
KURYEN

Q2 2025 Earnings Report

Second Quarter and Half-Year Financial Results

LSE: KRY | www.kuryenplc.com

July 2025

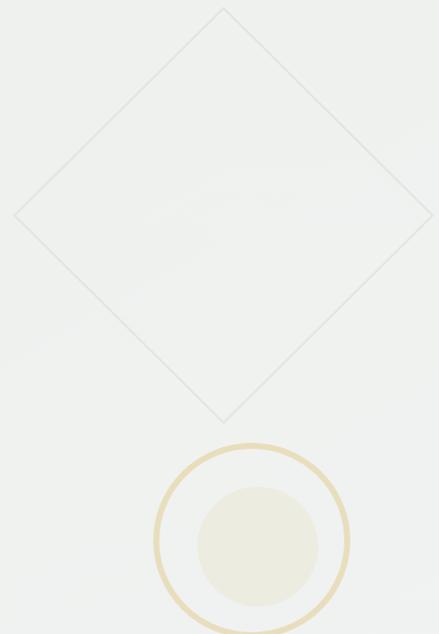


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Executive Summary

Kuryen plc (LSE: KRY) is pleased to report strong financial performance for the second quarter ended June 30, 2025. The Company delivered revenue of GBP 1.600 billion for Q2 2025, representing a 12.4% increase year-over-year, driven by sustained demand across all business segments and continued execution of our strategic growth initiatives.

For the six months ended June 30, 2025, Kuryen achieved total revenue of GBP 3.368 billion, up 11.5% from GBP 3.021 billion in the prior year period. Operating profit increased by 15.2% to GBP 400.4 million, with operating margin expanding by 40 basis points to 11.9%. Net income for the half-year reached GBP 309.6 million, representing earnings per share of GBP 0.64, a 13.6% increase from the prior year.

Our performance in the second quarter reflects the successful implementation of operational efficiency programs, strategic investments in high-growth markets, and continued focus on delivering exceptional value to our customers. The Board has declared an interim dividend of 13.5 pence per share, payable on September 15, 2025.

Financial Highlights

Quarterly Performance

The second quarter of 2025 demonstrated continued momentum across our business operations.

Key quarterly highlights include:

- Revenue of GBP 1.600 billion, up 12.4% YoY and 8.6% QoQ
- Gross profit of GBP 636.8 million, with gross margin of 39.8%
- Operating profit of GBP 196.4 million, up 16.8% YoY
- Net income of GBP 151.2 million, representing EPS of GBP 0.31
- Free cash flow generation of GBP 218.6 million

Half-Year Performance

The following table summarizes our half-year 2025 financial performance compared to the prior year period:

Metric	H1 2025	H1 2024	Change
Revenue (GBP m)	3,368.4	3,021.4	+11.5%
Gross Profit (GBP m)	1,342.6	1,191.8	+12.7%
Operating Profit (GBP m)	400.4	347.6	+15.2%
Net Income (GBP m)	309.6	272.4	+13.6%
EBITDA (GBP m)	537.3	472.1	+13.8%
EPS (GBP)	0.64	0.56	+14.3%

Table 1: Half-Year Financial Summary (GBP millions, except per share data)

Revenue Analysis

Revenue by Segment

Kuryen operates through three primary business segments: Industrial Solutions, Consumer Products, and Technology Services. Each segment contributed meaningfully to our overall revenue growth in the first half of 2025.

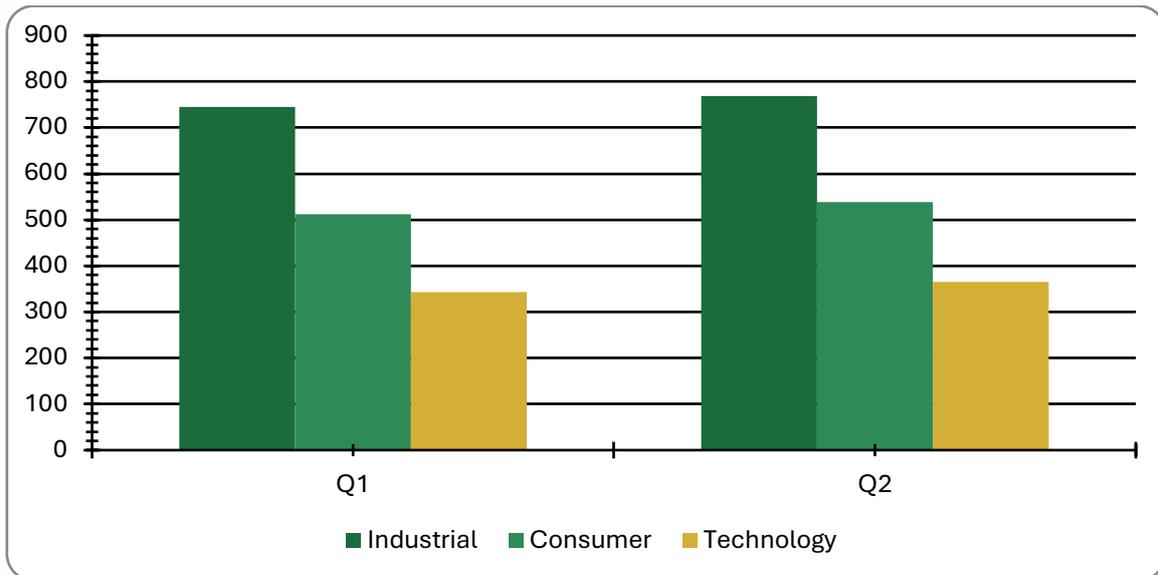


Figure 1: Quarterly Revenue by Business Segment (GBP millions)

Geographic Revenue Distribution

Our global footprint continued to expand during the first half of 2025, with strong growth across all major geographic regions. The United Kingdom remains our largest market, accounting for 39% of total revenue, followed by Continental Europe at 28%, North America at 19%, and Asia-Pacific at 11%. Emerging markets contributed the remaining 3% of revenue.

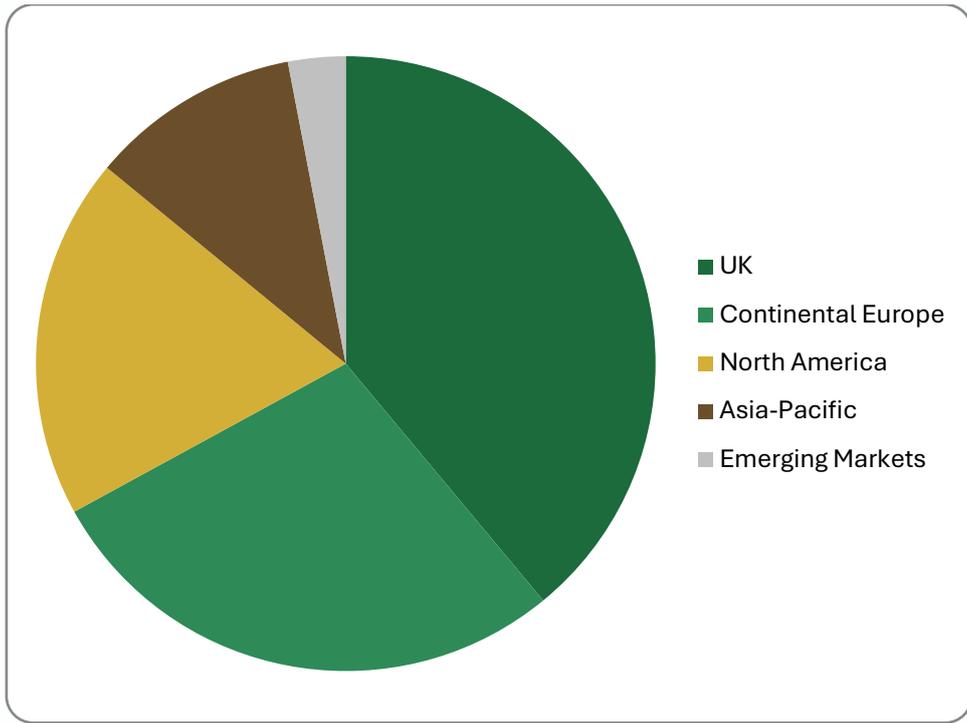


Figure 2: Geographic Revenue Distribution (Half-Year 2025)

Operating Results

Operating Expenses

Total operating expenses for the six months ended June 30, 2025, were GBP 2.504 billion, representing 74.4% of revenue, an improvement from 75.2% in the prior year period. This improvement reflects our ongoing focus on operational efficiency and cost management initiatives.

Operating expenses by category for the half-year period are detailed below:

Expense Category	H1 2025 (GBP m)	% of Revenue
Cost of Goods Sold	2,025.8	60.2%
Selling & Marketing	424.8	12.6%
Research & Development	208.4	6.2%
General & Administrative	234.6	7.0%
Depreciation & Amortization	132.4	3.9%
Other Operating Expenses	45.8	1.4%
Total Operating Expenses	2,504.0	74.4%

Table 2: Operating Expenses Breakdown - Half-Year (GBP millions)

EBITDA Analysis

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) for the six months ended June 30, 2025, reached GBP 537.3 million, representing a 13.8% increase from GBP 472.1 million in the prior year period. The EBITDA margin improved to 16.0% from 15.6% in the prior year, demonstrating the operating leverage in our business model.

Quarterly EBITDA progression in 2025 has shown consistent improvement: Q1: GBP 258.4 million and Q2: GBP 278.9 million. This trajectory reflects both revenue growth and margin expansion initiatives.

Balance Sheet Review

Assets and Liabilities

As of June 30, 2025, Kuryen's total assets stood at GBP 5.412 billion, compared to GBP 5.234 billion at December 31, 2024. This growth was primarily driven by increased working capital to support business expansion and strategic investments in property, plant, and equipment.

Key balance sheet items are summarized as follows:

Item	Jun 2025 (GBP m)	Dec 2024 (GBP m)
Cash & Cash Equivalents	578.4	524.6
Accounts Receivable	1,145.8	1,123.4
Inventory	845.6	812.5
Other Current Assets	302.4	298.7
Property, Plant & Equipment	1,745.6	1,654.3
Intangible Assets	432.8	412.8
Other Non-Current Assets	361.4	407.7
Total Assets	5,412.0	5,234.0
Accounts Payable	634.8	624.5
Short-term Debt	185.0	200.0
Other Current Liabilities	812.4	798.4
Long-term Debt	1,134.8	1,054.3
Other Non-Current Liabilities	128.6	100.8
Total Liabilities	2,895.6	2,778.0
Shareholders' Equity	2,516.4	2,456.0

Table 3: Condensed Consolidated Balance Sheet (GBP millions)

Cash Flow Statement

Net cash provided by operating activities for the six months ended June 30, 2025, was GBP 456.8 million, compared to GBP 398.4 million in the prior year period. This 14.7% increase was driven by higher net income and improved working capital management. Operating cash flow conversion (operating cash flow to net income) remained strong at 147.5%.

Capital expenditures for the half-year period totaled GBP 162.4 million, representing 4.8% of revenue. These investments focused on capacity expansion, technology infrastructure, and sustainability initiatives. Financing activities used GBP 206.4 million, primarily for dividend payments of GBP 87.6 million and share repurchases of GBP 62.5 million.

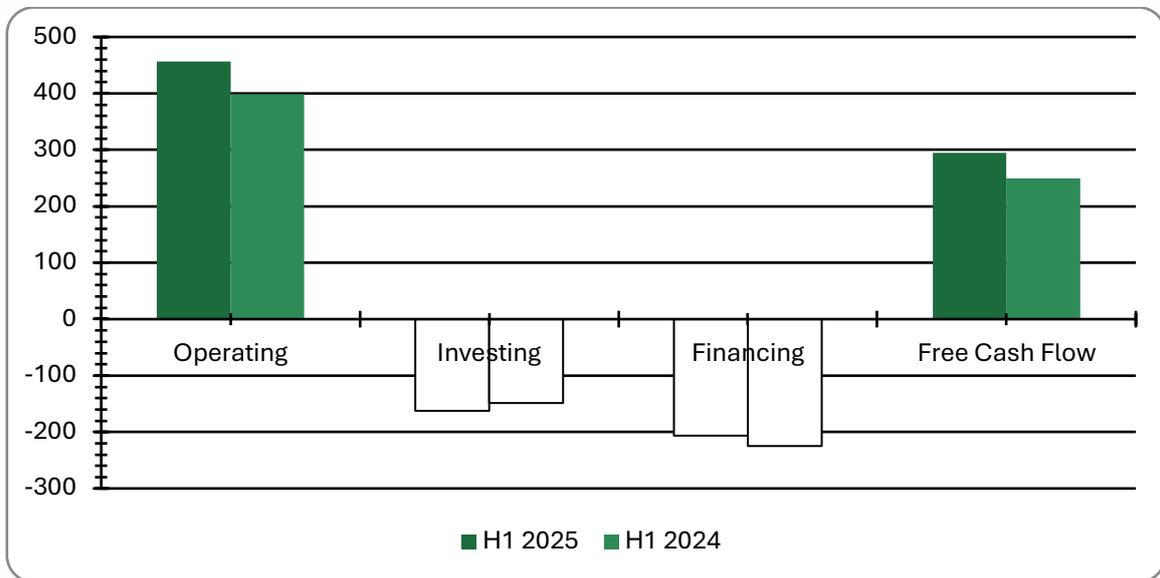


Figure 3: Half-Year Cash Flow Summary (GBP millions)

Segment Performance

Each of our three business segments delivered strong performance during the first half of 2025, contributing to our overall growth and profitability objectives.

Industrial Solutions

The Industrial Solutions segment, our largest business unit, generated revenue of GBP 1.513 billion in the first half of 2025, up 10.5% from the prior year period. Operating profit increased to GBP 202.4 million, with operating margin of 13.4%. Growth was driven by strong demand from manufacturing, energy, and infrastructure customers, along with successful new product launches.

Consumer Products

Consumer Products revenue reached GBP 1.051 billion, representing a 12.8% increase year-over-year. Operating profit of GBP 131.2 million reflected an operating margin of 12.5%. The segment benefited from premium product mix shifts, e-commerce channel growth, and successful marketing campaigns.

Technology Services

Technology Services, our fastest-growing segment, delivered revenue of GBP 738.6 million, up 14.2% from the prior year period. Operating profit increased to GBP 98.4 million, with operating margin of 13.3%. Growth was fueled by digital transformation services, cloud solutions, and cybersecurity offerings.

Segment financial summary for the half-year period:

Segment	Revenue	Op. Profit	Margin	YoY Growth
Industrial Solutions	1,513.6	202.4	13.4%	+10.5%
Consumer Products	1,050.6	131.2	12.5%	+12.8%
Technology Services	738.6	98.4	13.3%	+14.2%
Corporate/Unallocated	0.0	-31.6	-	-
Total	3,368.4	400.4	11.9%	+11.5%

Table 4: Segment Financial Summary - Half-Year (GBP millions)

Strategic Initiatives Update

During the second quarter of 2025, Kuryen made significant progress on our strategic initiatives to drive long-term growth and enhance competitiveness:

Digital Transformation

We continued to accelerate investments in digital capabilities, implementing new ERP systems across three major facilities and launching our advanced analytics platform for supply chain optimization. These initiatives are expected to enhance operational efficiency.

Sustainability Leadership

Our sustainability program achieved key milestones in Q2, including an 8% reduction in carbon emissions year-to-date and the launch of two new sustainable product lines. We have committed to 100% renewable energy across our UK operations by the end of 2026.

Geographic Expansion

We expanded our operations in Germany during the quarter, opening a new distribution center to better serve our Continental European customers. Additionally, we announced plans to establish a technology hub in Dublin to support our growing Technology Services segment.

Innovation Pipeline

R&D investments totaled GBP 208.4 million in the first half, representing 6.2% of revenue. We launched 11 new products during the quarter and have a robust pipeline of innovations planned for the second half of 2025.

Risk Factors

Kuryen operates in a dynamic business environment and faces various risks that could impact our financial performance and strategic objectives. Key risk factors include:

Macroeconomic Risks

Our business is subject to general economic conditions, including inflation, interest rate fluctuations, and economic downturns. While we have seen some stabilization in input costs during Q2, inflationary pressures remain a concern and could impact margins.

Competitive Risks

We operate in highly competitive markets. Increased competition, pricing pressure, or failure to innovate could adversely affect our market position and profitability. We continue to invest in R&D and differentiation to maintain our competitive edge.

Supply Chain Risks

Our operations depend on complex global supply chains. While supply chain conditions have improved from the challenges of previous years, disruptions due to geopolitical events or logistics challenges could impact our ability to meet customer demand.

Guidance and Outlook

Based on our strong performance in the first half and current market conditions, Kuryen is reaffirming its full-year 2025 guidance:

Metric	2025 Guidance
Revenue Growth	10-13%
Gross Margin	39.5-40.5%
Operating Margin	12.0-13.0%
EBITDA Margin	16.0-17.0%
EPS Growth	10-15%
Capital Expenditure	GBP 320-380m
Effective Tax Rate	22-24%

Table 5: Full Year 2025 Guidance

We remain confident in our ability to deliver strong results for the full year, supported by robust demand, operational improvements, and successful execution of our strategic initiatives. We expect Q3 revenue to be in the range of GBP 1.65-1.72 billion.

Shareholder Information

Kuryen plc is listed on the London Stock Exchange under the ticker symbol KRY. As of June 30, 2025, the Company had 484.5 million ordinary shares outstanding and approximately 12,300 registered shareholders.

Key shareholder information:

Item	Details
Ticker Symbol	LSE: KRY
Shares Outstanding	484.5 million
Market Capitalization	GBP 6.31 billion
52-Week High/Low	GBP 14.85 / GBP 11.45
Average Daily Volume	2.4 million shares
Dividend Yield	3.0%
P/E Ratio	10.2x

Table 6: Shareholder Information

The Board has declared an interim dividend of 13.5 pence per share, payable on September 15, 2025, to shareholders on the register as of August 15, 2025. This represents a 12.5% increase from the prior year interim dividend.

For investor relations inquiries, please contact: investor.relations@kuryenplc.com or visit our website at www.kuryenplc.com/investors

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