the year of £119m (2023: £111m) on adjusted profit before tax from continuing operations of £428m (2023: £411m) represents an adjusted effective tax rate (ETR) of 27.7% (2023: 27.0%). Our ETR is principally driven by the geographical mix of profits arising in our business and, to a lesser extent, the impact of Group financing and transfer pricing arrangements.

Continuing operations adjusting items tax credit represents a tax credit of £87m (2023: £20m) which has been recognised in relation to continuing operations adjusting items and includes an exceptional tax credit of £69m in relation to the recognition of a deferred tax asset for net operating losses in the US, which arose on the disposal of Seaboard International LLC as part of the Group's divestiture of its Oil & Gas Division in 2021.

Continuing operations profit after tax before adjusting items is £310m (2023: £300m). The statutory profit after tax for the year from continuing operations is £315m (2023: £230m).

Discontinued operations statutory loss after tax for the year of £3m (2023: £1m) related to the finalisation of certain tax indemnities under the sale and purchase agreement for the Oil & Gas Division, which was disposed of in 2021.

Statutory profit for the year after tax from total operations is £313m (2023: £229m), with the increase primarily driven by the exceptional tax credit of £87m mentioned above.

Adjusted earnings per share from continuing operations increased by 4% to 120.0p (2023: 115.9p) reflecting the increased adjusted profit in the year. Statutory reported earnings per share from total operations is 121.1p (2023: 88.2p), with the increase driven by improved operating profit and the adjusting item deferred tax credit. The weighted average number of shares in issue was 257.8m (2023: 258.4m).

Cash flow and net debt

Adjusted operating cash flow increased by £65m to £591m (2023: £526m) primarily driven by the increase in adjusted operating profit, coupled with an improvement in working capital of £36m (2024: inflow of £8m vs 2023: outflow of £28m). The net working capital inflow reflects an improvement in payables, including an increase in advance payments of £29m, and inventory, partially offset by higher receivables. Working capital as a percentage of sales reduced to 20.7% (2023: 21.3%). Non-recourse invoice discounting facilities, primarily customers supply chain financing facilities, of £35m (2023: £33m) were utilised and suppliers chose to utilise supply chain financing facilities of £34m (2023: £32m). Higher cash outflows from exceptional and other adjusting items and income tax paid, partially offset by lower additional pension contributions, resulted in net cash generated from operating activities of £450m (2023: £394m).

Net capital expenditure decreased by £14m to £69m (2023: £83m) primarily as a result of completing construction of our new ESCO foundry in China in early 2024. Lease payments decreased by £6m to £25m (2023: £31m) driven by lease incentive income received in the year.

Free operating cash flow increased by £92m to £484m (2023: £392m) resulting in free operating cash conversion of 102% (2023: 85%) (refer to note 2 of the Audited Results contained in this press release). This exceeded our 2024 target of between 90% and 100% and reflected the previously noted improvement in cash generation, reduced capital expenditure and lower purchases of shares for employees. We continue to target free operating cash conversion for 2025 of between 90% and 100%.

Free cash flow from total operations was an inflow of £328m (2023: £238m). In addition to the movements noted above, this was primarily impacted by an increase in tax payments of £7m and higher net finance costs of £3m, partially offset by a reduction in additional pension contributions of £9m primarily due to the strength of the funding position of the UK Main Plan.

Net debt decreased by £155m to £535m (2023: £690m) and includes £127m (2023: £117m) in respect of IFRS 16 'Leases'. The movement primarily reflects free cash inflow of £328m, offset by dividends of £100m, exceptional cash flows of £31m, an increase in lease liabilities of £14m and unfavourable foreign exchange on translation of £24m. Net debt to EBITDA on a lender covenant basis reduced to 0.7 times[4] (2023: 1.1 times) compared to a covenant level of 3.5 times.

As a result of strong cash generation in 2023, the Group reduced its multi-currency revolving credit facility (RCF) by US$200m to US$600m in February 2024. In March 2024, the Group exercised the option to extend its RCF by one year, which will now mature in April 2029. This extended the average tenor of the Group's debt financing and, coupled with a further year of strong cash generation, there remains in place more than £1bn of immediately available liquidity.

Pensions

The total movement in surplus across all the Group's schemes was an increase of £7m (2023: decrease of £13m), comprising a £3m surplus increase in the UK Main Scheme and a £4m deficit reduction in all other schemes. The key drivers of the £7m increase were Company contributions totalling c.£3m (2023: £13m) plus net actuarial gains of c. £5m (2023: net actuarial losses of £28m), offset by pension expenses of c.£1m (2023: £nil). For 2024, the net actuarial gain was driven by a number of factors including movements in market conditions and experience and demographic assumption updates from the latest triennial valuation of the UK Main Scheme. The net actuarial gain in the year resulted in a credit of £5m (2023: charge of £28m) being recognised in the Consolidated Statement of Comprehensive Income.

Insurance policy assets held for the UK scheme cover c.60% (2023: 60%) of the UK's total funded obligation, reducing the Group's exposure to actuarial movements. The latest actuarial funding valuation of the UK Main Plan was completed in 2024. As the valuation reported a funding surplus, no recovery plan was required and therefore no future deficit reduction contributions are currently payable. In addition, the strength of the funding position of the ESCO defined benefit plans resulted in the Group making no additional pension cash contributions in 2024 (2023: £9m).

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Appendix 1 – 2024 continuing operations[3] quarterly order trends

	Reported organic growth									
Division	**2023 Q1**	**2023 Q2**	**2023 Q3**	**2023 Q4**	**2023 FY**	**2024 Q1**	**2024 Q2**	**2024 Q3**	**2024 Q4**	**2024 FY**
Original Equipment	20%	-12%	-10%	-15%	**-6%**	-9%	-15%	19%	-7%	**-3%**
Aftermarket	5%	5%	1%	2%	**3%**	4%	-1%	3%	15%	**5%**
Minerals	**9%**	**0%**	**-2%**	**-3%**	**0%**	**0%**	**-5%**	**8%**	**9%**	**3%**
Original Equipment	39%	40%	21%	69%	**41%**	-16%	-23%	-18%	10%	**-13%**
Aftermarket	-9%	-4%	-5%	-2%	**-5%**	5%	-1%	-2%	-2%	**0%**
ESCO	**-6%**	**0%**	**-3%**	**2%**	**-2%**	**3%**	**-4%**	**-3%**	**-1%**	**-1%**
Original Equipment	22%	-8%	-8%	-10%	**-3%**	-9%	-16%	15%	-5%	**-4%**
Aftermarket	0%	2%	-1%	1%	**0%**	4%	-1%	2%	10%	**4%**
Continuing Ops[3]	**4%**	**0%**	**-2%**	**-2%**	**0%**	**1%**	**-4%**	**5%**	**7%**	**2%**
Book-to-bill	**1.04**	**1.01**	**0.94**	**0.94**	**0.98**	**1.11**	**0.97**	**1.01**	**0.95**	**1.01**

	Quarterly orders[1] £m									
Division	**2023 Q1**	**2023 Q2**	**2023 Q3**	**2023 Q4**	**2023 FY**	**2024 Q1**	**2024 Q2**	**2024 Q3**	**2024 Q4**	**2024 FY**
Original Equipment	127	125	124	117	**493**	117	106	148	109	**480**
Aftermarket	313	353	318	327	**1,311**	325	349	329	377	**1,380**
Minerals	**440**	**478**	**442**	**444**	**1,804**	**442**	**455**	**477**	**486**	**1,860**
Original Equipment	14	20	13	13	**60**	12	15	10	15	**52**
Aftermarket	157	152	150	152	**611**	166	150	146	149	**611**
ESCO	**171**	**172**	**163**	**165**	**671**	**178**	**165**	**156**	**164**	**663**
Original Equipment	141	145	137	130	**553**	129	121	158	124	**532**
Aftermarket	470	505	468	479	**1,922**	491	499	475	526	**1,991**
Continuing Ops[3]	**611**	**650**	**605**	**609**	**2,475**	**620**	**620**	**633**	**650**	**2,523**

Appendix 2 – 2024 order bridges (as reported)

Group orders (£m)	H1			H2			Full Year		
	OE	AM	Total	OE	AM	Total	OE	AM	Total
2023 - as reported	**301**	**1,035**	**1,336**	**275**	**974**	**1,249**	**576**	**2,009**	**2,585**
Organic	-13%	2%	-2%	5%	6%	6%	-4%	4%	2%
Structure	0%	0%	0%	0%	0%	0%	0%	0%	0%
Currency	-3%	-5%	-4%	-4%	-4%	-4%	-4%	-4%	-4%
Total	**-16%**	**-3%**	**-6%**	**1%**	**2%**	**2%**	**-8%**	**0%**	**-2%**
2024 - as reported	**253**	**1,000**	**1,253**	**279**	**991**	**1,270**	**532**	**1,991**	**2,523**

Minerals orders (£m)	H1			H2			Full Year		
	OE	AM	Total	OE	AM	Total	OE	AM	Total
2023 - as reported	**266**	**714**	**980**	**248**	**667**	**915**	**514**	**1,381**	**1,895**
Organic	-12%	1%	-2%	6%	9%	9%	-3%	5%	3%
Structure	0%	0%	0%	0%	0%	0%	0%	0%	0%
Currency	-3%	-5%	-5%	-4%	-5%	-4%	-4%	-5%	-5%
Total	**-15%**	**-4%**	**-7%**	**2%**	**4%**	**5%**	**-7%**	**0%**	**-2%**
2024 - as reported	**225**	**682**	**907**	**255**	**698**	**953**	**480**	**1,380**	**1,860**

ESCO orders (£m)	H1			H2			Full Year		
	OE	AM	Total	OE	AM	Total	OE	AM	Total
2023 - as reported	**35**	**321**	**356**	**27**	**307**	**334**	**62**	**628**	**690**
Organic	-20%	2%	0%	-3%	-2%	-2%	-13%	0%	-1%
Structure	0%	0%	0%	0%	0%	0%	0%	0%	0%
Currency	-2%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%
Total	**-22%**	**-1%**	**-3%**	**-6%**	**-5%**	**-5%**	**-16%**	**-3%**	**-4%**
2024 - as reported	**28**	**318**	**346**	**24**	**293**	**317**	**52**	**611**	**663**

Appendix 3 – Foreign exchange (FX) rates and continuing operations[3] profit exposure

	2024 average FX rates	2023 average FX rates	Percentage of FY 2024 operating profits[2]
US Dollar	1.28	1.24	44%
Australian Dollar	1.94	1.87	23%
Euro	1.18	1.15	7%
Canadian Dollar	1.75	1.68	15%
Chilean Peso	1,205.92	1,044.69	15%
South African Rand	23.42	22.94	4%
Brazilian Real	6.89	6.21	3%
Chinese Yuan	9.20	8.81	1%
Indian Rupee	106.94	102.66	2%

1. 2023 restated at 2024 average exchange rates.
2. Profit figures before adjusting items. Refer to note 2 of the Audited Results contained in this press release for further details of alternative performance measures.
3. Continuing operations excludes the Oil & Gas Division, which was sold to Caterpillar Inc. in February 2021 and the Saudi Arabian joint venture, which was sold to Olayan Financing Company in June 2021.

This information includes ‘forward-looking statements’. All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding The Weir Group PLC’s (“the Group”) financial position, business strategy, plans (including development plans and objectives relating to the Group’s products and services) and objectives of management for future operations, are forward-looking statements. These statements contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Group expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Past business and financial performance cannot be relied on as an indication of future performance.

AUDITED RESULTS

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

		Year ended 31 December 2024			Year ended 31 December 2023		
		Adjusted results	Adjusting items (note 5)	Statutory results	Adjusted results	Adjusting items (note 5)	Statutory results
	Note	£m	£m	£m	£m	£m	£m
Continuing operations							
Revenue	3	2,505.6	—	2,505.6	2,636.0	—	2,636.0
Continuing operations							
Operating profit before share of results of joint ventures		470.2	(81.1)	389.1	456.3	(90.4)	365.9
Share of results of joint ventures		1.9	—	1.9	2.5	—	2.5
Operating profit		472.1	(81.1)	391.0	458.8	(90.4)	368.4
Finance costs		(65.9)	—	(65.9)	(66.4)	—	(66.4)
Finance income		22.0	—	22.0	18.7	—	18.7
Profit before tax from continuing operations		428.2	(81.1)	347.1	411.1	(90.4)	320.7
Tax (expense) credit	6	(118.6)	86.9	(31.7)	(110.9)	20.1	(90.8)
Profit for the year from continuing operations		309.6	5.8	315.4	300.2	(70.3)	229.9
Loss for the year from discontinued operations	7	—	(2.9)	(2.9)	—	(1.3)	(1.3)
Profit (loss) for the year		309.6	2.9	312.5	300.2	(71.6)	228.6
Attributable to:							
Equity holders of the Company		309.3	2.9	312.2	299.5	(71.6)	227.9
Non-controlling interests		0.3	—	0.3	0.7	—	0.7
		309.6	2.9	312.5	300.2	(71.6)	228.6
Earnings per share	8						
Basic – total operations				121.1p			88.2p
Basic – continuing operations		120.0p		122.2p	115.9p		88.7p
Diluted – total operations				120.3p			87.7p
Diluted – continuing operations		119.2p		121.4p	115.3p		88.2p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit for the year	**312.5**	228.6
Other comprehensive income (expense)		
Gains (losses) taken to equity on cash flow hedges	**0.8**	(0.4)
Gain (cost) of hedging taken to equity on fair value hedges	**0.5**	(0.8)
Exchange losses on translation of foreign operations	**(48.7)**	(159.1)
Exchange (losses) gains on net investment hedges	**(12.2)**	27.6
Reclassification adjustments on cash flow hedges	**(0.1)**	0.5
Reclassification adjustments on fair value hedges	**0.3**	0.1
Tax (charge) credit relating to above items	**(0.4)**	0.1
Items that are or may be reclassified to profit or loss in subsequent periods	**(59.8)**	(132.0)
Other comprehensive income (expense) not to be reclassified to profit or loss in subsequent periods		
Remeasurements on defined benefit plans	**4.9**	(28.2)
Tax (charge) credit relating to above item	**(1.1)**	7.1
Items that will not be reclassified to profit or loss in subsequent periods	**3.8**	(21.1)
Net other comprehensive expense	**(56.0)**	(153.1)
Total net comprehensive income for the year	**256.5**	75.5
Attributable to:		
Equity holders of the Company	**256.4**	76.1
Non-controlling interests	**0.1**	(0.6)
	256.5	75.5
Total net comprehensive income (expense) for the year attributable to equity holders of the Company		
Continuing operations	**259.3**	77.4
Discontinued operations	**(2.9)**	(1.3)
	256.4	76.1

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2024

	Notes	31 December 2024 £m	31 December 2023 £m
ASSETS			
Non-current assets			
Property, plant & equipment		**498.5**	490.5
Intangible assets		**1,270.3**	1,316.0
Investments in joint ventures		**12.8**	12.2
Deferred tax assets		**192.7**	111.3
Other receivables		**44.3**	53.8
Retirement benefit plan assets	14	**32.6**	30.1
Total non-current assets		**2,051.2**	2,013.9
Current assets			
Inventories		**580.1**	608.1
Trade & other receivables		**546.7**	526.2
Derivative financial instruments	15	**10.7**	7.9
Income tax receivable		**39.9**	29.4
Cash & short-term deposits		**556.4**	707.2
Total current assets		**1,733.8**	1,878.8
Total assets		**3,785.0**	3,892.7
LIABILITIES			
Current liabilities			
Interest-bearing loans & borrowings		**55.2**	286.2
Trade & other payables		**618.7**	581.3
Derivative financial instruments	15	**10.1**	6.4
Income tax payable		**14.5**	1.9
Provisions	12	**48.3**	47.6
Total current liabilities		**746.8**	923.4
Non-current liabilities			
Interest-bearing loans & borrowings		**1,035.8**	1,111.1
Other payables		**—**	0.6
Derivative financial instruments	15	**—**	2.3
Provisions	12	**77.7**	80.7
Deferred tax liabilities		**47.8**	46.9
Retirement benefit plan deficits	14	**23.3**	28.0
Total non-current liabilities		**1,184.6**	1,269.6
Total liabilities		**1,931.4**	2,193.0
NET ASSETS		**1,853.6**	1,699.7
CAPITAL & RESERVES			
Share capital		**32.5**	32.5
Share premium		**582.3**	582.3
Merger reserve		**332.6**	332.6
Treasury shares		**(37.3)**	(29.0)
Capital redemption reserve		**0.5**	0.5
Foreign currency translation reserve		**(299.4)**	(238.7)
Hedge accounting reserve		**2.5**	1.4
Retained earnings		**1,230.7**	1,008.2
Equity attributable to owners of the Company		**1,844.4**	1,689.8
Non-controlling interests		**9.2**	9.9
TOTAL EQUITY		**1,853.6**	1,699.7

The financial statements were approved by the Board of Directors and authorised for issue on 27 February 2025.

JON STANTON
Director

BRIAN PUFFER
Director

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m
Total operations			
Cash flows from operating activities	16		
Adjusted operating cash flow		**591.1**	525.5
Additional pension contributions paid		**—**	(9.3)
Exceptional and other adjusting cash items		**(30.7)**	(18.0)
Income tax paid		**(110.5)**	(103.9)
Net cash generated from operating activities		**449.9**	394.3
Cash flows from investing activities			
Acquisitions of subsidiaries, net of cash acquired	16	**(1.0)**	(6.9)
Purchases of property, plant & equipment		**(67.4)**	(79.1)
Purchases of intangible assets		**(5.1)**	(7.6)
Other proceeds from sale of property, plant & equipment and intangible assets		**3.2**	4.2
Disposals of discontinued operations, net of cash disposed and disposal costs	7,16	**(1.8)**	(0.4)
Interest received		**19.3**	15.1
Dividends received from joint ventures		**—**	4.1
Net cash used in investing activities		**(52.8)**	(70.6)
Cash flows from financing activities			
Proceeds from borrowings		**55.6**	512.6
Repayments of borrowings		**(155.3)**	(627.6)
Lease payments		**(24.8)**	(31.0)
Settlement of external debt of subsidiary on acquisition		**—**	(0.2)
Settlement of derivative financial instruments		**(1.7)**	(0.5)
Interest paid		**(61.9)**	(55.0)
Dividends paid to equity holders of the Company	9	**(99.8)**	(95.9)
Dividends paid to non-controlling interests		**(0.8)**	(0.9)
Purchase of shares for employee share plans		**(13.2)**	(24.0)
Net cash used in financing activities		**(301.9)**	(322.5)
Net increase in cash & cash equivalents		**95.2**	1.2
Cash & cash equivalents at the beginning of the year		**447.4**	477.5
Foreign currency translation differences		**(15.7)**	(31.3)
Cash & cash equivalents at the end of the year	16	**526.9**	447.4

The cash flows from discontinued operations included above are disclosed separately in note 7.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Share premium	Merger reserve	Treasury shares	Capital redemption reserve	Foreign currency translation reserve	Hedge accounting reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2023	32.5	582.3	332.6	(14.3)	0.5	(108.5)	1.9	899.5	1,726.5	11.4	1,737.9
Profit for the year	—	—	—	—	—	—	—	227.9	227.9	0.7	228.6
Losses taken to equity on cash flow hedges	—	—	—	—	—	—	(0.4)	—	(0.4)	—	(0.4)
Cost of hedging taken to equity on fair value hedges	—	—	—	—	—	—	(0.8)	—	(0.8)	—	(0.8)
Exchange losses on translation of foreign operations	—	—	—	—	—	(157.8)	—	—	(157.8)	(1.3)	(159.1)
Exchange gains on net investment hedges	—	—	—	—	—	27.6	—	—	27.6	—	27.6
Reclassification adjustments on cash flow hedges	—	—	—	—	—	—	0.5	—	0.5	—	0.5
Reclassification adjustments on fair value hedges	—	—	—	—	—	—	0.1	—	0.1	—	0.1
Remeasurements on defined benefit plans	—	—	—	—	—	—	—	(28.2)	(28.2)	—	(28.2)
Tax credit relating to above items	—	—	—	—	—	—	0.1	7.1	7.2	—	7.2
Total net comprehensive (expense) income for the year	—	—	—	—	—	(130.2)	(0.5)	206.8	76.1	(0.6)	75.5
Cost of share-based payments inclusive of tax credit	—	—	—	—	—	—	—	7.1	7.1	—	7.1
Dividends	—	—	—	—	—	—	—	(95.9)	(95.9)	—	(95.9)
Purchase of shares for employee share plans	—	—	—	(24.0)	—	—	—	—	(24.0)	—	(24.0)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	(0.9)	(0.9)
Exercise of share-based payments	—	—	—	9.3	—	—	—	(9.3)	—	—	—
At 31 December 2023	32.5	582.3	332.6	(29.0)	0.5	(238.7)	1.4	1,008.2	1,689.8	9.9	1,699.7

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 December 2024

	Share capital	Share premium	Merger reserve	Treasury shares	Capital redemption reserve	Foreign currency translation reserve	Hedge accounting reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2024	32.5	582.3	332.6	(29.0)	0.5	(238.7)	1.4	1,008.2	1,689.8	9.9	1,699.7
Profit for the year	—	—	—	—	—	—	—	312.2	312.2	0.3	312.5
Gains taken to equity on cash flow hedges	—	—	—	—	—	—	0.8	—	0.8	—	0.8
Gain of hedging taken to equity on fair value hedges	—	—	—	—	—	—	0.5	—	0.5	—	0.5
Exchange losses on translation of foreign operations	—	—	—	—	—	(48.5)	—	—	(48.5)	(0.2)	(48.7)
Exchange losses on net investment hedges	—	—	—	—	—	(12.2)	—	—	(12.2)	—	(12.2)
Reclassification adjustments on cash flow hedges	—	—	—	—	—	—	(0.1)	—	(0.1)	—	(0.1)
Reclassification adjustments on fair value hedges	—	—	—	—	—	—	0.3	—	0.3	—	0.3
Remeasurements on defined benefit plans	—	—	—	—	—	—	—	4.9	4.9	—	4.9
Tax charge relating to above items	—	—	—	—	—	—	(0.4)	(1.1)	(1.5)	—	(1.5)
Total net comprehensive (expense) income for the year	—	—	—	—	—	(60.7)	1.1	316.0	256.4	0.1	256.5
Cost of share-based payments inclusive of tax credit	—	—	—	—	—	—	—	11.2	11.2	—	11.2
Dividends	—	—	—	—	—	—	—	(99.8)	(99.8)	—	(99.8)
Purchase of shares for employee share plans	—	—	—	(13.2)	—	—	—	—	(13.2)	—	(13.2)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	(0.8)	(0.8)
Exercise of share-based payments	—	—	—	4.9	—	—	—	(4.9)	—	—	—
At 31 December 2024	32.5	582.3	332.6	(37.3)	0.5	(299.4)	2.5	1,230.7	1,844.4	9.2	1,853.6

1. Accounting policies

Basis of preparation

The audited results for the year ended 31 December 2024 ("2024") have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to those companies reporting under those standards.

The financial information set out in the audited results does not constitute the Group's statutory financial statements for the year ended 31 December 2024 within the meaning of section 434 of the Companies Act 2006 and has been extracted from the full financial statements for the year ended 31 December 2024.

Statutory financial statements for the year ended 31 December 2023 ("2023"), which received an unqualified audit report, have been delivered to the Registrar of Companies. The reports of the auditors on the financial statements for the year ended 31 December 2023 and for the year ended 31 December 2024 were unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006. The financial statements for the period ended 31 December 2024 will be delivered to the Registrar of Companies and made available to all shareholders in due course.

These financial statements are presented in Sterling. All values are rounded to the nearest 0.1 million pounds (£m) except where otherwise indicated.

The financial statements are also prepared on a historic cost basis except where measured at fair value as outlined in the accounting policies.

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue to operate for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis of preparing the financial statements. In forming this view the Directors have reviewed the Group's budget and sensitivity analysis.

Basis of consolidation

The Consolidated Financial Statements include the results, cash flows and assets and liabilities of The Weir Group PLC and its subsidiaries, and the Group's share of results of its joint venture. For consolidation purposes, subsidiaries and joint ventures prepare financial information for the same reporting period as the Company using consistent accounting policies.

A subsidiary is an entity controlled, either directly or indirectly, by the Company, where control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The results of a subsidiary acquired during the period are included in the Group's results from the effective date on which control is transferred to the Group. The results of a subsidiary sold during the period are included in the Group's results up to the effective date on which control is transferred out of the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries that are not held by the Group and are presented within equity in the Consolidated Balance Sheet, separately from the equity attributable to owners of the Company.

New accounting standards, amendments and interpretations

The accounting policies that follow are consistent with those of the previous period, with the exception of the following standards, amendments and interpretations which are effective for the year ended 31 December 2024:

- Classification of Liabilities as Current or Non-current liabilities with covenants - Amendments to IAS 1;
- Lease Liability in Sale and Leaseback - Amendments to IFRS 16; and
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.

The amendments listed above are not considered to have a material impact on the Consolidated Financial Statements of the Group.

The following new accounting standards and interpretations have been published but are not mandatory for 31 December 2024:

- IFRS18 Presentation and disclosure in the financial statements;
- Amendments to IAS 21 - Lack of exchangeability;
- Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments.

These amendments have not been early adopted by the Group. The impact assessment is ongoing, however it is expected that IFRS 18 will have a significant impact on the presentation of the financial statements. The new accounting standard does not impact the recognition and measurement of the financial statements, however, it will significantly alter the income statement and related disclosures. The Group is currently considering the requirements of the new standard and the implications for the financial statements. The initial view is that the following areas may be impacted.

- The line items presented in the income statement may change as a result of revised aggregation and disaggregation of information. This will also impact the disclosures in related notes.
- The presentation of the income statement including the allocation of results from our joint venture.
- There will also be significant new disclosures for Management Performance Measures (MPM) and a breakdown of the nature of expenses for line items presented in the income statement. This disclosure will be dependent on the method of disclosure in the income statement.
- For the first annual period of application of IFRS 18 a reconciliation will be provided between the amounts previously presented under IAS 1 and the revised presentation under IFRS 18.
- Goodwill will be disaggregated from intangible assets on the face of the Balance Sheet.

1. Accounting policies (continued)

From initial review, the amendments to IAS 21, IFRS 9 and IFRS 7 are not expected to have a material impact on the Group in the current or future reporting periods.

Climate change

Climate change is considered to be a key element of our overall sustainability strategy. As well as considering the impact of climate change across our business model, the Directors have considered the impact on the financial statements in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Climate change is not considered to have a material impact on the financial reporting judgements and estimates arising from our considerations. Overall, sustainability is recognised in the market as a growth driver for Weir and a key part of our investment case. This is consistent with our assessment that climate change is not expected to have a detrimental impact on the viability of the Group in the medium-term. Specifically we note the following:

- The impact of climate change has been included in the modelling to assess the viability and going concern status of the Group, both in terms of the preparation of our Strategic Plan, which underpins our viability statement modelling, and the modelling of our severe, but plausible downside scenarios;
- Our assessment of the carrying value of goodwill and intangible assets included consideration of scenario analysis of potential climate change on our end markets and this did not introduce a set of circumstances that were considered could reasonably lead to an impairment;
- The impact on the carrying value and useful lives of tangible assets has been considered and while we continue to invest in projects to reduce our carbon impact, the impact is not considered to be material on our existing asset base;
- In May 2021, the Group successfully completed the issuance of five-year US$800m Sustainability-Linked Notes. The cost of meeting our linked targets in 2024 has been considered within the above modelling and the impact is not material; and
- In June 2023, the Group successfully completed the issuance of five-year £300m Sustainability-Linked Notes. The cost of meeting our linked targets in 2026 has been considered within the above modelling and the impact is not material.

Further detail on our science-based targets and performance against them is included in the Emissions Strategy in the Strategic report section of the Annual Report.

Prior year restatement

Following the acquisition of Sentiantechnologies AB (SentianAI) during the year ended 31 December 2023, the Group has completed the review of the opening balance sheet position acquired. As part of this process, the Group has identified that a £0.1m reduction is required to purchased software within intangible assets on the opening balance sheet which was reported in the 2023 Annual Report with a corresponding increase of £0.1m to goodwill.

Use of estimates and judgements

The Group's material accounting policy information is set out below. The preparation of the Consolidated Financial Statements, in conformity with IFRS, requires management to make judgements that affect the application of accounting policies and estimates that impact the reported amounts of assets, liabilities, income and expense.

Management bases these judgements on a combination of past experience, professional expert advice and other evidence that is relevant to each individual circumstance. Actual results may differ from these judgements and the resulting estimates, which are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised.

Areas requiring significant judgement in the current year and on a recurring basis are presented to the Audit Committee.

Critical judgements and estimates

The areas where management considers critical judgements and estimates to be required, which are areas more likely to be materially adjusted within the next 12 months due to inherent uncertainty regarding estimates and assumptions, are those in respect of the following:

Retirement benefits (estimate)

The assumptions underlying the valuation of retirement benefit assets and liabilities include discount rates, inflation rates and mortality assumptions, which are based on actuarial advice. Changes in these assumptions could have a material impact on the measurement of the Group's retirement benefit obligations.

Provisions (judgement/estimate)

Management judgement is used to determine when a provision is recognised, taking into account the commercial drivers that gave rise to it, the Group's previous experience of similar obligations and the progress of any associated legal proceedings. The calculation of provisions typically involves management estimates of associated cash flows and discount rates. The key provision, which currently requires a greater degree of management judgement and estimate is the US asbestos provision and associated insurance asset, details of which are included in note 12.

1. Accounting policies (continued)

Deferred taxation (judgement/estimate)
The level of current and deferred tax recognised in the financial statements is dependent on subjective judgements as to the interpretation of complex international tax regulations and, in some cases, the outcome of decisions by tax authorities in various jurisdictions around the world, together with the ability of the Group to utilise tax attributes within the time limits imposed by the relevant tax legislation. The value of the recognised US deferred tax asset in relation to US tax attributes is based on expected future US taxable profits with reference to the Group's ten-year forecast period and assumptions over the intended use of these tax attributes during this period. The application of this model and its underlying assumptions may result in future changes to the deferred tax asset recognised.

Other estimates

Taxation (estimate)
The Group faces a variety of tax risks, which result from operating in a complex global environment, including the ongoing reform of both international and domestic tax rules in some of the Group’s larger markets and the challenge to fulfil ongoing tax compliance filing and transfer pricing obligations given the scale and diversity of the Group’s global operations.

The Group makes provision for open tax issues where it is probable that an exposure will arise including, in a number of jurisdictions transfer pricing positions which are by nature complex and can take a number of years to resolve. In all cases, provisions are based on management’s interpretation of tax law in each country, as supported where appropriate by discussion and analysis undertaken by the Group’s external advisers, and reflect the single best estimate of the likely outcome or the expected value for each liability. Provisions for uncertain tax positions are included in current tax liabilities and total £5.1m at 31 December 2024 (2023: £5.4m).

The Group believes it has made adequate provision for such matters, although it is possible that amounts ultimately paid will be different from the amounts provided, but not materially within the next 12 months.

Tax disclosures are provided in note 6.

Adjusting items

In order to provide the users of the Consolidated Financial Statements with a more relevant presentation of the Group’s performance, statutory results for each year have been analysed between:

- adjusted results; and
- the effect of adjusting items.

The principal adjusting items are summarised below. These specific items are presented on the face of the Consolidated Income Statement, along with the related adjusting items' taxation, to provide greater clarity and a better understanding of the impact of these items on the Group’s financial performance. In doing so, it also facilitates greater comparison of the Group’s underlying results with prior years and assessment of trends in financial performance. This split is consistent with how business performance is measured internally. Adjusted results and adjusting items are discussed in more detail in note 2.

Intangibles amortisation
Intangibles amortisation is expensed in line with the other intangible assets policy, with separate disclosure provided to allow visibility of the impact of intangible assets recognised via acquisition, which primarily relate to items that would not normally be capitalised unless identified as part of an acquisition opening balance sheet. The ongoing costs associated with these assets are expensed.

Exceptional items
Exceptional items are items of income and expense which, because of the nature, size and/or infrequency of the events giving rise to them, merit separate presentation. Exceptional items may include, but are not restricted to: profits or losses arising on disposal or closure of businesses; the cost of significant business restructuring; significant impairments of intangible or tangible assets; adjustments to the fair value of acquisition-related items such as contingent consideration and inventory; and acquisitions and other items deemed exceptional due to their significance, size or nature.

Other adjusting items
Other adjusting items are those that do not relate to the Group’s current ongoing trading and, due to their nature, are treated as adjusting items. For example, these may include, but are not restricted to, movements in the provision for asbestos-related claims or the associated insurance assets, which relate to the Flow Control Division that was sold in 2019, but the provision remains with the Group and is in run-off, or past service costs related to pension liabilities.

Further analysis of the items included in the column ‘Adjusting items’ in the Consolidated Income Statement is provided in note 5.

2. Alternative performance measures

The Consolidated Financial Statements of The Weir Group PLC have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to those companies reporting under those standards. In measuring our performance, the financial measures that we use include those that have been derived from our reported results in order to eliminate factors which we believe distort period-on-period comparisons. These are considered alternative performance measures. This information, along with comparable GAAP measurements, is useful to investors in providing a basis for measuring our operational performance. Our management uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating our performance and value creation. Alternative performance measures should not be considered in isolation from, or as a substitute for, financial information in compliance with GAAP. Alternative performance measures as reported by the Group may not be comparable with similarly titled amounts reported by other companies.

Below we set out our definitions of alternative performance measures and provide reconciliations to relevant GAAP measures.

Adjusted results and adjusting items

The Consolidated Income Statement presents Statutory results, which are provided on a GAAP basis, and Adjusted results (non-GAAP), which are management's primary area of focus when reviewing the performance of the business. Adjusting items represent the difference between Statutory results and Adjusted results and are defined within the accounting policies section above. The accounting policy for Adjusting items should be read in conjunction with this note. Details of each adjusting item are provided in note 5. We consider this presentation to be helpful as it allows greater comparability of the underlying performance of the business from year to year.

Adjusted EBITDA

EBITDA is operating profit from continuing operations, before exceptional items, other adjusting items, intangibles amortisation, and excluding depreciation of owned assets and right-of-use assets. EBITDA is a widely used measure of a company's profitability of its operations before any effects of indebtedness, taxes or costs required to maintain its asset base. EBITDA is used in conjunction with other GAAP and non-GAAP financial measures to assess our operational performance. A reconciliation of EBITDA to the closest equivalent GAAP measure, operating profit, is provided.

	2024 **£m**	2023 £m
Continuing operations		
Operating profit	**391.0**	368.4
Adjusted for:		
Exceptional and other adjusting items (note 5)	**60.4**	64.9
Adjusting amortisation (note 5)	**20.7**	25.5
Adjusted operating profit	**472.1**	458.8
Non-adjusting amortisation	**12.0**	12.2
Adjusted earnings before interest, tax and amortisation (EBITA)	**484.1**	471.0
Depreciation of owned property, plant & equipment	**45.9**	39.9
Depreciation of right-of-use property, plant & equipment	**31.9**	31.6
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)	**561.9**	542.5

Adjusted operating cash flow

Adjusted operating cash flow is the equivalent of net cash generated from operations before additional pension contributions, exceptional and other adjusting cash items and income tax paid as shown in the cash flow statement and associated notes to the financial statements. This is a useful measure to view or assess the underlying cash generation of the business from its operating activities. A reconciliation to the GAAP measure 'Net cash generated from operating activities' is provided in the Consolidated Cash Flow Statement.

2. Alternative performance measures (continued)

Free operating cash flow and free cash flow

Free operating cash flow (FOCF) is defined as adjusted operating cash flow amended for net capital expenditure, lease payments, dividends received from joint ventures and purchase of shares for employee share plans. FOCF provides a useful measure of the cash flows generated directly from the operational activities after taking into account other cash flows closely associated with maintaining daily operations.

Free cash flow (FCF) is defined as FOCF further adjusted for net interest, income taxes, settlement of derivative financial instruments, additional pension contributions and non-controlling interest dividends. FCF reflects an additional way of viewing our available funds that we believe is useful to investors as it represents cash flows that could be used for repayment of debt, dividends, exceptional and other adjusting items, or to fund our strategic initiatives, including acquisitions, if any.

The reconciliation of adjusted operating cash flows to FOCF and subsequently FCF is as follows.

	2024 **£m**	2023 £m
Adjusted operating cash flow	**591.1**	525.5
Net capital expenditure from purchase & disposal of property, plant & equipment and intangibles	**(69.3)**	(82.5)
Lease payments	**(24.8)**	(31.0)
Dividends received from joint ventures	**—**	4.1
Purchase of shares for employee share plans	**(13.2)**	(24.0)
Free operating cash flow (FOCF)	**483.8**	392.1
Net interest paid	**(42.6)**	(39.9)
Income tax paid	**(110.5)**	(103.9)
Settlement of derivative financial instruments	**(1.7)**	(0.5)
Additional pension contributions paid	**—**	(9.3)
Dividends paid to non-controlling interests	**(0.8)**	(0.9)
Free cash flow (FCF)	**328.2**	237.6

Free operating cash conversion

Free operating cash conversion is a non-GAAP key performance measure defined as free operating cash flow divided by adjusted operating profit on a total Group basis. The measure is used by management to monitor the Group's ability to generate cash relative to operating profits.

	2024 **£m**	2023 £m
Adjusted operating profit	**472.1**	458.8
Free operating cash flow	**483.8**	392.1
Free operating cash conversion %	**102%**	85%

2. Alternative performance measures (continued)

Working capital as a percentage of sales

Working capital as a percentage of sales is calculated based on working capital as reflected below, divided by revenue, as included in the Consolidated Income Statement. It is a measure used by management to monitor how efficiently the Group is managing its investment in working capital relative to revenue growth.

	2024 £m	2023 £m
Working capital as included in the Consolidated Balance Sheet		
Other receivables	44.3	53.8
Inventories	580.1	608.1
Trade & other receivables	546.7	526.2
Derivative financial instruments (note 15)	0.6	(0.8)
Trade & other payables	(618.7)	(581.3)
Other payables	—	(0.6)
	553.0	605.4
Adjusted for:		
Insurance contract assets	(46.8)	(57.5)
Interest accruals	12.6	12.3
Deferred consideration	0.6	1.6
	(33.6)	(43.6)
Working capital	519.4	561.8
Revenue	2,505.6	2,636.0
Working capital as a percentage of sales	20.7%	21.3%

Net debt

Net debt is a widely used liquidity metric calculated by taking cash and cash equivalents less total current and non-current debt. A reconciliation of net debt to cash and short-term deposits and interest-bearing loans and borrowings is provided in note 16. It is a useful measure used by management and investors when monitoring the capital management of the Group. Net debt, excluding lease liabilities and converted at the exchange rates used in the preparation of the Consolidated Income Statement, is also the basis for covenant reporting.

Return on Capital Employed (ROCE)

ROCE is a key metric which is used to analyse the Group's profitability and capital efficiency. ROCE is calculated as Adjusted Earnings Before Interest & Tax (Adjusted EBIT) from continuing operations divided by the average capital employed. Adjusted EBIT represents the Group's statutory operating profit adjusted for exceptional and other adjusting items. Capital employed represents the Group's net assets adjusted for third party net debt, Trust Owned Life Insurance policy investments and the IAS 19 pension asset net of deferred tax.

	2024 £m	2023 £m
Continuing operations		
Operating profit	391.0	368.4
Adjusted for:		
Exceptional and other adjusting items (note 5)	60.4	64.9
Adjusted earnings before interest and tax (Adjusted EBIT)	451.4	433.3
Net assets	1,853.6	1,699.7
Adjusted for:		
Third party net debt (note 16)	534.6	690.1
Trust Owned Life Insurance policy investments	(42.7)	(42.6)
IAS 19 Pension asset (note 14)	(9.3)	(2.1)
Deferred tax on pension assets	2.6	0.9
Capital employed	2,338.8	2,346.0
Average capital employed	2,342.4	2,412.1
ROCE	19.3%	18.0%

3. Segment information

Continuing operations includes two operating Divisions: Minerals and ESCO. These two Divisions are organised and managed separately based on the key markets served and each is treated as an operating segment and a reportable segment under IFRS 8 'Operating segments'. The operating and reportable segments were determined based on the reports reviewed by the Chief Executive Officer, which are used to make operational decisions.

The Minerals segment is a global leader in engineering, manufacturing and service processing technology used in abrasive, high-wear mining applications. Its differentiated technology is also used in infrastructure and general industrial markets. The ESCO segment is a global leader in the provision of Ground Engaging Tools (GET) for large mining machines. It operates predominantly in mining and infrastructure markets where its highly engineered technology improves productivity through extended wear life, increased safety and reduced energy consumption.

Following the acquisition of Sentiantechnologies AB (SentianAI) on 21 November 2023, this entity has been included in the Minerals segment. SentianAI is a developer of innovative cloud-based Artificial Intelligence solutions to the mining industry.

The Chief Executive Officer assesses the performance of the operating segments based on operating profit from continuing operations before exceptional and other adjusting items (‘segment result’). Finance income and expenditure and associated interest-bearing liabilities and financing derivative financial instruments are not allocated to segments as all treasury activity is managed centrally by the Group Treasury function. The amounts provided to the Chief Executive Officer with respect to assets and liabilities are measured in a manner consistent with that of the financial statements. The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment.

Transfer prices between business segments are set on an arm’s length basis, in a manner similar to transactions with third parties.

The segment information for the reportable segments for 2024 and 2023 is disclosed below. Information related to discontinued operations is included in note 7.

	Minerals		ESCO		Total continuing operations	
	2024	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m
Revenue						
Sales to external customers	**1,817.5**	1,937.4	**688.1**	698.6	**2,505.6**	2,636.0
Inter-segment sales	**0.1**	0.1	**1.5**	2.5	**1.6**	2.6
Segment revenue	**1,817.6**	1,937.5	**689.6**	701.1	**2,507.2**	2,638.6
Eliminations					**(1.6)**	(2.6)
					2,505.6	2,636.0
Sales to external customers – 2023 at 2024 average exchange rates						
Sales to external customers	**1,817.5**	1,848.1	**688.1**	679.5	**2,505.6**	2,527.6
Segment result						
Segment result before share of results of joint ventures	**382.8**	375.7	**127.4**	119.4	**510.2**	495.1
Share of results of joint ventures	**—**	—	**1.9**	2.5	**1.9**	2.5
Segment result	**382.8**	375.7	**129.3**	121.9	**512.1**	497.6
Corporate expenses					**(40.0)**	(38.8)
Adjusted operating profit					**472.1**	458.8
Adjusting items					**(81.1)**	(90.4)
Net finance costs					**(43.9)**	(47.7)
Profit before tax from continuing operations					**347.1**	320.7
Segment result – 2023 at 2024 average exchange rates						
Segment result before share of results of joint ventures	**382.8**	352.5	**127.4**	115.9	**510.2**	468.4
Share of results of joint ventures	**—**	—	**1.9**	2.5	**1.9**	2.5
Segment result	**382.8**	352.5	**129.3**	118.4	**512.1**	470.9
Corporate expenses					**(40.0)**	(37.9)
Adjusted operating profit					**472.1**	433.0

3. Segment information (continued)

Revenues from any single external customer do not exceed 10% of Group revenue.

	Minerals		ESCO		Total continuing operations	
	2024	2023	2024	2023	2024	2023
	£m	£m	£m	£m	£m	£m
Timing of revenue recognition						
At a point in time	**1,724.1**	1,825.2	**669.0**	685.3	**2,393.1**	2,510.5
Over time	**93.5**	112.3	**20.6**	15.8	**114.1**	128.1
Segment revenue	**1,817.6**	1,937.5	**689.6**	701.1	**2,507.2**	2,638.6
Eliminations					**(1.6)**	(2.6)
					2,505.6	2,636.0

Geographical information

Geographical information in respect of revenue for 2024 and 2023 is disclosed below. Revenues are allocated based on the location to which the product is shipped.

	2024	2023
	£m	£m
Revenue by geography		
UK	**17.7**	23.9
US	**402.5**	412.4
Canada	**386.5**	420.8
Asia Pacific	**306.3**	347.4
Australasia	**437.5**	412.4
South America	**535.1**	576.3
Middle East & Africa	**312.8**	317.4
Europe	**107.2**	125.4
Revenue	**2,505.6**	2,636.0

	2024	2023
	£m	£m
An analysis of the Group's revenue is as follows:		
Original equipment	**492.3**	552.3
Aftermarket parts	**1,797.7**	1,864.3
Sales of goods	**2,290.0**	2,416.6
Provision of services – aftermarket	**190.6**	160.7
Construction contracts – original equipment	**21.1**	54.3
Subscription services	**3.9**	4.4
Revenue	**2,505.6**	2,636.0

3. Segment information (continued)

	Minerals		ESCO		Total Group	
	2024	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m
Assets & liabilities						
Intangible assets	**532.6**	567.9	**737.7**	748.0	**1,270.3**	1,315.9
Property, plant & equipment	**309.8**	312.3	**179.9**	168.4	**489.7**	480.7
Working capital assets	**854.0**	844.9	**273.6**	288.1	**1,127.6**	1,133.0
	1,696.4	1,725.1	**1,191.2**	1,204.5	**2,887.6**	2,929.6
Investments in joint ventures	**—**	—	**12.8**	12.2	**12.8**	12.2
Segment assets	**1,696.4**	1,725.1	**1,204.0**	1,216.7	**2,900.4**	2,941.8
Corporate assets					**884.6**	950.9
Total assets					**3,785.0**	3,892.7
Working capital liabilities	**507.0**	476.6	**126.8**	129.9	**633.8**	606.5
Segment liabilities	**507.0**	476.6	**126.8**	129.9	**633.8**	606.5
Corporate liabilities					**1,297.6**	1,586.5
Total liabilities					**1,931.4**	2,193.0
Other segment information - total Group						
Segment additions to non-current assets	**78.5**	79.7	**33.1**	46.6	**111.6**	126.3
Corporate additions to non-current assets					**0.2**	1.3
Total additions to non-current assets					**111.8**	127.6
Other segment information - total Group						
Segment depreciation & amortisation	**69.9**	65.0	**39.1**	42.2	**109.0**	107.2
Segment impairment of property, plant & equipment	**7.2**	1.4	**—**	—	**7.2**	1.4
Segment impairment of intangible assets	**18.6**	—	**—**	—	**18.6**	—
Corporate depreciation & amortisation					**1.5**	2.0
Total depreciation, amortisation & impairment					**136.3**	110.6

Corporate assets primarily comprise cash and short-term deposits, asbestos-related insurance asset, Trust Owned Life Insurance policy investments, derivative financial instruments, income tax receivable, deferred tax assets and elimination of intercompany assets as well as those assets which are used for general head office purposes. Corporate liabilities primarily comprise interest-bearing loans and borrowings, and related interest accruals, derivative financial instruments, income tax payable, provisions, deferred tax liabilities, elimination of intercompany liabilities and retirement benefit deficits as well as liabilities relating to general head office activities. Segment additions to non-current assets include right-of-use assets.

Geographical information

Geographical information in respect of non-current assets for 2024 and 2023 is disclosed below. Assets are allocated based on the location of the assets and operations. Non-current assets consist of property, plant & equipment, intangible assets and investments in joint ventures.

	2024	2023
	£m	£m
Non-current assets by geography		
UK	**299.4**	308.8
US	**697.9**	707.6
Canada	**155.5**	168.8
Asia Pacific	**204.2**	195.1
Australasia	**198.2**	201.8
South America	**69.5**	81.4
Middle East & Africa	**103.5**	97.6
Europe	**53.4**	57.6
Non-current assets	**1,781.6**	1,818.7

4. Revenue & expenses

The following disclosures are given in relation to continuing operations.

	Year ended 31 December 2024			Year ended 31 December 2023		
	Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results
	£m	£m	£m	£m	£m	£m
A reconciliation of revenue to operating profit is as follows:						
Revenue	**2,505.6**	**—**	**2,505.6**	2,636.0	—	2,636.0
Cost of sales	**(1,485.2)**	**(12.4)**	**(1,497.6)**	(1,641.1)	(1.6)	(1,642.7)
Gross profit	**1,020.4**	**(12.4)**	**1,008.0**	994.9	(1.6)	993.3
Other operating income	**7.4**	**—**	**7.4**	5.9	—	5.9
Selling & distribution costs	**(292.5)**	**(1.0)**	**(293.5)**	(291.4)	(2.4)	(293.8)
Administrative expenses	**(265.1)**	**(67.7)**	**(332.8)**	(253.1)	(86.4)	(339.5)
Share of results of joint ventures	**1.9**	**—**	**1.9**	2.5	—	2.5
Operating profit	**472.1**	**(81.1)**	**391.0**	458.8	(90.4)	368.4

Details of adjusting items are included in note 5.

5. Adjusting items

	2024	2023
	£m	£m
Recognised in arriving at operating profit from continuing operations		
Intangibles amortisation	**(20.7)**	(25.5)
Exceptional items		
Acquisition and integration related costs	**(0.1)**	(0.7)
Russian operations wind down	**0.3**	7.7
Performance Excellence programme	**(35.7)**	(28.8)
Impairment of intangibles	**(18.6)**	—
Legal claims	**(0.5)**	—
Other restructuring and rationalisation activities	**—**	0.1
	(54.6)	(21.7)
Other adjusting items		
Asbestos-related provision	**(5.8)**	(43.2)
Total adjusting items	**(81.1)**	(90.4)
Recognised in arriving at operating loss from discontinued operations		
Exceptional items		
Finalisation of Oil & Gas related tax assessment	**(2.9)**	(1.3)
Total adjusting items (note 7)	**(2.9)**	(1.3)

5. Adjusting items (continued)

Continuing operations

Intangibles amortisation

Intangibles amortisation of £20.7m (2023: £25.5m) relates to acquisition related assets.

Exceptional items

Exceptional items in the year include £0.1m of acquisition and integration related costs (2023: £0.7m). These costs were cash settled during the year.

Exceptional items in the year include a charge of £35.7m (2023: £28.8m) in relation to the Group's ongoing Performance Excellence programme. This three-year programme aims to transform the way we work with more agile and efficient business processes, focused on customer and service-delivery. The programme, as outlined in the Chief Executive Officer's Strategic report, includes capacity optimisation, lean processes and functional transformation pillars. Costs of £20.5m have been recognised under the functional transformation pillar as costs associated with establishing Weir Business Services. Also within Performance Excellence, £15.2m has been recognised under the capacity optimisation and lean processes pillars for costs associated with the consolidation and optimisation of Minerals manufacturing facilities, service centres and distribution footprints together with simplification and automation of our product design and configuration. This has resulted in an exceptional cash outflow in the year, in respect of the Performance Excellence programme, of £27.9m.

During the year, an exceptional credit of £0.3m (2023: £7.7m) has been recognised in relation to previously impaired receivables balances relating to the wind down of Russia operations in 2022. The prior year exceptional credit related to previously impaired receivables and inventory balances from the wind down of Russia operations.

A decision was taken in the year to rebrand certain products within the Minerals Division and this has resulted in the write down of the Trio brand name to nil. An exceptional impairment loss of £18.6m has been recognised in the year .

Also included within exceptional items is £0.5m relating to legacy legal claims (2023: £nil).

Other adjusting items

A charge of £5.8m (2023: £43.2m) has been recorded primarily in respect of movements in the US asbestos-related liability and associated insurance asset that relate to legacy products sold by a US-based subsidiary of the Group. Further details of this are included in note 12.

Adjusting items tax credit

The adjusting items tax credit of £86.9m (2023: £20.1m) is explained in note 6.

Discontinued operations

Exceptional items

A charge of £2.9m has been recognised in the year in relation to the finalisation of certain tax indemnities under the sale and purchase agreement for the Oil & Gas Division, which was disposed of in 2021 (note 7).

6. Income tax expense

	2024	2023
	£m	£m
Continuing Group - UK	**1.6**	(4.5)
Continuing Group - Overseas	**(33.3)**	(86.3)
Income tax expense in the Consolidated Income Statement for continuing operations	**(31.7)**	(90.8)

The total income tax expense is disclosed in the Consolidated Income Statement as follows.

		2024	2023
		£m	£m
Tax (expense) credit	- adjusted results	**(118.6)**	(110.9)
	- adjusting items	**86.9**	20.1
Total income tax expense in the Consolidated Income Statement		**(31.7)**	(90.8)

The tax credit of £86.9m (2023: £20.1m) which has been recognised in adjusting items includes £4.2m (2023: £5.6m) in respect of adjusting intangibles amortisation and impairment, and a credit of £1.3m (2023: £10.1m) which primarily relates to the US asbestos-related provision. The remaining £81.4m (2023: £4.4m) relates to exceptional and other adjusting items and includes a credit of £68.5m relating to the recognition of US deferred tax assets that were previously unrecognised and which relate to the disposal of Seaboard International LLC as part of the Group's divestiture of its Oil & Gas Division in 2021.

The income tax expense included in the Continuing Group's share of results of joint ventures is as follows.

	2024	2023
	£m	£m
Joint ventures	**(0.5)**	(0.6)

7. Discontinued operations

In the year ended 31 December 2024, a charge of £2.9m (2023: £1.3m) has been recognised in relation to the finalisation of certain tax indemnities under the sale and purchase agreement for the Oil & Gas Division, which was disposed of in 2021. Total current year investing cash outflows from discontinued operations related to the charge in the period are £1.8m (2023: £0.4m).

For full disclosure of the disposal of the Oil & Gas Division refer to note 8 of the Group's 2021 Annual Report and Financial Statements.

Loss per share

Loss per share from discontinued operations were as follows.

	2024 pence	2023 pence
Basic	**(1.1)**	(0.5)
Diluted	**(1.1)**	(0.5)

The loss per share figures were derived by dividing the net loss attributable to equity holders of the Company from discontinued operations by the weighted average number of ordinary shares, for both basic and diluted amounts, shown in note 8.

8. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue after deducting the own shares held by employee share ownership trusts and treasury shares. Diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for the effect of dilutive share awards.

The following reflects the earnings used in the calculation of earnings per share.

	2024 £m	2023 £m
Profit attributable to equity holders of the Company		
Total operations[1]	**312.2**	227.9
Continuing operations[1]	**315.1**	229.2
Continuing operations before adjusting items[1]	**309.3**	299.5

The following reflects the share numbers used in the calculation of earnings per share, and the difference between the weighted average share capital for the purposes of the basic and the diluted earnings per share calculations.

	2024 Shares million	2023 Shares million
Weighted average number of ordinary shares for basic earnings per share	**257.8**	258.4
Effect of dilution: employee share awards	**1.7**	1.4
Adjusted weighted average number of ordinary shares for diluted earnings per share	**259.5**	259.8

The profit attributable to equity holders of the Company used in the calculation of both basic and diluted earnings per share from continuing operations before adjusting items is calculated as follows.

	2024 £m	2023 £m
Net profit attributable to equity holders from continuing operations[1]	**315.1**	229.2
Adjusting items net of tax	**(5.8)**	70.3
Net profit attributable to equity holders from continuing operations before adjusting items	**309.3**	299.5

8. Earnings per share (continued)

	2024 pence	2023 pence
Basic earnings per share		
Total operations[1]	121.1	88.2
Continuing operations[1]	122.2	88.7
Continuing operations before adjusting items[1]	120.0	115.9

Diluted earnings per share		
Total operations[1]	120.3	87.7
Continuing operations[1]	121.4	88.2
Continuing operations before adjusting items[1]	119.2	115.3

1. Adjusted for a profit of £0.3m (2023: £0.7m) in respect of non-controlling interests for total operations.

There have been 20,768 share awards (2023: nil) vested between the reporting date and the date of signing of these financial statements. They were settled out of existing shares held in trust.

Loss per share from discontinued operations is disclosed in note 7.

9. Dividends paid & proposed

	2024 £m	2023 £m
Declared & paid during the year		
Equity dividends on ordinary shares		
Final dividend for 2023: 20.8p (2022: 19.3p)	53.7	49.9
Interim dividend for 2024: 17.9p (2023: 17.8p)	46.1	46.0
	99.8	95.9
Proposed for approval by Shareholders at the Annual General Meeting		
Final dividend for 2024: 22.1p (2023: 20.8p)	56.9	53.6

The current year dividend is in line with the capital allocation policy announced in our 2020 Annual Report and Financial Statements, under which the Group intends to distribute 33% of adjusted earnings by way of dividend. As a result, dividend cover in 2024 is 3.0 times.

The proposed dividend is based on the number of shares in issue, excluding treasury shares held, at the date that the financial statements were approved and authorised for issue. The final dividend may differ due to increases or decreases in the number of shares in issue between the date of approval of the Annual Report and Financial Statements and the record date for the final dividend.

10. Property, plant & equipment and intangible assets

	2024 £m	2023 £m
Additions of property, plant & equipment and intangible assets		
- owned land & buildings	5.1	3.1
- owned plant & equipment	66.9	83.6
- right-of-use land & buildings	28.8	25.8
- right-of-use plant & equipment	5.9	7.5
- intangible assets	5.1	7.6
	111.8	127.6

The above additions relate to the normal course of business and do not include any additions made by way of business combinations.

11. Business combinations

Prior year business combinations

Sentiantechnologies AB

On 21 November 2023, the Group completed the acquisition of 100% of the voting rights of Sentiantechnologies AB (SentianAI) for an enterprise value of SEK87.3m (£6.7m). SentianAI is a Swedish-based developer of innovative cloud-based Artificial Intelligence (AI) solutions for the mining industry. The acquisition has joined the Minerals Division and SentianAI's technology will integrate with Minerals' existing product lines, and expand the Division's digital capabilities. Initial consideration of £6.1m was paid on completion, with a further deferred consideration of £0.6m recognised, payable 15 months after the date of acquisition.

The provisional fair values of the opening balance sheet acquired were finalised in November 2024, following a review over a 12 month period since the date of acquisition as permitted by IFRS 3 ‘Business combinations’. A £0.1m adjustment was made to intangible assets with a reallocation between purchased software and goodwill. The final acquisition balance sheet consisted of intangible assets £0.7m, trade & other receivables £0.2m, cash & cash equivalents £0.2m, trade & other payables £0.2m and external debt £0.2m, with resulting goodwill arising on consolidation of £6.0m.

Carriere Industrial Supply Limited

On 8 April 2022, the Group completed the acquisition of 100% of the voting rights of Carriere Industrial Supply Limited (CIS) for an enterprise value of CAD$32.5m (£20.2m). Initial consideration of £16.2m was paid on completion, with a further deferred consideration of £2.5m recognised reflecting indemnification and working capital hold backs to be paid in instalments. The Group settled the final tranche of this deferred consideration during 2024.

Contingent consideration

SentianAI

Included in the sale and purchase agreement of SentianAI, a maximum of an additional SEK23.7m (£1.7m) is payable by the Group contingent on SentianAI exceeding specific revenue and EBITDA margin targets over the next two years and meeting non-financial targets by the end of 2026. The entry point for any contingent payment would require significant growth in terms of revenue and EBITDA margin by 2026. While the Group expects SentianAI to grow as it leverages the benefits of being partnered with Minerals, and the opportunities within ESCO, the entry targets are considered challenging. At present, the probability of SentianAI exceeding the revenue and EBITDA margin targets in order to trigger a contingent payment is considered uncertain, in part due to the relative infancy of the business. As a result, no contingent consideration has been recorded at the balance sheet date in both the current and prior periods. This will be reassessed in future periods as the business develops.

Motion Metrics

The Group completed the acquisition of 100% of the voting rights of Motion Metrics on 30 November 2021. As part of the purchase agreement a maximum of an additional CAD$100.0m (£55.5m) was payable by the Group contingent on Motion Metrics exceeding specific revenue and EBITDA targets over the first three years following acquisition. The required targets were not met and, as a result, no additional consideration has been paid.

12. Provisions

	Warranties & contract claims	Asbestos-related	Employee-related	Exceptional items	Other	Total
	£m	£m	£m	£m	£m	£m
At 1 January 2024	**9.6**	**78.7**	**12.1**	**15.7**	**12.2**	**128.3**
Additions	**8.2**	**4.1**	**18.0**	**30.6**	**2.8**	**63.7**
Utilised	**(4.9)**	**(11.2)**	**(13.7)**	**(28.4)**	**(3.2)**	**(61.4)**
Unutilised	**(1.2)**	**(1.3)**	**—**	**(1.4)**	**—**	**(3.9)**
Exchange adjustment	**(0.4)**	**1.3**	**(1.1)**	**(0.5)**	**—**	**(0.7)**
At 31 December 2024	**11.3**	**71.6**	**15.3**	**16.0**	**11.8**	**126.0**
Current 2024	**11.3**	**9.8**	**9.4**	**16.0**	**1.8**	**48.3**
Non-current 2024	**—**	**61.8**	**5.9**	**—**	**10.0**	**77.7**
At 31 December 2024	**11.3**	**71.6**	**15.3**	**16.0**	**11.8**	**126.0**
Current 2023	9.6	11.2	8.4	15.7	2.7	47.6
Non-current 2023	—	67.5	3.7	—	9.5	80.7
At 31 December 2023	9.6	78.7	12.1	15.7	12.2	128.3

The impact of discounting is only material for the asbestos-related category of provision, with higher discount rates at 31 December 2024, resulting in a £1.0m reduction in the provision, which is reflected as unutilised above.

Warranties & contract claims

Provision has been made in respect of actual warranty claims on goods sold and services provided, and allowance has been made for potential warranty claims based on past experience for goods and services sold with a warranty guarantee. At 31 December 2024, the warranties portion of the provision totalled £8.6m (2023: £7.2m). At 31 December 2024, all of these costs relate to claims that fall due within one year of the balance sheet date.

Provision has been made in respect of sales contracts entered into for the sale of goods in the normal course of business where the unavoidable costs of meeting the obligations under the contracts exceed the economic benefits expected to be received from the contracts and before allowing for future expected aftermarket revenue streams. Provision is made immediately when it becomes apparent that expected costs will exceed the expected benefits of the contract. At 31 December 2024, the contract claims element, which includes onerous provision, was £2.7m (2023: £2.4m), all of which is expected to be incurred within one year of the balance sheet date.

Asbestos-related claims

	2024	2023
	£m	£m
US asbestos-related provision – pre-1981 date of first exposure	**61.3**	67.4
US asbestos-related provision – post-1981 date of first exposure	**8.6**	8.8
US asbestos-related provision – total	**69.9**	76.2
UK asbestos-related provision	**1.7**	2.5
Total asbestos-related provision	**71.6**	78.7

US asbestos-related provision

A US-based subsidiary of the Group is co-defendant in lawsuits pending in the US in which plaintiffs are claiming damages arising from alleged exposure to products previously manufactured that contained asbestos. The dates of alleged exposure currently range from the 1950s to the 1990s.

The Group has historically held comprehensive insurance cover for cases of this nature and its subsidiary continues to do so for claims with a date of first exposure (dofe) pre-1981. The expiration of one of the Group’s insurance policies in 2019 resulted in no further insurance cover for claims with a post-1981 dofe. All claims are directly administered by National Coordinating Counsel on behalf of the insurers who also meet associated defence costs. The insurers, their legal advisers and in-house counsel agree and execute the defence strategy between them.

12. Provisions (continued)

A summary of the US subsidiary's asbestos-related claim activity is shown in the table below.

Number of open claims	2024 Number	2023 Number
Opening	**1,788**	1,716
New	**828**	664
Dismissed	**(335)**	(362)
Settled	**(228)**	(230)
Closing	**2,053**	1,788

A review of the US subsidiary's expected liability for US asbestos-related diseases and the adequacy of the insurance policies to meet future settlement and defence costs was completed in conjunction with external advisers in 2023 as part of a planned triennial actuarial review. This review was based on an industry standard epidemiological decay model, and the subsidiary's claims settlement history. Consistent with recent claims experience, the 2023 review reflected a higher level of claims, particularly relating to the 1970s and 1980s.

The actuarial model incorporates claims, with a dofe pre- and post-1981, primarily relating to Lung Cancer and Mesothelioma and includes estimates relating to:

- the number of future claims received through to 2064;
- settlement rates by disease type;
- mean settlement values by disease type;
- ratio of defence costs to indemnity value; and
- the profile of associated cash flows through to 2068.

The actuarial model in 2023 provided a range of potential liability based on levels of probability from 10% to 90%, which, on an undiscounted basis, equates to £89m–£195m. The mean actuarial estimate of £142m represents the expected undiscounted value over the range of reasonably possible outcomes. The provision in the financial statements is based on the mean actuarial estimate, which is then adjusted each year to reflect expected settlements in the model, discounting and restricting the timescale over which a liability can be reliably measured to ten years plus cash flows over a further six years.

	2024	2023
Period of future claims provided	**10 Years**	10 Years
Discount rate	**5.3%**	4.7%

The period over which the provision can be reliably estimated is judged to be ten years, plus cash flows for a further six years, due to the inherent uncertainty, resulting from the changing nature of the US litigation environment detailed below, and cognisant of the broad range of probability levels included within the actuarial model. While claims may extend past ten years and may result in a further outflow of economic benefits, the Directors do not believe any obligation that may arise beyond ten years can be reliably measured at this time. The effect of extending the claims period by a further ten years is included in the sensitivities below. The discount rate is set based on the corporate bond yield available at the balance sheet date denominated in the same currency, and with a term broadly consistent to that of the liabilities being provided for, with sensitivities to the discount rate also included below.

In 2023, confirmation was also received from external advisers of the insurance asset available, which includes the estimated defence costs that would be met by the insurer. An update to the insurance asset is obtained annually and totals £4.1m at 31 December 2024 (2023: £14.9m). Based on the profile of the claims in the actuarial model, external advisers expect the insurance cover and associated limits currently in place to become fully exhausted in the first half of 2025. No cash flows to or from the US subsidiary, related to claims with an exposure date pre-1981, are expected until the exhaustion of the insurance asset. Claims with an exposure date post-1981 are estimated to incur cash outflows of less than £0.8m per annum and are not insured currently or in the future.

The table below represents the Directors’ best estimate of the future liability and corresponding insurance asset.

US asbestos-related provision	2024 £m	2023 £m
Gross provision	**96.8**	101.5
Effect of discounting	**(26.9)**	(25.3)
Discounted US asbestos-related provision	**69.9**	76.2
Insurance asset	**4.1**	14.9
Net US asbestos-related liability	**65.8**	61.3

12. Provisions (continued)

The net provision and insurance asset are presented in the financial statements as follows.

	2024	2023
	£m	£m
Provisions – current	**9.3**	10.3
Provisions – non-current	**60.6**	65.9
Trade & other receivables	**4.1**	9.5
Non-current other receivables	**—**	5.4

There remains inherent uncertainty associated with estimating future costs in respect of asbestos-related diseases. Actuarial estimates of future indemnity and defence costs associated with asbestos-related diseases are subject to significantly greater uncertainty than actuarial estimates for other types of exposures. This uncertainty results from factors that are unique to the asbestos claims litigation and settlement process including but not limited to:

- the possibility of future state or federal legislation applying to claims for asbestos-related diseases;
- the ability of the plaintiff's bar to develop and sustain new legal theory and/or develop new populations of claimants;
- changes in focus of the plaintiff's bar;
- changes in defence strategy; and
- changes in the financial condition of other co-defendants in suits naming the US subsidiary.

As a result, there can be no guarantee that the assumptions used to estimate the provision will result in an accurate prediction of the actual costs that may be incurred.

Since the previous triennial update completed in 2023, the US subsidiary has experienced a higher number of claims received than modelled across both disease types. Historic settlement rates are lower than modelled. Settlements largely occur within four years of a claim being received. Average settlement values have been lower than modelled in 2024 for both Mesothelioma and Lung Cancer cases. .

As noted above, there are a number of uncertain factors involved in the estimation of the provision and variations in case numbers and settlements are to be expected from period-to-period. The trends witnessed in our recent claims experience have been reflected in the 2023 triennial actuarial review and provided the basis for the provision recognised at 31 December 2024.

Uncertainty regarding the timing and extent of variations year to year and whether they are short or long-term in nature, mean it is not considered possible to provide reasonably probable scenarios. The impact on the provision of incremental changes in key assumptions is provided below for guidance.

	2024
Estimated impact on the discounted US asbestos-related provision of:	**£m**
Increasing the number of projected future settled claims by 20%	**13.1**
Increasing the estimated settlement value by 10%	**6.6**
Increasing the basis of provision by ten years	**8.3**
Decreasing the discount rate by 50bps	**2.0**

Application of these sensitivities, on an individual basis, would not lead to a material change in the provision.

The Group's US subsidiary has been effective in managing the asbestos litigation, in part, because it has access to historical project documents and other business records going back more than 50 years, allowing it to defend itself by determining if legacy products were present at the location of the alleged asbestos exposure and, if so, the timing and extent of their presence. In addition, the US subsidiary has consistently and vigorously defended claims that are without merit.

UK asbestos-related provision

In the UK, there are outstanding asbestos-related claims that are not the subject of insurance cover. The extent of the UK asbestos exposure involves a series of legacy employer's liability claims that all relate to former UK operations and employment periods in the 1950s to 1970s. In 1989, the Group's employer's liability insurer (Chester Street Employers Association Ltd) was placed into run-off, which effectively generated an uninsured liability exposure for all future long-tail disease claims with an exposure period pre-dating 1 January 1972. All claims with a disease exposure post 1 January 1972 are fully compensated via the government-established Financial Services Compensation Scheme. Any settlement to a former employee whose service period straddles 1972 is calculated on a pro rata basis. The Group provides for these claims based on management's best estimate of the likely costs given past experience of the volume and cost of similar claims brought against the Group.

The UK provision was reviewed and adjusted accordingly for claims experience in the year, resulting in a provision of £1.7m (2023: £2.5m).

12. Provisions (continued)

Employee-related

Employee-related provisions arise from legal obligations in a number of territories in which the Group operates, the majority of which relate to compensation associated with periods of service. A large proportion of the provision is for long service leave. The outflow is generally dependent upon the timing of employees' period of leave with the calculation of the majority of the provision being based on criteria determined by the various jurisdictions.

Exceptional items

The exceptional items provision relates to certain exceptional charges included within note 5 where the cost is based on a reliable estimate of the obligation.

The opening balance of £15.7m includes £1.3m related to Russia, and £14.2m in relation to the Performance Excellence programme, of which £7.1m relates to capacity optimisation costs and £7.1m relates to functional transformation. Also included in the opening balance are smaller balances of £0.2m.

Additions in the year of £30.6m includes £30.0m in relation to the Performance Excellence programme. The remaining additions of £0.6m include amounts relating to legacy legal costs and acquisition and integration costs. Performance Excellence costs of £27.9m have been settled in the year.

The closing balance of £16.0m includes £14.4m in relation to the Performance Excellence programme, of which £8.3m relates to capacity optimisation and lean processes costs and £6.1m to functional transformation. Also included in the closing balance are £1.1m relating to Russia and £0.5m of smaller balances mainly relating to legacy legal claims.

Other

Other provisions include environmental obligations, penalties, duties due, legal claims and other exposures across the Group. These balances typically include estimates based on multiple sources of information and reports from third-party advisers. The timing of outflows is difficult to predict as many of them will ultimately rely on legal resolutions and the expected conclusion is based on information currently available. Where certain outcomes are unknown, a range of possible scenarios is calculated, with the most likely being reflected in the provision.

13. Interest-bearing loans & borrowings

In June 2023, the Group completed the issue of £300m five-year Sustainability-Linked Notes due to mature in June 2028. The notes include a Sustainability Performance Target (SPT) to reduce scope 1&2 CO_2 emissions by 19.1% in absolute terms by 2026 from a 2019 baseline, consistent with the Group's SBTi approved target of 30% reduction by the end of 2030. The notes will initially bear interest at a rate of 6.875% per annum to be paid annually in June. The interest on the notes will be linked to achievement of the SPT with an interest rate increase of 0.75% to 7.625% per annum for the last interest payment due on 14 June 2028 if the Group does not attain its SPT. These notes are in addition to the US$800m Sustainability-Linked Notes drawn in May 2021, due to mature in May 2026, which bear interest at a rate of 2.20% per annum.

In February 2024, the Group chose to reduce its US$800m multi-currency revolving credit facility (RCF) by US$200m.

Subsequently, in March 2024, the Group exercised the option to extend its US$600m multi-currency RCF by one year which will now mature in April 2029.

In June 2023, the Group reduced its US$1bn commercial paper programme to US$800m and subsequently in November 2024, the Group chose to withdraw from the programme.

At 31 December 2024, £nil (2023: £97.7m) was drawn under the US$600m multi-currency RCF, which is disclosed net of unamortised issue costs of £2.1m (2023: £2.3m).

At 31 December 2024, a total of £936.0m (2023: £922.3m) was outstanding under Sustainability-Linked Notes, which is disclosed net of unamortised issue costs of £3.0m (2023: £4.5m).

14. Pensions & other post-employment benefit plans

	2024	2023
	£m	£m
Net asset	**9.3**	2.1

The defined benefit pension schemes across the Group's legacy UK and North American schemes improved to a net surplus of £9.3m (2023: £2.1m) primarily due to changes in financial assumptions mainly due to a rise in discount rates over the period.

15. Derivative financial instruments

The Group enters into derivative financial instruments in the normal course of business in order to hedge its exposure to foreign exchange risk. Derivatives are only used for economic hedging purposes and no speculative positions are taken. Derivatives are recognised as held for trading and at fair value through profit and loss unless they are designated in IFRS 9 'Financial Instruments' compliant hedge relationships.

The following table below summarises the types of derivative financial instrument included within each balance sheet category.

	2024 £m	2023 £m
Included in current assets		
Forward foreign currency contracts designated as cash flow hedges	**1.1**	0.6
Forward foreign currency contracts designated as fair value hedges	**1.7**	—
Other forward foreign currency contracts	**7.9**	7.3
	10.7	7.9
Included in current liabilities		
Forward foreign currency contracts designated as cash flow hedges	**(0.3)**	(0.5)
Forward foreign currency contracts designated as fair value hedges	**(0.4)**	—
Other forward foreign currency contracts	**(9.4)**	(5.9)
	(10.1)	(6.4)
Included in non-current liabilities		
Forward foreign currency contracts designated as fair value hedges	**—**	(2.3)
	—	(2.3)
Net derivative financial assets (liabilities)	**0.6**	(0.8)

16. Additional cash flow information

	Notes	2024 £m	2023 £m
Total operations			
Net cash generated from operating activities			
Operating profit – continuing operations		**391.0**	368.4
Operating loss – discontinued operations	7	**(2.9)**	(1.3)
Operating profit – total operations		**388.1**	367.1
Exceptional and other adjusting items	5	**63.3**	66.2
Amortisation of intangible assets		**32.7**	37.7
Share of results of joint ventures		**(1.9)**	(2.5)
Depreciation of property, plant & equipment		**45.9**	39.9
Depreciation of right-of-use assets		**31.9**	31.6
Impairment of property, plant & equipment		**0.1**	0.9
Capital grants received		**(0.4)**	(0.5)
Loss (gain) on disposal of property, plant & equipment		**0.9**	(0.4)
Funding of pension & post-retirement costs		**(0.4)**	(1.1)
Employee share schemes		**10.4**	7.0
Transactional foreign exchange		**7.5**	9.2
Increase (decrease) in provisions		**5.1**	(1.5)
Cash generated from operations before working capital cash flows		**583.2**	553.6
Decrease in inventories		**2.0**	42.0
(Increase) decrease in trade & other receivables & construction contracts		**(19.3)**	15.2
Increase (decrease) in trade & other payables & construction contracts		**25.2**	(85.3)
Adjusted operating cash flow		**591.1**	525.5
Additional pension contributions paid		**—**	(9.3)
Exceptional and other adjusting cash items		**(30.7)**	(18.0)
Income tax paid		**(110.5)**	(103.9)
Net cash generated from operating activities		**449.9**	394.3

Cash flows from discontinued operations included above are disclosed separately in note 7.

The following tables summarise the cash flows arising on acquisitions (note 11) and disposals (notes 5 and 7).

	2024 £m	2023 £m
Acquisitions of subsidiaries		
Acquisition of subsidiaries – cash consideration paid	**—**	6.1
Cash & cash equivalents acquired	**—**	(0.2)
Acquisition of subsidiaries – current period acquisitions	**—**	5.9
Prior period acquisitions - deferred consideration paid	**1.0**	1.0
Total cash outflow relating to acquisitions	**1.0**	6.9

Net cash outflow arising on disposals		
Prior period disposals	**1.8**	0.4
Total cash outflow relating to disposals	**1.8**	0.4

16. Additional cash flow information (continued)

	2024 £m	2023 £m
Cash & cash equivalents comprise the following		
Cash & short-term deposits	**556.4**	707.2
Bank overdrafts	**(29.5)**	(259.8)
	526.9	447.4

	2024 £m	2023 £m
Net debt comprises the following		
Cash & short-term deposits	**556.4**	707.2
Current interest-bearing loans & borrowings	**(55.2)**	(286.2)
Non-current interest-bearing loans & borrowings	**(1,035.8)**	(1,111.1)
	(534.6)	(690.1)

Reconciliation of financing cash flows to movement in net debt

	Opening balance at 1 January 2024 £m	Cash movements £m	Additions/ acquisitions £m	FX £m	Non-cash movements £m	Closing balance at 31 December 2024 £m
Cash & cash equivalents	**447.4**	**95.2**	**—**	**(15.7)**	**—**	**526.9**
Third-party loans	**(1,026.8)**	**99.4**	**—**	**(12.2)**	**—**	**(939.6)**
Leases	**(117.5)**	**24.8**	**(38.4)**	**4.1**	**—**	**(127.0)**
Unamortised issue costs	**6.8**	**0.3**	**—**	**—**	**(2.0)**	**5.1**
Amounts included in gross debt	**(1,137.5)**	**124.5**	**(38.4)**	**(8.1)**	**(2.0)**	**(1,061.5)**
Amounts included in net debt	**(690.1)**	**219.7**	**(38.4)**	**(23.8)**	**(2.0)**	**(534.6)**
Financing derivatives	**(2.3)**	**1.7**	**—**	**—**	**2.9**	**2.3**
Total financing liabilities[1]	**(1,139.8)**	**126.2**	**(38.4)**	**(8.1)**	**0.9**	**(1,059.2)**

1. Total financing liabilities comprise gross debt plus other liabilities relating to financing activities.

	Opening balance at 1 January 2023 £m	Cash movements £m	Additions/ acquisitions £m	FX £m	Non-cash movements £m	Closing balance at 31 December 2023 £m
Cash & cash equivalents	477.5	1.0	0.2	(31.3)	—	447.4
Third-party loans	(1,165.5)	111.2	(0.2)	27.7	—	(1,026.8)
Leases	(115.1)	31.0	(38.4)	5.3	(0.3)	(117.5)
Unamortised issue costs	5.9	4.0	—	—	(3.1)	6.8
Amounts included in gross debt	(1,274.7)	146.2	(38.6)	33.0	(3.4)	(1,137.5)
Amounts included in net debt	(797.2)	147.2	(38.4)	1.7	(3.4)	(690.1)
Financing derivatives	(0.1)	0.5	—	—	(2.7)	(2.3)
Total financing liabilities[1]	(1,274.8)	146.7	(38.6)	33.0	(6.1)	(1,139.8)

1. Total financing liabilities comprise gross debt plus other liabilities relating to financing activities.

17. Related party disclosure

The following table provides the total amount of significant transactions that have been entered into by the Group with related parties for the relevant financial year and outstanding balances at the year end.

Related party		Sales to related parties – goods £m	Sales to related parties – services £m	Purchases from related parties – goods £m	Amounts owed to related parties £m	Amounts owed by related parties £m
Joint ventures	**2024**	**1.0**	**0.1**	**17.3**	**4.8**	**0.3**
	2023	0.9	0.1	19.2	3.8	0.4
Group pension plans	**2024**	**—**	**—**	**—**	**2.8**	**—**
	2023	—	—	—	1.6	—

18. Legal claims

The Company and certain subsidiaries are, from time-to-time, party to legal proceedings and claims that arise in the normal course of business. Provisions have been made where the Directors have assessed that a cash outflow is probable. All other claims are believed to be remote or are not yet ripe.

19. Exchange rates

The principal exchange rates applied in the preparation of these financial statements were as follows.

Average rate (per £)	2024	2023
US Dollar	**1.28**	1.24
Australian Dollar	**1.94**	1.87
Euro	**1.18**	1.15
Canadian Dollar	**1.75**	1.68
Chilean Peso	**1,205.92**	1,044.69
South African Rand	**23.42**	22.94
Brazilian Real	**6.89**	6.21
Chinese Yuan	**9.20**	8.81
Indian Rupee	**106.94**	102.66

Closing rate (per £)		
US Dollar	**1.25**	1.28
Australian Dollar	**2.02**	1.87
Euro	**1.21**	1.15
Canadian Dollar	**1.80**	1.69
Chilean Peso	**1,247.41**	1,124.43
South African Rand	**23.65**	23.30
Brazilian Real	**7.72**	6.19
Chinese Yuan	**9.14**	9.06
Indian Rupee	**107.17**	105.96

19. Exchange rates (continued)

The Group's operating profit before adjusting items was denominated in the following currencies.

	2024 £m	2023 £m
US Dollar	**206.8**	165.6
Australian Dollar	**106.3**	79.7
Chilean Peso	**72.5**	69.0
Canadian Dollar	**71.8**	78.8
Euro	**33.0**	34.6
South African Rand	**16.6**	24.8
Brazilian Real	**14.9**	18.8
Indian Rupee	**8.1**	6.8
Chinese Yuan	**5.6**	11.0
UK Sterling	**(65.3)**	(34.4)
Other	**1.8**	4.1
Adjusted operating profit	**472.1**	458.8

20. Events after the balance sheet date

On 23 January 2025, the Group announced plans to optimise capacity across its Minerals Division's Europe, Middle East, and Africa (EMEA) region, with the objective of bringing the business closer to its key customers and enhancing efficiency. As part of this, a consultation process has been initiated with employees on a proposal regarding the closure of its manufacturing site in Todmorden, UK. The consultation process is ongoing and is expected to complete around the end of March 2025. If the proposal is implemented, this would result in the closure of the Todmorden plant by the end of 2025 with production being relocated to other facilities in the EMEA region. The associated financial impact cannot be fully determined until the outcome of the consultation and other aspects of the proposed restructuring plan are known.

Financial Calendar

Q1 2025 Interim Management Statement
24 April 2025

Annual General Meeting
24 April 2025

Ex-dividend date for final dividend
17 April 2025

Record date for final dividend
22 April 2025
Shareholders on the register at this date will receive the dividend

Final dividend paid
30 May 2025