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Flowtech Fluidpower

Industrials

29 June 2026

Momentum flowing from self-help and M&A

Flowtech Fluidpower distributes hydraulic, pneumatic and process control products, systems and engineering solutions to customers across the UK, Ireland and Benelux. At the June 2026 Oberon UK Smaller Companies Showcase, Flowtech reported current trading in line with full-year expectations, with order book and pipeline momentum building confidence beyond Q126. Flowtech continues to execute a self-help strategy launched in late 2023, underpinned by six growth drivers and a new digital platform now live in the UK. The latest acquisition, Helipebs, extends Flowtech into specialist hydraulic cylinders and systems for oil and gas, marine, defence and green energy markets and will generate negative goodwill recognised as a separately disclosed credit in the H126 accounts. Management expects materially stronger cash conversion in 2026, with consensus pointing to continued underlying EBITDA recovery (see consensus estimates below).

Self-help momentum offsets weak markets

Flowtech reported strong progress across its four sales growth initiatives during FY25, carrying positive momentum into FY26. The new white-label and UK websites are live, with Ireland, Benelux and Export to follow in Q326. The projects pipeline is described as strong, with contracts secured for FY26 delivery and improved delivery capability supporting enhanced EBITDA. Service levels held at 99.8% on-time-to-promise and the company had 97% stock availability on core ranges. The backdrop remains challenging: management expects no material market recovery in 2026 and notes pricing pressure from rising costs and Middle East-related supply chain risk, hence the continued self-help focus. Focused growth sectors include aerospace and defence, infrastructure, data centres and transportation.

Acquisitions build the platform

Since August 2024 Flowtech has completed five acquisitions. Thorite, Allswage, Thomas and Q Plus (a Rotterdam-based pneumatic specialist bought to scale the European platform) were acquired for c £6m combined and are expected to add more than £30m of revenue and over £3m of EBITDA at the end of 2026, plus 12+ new UK and Benelux locations. Helipebs extends Flowtech into specialist hydraulic cylinders and systems for oil and gas, marine, defence and green energy markets.

H2 inflection sets the direction

H225 marked a cleaner run-rate, with EBITDA of £4.2m versus £3.5m in H1 and like-for-like revenue up 7.6% after an 11.9% first-half decline, taking Flowtech into its ‘grow and build’ phase. In our view, sustaining this momentum and converting it into stronger 2026 cash flow are what matter most from here.

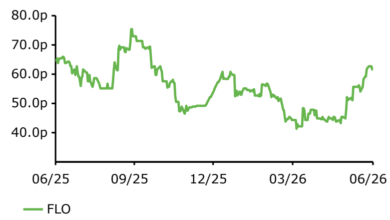
Company compiled consensus estimates

Year end	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (£)	P/E (x)	EV/EBITDA (x)
12/25	116.9	7.7	(3.0)	(0.05)	N/A	4.7
12/26e	136.9	10.2	3.9	0.04	16.6	3.5
12/27e	143.3	11.8	5.7	0.06	11.5	3.1

Source: Flowtech Fluidpower

Price	**63.00p**
Market cap	**£51m**

Share price performance



Share details

Code	FLO
Listing	AIM
Shares in issue	81.4m
Net cash/(debt) at 31 December 2025	£15.2m

Business description

Flowtech Fluidpower is a UK-listed specialist distributor of hydraulic, pneumatic and process control products, systems and engineering solutions, operating across the UK, Ireland and Benelux.

Bull points

- Self-help programme delivering momentum independent of a still-uncertain end-market recovery.
- Accretive M&A building scale, with Q Plus and Helipebs adding revenue, EBITDA and capability.
- Management guiding to materially stronger cash conversion in 2026.

Bear points

- End markets remain weak, with no expected recovery in 2026 and ongoing pricing pressure.
- Integration risk across four recent acquisitions plus Helipebs.
- Supply chain and cost exposure heightened by Middle East volatility.

Analysts

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