



**Rotork Plc**

## **Trading update**

### **Successful management actions delivering a strong revenue recovery**

#### **23 November 2022**

Rotork plc ("Rotork"), the global provider of mission-critical intelligent flow control solutions, today issues the following trading update covering the four-month period to 30 October 2022.

#### **Trading update**

Revenues in the four months grew 18.6% year-on-year on an OCC<sup>1</sup> basis, benefiting from higher selling prices as well as the successful supply chain improvement measures implemented over the last 18 months. These initiatives included direct purchasing and forward buying of semiconductors, re-certification and re-engineering of products, securing of contracted logistics routes and tactical inventory build.

Activity in the period was driven by customers' operational rather than capital expenditure and they continue to spend on automation, electrification and digitalisation projects as well as modernisation and maintenance. Order intake was ahead a low single digit percentage year-on-year on an OCC basis, reflecting the strength of the prior year period which included several larger orders which were not repeated. Order intake in October was encouraging, solidly ahead year-on-year.

Rotork retains a strong balance sheet. Net cash at 30 October 2022 was £79.4m (June 2022: £90.4m). During the period we paid an interim dividend of £20.6m.

#### **Growth+**

Earlier this month we outlined our new Growth+ strategy at a Capital Markets Event. Growth+ is designed to deliver our growth ambition through our three pillars of Target Segments, Customer Value and Innovative Products & Services, each underpinned by our 'Enabling a Sustainable Future' initiative.

We continue to see good growth opportunities in our Target Segments. In North American upstream, for example, there is growing momentum behind electrification in the drive towards methane emissions reduction. In the Middle East, carbon capture and storage is increasingly being incorporated into major gas projects and the desalination market is particularly active.

As part of our commitment to making a positive social impact we have announced an employee benefits review which included bringing forward salary increases for all but our most senior people. We were pleased to have been ranked recently in the top 5% globally in the Machinery and Electrical Equipment industry by S&P in its highly regarded Corporate Sustainability Assessment.

#### **Outlook**

We expect 2022 adjusted operating profit to be in line with expectations on an OCC basis and anticipate entering 2023 with a record order book that is significantly higher than when we started this year.

Rotork will publish 2022 full-year results on Tuesday 28 February 2023.

<sup>1</sup> OCC is organic constant currency results excluding acquired and discontinued businesses and restated at 2021 exchange rates

**Enquiries:**

Rotork plc

Tel: +44 (0)1225 733 200

Kiet Huynh, Chief Executive

Jonathan Davis, Finance Director

Andrew Carter, Investor Relations Director

FTI Consulting

Tel: + 44 (0)20 3727 1340

Nick Hasell / Susanne Yule

Legal Entity Identifier: 213800AH5RZIHGWRJ718

**About Rotork**

Rotork is a market-leading global provider of mission-critical intelligent flow control solutions for oil & gas, water and wastewater, power, chemical process and industrial applications. We help customers around the world to improve efficiency, reduce emissions, minimise their environmental impact and assure safety. Rotork employs about 3,200 people, has manufacturing facilities in more than 17 locations and serves 170 countries through a global service network. Its shares have a premium listing on the London Stock Exchange (symbol: ROR) and are a constituent of the FTSE 250 index. For more information please visit [www.rotork.com](http://www.rotork.com).