

Epwin Group

H125 results

Steady growth in tough markets

Epwin Group reported solid revenue growth in H125 and an improvement in operating profit, although there was some competitive pressure on the margin. The group ended the period with a solid balance sheet, and trading conditions in Q3 remain similar to the first half, no doubt partly reflecting caution ahead of the Autumn budget. The all-cash offer of 120p per share from Laumann UK was approved by shareholders on 25 September.

| Year end | Revenue (£m) | PBT (£m) | EPS (p) | DPS (p) | P/E (x) | Yield (%) |
|----------|--------------|----------|---------|---------|---------|-----------|
| 12/23 | 345.4 | 18.0 | 9.58 | 4.80 | 12.4 | 4.0 |
| 12/24 | 324.0 | 19.0 | 9.96 | 5.10 | 11.9 | 4.3 |

Note: PBT is on an underlying company reported basis. EPS is normalised and diluted, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Epwin reported H1 revenue of £172.5m, up 9.2% compared to H124, with increased volumes adding c 6% to growth and acquisitions over the last 18 months adding c 3%. Operating profit increased 4.2% to £12.5m, which implies the operating margin declined from 7.6% to 7.2%, reflecting the continued competitive nature of the market.

Adjusted EPS rose 10.7% to 5.27p (H124: 4.76p), reflecting the benefit of the now completed share buyback, and covenant net debt fell slightly to £19m (H124: £19.5m), implying a net debt to adjusted EBITDA ratio of 0.6x. Given the now approved all-cash acquisition of Epwin, the company did not declare a dividend for the period.

In the Extrusion and Moulding division (c 60% of revenue), revenue increased c 7% with c 3% being generated by the 2024 acquisitions. The underlying margin edged up from 11.3% to 11.4% due to the impact of efficiency and cost control initiatives, offsetting continued pricing pressure.

Revenue in the Fabrication and Distribution division (c 40% of revenue) rose 12%, driven largely by social housing demand. Volumes in the distribution network were steady despite weak Repair, Maintenance and Improvement (RMI) demand. Upgraded internal systems introduced last year allowed the trade counter business to be more agile, which resulted in flat margins in a competitive environment.

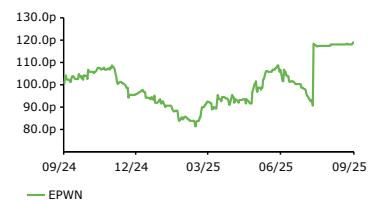
Q3 trading to date has been similar to H1 and the company is not expecting any improvement through the rest of 2025, especially ahead of the Autumn budget. Epwin will continue to manage the balance between volume and margins and continue to offer market-leading customer service.

Construction and materials

29 September 2025

| | |
|----------------------------|----------------|
| Price | 119.00p |
| Market cap | £162m |
| Net (debt) at 30 June 2025 | £(17.7)m |
| Shares in issue | 136.1m |
| Code | EPWN |
| Primary exchange | AIM |
| Secondary exchange | N/A |

Share price performance



Business description

Epwin Group supplies functional, low-maintenance exterior building products (including windows, doors, roofline and rainwater goods) into a number of UK market segments and is a modest exporter.

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