

Tuesday, 8 September 2026

FLOWTECH FLUIDPOWER PLC

("Flowtech", the "Group" or "Company")

"a world of motion"

Everything we do at Flowtech is focused on keeping the world moving, whether that is supplying a product or designing and building a complex engineering solution. Our vision is to be the trusted advisor in a world of motion.

2026 HALF-YEAR REPORT

For the six months ended 30 June 2026

"The Group delivered a first-half performance in line with the Board's expectations. Like-for-like revenue grew 13.3%, strongly ahead of H1 25, and total Group revenue rose 23.8% to £70.4m (H1 25: £56.9m), supported by recent acquisitions and market share gains across all three regions. We have acted quickly to mitigate supply-chain disruption and inflationary pressure from the Middle East conflict, protecting product availability, customer service and managing gross margins."

"Our self-help growth initiatives have strengthened the H2 sales pipeline and order book, with significant profit and cash contribution expected from the two major bridge contracts. Combined with disciplined gross margin and cost management, this supports the Board's confidence that H2 26 will deliver higher profitability, stronger cash generation and full-year performance in line with the market's expectations."

Mike England, Chief Executive Officer

SUMMARY HEADLINES

- Group revenue increased by 23.8% compared with H1 25 and 17.3% compared with H2 25.
 - Excluding the impact of any of our recent acquisitions, (Thorite, Allswage, Thomas, Q Plus and Helipebs) like-for-like revenue increased 13.3% compared with H1 25 and 10.6% relative to H2 25.
 - On a like-for-like basis, each of our three geographies achieved significant growth in H1 26 relative to H2 25 (GB 8.7%, IOI 15.5% and BLX 13.5%).
 - The sales order book is more than 20% higher at the end of H1 26 compared to the start of 2026.
- Gross profit margin at 37.0%, down by 220bps against FY 25; a combination of the mix effect of Q Plus (acquired in February 2026), which is a lower gross margin business, various initiatives to drive volume growth and ongoing market price and inflationary pressures.
- Tight cost control, in particular around payroll costs, has helped limit the increase in like-for-like operating overheads to 7%; all while we have continued to invest in the quality of our people and infrastructure to support future growth.
- Underlying EBITDA of £4.5m, £1.0m ahead of H1 25 and £0.3m higher than H2 25 demonstrating momentum and improving drop through.
- Recent acquisitions are providing increasing positive contributions – we expect the exit run rate for FY 26 to see aggregate revenue of approximately £35-40m and an EBITDA contribution in excess of £3m.
- Over the 12-month period to June 26, working capital reduced by £0.6m notwithstanding a like for like 13.3% revenue increase.
- Pre IFRS 16 net debt was £16.4m at end H1 26 (H1 25: £18.5m), providing headroom of £8.6m in the Group's £25m banking facilities.

CURRENT TRADING AND OUTLOOK

The Group continues to trade in line with market expectations for the year ending 31 December 2026.

Against a challenging macroeconomic backdrop, the Board is pleased with the Group's performance in H1 26 and remains confident in its outlook for the remainder of the year. Continued commercial momentum, recent investment and acquisitions, and the resilience of the Group's operating platform are supporting further growth.

- The Group's sales pipeline and order book are at their highest levels since the beginning of 2025, reflecting strengthening demand for the Group's services and its increased ability to capture market opportunities despite the challenging market backdrop. The Board expects a stronger H2 26 performance, driven by the Group's four strategic sales growth levers: its new digital platform, product and service expansion, engineering projects (including a stronger H2 weighting of the two bridge projects) and growth from our recent acquisitions. Increasing exposure to higher-growth sectors provides further confidence in revenue and profit progression in H2 26.
- The Group's digital investment programme continues to deliver encouraging results. The UK website and eCommerce platform, launched in Q3 25, is driving increased customer engagement, online traffic and revenue growth. The platform will be rolled out across Ireland and Benelux during Q3 26, extending the Group's digitally enabled proposition and creating further opportunities for organic growth.
- Integration of recent acquisitions is progressing ahead of plan. Thorite is now well integrated, while Q Plus is performing ahead of expectations following its acquisition in February. Helipecs, whose business and assets were acquired for £0.4m in June, has secured more than £2.5m of new orders shortly after completion. The Board sees further opportunities to accelerate growth through cross-selling and enhance margins through procurement synergies.
- The Group expects an improvement in H2 gross margin, supported by a more favourable mix from accretive major projects and continued actions to mitigate market price inflation.
- EBITDA is expected to retain a similar H2 weighting to the prior year. Net debt is forecast to reduce significantly, supported by stronger cash generation from the major bridge projects and the normal seasonal unwind of working capital.

The Group has established a scalable operating platform that is delivering market share gains, supporting margin progression and enabling successful acquisition integration. The Board remains confident that this platform will support sustainable long-term shareholder value creation through a combination of organic growth and disciplined acquisition activity.

FINANCIAL HIGHLIGHTS

	Half year ended 30 June 2026 Unaudited	Half year ended 30 June 2025 Unaudited	Year ended 31 December 2025 Audited
• Revenue	£70.4m	£56.9m	£116.9m
• Gross profit	£26.0m	£22.3m	£45.9m
• Gross profit %	37.0%	39.2%	39.2%
• Underlying EBITDA*	£4.5m	£3.5m	£7.7m
• Underlying operating profit**	£2.3m	£1.6m	£3.6m
• Operating profit / (loss)	£1.6m	£0.8m	(£1.0m)
• Profit / (loss) before tax	£0.7m	(£0.1m)	(£3.0m)
• Earnings per share (basic)	0.71p	(0.23p)	(5.24p)
• Net debt***	£16.4m	£18.5m	£15.2m

*Underlying EBITDA is profit before interest, taxation, depreciation and separately disclosed items (see note 3)

**Underlying operating profit is operating profit for continuing operations before separately disclosed items (see note 3)

***Net debt is bank debt less cash and cash equivalents. It excludes lease liabilities under IFRS 16

2026 HALF-YEAR FINANCIAL PERFORMANCE AND REGIONAL ANALYSIS						
Revenue by current segment	Six months ended 30 June 2026 £000	Six months ended 31 December 2025 £000	% Change	Six months ended 30 June 2025 £000	% Change	Year ended 31 December 2025 £000
Great Britain	48,200	44,887	7.4%	41,738	15.5%	86,625
Island of Ireland	12,255	10,665	14.9%	10,152	20.7%	20,817
Benelux	9,964	4,466	123.1%	5,007	99.0%	9,473
Total Group revenue	70,419	60,018	17.3%	56,897	23.8%	116,915
Gross profit %	37.0%	39.2%		39.2%		39.2%

	Six months ended 30 June 2026		Six months ended 31 Dec 2025		Six months ended 30 June 2025		Year ended 31 Dec 2025	
Underlying segment operating profit	£000	Return on revenue %	£000	Return on revenue %	£000	Return on revenue %	£000	Return on revenue %
Great Britain	3,308	6.9%	3,202	7.1%	3,073	7.4%	6,275	7.2%
Island of Ireland	1,102	9.0%	1,731	16.2%	1,192	11.7%	2,923	14.0%
Benelux	1,008	10.1%	(20)	(0.5%)	333	6.6%	313	3.3%
Central costs	(3,103)		(2,837)		(3,031)		(5,868)	
Underlying operating profit*	2,315		2,076		1,567		3,643	

*Underlying operating profit is operating profit for continuing operations before separately disclosed items (see note 3)

REVENUE

Group revenue increased by 23.7% compared with H1 25. On a like-for-like basis, removing the contribution from acquisitions, revenue increased by 13.3% compared with H1 25 and 10.6% relative to H2 25. Compared with H2 25, we saw like-for-like growth of 8.7% in GB, 15.5% in Island of Ireland and 13.5% in Benelux, demonstrating top line momentum from the self-help growth initiatives. As a result of our pro-active Strategy for Growth plan, and despite the challenging market backdrop, our sales pipeline and order book continue to strengthen which provides a foundation for a stronger H2 26 performance. The sales order book is more than 20% higher at the half year than at the start of 2026.

GROSS PROFIT MARGIN

Gross profit margin decreased by 220bps to 37.0%. This is against a background of c500bps increase in the previous five years. This is explained by a combination of factors including the mix effect of Q Plus (acquired in February 2026), which is a lower gross margin business, various initiatives to drive volume growth, reflected in the strong LFL sales growth, and ongoing market price and inflationary pressures.

UNDERLYING OPERATING OVERHEADS

Underlying operating overheads totalled £23.7m in H1 26, £2.9m up on H1 25. £0.3m of the increase relates to distribution costs and of the balance of £2.6m, £1.4m relates to the impact of acquired businesses. The like-for-like increase is therefore £1.2m (7%) and reflects inflationary cost pressures, most notably as it relates to continued increases in National Minimum Wage which impacts the Group as a result of the demographic of our workforce. Like for like headcount has been reduced by 1.2% and other increases carefully controlled which have acted as mitigants.

UNDERLYING OPERATING PROFIT

Underlying operating profit in H1 26 of £2.3m compares with £1.6m in H1 25 and £2.1m in H2 25. The benefit of the revenue increase has been partly offset by the explained reduction in gross margin percentage and the increase in operating overheads caused by business acquisition costs and inflationary pressures including further National Minimum Wage impact, as explained above.

NET DEBT

Bank debt was £16.4m at 30 June 2026 (30 June 25: £18.5m), leaving £8.6m of headroom within the Group's £25.0m banking facilities.

The Placing completed in February raised c.£9.6m which was used to fund the acquisition of Q Plus and of which, c.£3m was used to support debt reduction and to fund £5.6m growth in working capital supporting the growth in revenues.

The aggregate impact of capex, lease payments and interest costs over the 12-month period to June 26 was c£1.5m in excess of EBITDA. Careful management of working capital led to a £0.6m reduction notwithstanding the 13.3% like for like increase in revenue. The Group expects significant positive cash flow in H2 26, supported by a change in the Major Projects profile, the natural unwind of working capital and anticipated higher profitability.

TRADING REVIEW

The Group has traded in line with the Board's expectations for the financial year to date. While market conditions remain challenging, and wider geopolitical uncertainty remains a risk to the trading environment, the Group's sales pipeline and order book have increased from FY25 and we have made further progress with our self-help growth levers.

Strong H1 revenue growth

Focus on self-help growth levers resulted in strong growth in Group revenue in the first half, with like-for-like sales increasing across all three geographic regions.

In Great Britain, performance benefited from a recovery in sales to some larger customers following reduced activity in the prior period, together with increased sales to smaller customers supported by the new web platform. Ireland benefited from a recovery in the crushing and screening sector, which had declined by more than 20% previously. Trading conditions in Benelux remained more challenging, although Q Plus has performed ahead of expectations since acquisition.

Revenue from the two major bridge infrastructure projects was lower than originally anticipated in H1, in particular, due to changes to a local authority's timetable. Activity on these projects, and related profit and cash contribution, is now expected to be more heavily weighted towards H2.

Gross margin affected by mix and cost inflation

After a sustained period of gross margin improvement, H1 gross margin decreased. This reflected a combination of factors including the lower-margin mix following the acquisition of Q Plus, together with targeted initiatives to increase sales volumes and gross profits across the business. The Group also experienced increased supply chain disruption and inflationary pressure during the period. Management has taken actions to maintain product availability and service levels and mitigate the impact on margins.

Adjusted EBITDA improved, reflecting the benefit of higher revenue, partly offset by lower gross margin and continued cost inflation, including increases in the National Minimum Wage.

Strategic growth levers

Strong growth performance has been driven by the Group's four strategic sales growth levers: its new digital platform, product and service expansion, engineering projects and growth from our recent acquisitions. This being underpinned by increased exposure to higher-growth sectors. This has contributed to a much-improved forward order book which at 30 June 2026 was 20% above the start of the year, providing increased revenue visibility for H2.

Digital growth

The UK eCommerce platform, launched in August 2025, continues to support customer acquisition and digital sales. Since launch, active customers have increased by 7%, while new accounts opened in 2026 are 41% above the prior year, with 90% of these new accounts having placed an order. New ordering customers through the website were 4.5 times higher than in the prior year, and the platform generated 64% of new UK product distribution customer accounts.

The platform was launched in Ireland in August 2026, with Benelux rollout planned for September 2026.

The upgraded FT Digital white-label platform is also live and supports the Group's Trade Partner proposition. Ten existing partners have migrated to the platform, and eight new customer adoptions have been secured since launch with a further sales pipeline of opportunity.

Brand and product expansion

FT Pro, the Group's own-brand product range, remains a key growth and margin contributor, with annualised revenue of approximately £20m. The range now comprises more than 17,500 SKUs within a total part-number range exceeding 63,000. Further product extensions planned for H2 26 represent an incremental annualised sales opportunity of more than £0.5m.

The Group is also developing strategic supplier partnerships to expand its product offering and customer reach. Following SMC's appointment of Flowtech as its first UK Wholesale Distributor, a programme is underway to consolidate selected SMC customers through the Flowtech Trade Partner platform. This represents more than 230 customers and approximately £1.5m of incremental annualised revenue.

A further programme with a global fluid power and motion control supplier is expected to commence in H2 26, focused on consolidating and developing its distribution network. The programme is expected to provide an annualised growth opportunity of more than £2.0m for the Group.

Higher growth industry verticals

The Group continues to increase focus on higher growth industry verticals such as Trade, Defence, Infrastructure and Transportation. Recent acquisitions have complemented this strategy, adding increased capabilities enabling improved growth within existing industrial verticals or opening up new opportunities such as access to Subsea, Oil & Gas, Offshore and Nuclear.

An example is our expanding presence in the Data Centre sector. Through increased sales focus and alignment of our Brand partnerships, product and service offering, revenue from Data Centre customers is 128% ahead year on year, with the current order book and pending orders exceeding £2.0m. The Group continues to develop opportunities across Q4 26 and into 2027.

Engineering projects

The two Irish bridge infrastructure projects secured in 2025, with a combined contract value of approximately €9.0m, remain on track for delivery in H2 26. The Edmund Rice Rehabilitation Project in Waterford is expected to complete in Q4 26, while Flowtech's installation for the Narrow Water Bridge Project is currently on plan for expected contribution in H2 26 and continuing into 2027.

The Group continues to develop its pipeline of larger turnkey MEICA (Mechanical, Electrical, Instrumentation, Controls & Automation) projects and engineered solutions. Five live opportunities currently represent more than £20m of potential contract value over the next three years, across infrastructure applications including flood defences, bridges, locks, ports and harbours.

Acquisitions

Integration of the Group's recent acquisitions is progressing. Thorite is fully integrated, with further integration activity continuing across Allswage and Thomas Group. Q Plus, acquired in February 2026, is performing ahead of plan, while Helipecs, acquired in June 2026, has secured significant new orders since completion.

The five acquisitions made since August 2024, for aggregate consideration of approximately £6.0m, are providing increased levels of contribution. Collectively we expect the exit run rate from 2026 to see revenue of approximately £35m-£40m and EBITDA in excess of £3m. The Group continues to identify opportunities for cross-selling, customer and regional expansion and procurement synergies.

Q Plus

Q Plus has doubled the scale of the Group's Benelux operations and added capabilities in pneumatics, automation and compressed air. Integration is progressing ahead of plan across systems, operations and organisational functions.

For the first six months, Q Plus revenue and operating profit was ahead of plan, with record monthly performances in March and June. Sales and marketing activity is being aligned across the Group to support further cross-selling and customer development.

Helipecs

Helipecs has added specialist hydraulic cylinder design and manufacturing capabilities, including safety-critical applications, pressure and leak testing and subsea coatings. The acquisition expands the Group's access to nuclear, subsea and oil and gas markets and strengthens its capabilities in existing sectors including aerospace, marine and renewable energy. The acquisition was made on favourable terms and resulted in negative goodwill of c.£1.7m (this is included in separately reported items).

Since acquisition, Helipecs has secured £2.5m in new orders; the order book has increased by more than 300%, with manufacturing capacity committed through to mid-February 2027. Cross-selling activity is also generating new customer enquiries across a range of sectors.

Environmental, Social and Governance

The Group continued to progress its Environmental, Social and Governance priorities during H1 26, with improvements in ESG reporting and accountability, environmental performance, Health & Safety, employee development and governance.

Hazardous recycling volumes increased compared with the equivalent period in each of the previous three years, with a broader range of materials now recycled.

Health & Safety performance remained strong, with no RIDDOR-reportable incidents during the period and an improved accident rate compared with the equivalent period over the previous three years. The Group introduced the Evotix Assure Go+ electronic Health & Safety management system, strengthening reporting and compliance and supporting progress towards ISO 45001. SafeContractor and Constructionline Gold accreditations were retained, with CHAS accreditation also achieved during the period.

The Group continued to invest in employee wellbeing, leadership capability and professional development, including manager development, apprenticeships and early-career programmes. Further initiatives are planned for H2 26, including the introduction of an employee forum and a Group-wide Health Cash Plan.

Governance and controls were further strengthened through the integration of acquired businesses into Group-wide frameworks and closer alignment of Internal Audit, Risk and Compliance. The Group also established a Data Protection Committee to strengthen oversight of data protection and GDPR compliance, alongside continued investment in cyber and information security.

OUTLOOK

The Group continues to trade in line with the market expectations for the year ending 31 December 2026.

Despite the challenging macroeconomic environment, the Board remains confident in the Group's outlook for H2 2026 with a similar H2 EBITDA weighting to the prior year together with a significant reduction in net debt. This is supported by:

- strength of the sales pipeline and order book;
- improving H2 growth across the Group's four strategic sales growth levers;
- weighting of the two bridge projects in H2
- continued traction from the Group's digital investment programme;
- integration and performance of recent acquisitions is ahead-of-plan;
- an expected improvement in H2 gross margin;
- cash flow profile of Major Projects and the natural reduction in working capital at year end.

The Board remains focused on delivering the Group's Performance Improvement Plan and Strategy for Growth, including the continued rollout of its enhanced eCommerce platform. These initiatives, together with organic growth and disciplined acquisition activity, are expected to support continued operational and financial progress towards the Group's medium-term target of a mid-teens EBITDA margin.

Notes

Prior to this announcement consensus market forecast for FY 26 were revenue £138.1m and adjusted EBITDA £10.2m

The Company will be holding the following webcast presentation today (8 September 2026). This will be hosted by CEO Mike England and CFO Russell Cash. To join the event, follow the link below:

Platform:	UK time commencing at	Link to register:
Investor Meet Company	10.00 hrs	https://www.investormeetcompany.com/flowtech-fluidpower-plc/register-investor

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026

	Notes	Unaudited Six months ended 30 June 2026 £000	Unaudited Six months ended 30 June 2025 £000	Audited Year ended 31 December 2025 £000
Continuing operations				
Revenue		70,418	56,895	116,915
Cost of sales		(44,400)	(34,577)	(71,045)
Gross profit		26,018	22,318	45,870
Distribution expenses		(2,514)	(2,188)	(4,360)
Administrative expenses before separately disclosed items:		(21,190)	(18,564)	(37,867)
- separately disclosed items		(669)	(765)	(4,634)
Total administrative expenses		(21,859)	(19,329)	(42,501)
Operating profit / (loss)		1,645	801	(991)
Financial expenses		(956)	(880)	(1,961)
Profit / (loss) from continuing operations before tax		689	(79)	(2,952)
Taxation		(109)	(67)	(366)
Profit / (loss) from continuing operations		580	(146)	(3,318)
Earnings per share	4			
Basic earnings per share - continuing operations		0.71p	(0.23p)	(5.24p)
Diluted earnings per share - continuing operations		0.71p	(0.23p)	(5.24p)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June 2026 £000	Unaudited Six months ended 30 June 2025 £000	Audited Year ended 31 December 2025 £000
Profit / (loss) for the period	580	(146)	(3,318)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
- Exchange differences on translating foreign operations	(271)	283	410
Total comprehensive income in the period	309	137	(2,908)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2026

	Unaudited 30 June 2026 £000	Unaudited 30 June 2025 £000	Audited 31 December 2025 £000
Assets			
Non-current assets			
Goodwill	17,001	14,996	14,996
Other intangible assets	6,569	4,608	5,271
Right of use assets	7,768	7,040	6,769
Property, plant, and equipment	6,810	7,743	6,637
Total non-current assets	38,148	34,387	33,673
Current assets			
Inventories	30,904	28,388	29,156
Trade and other receivables	33,304	25,597	25,809
Prepayments	2,752	2,476	1,587
Cash and cash equivalents	3,530	422	4,734
Total current assets	70,490	56,883	61,286
Liabilities			
Lease liability	2,695	1,467	2,378
Trade and other payables	28,882	21,713	26,863
Tax payable	(189)	19	98
Total current liabilities	31,388	23,199	29,059
Net current assets	39,102	33,684	32,227
Non-current liabilities			
Interest-bearing borrowings	19,940	18,958	19,972
Other loans	1,108	-	-
Lease liability	6,659	6,163	6,203
Provisions	110	176	50
Deferred tax liabilities	399	735	448
Total non-current liabilities	28,216	26,032	26,673
Net assets	49,034	42,039	39,227
Equity directly attributable to owners of the parent			
Share capital	32,546	31,637	31,637
Share premium	8,369	61,662	-
Distributable share premium	61,662	-	61,662
Other reserves	187	187	187
Shares owned by the Employee Benefit Trust (EBT)	(54)	(54)	(54)
Merger reserve	293	293	293
Merger relief reserve	3,646	3,646	3,646
Currency translation reserve	(197)	(88)	74
Retained losses	(57,418)	(55,244)	(58,218)
Total equity attributable to the owners of the parent company	49,034	42,039	39,227

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Share capital £000	Share premium £000	Other distributable share premium £000	Other reserves £000	Shares owned by EBT £000	Merger reserve £000	Merger relief reserve £000	Currency translation reserve £000	Retained losses £000	Total equity £000
Six months ended 30 June 2026 <i>Unaudited</i>										
Balance at 1 January 2026	31,637	-	61,662	187	(54)	293	3,649	74	(58,218)	39,227
Profit for the period	-	-	-	-	-	-	-	-	580	580
Other comprehensive income	-	-	-	-	-	-	-	(271)	-	(271)
Total comprehensive income for the year	-	-	-	-	-	-	-	(271)	580	309
Transaction with owners										
Issue of share capital	908	8,369	-	-	-	-	-	-	-	9277
Share options settled	-	-	-	-	-	-	-	-	-	-
Share-based payment charge	-	-	-	-	-	-	-	-	220	220
Balance at 30 June 2026	32,545	8,369	61,662	187	(54)	293	3,646	(197)	(57,418)	49,033
Six months ended 30 June 2025 <i>unaudited</i>										
Balance at 1 January 2025	31,637	61,662		187	(54)	293	3,646	(336)	(55,431)	41,604
Profit for the period	-	-	-	-	-	-	-	-	(146)	(146)
Other comprehensive income	-	-	-	-	-	-	-	248	35	283
Total comprehensive income for the year	-	-	-	-	-	-	-	248	(111)	137
Transaction with owners										
Issue of share capital	-	-	-	-	-	-	-	-	-	-
Share-based payment charge	-	-	-	-	-	-	-	-	298	298
Share options settled	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2025	31,637	61,662		187	(54)	293	3,646	(88)	(55,244)	42,039
Twelve months ended 31 December 2025 <i>audited</i>										
Balance at 1 January 2025	31,637	61,662	-	187	(54)	293	3,649	(336)	(55,431)	41,604
Profit for the year	-	-	-	-	-	-	-	-	(3,318)	(3,318)
Other comprehensive income	-	-	-	-	-	-	-	410	-	410
Total comprehensive income for the year	-	-	-	-	-	-	-	410	(3,318)	(2,908)
Transaction with owners:										
Transfer between reserves	-	(61,662)	61,662	-	-	-	-	-	-	-
Share-based payment charge	-	-	-	-	-	-	-	-	531	531
Total transactions with owners	-	(61,662)	61,662	-	-	-	-	-	531	531
Balance at 31 December 2025	31,637	-	61,662	187	(54)	293	3,649	74	(58,218)	39,227

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	<i>Note</i>	Unaudited Six months ended 30 June 2026 £000	Unaudited Six months ended 30 June 2025 £000	Audited Year ended 31 December 2025 £000
Net cash from operating activities	5	(263)	888	7,780
Cash flow from investing activities				
Payment for acquisition		(6,421)	(306)	(100)
Repayment of Credit facility from acquisition		-	(200)	(280)
Acquisition of property, plant, and equipment		(613)	(694)	(1,214)
Acquisition of intangible assets		(929)	(1,264)	(2,192)
Proceeds from sale of property, plant, and equipment		12	9	-
Net cash used in investing activities		(7,951)	(2,455)	(3,786)
Cash flows from financing activities				
Net proceeds from issue of share capital		9,277	-	-
Repayment of lease liabilities		(1,270)	(978)	(2,137)
Drawdown / (Repayment) of bank loan		30	2,000	3,000
Repayment of credit facility recognised on acquisition		(30)		
Interest on lease liabilities		(185)	(146)	(336)
Other interest		(803)	(748)	(1,625)
Additional credit facility recognised on acquisition			-	(30)
Net cash generated from / (used in) financing activities		7,019	128	(1,128)
Net change in cash and cash equivalents		(1,196)	(1,439)	(2,866)
Cash and cash equivalents at start of period		4,734	1,839	1,839
Exchange differences on cash and cash equivalents		(8)	22	29
Cash and cash equivalents at end of period		3,530	422	4,734

	Short-term borrowings £000	Long-term borrowings £000	Lease liabilities £000	Total £000
At 1 January 2026	-	19,889	7,890	27,779
Cash flows				
Other movements	-	(32)	-	(32)
At 30 June 2026	-	19,857	7,890	27,747

By order of the Board
7 September 2026

NOTES TO THE HALF-YEAR REPORT

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The principal activity of Flowtech Fluidpower plc (the "Company") and its subsidiaries (together, the "Group") is the distribution of engineering components and assemblies, concentrating on the fluid power industry. The Company is a public limited company incorporated and domiciled in the United Kingdom. The address of its registered office is Bollin House, Wilmslow, SK9 1DP.

The registered number is 09010518.

As permitted, this Half-year report has been prepared in accordance with the AIM rules and not in accordance with IAS 34 "Interim Financial Reporting".

The consolidated financial statements are prepared under the historical cost convention, as modified by the revaluation of certain financial instruments.

This consolidated Half-year report and the financial information for the six months ended 30 June 2025 does not constitute full statutory accounts within the meaning of section 434 of the Companies Act 2006 and are unaudited. This unaudited Half-Year Report was approved by the Board of Directors on [XX] September 2026.

The Group's financial statements for the year ended 31 December 2025 have been filed with the Registrar of Companies. The Group's auditor's report on these financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Electronic communications

The Company does not intend to bulk print and distribute hard copies of this Half-year report, although copies can be requested by contacting: The Company Secretary, Flowtech Fluidpower plc, Bollin House, Bollin Walk, Wilmslow, SK9 1DP. Email: investorrelations@flowtech.co.uk.

The Board believes that by utilising electronic communication it delivers savings to the Company in terms of administration, printing and postage, and environmental benefits through reduced consumption of paper and inks, as well as speeding up the provision of information to shareholders. News updates, regulatory news, and financial statements can be viewed and downloaded from the Group's website: www.flowtech.co.uk.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The financial information set out in this consolidated Half-year report has been prepared under International Accounting Standards in conformity with the requirements of the IFRIC interpretations issued by the International Accounting Standards Board (IASB) and the Companies Act 2006 and in accordance with the accounting policies which will be adopted in presenting the Group's Annual Report and Financial Statements for the year ended 31 December 2026. These are consistent with the accounting policies used in the Financial Statements for the year ended 31 December 2025.

2.2 Going concern

The financial statements are prepared on a going concern basis. The Directors believe this to be the most appropriate basis for the following reasons:

- The Group generated underlying operating profit of £2.3m in the six months ended 30 June 2026.
- The Group is financed by revolving credit facilities totalling £20m until February 2027 and £5m overdraft facility, repayable on demand.
- The Group has operated, and is expected to continue to operate, within its Banking facilities.

The Directors have revisited the forecasts and continue to anticipate a profitable performance in the second half of 2026. Updated cash flow forecasts continue to show the business operating within the limits of its Banking facilities.

Naturally, these forecasts include a number of key assumptions relating, inter alia, to revenue, margins, costs and working capital. In any set of forecasts there are inherent risks relating to each of these assumptions. As such there is always a degree of uncertainty; if market conditions were such that it materially impacted on the ability to generate expected levels of revenue, without appropriate action, this could lead to pressure on the Group's ability to operate within its existing banking facilities. Of course, in such a set of circumstances management would take action to mitigate the impact of this, in particular by careful management of the Group's cost base and working capital. Doing so would assist in seeking to ensure all bank covenants were complied with and the business continued to operate within its aggregate £25m banking facility. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

3. OPERATING SEGMENTS

The operations of the business are reviewed based on three geographical segments – Great Britain, Island of Ireland and Benelux (as explained in note 3 Segment Reporting (page 98) of the Annual report 2025). These geographical segments are monitored by the Group's Chief Operating Decision Maker and strategic decisions are made on the basis of adjusted segment operating results. Inter-segment revenue arises on the sale of goods between Group undertakings.

Segment information for the reporting periods is as follows:

Half year ended 30 June 2026	Great Britain £000	Island of Ireland £000	Benelux £000	Inter-segmental transactions £000	Central Costs £000	Total continuing operations £000
Income statement – continuing operations:						
Revenue from external customers	48,200	12,255	9,964	-	-	70,418
Inter segment revenue	2,544	438	715	(3,697)	-	-
Total revenue	50,744	12,693	10,679	(3,697)	-	70,419
Underlying operating result*	3,308	1,102	1,008	-	(3,103)	2,315
Net financing costs	(214)	(12)	(72)	-	(657)	(955)
Underlying segment result	3,094	1,090	936	-	(3,760)	1,360
Separately disclosed items (see below)	21	-	(309)	-	(381)	(669)
Profit before tax	3,115	1,090	627	-	(4,141)	691
Specific disclosure items						
Depreciation on owned plant, property and equipment	630	50	62	-	1	743
Depreciation on right-of-use assets	801	87	74	-	86	1,048
Amortisation of website	426	-	-	-	-	426
Negative goodwill	(1,538)	-	-	-	-	(1,538)
Amortisation	319	-	98	-	-	417
Reconciliation of underlying operating result to operating profit:						
Underlying operating result*	3,308	1,102	1,008	-	(3,103)	2,315
Separately disclosed items (see below)	21	-	(309)	-	(381)	(669)
Operating profit/ (loss)	3,329	1,102	699	-	(3,484)	1,646

(*) Underlying operating result is continuing operations' operating profit before separately disclosed items

The Directors believe that the Underlying Operating Profit provides additional useful information on underlying trends to Shareholders. The term 'underlying' is not a defined term under IFRS and may not be comparable with similarly titled profit measurements reported by other companies. A reconciliation of the underlying operating result to operating result from continuing operations is shown below. The principal adjustments made are in respect of the separately disclosed items as detailed later in this note; the Directors consider that these should be reported separately as they do not relate to the performance of the segments.

Half year ended 30 June 2025	Great Britain £000	Island of Ireland £000	Benelux £000	Inter-segmental transactions £000	Central Costs £000	Total continuing operations £000
Income statement – continuing operations:						
Revenue from external customers	41,738	10,152	5,007	-	-	56,897
Inter segment revenue	2,699	287	933	(3,919)	-	-
Total revenue	44,437	10,439	5,940	(3,919)	-	56,897
Underlying operating result*	3,073	1,192	333	-	(3,031)	1,567
Net financing costs	(250)	(9)	(23)	-	(599)	(881)
Underlying segment result	2,823	1,183	310	-	(3,630)	686
Separately disclosed items (see below)	(118)	(4)	(229)	-	(414)	(765)
Profit before tax	2,705	1,179	81	-	(4,044)	(79)
Specific disclosure items						

Depreciation on owned plant, property and equipment	634	48	36	-	-	718
Depreciation on right-of-use assets	682	139	64	-	56	941
Amortisation	517	-	49	-	-	566
Reconciliation of underlying operating result to operating profit:						
Underlying operating result*	3,073	1,192	333	-	(3,031)	1,567
Separately disclosed items (see below)	(118)	(4)	(229)	-	(414)	(765)
Operating profit/ (loss)	2,955	1,188	104	-	(3,445)	801

(*) Underlying operating result is continuing operations' operating profit before separately disclosed items

For the year ended 31 December 2025	Great Britain £000	Island of Ireland £000	Benelux £000	Inter-segmental transactions £000	Central Costs £000	Total continuing operations £000
Income statement – continuing operations:						
Revenue from external customers	86,625	20,817	9,473	-	-	116,915
Inter segment revenue	5,308	1,589	848	(7,745)	-	-
Total revenue	91,933	11,062	21,665	(7,745)	-	116,915
Underlying operating result*	6,275	2,923	313	-	(5,868)	3,643
Net financing costs	(507)	(23)	(58)	-	(1,373)	(1,961)
Underlying segment result	5,768	2,900	255	-	(7,241)	1,682
Separately disclosed items (see below)	(1,434)	(202)	(2,030)	-	(967)	(4,633)
Profit / (loss) before tax	4,334	2,698	(1,775)	-	(8,208)	(2,951)
Specific disclosure items						
Depreciation on owned plant, property and equipment	1,341	99	80	-	1	1,521
Depreciation on right-of-use assets	1,450	156	327	-	133	2,066
Accelerated depreciation on old website	197	-	-	-	-	197
Write off lease liability	29	-	-	-	-	29
Negative Goodwill	(170)	-	-	-	-	-
Impairment of right of use assets	-	-	1,318	-	-	1,318
Impairment of fixed assets	-	-	429	-	-	429
Amortisation	1,132	-	-	-	-	1,132
Reconciliation of underlying operating result to operating profit:						
Underlying operating result*	6,275	2,923	313	-	(5,868)	3,643
Separately disclosed items (see below)	(1,434)	(202)	(2,030)	-	(968)	(4,634)
Operating profit/ (loss)	4,841	2,721	(1,717)	-	(6,836)	(991)

(*) Underlying operating result is continuing operations' operating profit before separately disclosed items

	Six months ended 30 June 2026 £000	Six months ended 30 June 2025 £000	Year ended 31 December 2025 £000
SEPARATELY DISCLOSED ITEMS			
Separately disclosed items within administrative expenses:			
Acquisition costs	298	142	225
Amortisation of acquired intangibles	417	369	651
Accelerated depreciation of old website	-	197	197
Impairment of fixed assets	-	-	429
Impairment of right of use asset	-	-	1,318
Write off lease liability	-	-	(24)
Negative goodwill	(1,538)	(646)	(170)
Share-based payment costs	220	297	531
Carriage costs related to previous accounting periods	694	-	-
Restructuring costs	578	406	1,431
Total	669	765	4,634

- Acquisition costs relate to outline research into potential acquisition opportunities which are presented to us.
- The Negative goodwill balance of £1,538k is £1,688k in relation to the Helipecs acquisition (see note 6) partly offset by an adjustment of £150k relating to the reassessment of inventory acquired as part of the prior year acquisitions of Allswage and Thomas.
- Share-based payment costs relate to the provision made in accordance with IFRS 2 "Share-based payment" following the issue of share options to employees.
- The Group recognised a charge of £694k in respect of carriage costs capitalised within inventory in prior periods. As the amount was not expected to be recovered through future inventory sales, it was expensed in the current year. No prior period adjustment has been recognised as the amount was not material.
- Restructuring costs related to restructuring activities of an operational nature following acquisition of business units and other restructuring activities in established businesses. Costs include restructuring advice, service contract termination costs and employee redundancies.

4. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The dilutive shares are those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the period. For diluted loss per share the weighted average number of ordinary shares in issue is not adjusted.

	Six months ended 30 June 2026			Six months ended 30 June 2025			Year ended 31 December 2025		
	Earnings	Weighted average number of shares	Earnings per share	Earnings	Weighted average number of shares	Earnings per share	Earnings	Weighted average number of shares	Earnings per share
	£000	000's	Pence	£000	000's	Pence	£000	000's	Pence
Basic earnings per share									
Continuing operations	580	81,436	0.71p	(146)	63,275	(0.23p)	(3,318)	63,275	(5.24p)

5. NET CASH FROM OPERATING ACTIVITIES

	Six months ended 30 June 2026 £000	Six months ended 30 June 2025 £000	Year ended 31 December 2025 £000
Reconciliation of profit before taxation to net cash flows from operations:			
Profit / (loss) before tax	689	(79)	(2,952)
Depreciation and impairment on property, plant, and equipment	747	761	1,521
Depreciation on right-of-use assets (IFRS 16)	1,045	941	2,066
Impairment of right-of-use assets (IFRS16)	-	-	1,318
Write off of right-of-use liability (IFRS 16)			(29)
Finance costs	987	881	1,961
(Gain) on sale of plant and equipment	(1)	(6)	(6)
Amortisation of intangible assets	843	763	1,329
Impairment of fixed assets	-	-	429
Negative goodwill	(1,538)	(646)	(170)
Equity settled share-based payment charge	220	296	531
Exchange differences on non-cash balances	(223)	58	120
Operating cash inflow before changes in working capital and provisions	2,769	2,969	6,118
Change in trade and other receivables	(5,498)	(4,219)	(3,617)
Change in inventories	1,271	1,889	769
Change in trade and other payables	1,212	297	5,058
Change in provisions	60	(2)	(129)
Cash from operations	(186)	934	8,199
Tax paid	(77)	(46)	(419)
Net cash (used)/generated from operating activities	(263)	888	7,780

6. ACQUISITIONS

Acquisition of Q Plus and Nialli

On 12 February 2026 the Group completed the acquisition of 100% of the issued share capital of Q-Plus B.V and its subsidiary (Nialli), a Netherlands-based distributor and service provider of pneumatic and compressed air solutions.

The total consideration of €5.6m comprises €4.1 million cash, a €1.25 million vendor loan plus an additional €0.2m which was contingent upon the performance of the business. In addition, €1.8m of intercompany debt was repaid upon completion.

Q Plus

Asset	Fair value £000
Property, plant & equipment	139
Website	183
Other intangible assets	863
Inventories	2,398
Trade payables	1,533
Other payables	10
Other receivables	(37)
Accruals	(253)
Prepayments	635
Cash	449
Vendor loan	(1,085)
Earn out	(201)
Trade Creditors	(1,248)
Taxes	166
Total	3,551

Nialli

Asset	Fair value £000
Inventories	55
Trade receivables	32
Trade Payables	(34)
Cash	40
VAT	(3)
Corporation Tax	8
Total	97

	£000
Amount settled in cash	5,657
Fair value of assets	(3,648)
Goodwill	2,008

Fair Values

The fair values included in the table above are provisional and subject to management estimations at the reporting date.

Intangible Assets

The intangible assets relate to the Customer list at £660,000, Brand at £203,000 and the Q Plus Website valued at £183,000.

Q Plus Contribution to Group Results

Q Plus generated Sales of £4,882,000 and a profit before tax of £577,000 after accounting for £98,000 of amortisation of acquired intangibles.

Acquisition of Helipecs Controls Limited

On 4 June 2026, the Group acquired the business and assets of Helipecs Controls Ltd, a UK-based designer and manufacturer of hydraulic cylinders and hydraulic systems. The total consideration was £410,000 in cash. The acquisition enhances the Group's engineering capabilities and manufacturing expertise, strengthens its presence in the hydraulic cylinders and systems market, and expands its customer offering across technically demanding sectors including energy, aerospace and defence, nuclear and industrial manufacturing. Details of the provisional fair value of identifiable assets and liabilities acquired, and purchase consideration and bargain purchase gain are as follows:

Asset	Fair value £000
Property, plant & equipment	170
Intangible assets	172
Inventories	570
Trade receivables	1,050
Prepayments	136
Total	2,098

Asset	Fair value £000
Amount settled in cash	410
Fair value of assets	(2,098)
Gain on bargain purchase	(1,688)

Fair Values

The fair values included in the table above are provisional and subject to management estimations at the reporting date.

Intangible Assets

The intangible assets relate to the Customer list at £105,000 and Brand valued at £67,000.

Helipecs contribution to Group results

Helipecs generated Sales of £105,000 and a loss before tax of £63,000 in June 2026.

7. PRINCIPAL RISKS AND UNCERTAINTIES

In common with all organisations, Flowtech faces risks which may affect its performance. The Group operates a system of internal control and risk management to provide assurance that we are managing risk whilst achieving our business objectives. No system can fully eliminate risk and therefore the understanding of operational risk is central to management processes. The long-term success of the Group depends on the continual review, assessment, and control of the key business risks it faces. The Directors set out in the 2025 Annual Report and Financial Statements the principal risks identified during this exercise, including quality control, systems and site disruption and employee retention. The Board does not consider that these risks have changed materially in the last six months.

8. FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements which reflect the knowledge and information available to the Company during the preparation and up to the publication of this document. By their very nature, these statements depend upon circumstances and relate to events that may occur in the future thereby involving a degree of uncertainty. Although the Group believes that the expectations reflected in these statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Given that these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. The Group undertakes no obligation to update any forward-looking statements whether because of new information, future events or otherwise.

EDITORS NOTE:

Flowtech Fluidpower plc

(AIM: FLO)

Flowtech is a leading specialist provider of Hydraulics, Pneumatics and Process engineering solutions across the UK, Ireland and the Benelux. We have built a strong brand reputation based on engineering excellence, with the ability to supply superior products, a suite of engineering services, and play a vital role in delivering major engineering projects across virtually all industry sectors. We serve the needs of our customers who design, build, maintain, and improve industrial plant and equipment operations.

Operating in a highly fragmented £30bn European market and with over 40 years of experience the Group has developed the technical and commercial expertise to enable its teams to service and support customers' needs, helping them minimise downtime, optimise performance and maximise the lifespan of operations.

The business employs over 600 highly skilled engineers, sales, and support staff across its current portfolio of Flowtech, Thorite, Allswage, Thomas Group, Q Plus and Helipebs Controls.

To read more about the Flowtech Group, please visit: <https://flowtech.co.uk/investor-hub>

FURTHER ENQUIRIES TO:

Flowtech Fluidpower plc

Mike England, Chief Executive Officer

Russell Cash, Chief Financial Officer

Tel: +44 (0) 1695 52759

Email: investorrelations@flowtech.co.uk

Panmure Liberum Limited *(Nominated adviser and joint broker)*

Nicholas How, Managing Director Investment Banking

Will King, Assistant Director, Investment Banking

Tel: +44 (0) 20 3100 2000

Singer Capital Markets *(Joint broker)*

Sara Hale, Head of Investment Banking

James Todd, Associate, Investment Banking

Tel: +44 (0) 207 496 3000

TooleyStreet Communications *(IR and media relations)*

Fiona Tooley

Tel: +44 (0) 7785 703523 or email: fiona@tooleystreet.com