

# Half Year Results 2025

21 November 2024

Marc Ronchetti – Group Chief Executive

Steve Gunning – Chief Financial Officer

**Halma**



# Introduction

Marc Ronchetti  
Group Chief Executive

Growing a safer, cleaner, healthier  
future for everyone, every day

# Record H1 revenue, profit and dividends



Revenue > £1bn; Adjusted EBIT >£200m

Strong organic growth

Strong margin, high returns and cash generation

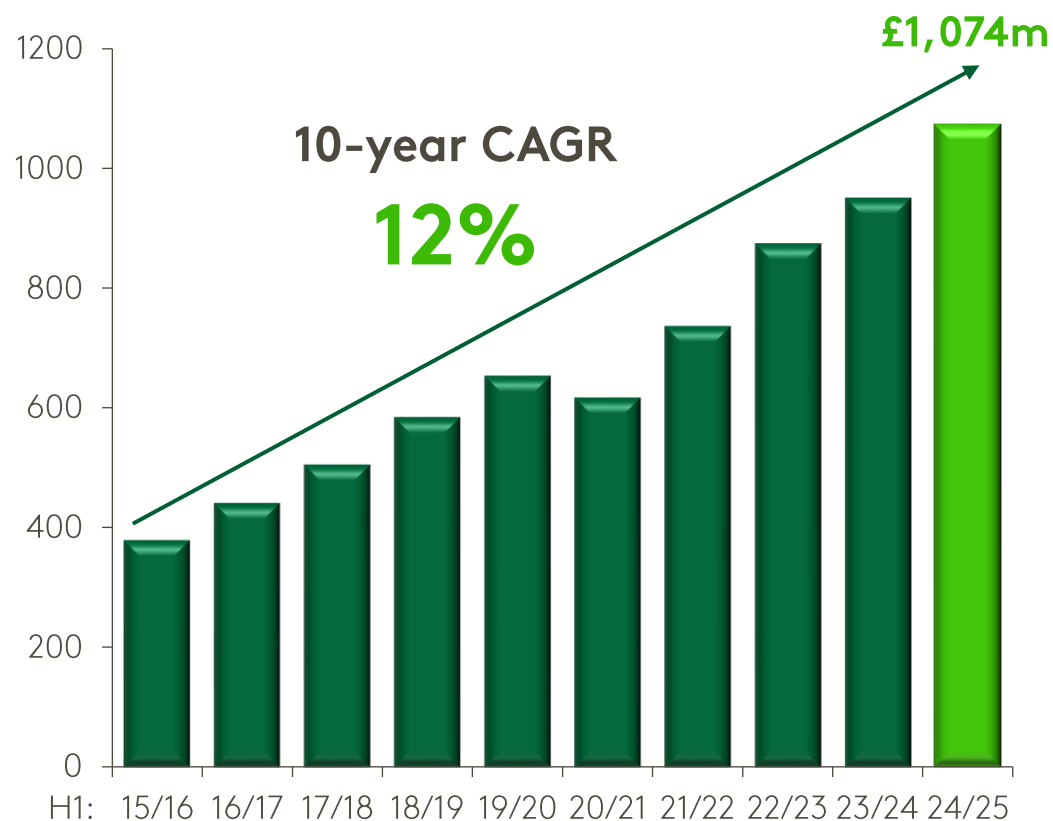
Continued strategic investment



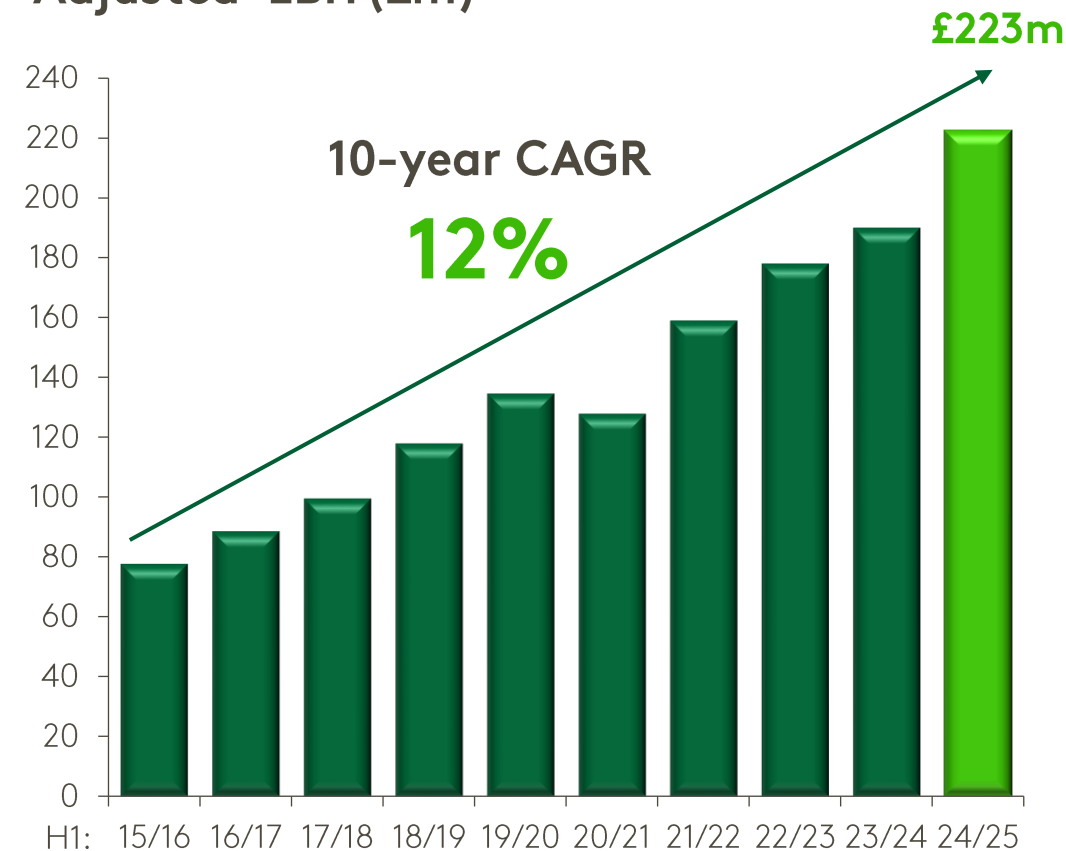
# First half results: sustainable compounding growth



Revenue (£m)



Adjusted<sup>1</sup> EBIT (£m)



**Well positioned to make further progress**

1: Adjusted EBIT is profit before tax, interest, amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates.

# Financial Review

Steve Gunning  
Chief Financial Officer



Growing a safer, cleaner, healthier  
future for everyone, every day



# Half year 2024/25: Record first half results



**Strong growth and  
high returns**

Revenue  
**+13%**  
£1,074m  
(H1 23/24: £951m)

EBIT<sup>1</sup>  
**+17%**  
margin: 20.7%  
(H1 23/24: 20.0%)

ROTC<sup>3</sup>  
**14.3%**  
(H1 23/24: 13.2%)

**Continued  
strategic  
investment**

R&D spend  
**£54m**  
5.0% of revenue  
(H1 23/24: £50m; 5.3%<sup>4</sup>)

Acquisitions<sup>5</sup>  
**£84m**  
4 acquisitions

Growth from M&A  
**4.3%**  
contribution to EBIT<sup>1,6</sup>

**Strong financial  
position; further  
dividend growth**

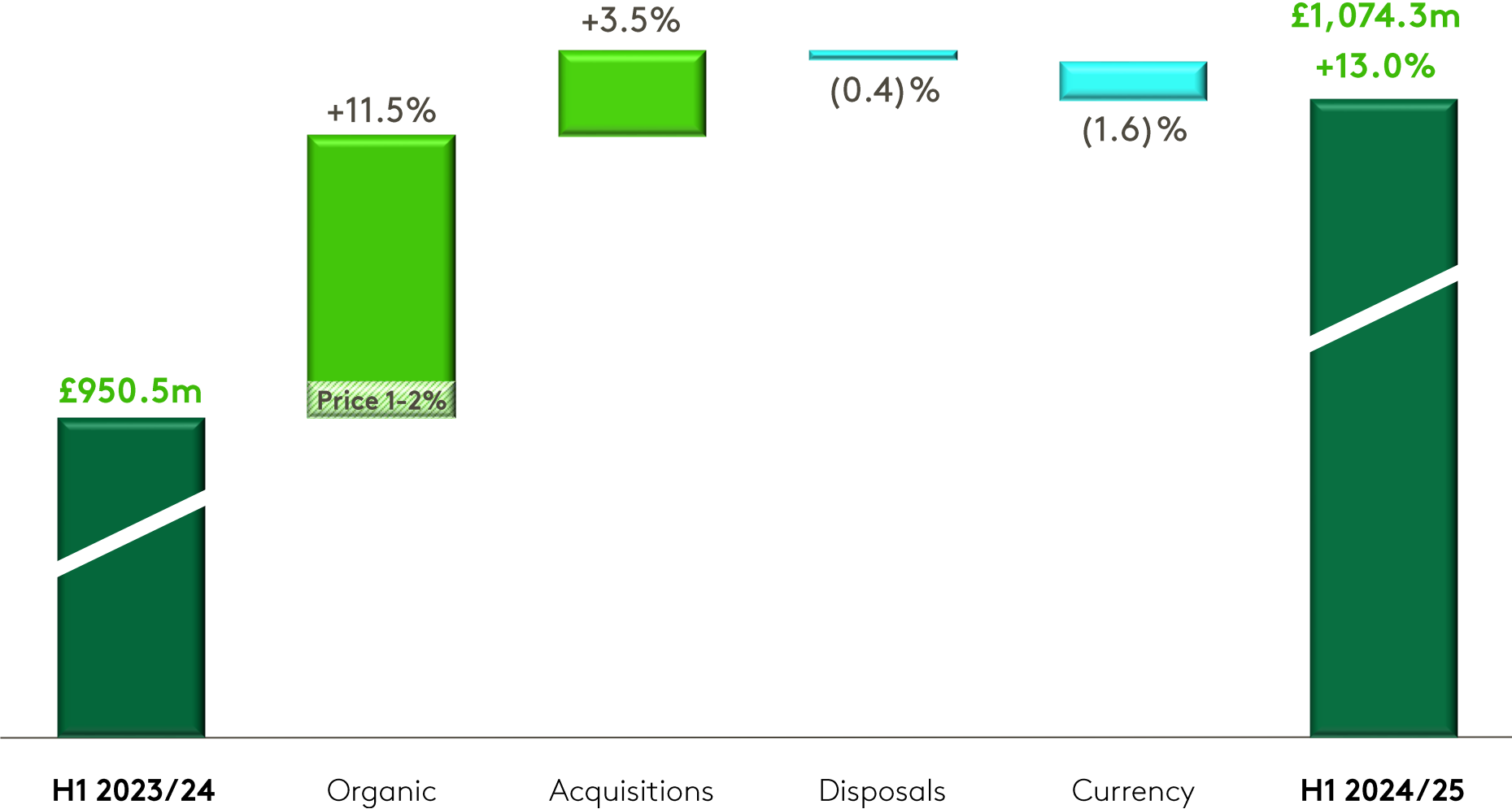
Cash conversion  
**108%**  
(H1 23/24: 96%)

Net debt to EBITDA  
**1.27x**  
(FY24: 1.35x)

Interim dividend  
**+7%**  
9.00p  
(H1 23/24: 8.41p)

1: Adjusted<sup>2</sup> EBIT. 2: Profit before amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. 3: Return on Total Invested Capital. 4: As a percentage of revenues. H1 23/24 R&D corrected and restated. 5: Maximum total consideration on a cash- and debt-free basis. 6: Acquisitions net of disposals.

# Strong organic revenue growth

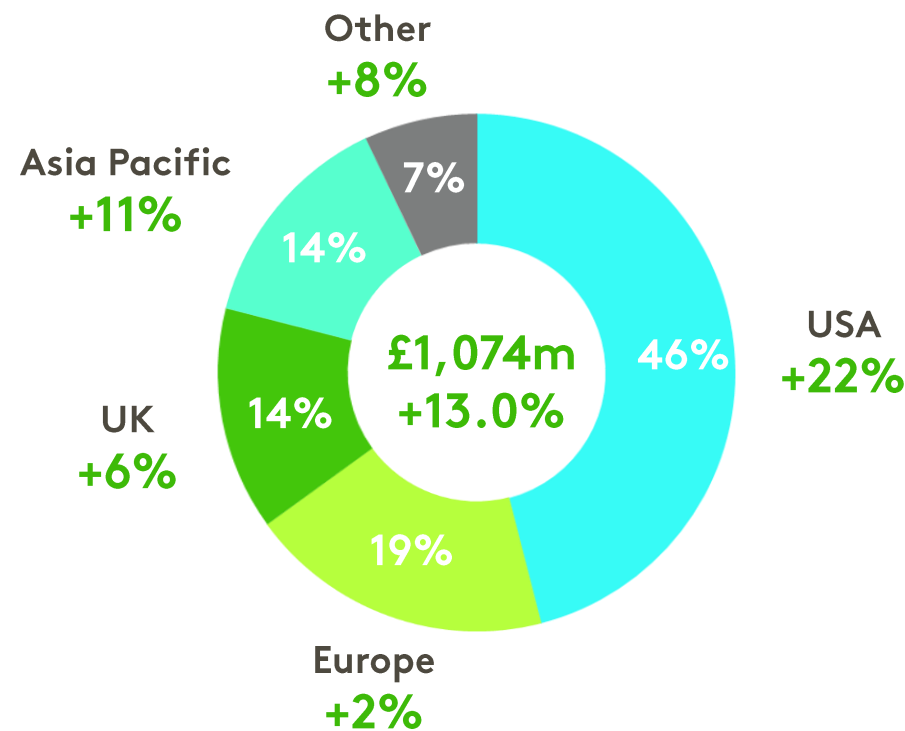


# Revenue growth across all regions

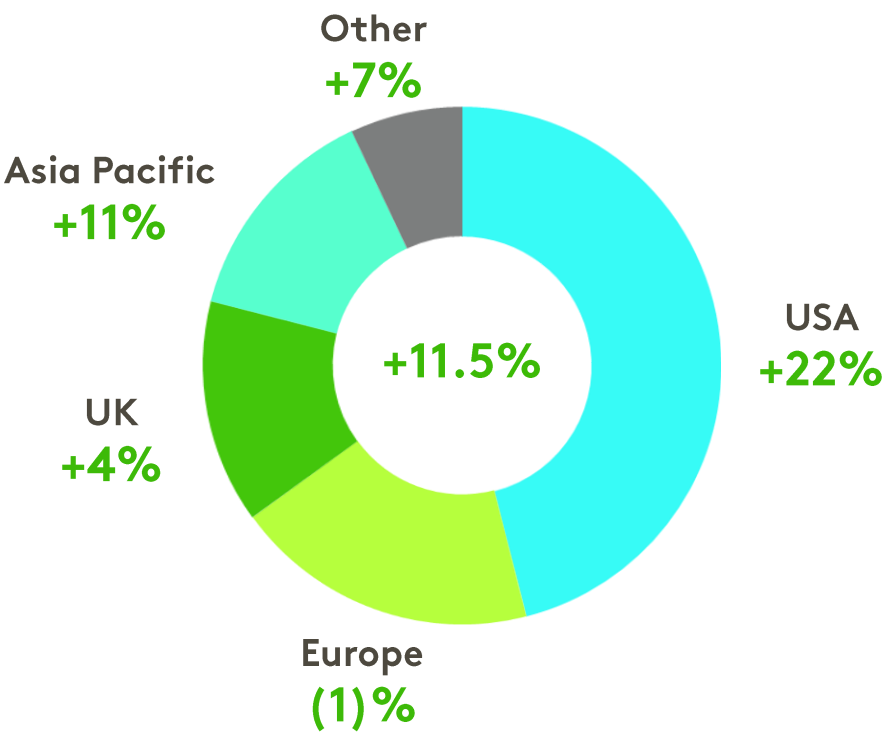


Revenue and revenue change by destination, H1 2024/25

Reported

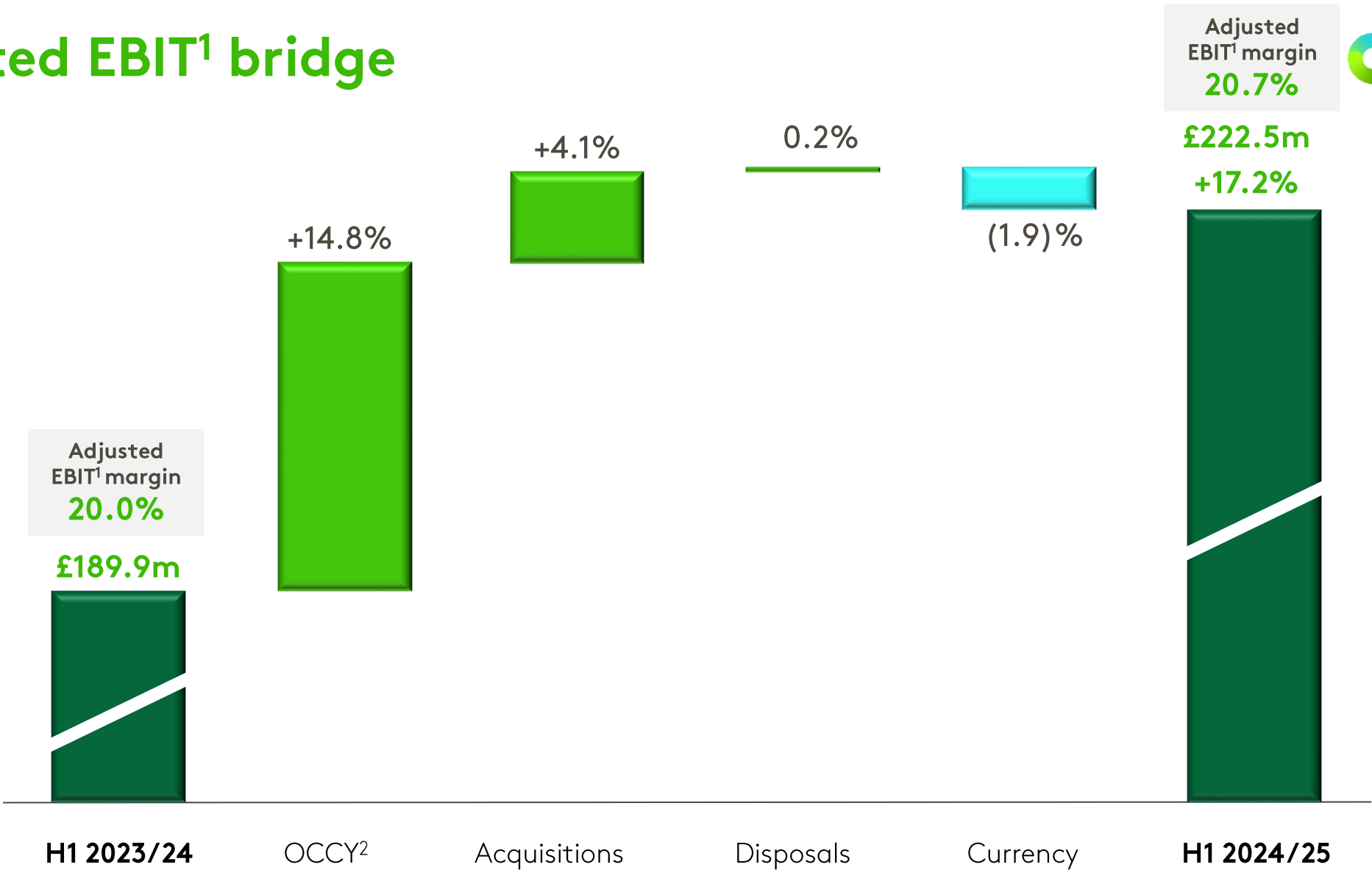


Organic constant currency





# Adjusted EBIT<sup>1</sup> bridge



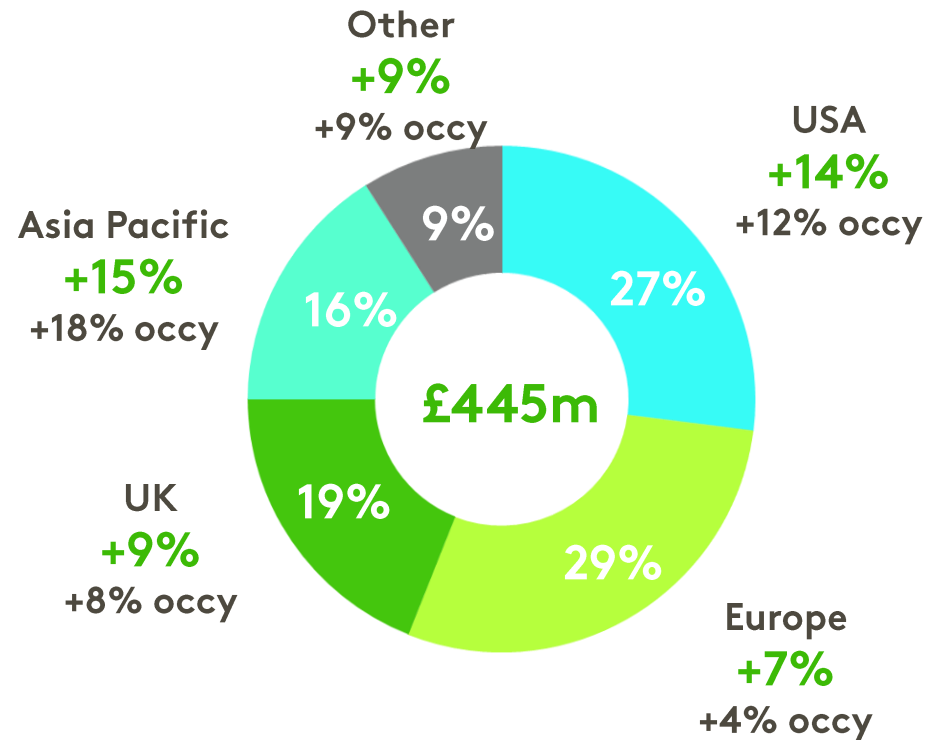
1. Adjusted EBIT is profit before interest and taxation, amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. 2: On an organic constant currency basis.

Halma Half Year Results 2025 – 21 November 2024

# Safety Sector



## Revenue by destination



Revenue  
**£445m: +11%**  
Organic ccy<sup>1</sup> +10%

Profit<sup>2</sup>  
**£108m: +20%**  
Organic ccy<sup>1</sup> +18%

Profit<sup>2</sup> margin  
**24.2%**  
H1 23/24: 22.3%

R&D spend  
**£25m: +16%**  
H1 23/24: £22m

R&D % of revenue  
**5.7%**  
H1 23/24: 5.4%

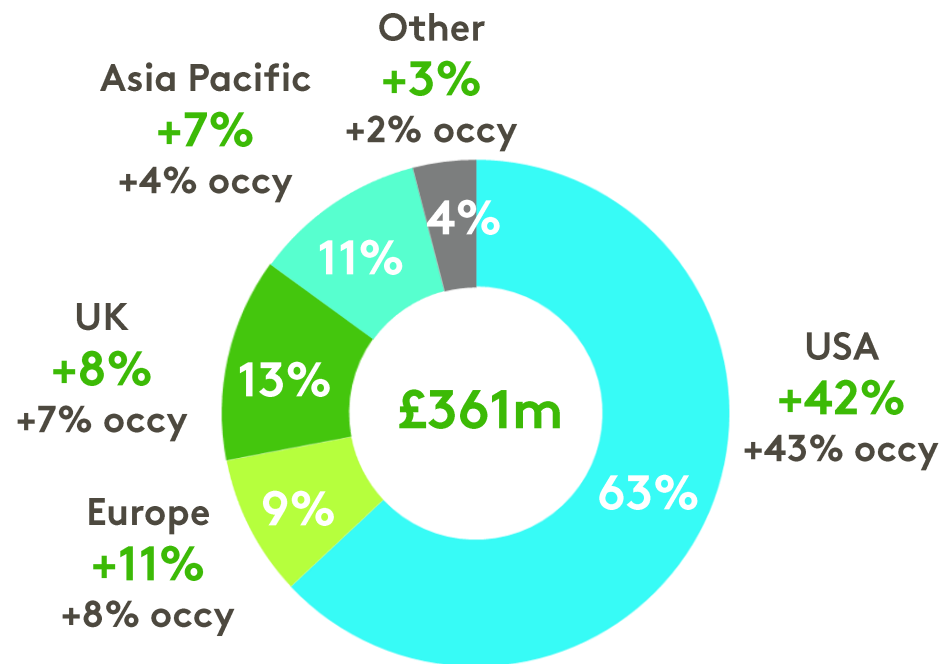
Acquisitions  
**+3.5%<sup>3</sup>**  
contribution to profit<sup>2</sup>

1: On an organic constant currency basis. 2: Sector profit before amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. 3: Contribution to sector profit<sup>2</sup> from acquisitions net of disposals.

# Environmental & Analysis Sector



## Revenue by destination



Revenue  
**£361m: +27%**  
Organic ccy<sup>1</sup> +27%

Profit<sup>2</sup>  
**£82m: +38%**  
Organic ccy<sup>1</sup> +36%

Profit<sup>2</sup> margin  
**22.8%**  
H1 23/24: 20.9%

R&D spend  
**£14m: +9%**  
H1 23/24: £13m

R&D % of revenue  
**3.9%**  
H1 23/24: 4.6%

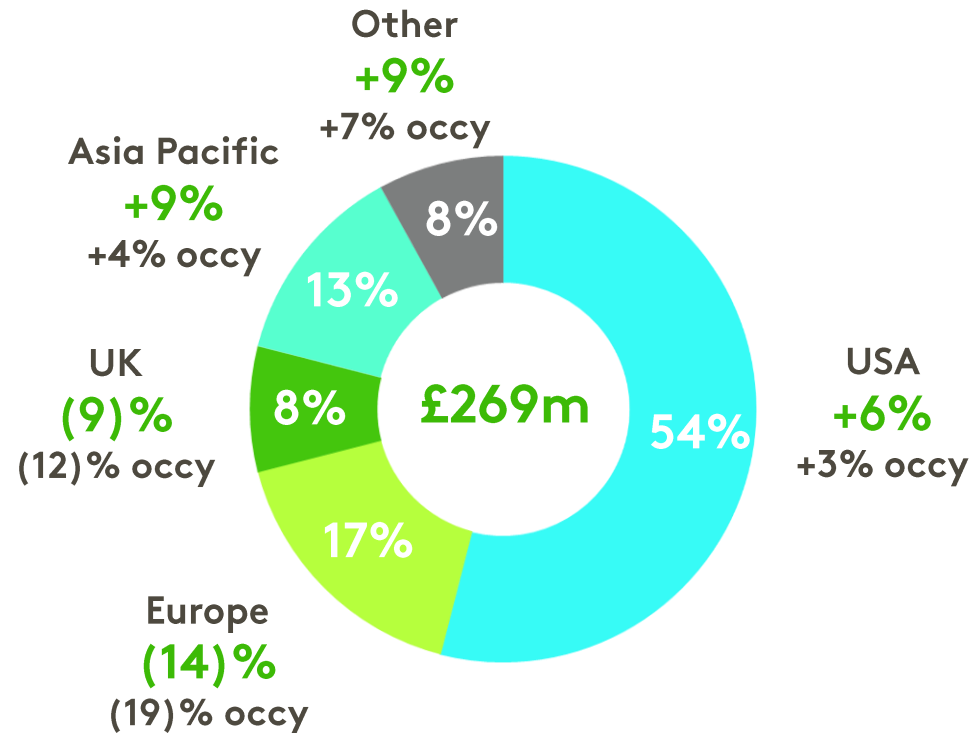
Acquisitions  
**+4.5%<sup>3</sup>**  
contribution to profit<sup>2</sup>

1: On an organic constant currency basis. 2: Sector profit before amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. 3: Contribution to sector profit<sup>2</sup> from acquisitions net of disposals.

# Healthcare Sector



## Revenue by destination



Revenue  
**£269m: +1%**  
Organic ccy<sup>1</sup> (3)%

Profit<sup>2</sup>  
**£56m: (10)%**  
Organic ccy<sup>1</sup> (13)%

Profit<sup>2</sup> margin  
**20.8%**  
H1 23/24: 23.4%

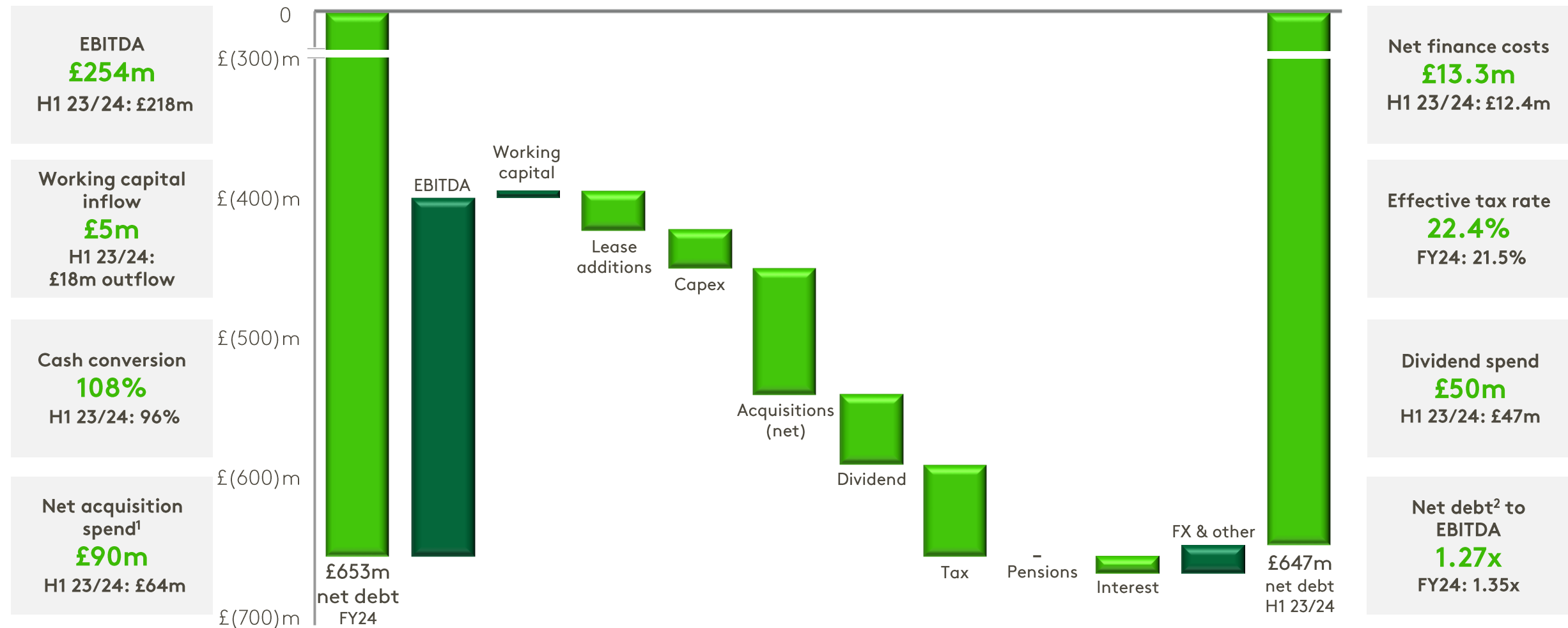
R&D spend  
**£14m: (6)%**  
H1 23/24: £15m<sup>3</sup>

R&D % of revenue  
**5.4%**  
H1 23/24: 5.8%<sup>3</sup>

Acquisitions  
**+3.8%<sup>4</sup>**  
contribution to profit<sup>2</sup>

1: On an organic constant currency basis. 2: Sector profit before amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. 3: H1 23/24 R&D corrected and restated. 4: Contribution to sector profit<sup>2</sup> from acquisitions net of disposals.

# Net debt and cash flow



1: Includes fees, prior year earn-outs, cash and debt acquired, minority investments and net of disposal proceeds. 2: On an IFRS 16 basis.

# Performance against financial KPIs



Organic revenue\*

**+11.5%**

Threshold 5%

Organic profit\*

**+14.8%**

Threshold 5%

Acquisition profit \*\*

**+8.6%**

Threshold 5%

EPS growth

**+16.6%**

Threshold 10%

Cash conversion

**108%**

Threshold 90%

R&D investment  
(% of revenue)

**5.0%**

Threshold 4%

Return on Total  
Invested Capital

**14.3%**

Range 12-17%

Adjusted EBIT margin

**20.7%**

Range 19-23%

\* At constant currency.

\*\* Annualised profit at the date of acquisition of acquisitions made in the year as a percentage of prior year adjusted profit. Post interest metric is +4.7% net of financing costs.

# FY25 guidance

Expect to deliver good OCCY revenue growth; and

Adjusted EBIT margin around 21%, in middle of target range

Order intake ahead of revenue and prior year

Well positioned for further progress in H2







# Strategy Update

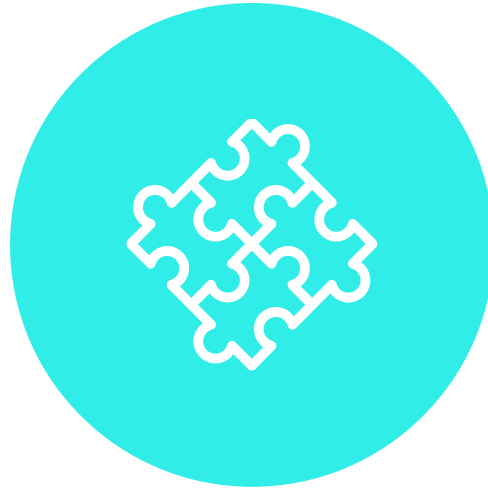
Marc Ronchetti  
Group Chief Executive

Growing a safer, cleaner, healthier  
future for everyone, every day

# Enabling successful delivery of results



Deep market  
understanding



Expanding our  
diverse portfolio



Investing in talent  
and culture

# Video

<https://youtu.be/ZutwENC0t38>  
(click to view)

Halma

Our purpose is to grow a  
**safer, cleaner, healthier** future  
for everyone, every day.

# Deep market understanding



# Purpose-aligned M&A in new and existing areas

## Energy transition



May 2024  
**£43m**  
Standalone

## Water



October 2024  
**c.£24m**  
Minicam bolt on

## Minimally-invasive surgery



November 2024  
**c.£42m**  
Standalone

## Bolt ons for technology and market reach



June 2024  
**£35m**  
Ampac bolt on



July 2024  
**£2m**  
Orama bolt on



July 2024  
**£4m**  
Fortress bolt on



November 2024  
**c.£8m**  
Avire bolt on



May 2024  
**£7m\***

## Recycling capital – disposal

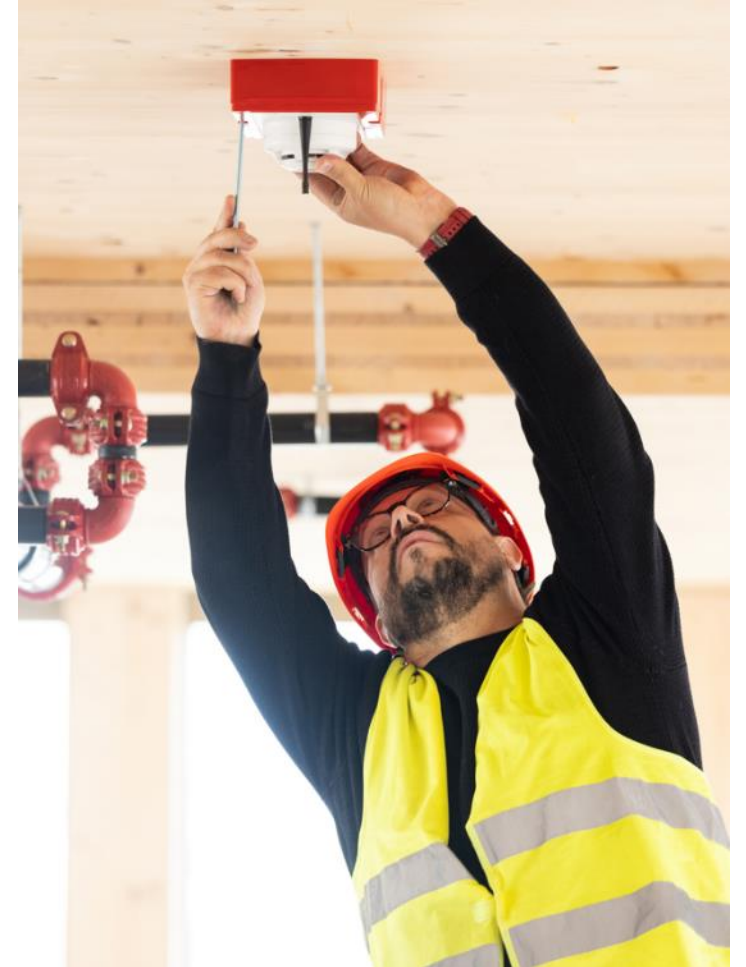
Financial data indicates the maximum total consideration on a cash- and debt-free basis

\*Excludes other adjustments to consideration.

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# Investing in talent and culture





# Video

<https://youtu.be/iOVtaqLJVD8>  
(click to view)

**Halma**

# Investing in talent and culture

Halma Accelerate 2024 - Leadership event



# The power of the network



“ So many areas of **collaboration** that are possible.

**Melissa Blashka**  
President, Sensorex



“ We’re part of a larger **support structure** with people in a similar position to us.

**Jason Evans**  
MD, MK Test



“ It’s very easy to talk **to anyone**.  
It’s not hierarchical.

**Elmar Koch**  
CEO, BEA Sensors



# Developing talent



# The power of the network



“ So many areas of **collaboration** that are possible.

**Melissa Blashka**  
President, Sensorex



“ We’re part of a larger **support structure** with people in a similar position to us.

**Jason Evans**  
MD, MK Test



“ It’s very easy to talk **to anyone**. It’s not hierarchical.

**Elmar Koch**  
CEO, BEA Sensors



“ These are going to be the new areas... in **how we grow** and **where we play**.

**Rob Barcik**  
MD, Apollo



“ We talk about the **unfair advantage** that Halma has.

**Carolin Archibald**  
CEO, Novabone

# Confidence in the future

Successful delivery underpinned by

...benefits derived from our Sustainable Growth Model

...long-term drivers underpinning compounding growth

...exceptional talent and a collaborative culture.

Well positioned to make further progress







# Questions



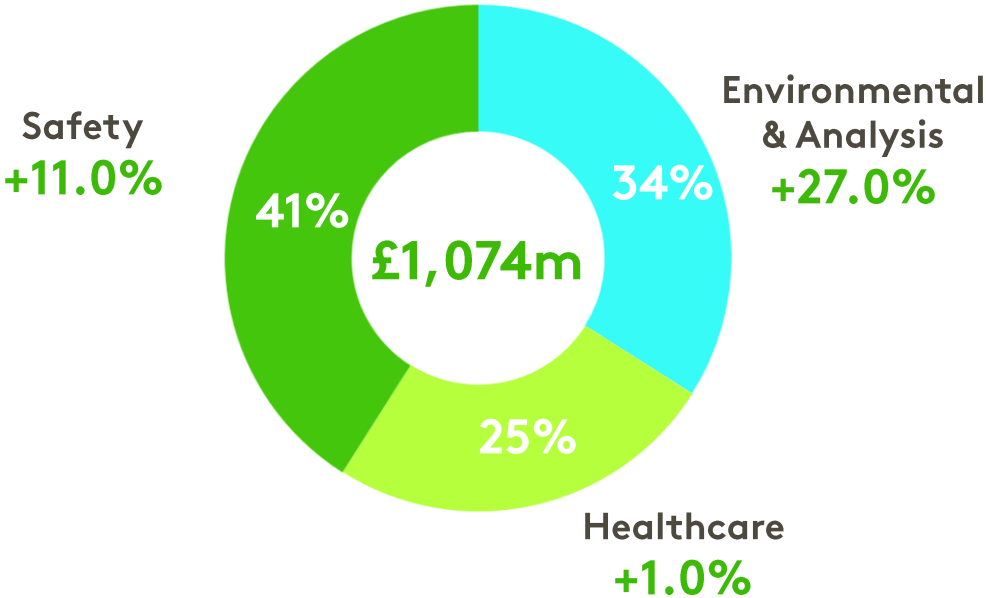
# Appendices

Halma

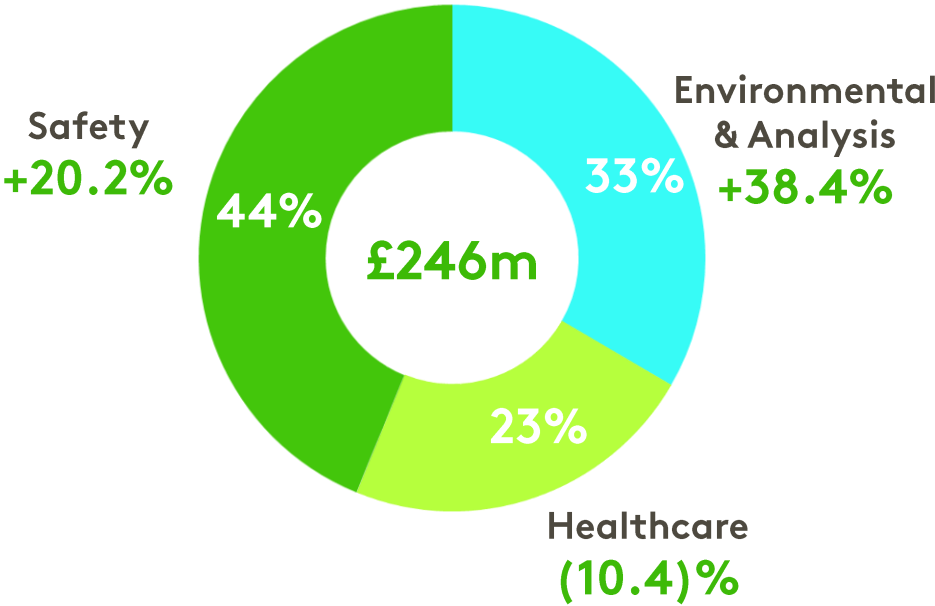
# Sector performances



Revenue



Profit\*

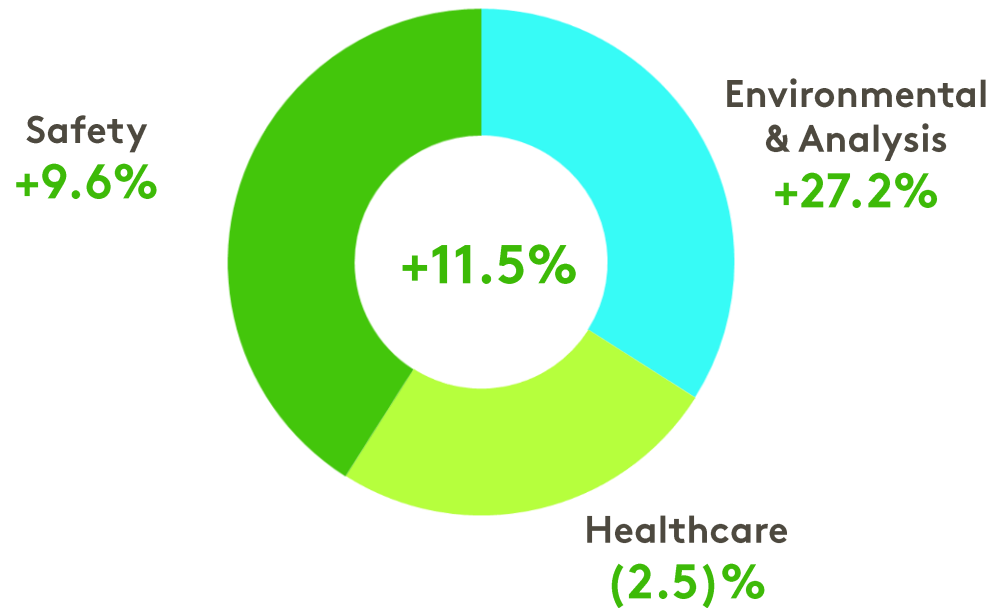


\* For the sectors, profit represents adjusted operating profit before central administration costs, after share of associate. Adjustments include amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates.

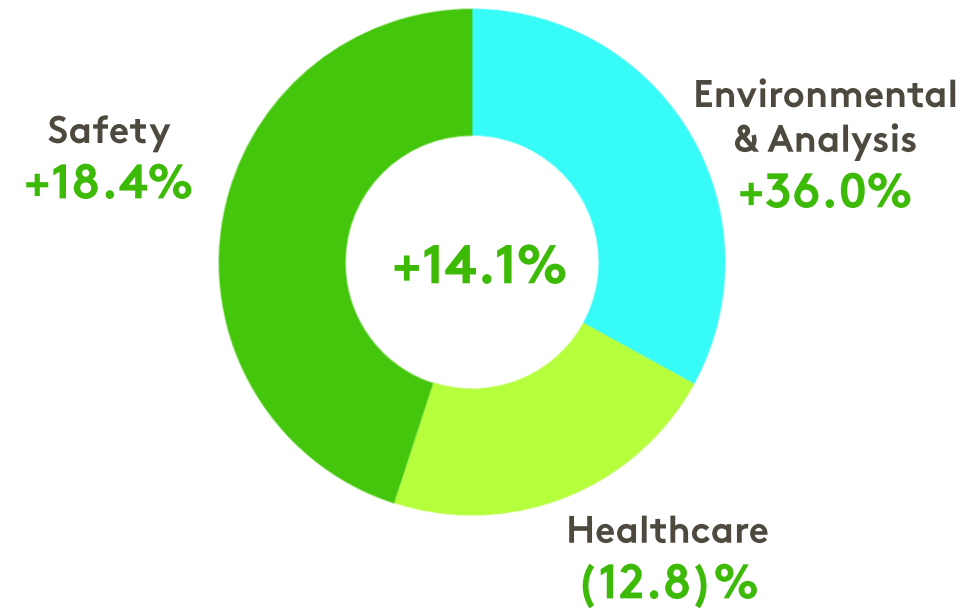
# Sector performances: Organic constant currency



Revenue



Profit\*

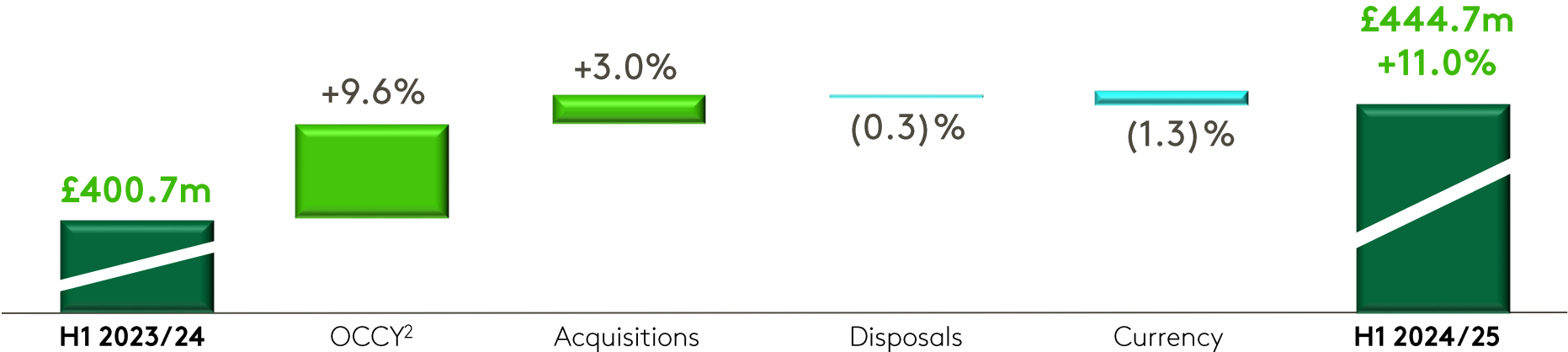


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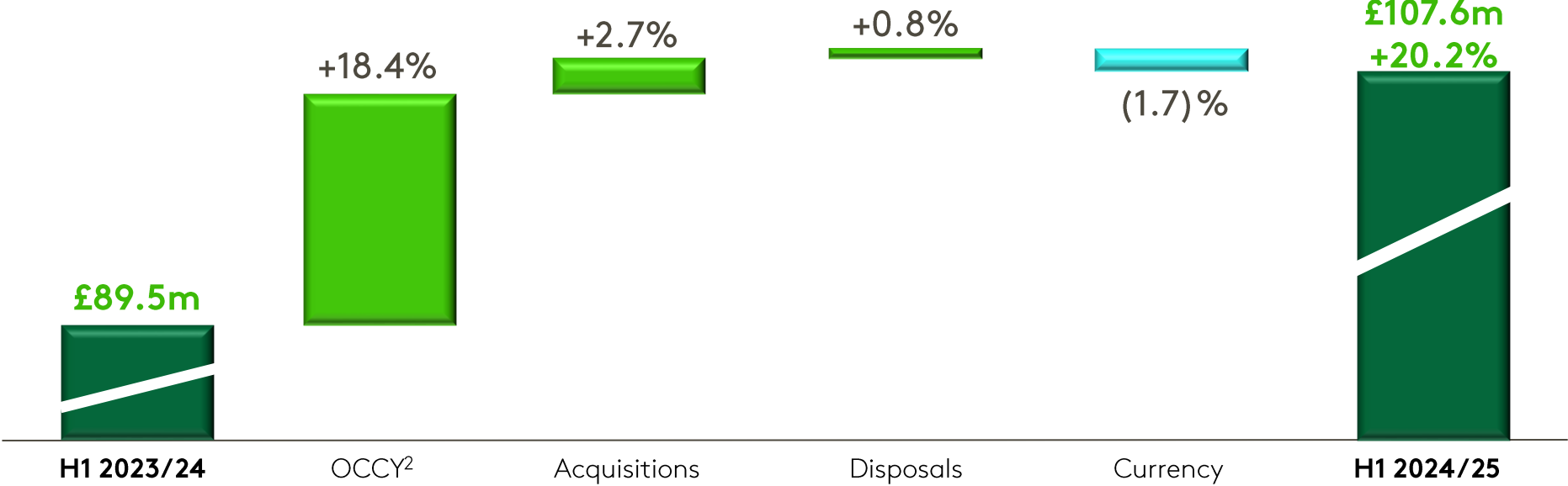
# Safety Sector



Revenue



Sector profit<sup>1</sup>

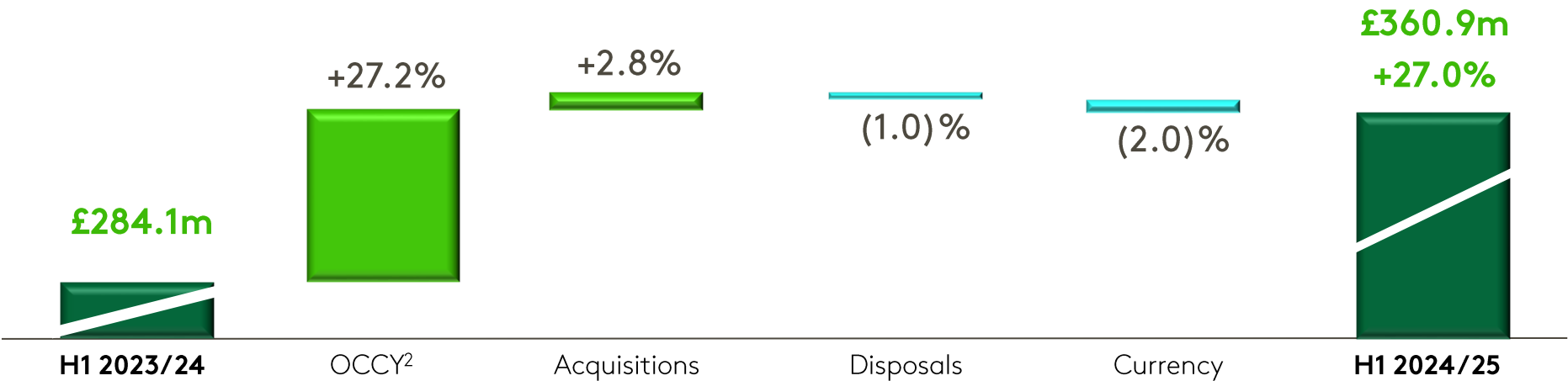


1: See notes on slide 36. 2: On an organic constant currency basis

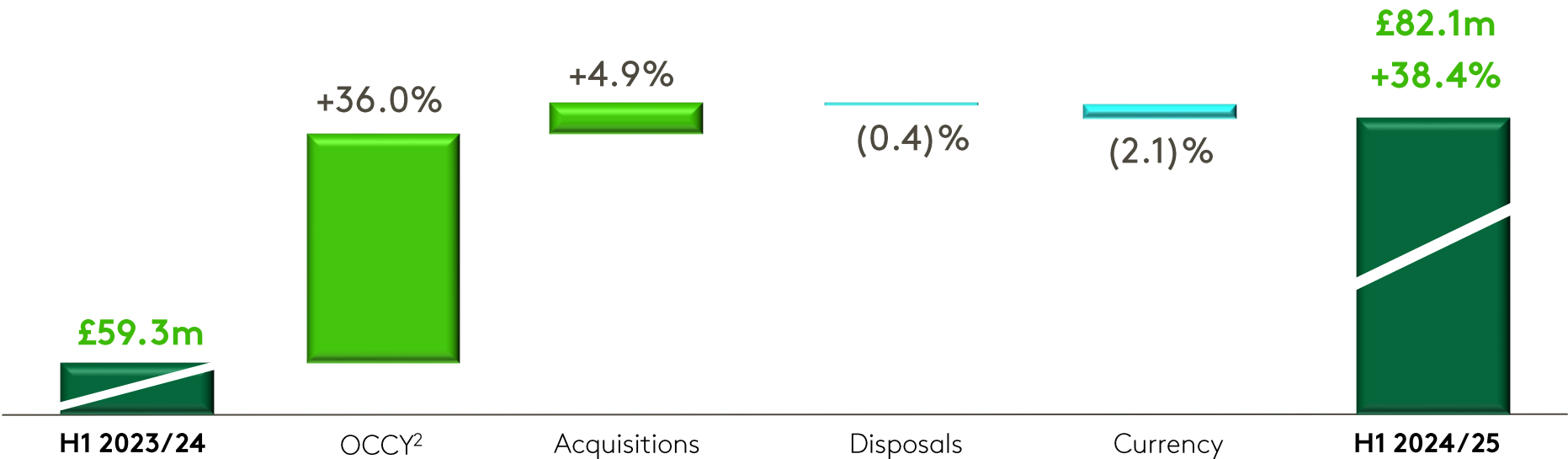
# Environmental & Analysis Sector



Revenue



Sector profit<sup>1</sup>

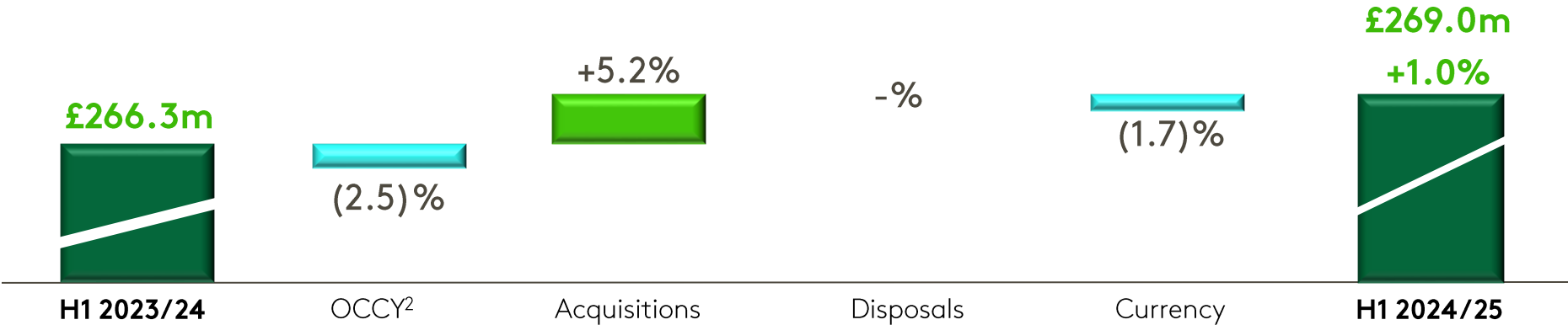


1: See notes on slide 36. 2: On an organic constant currency basis

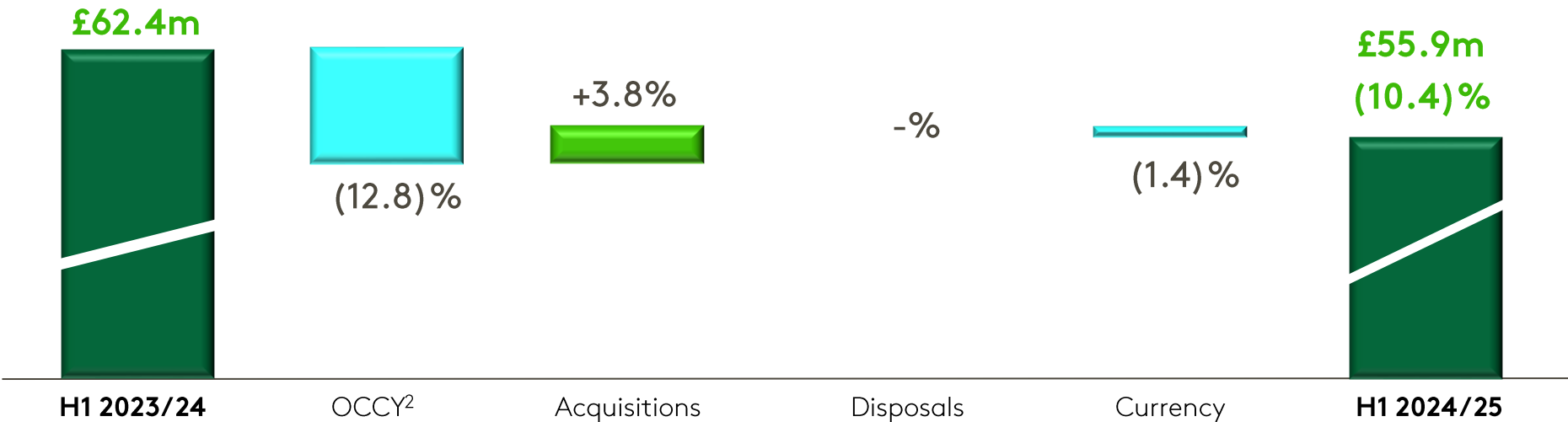
# Healthcare Sector



Revenue



Sector profit<sup>1</sup>



1: See notes on slide 36. 2: On an organic constant currency basis

# Sector history

£m		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25
		H1	FY	H1	FY	H1	FY	H1	FY	H1	FY	H1
Revenue	Safety	314.1	620.8	268.6	587.0	320.2	641.4	355.4	745.6	400.7	823.8	444.7
	Environmental & Analysis <sup>3</sup>	173.2	370.7	178.0	361.1	209.5	442.9	263.8	552.1	284.1	658.4	360.9
	Healthcare <sup>3</sup>	166.5	347.2	172.4	371.3	208.0	442.3	256.7	556.4	266.3	552.9	269.0
	Inter-segment sales	(0.1)	(0.3)	(0.6)	(1.2)	(0.5)	(1.3)	(0.4)	(1.3)	(0.6)	(1.0)	(0.3)
	<b>Group revenue</b>	<b>653.7</b>	<b>1,338.4</b>	<b>618.4</b>	<b>1,318.2</b>	<b>737.2</b>	<b>1,525.3</b>	<b>875.5</b>	<b>1,852.8</b>	<b>950.5</b>	<b>2,034.1</b>	<b>1,074.3</b>
Sector profit <sup>1</sup>	Safety	72.4	141.1	58.0	135.3	73.5	146.2	75.4	152.5	89.5	191.6	107.6
	Environmental & Analysis <sup>3</sup>	36.2	79.9	42.9	89.3	53.1	109.8	65.4	134.2	59.3	147.9	82.1
	Healthcare <sup>3</sup>	39.3	84.4	38.2	86.6	46.3	99.5	56.4	130.1	62.4	125.6	55.9
	<b>Segment profit</b>	<b>147.9</b>	<b>305.4</b>	<b>139.1</b>	<b>311.2</b>	<b>172.9</b>	<b>355.5</b>	<b>197.2</b>	<b>416.8</b>	<b>211.2</b>	<b>465.1</b>	<b>245.6</b>
	Central costs	(13.3)	(26.2)	(11.3)	(22.9)	(14.0)	(30.9)	(19.3)	(38.6)	(21.3)	(41.1)	(23.1)
	<b>EBIT</b>	<b>134.6</b>	<b>279.2</b>	<b>127.8</b>	<b>288.3</b>	<b>158.9</b>	<b>324.6</b>	<b>177.9</b>	<b>378.2</b>	<b>189.9</b>	<b>424.0</b>	<b>222.5</b>
	Net finance costs	(5.8)	(10.2)	(5.8)	(10.0)	(4.0)	(8.4)	(6.2)	(16.9)	(12.4)	(27.6)	(13.3)
	<b>Profit</b>	<b>128.8</b>	<b>267.0</b>	<b>122.0</b>	<b>278.3</b>	<b>154.9</b>	<b>316.2</b>	<b>171.7</b>	<b>361.3</b>	<b>177.5</b>	<b>396.4</b>	<b>209.2</b>

1: Adjusted operating profit before central administration costs, after share of associate<sup>2</sup>. 2: Adjustments include amortisation and impairment of acquired intangibles, acquisition items, significant restructuring costs, profit on disposal of operations, and impairment of associates. For further details please see the respective annual reports. 3: Historic comparatives have been restated for the effect of the transfer of Perma Pure to the Healthcare Sector from the Environmental & Analysis Sector.



# Currency effects



	US\$		% change	Euro		% change
	H1 2024/25	H1 2023/24		H1 2024/25	H1 2023/24	
Average rates versus Sterling	1.28	1.26	+1.7%	1.18	1.16	+1.8%

Movement for every 1% change*	US\$ (~50% of revenue)	Euro (~12% of revenue)
Revenue	£5.5m	£1.3m
Profit	£1.3m	£0.3m

\* Based on H1 2024/25 results.

# Profit adjustments\*

£m	H1 2024/25	H1 2023/24
Intangible amortisation and impairment	(27.9)	(23.4)
Acquisition items**	(9.3)	(4.4)
Disposal of operations	3.0	0.5
Impairment of associate company	(1.0)	-
	<b>(35.2)</b>	<b>(27.3)</b>

\* items (charged)/credited in arriving at statutory profit.

\*\* including acquisition costs, adjustment to acquisition contingent consideration primarily relating to Alpha, Rovers and VIR, and release of fair value uplifts to inventory on acquisition, primarily relating to AprioMed, TeDan, Rovers and GFE.

Defined Benefit Pension Scheme (£m)	30 September 2024	31 March 2024
Assets	244.2	278.5
Liabilities	(240.6)	(247.6)
Surplus	3.6	30.9

- Discount rate 5.0% (31 March 2024: 4.75%)
- Closed DB to future accrual December 2014
- Buy-in policies purchased in September 2024 for the Group's two main defined benefit schemes with no P&L or cash flow impact. These policies pass certain risks in relation to these plans' liabilities (such as investment return, longevity and inflation) to the insurer.

# Full Year 2025 forecasts



	Notes	FY25 forecasts	FY24 actual
Capex		c.£38m	£35.2m
Effective tax rate	1	c.22.5%	21.5%
Central costs		c.£47m	£41.1m
Net finance expense	2, 3	c.£27m	£27.6m
Pension contributions		£0.8m	£4.4m

Notes:

1. FY25 based on expected mix of profit.
2. Assuming no further acquisitions.
3. FY25 includes estimated £3.7m lease financing charge under IFRS 16.

# Disclaimer



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