

EUROCELL PLC (Symbol: ECEL)

PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

Resilient financial performance; Alunet acquisition performing strongly

Eurocell plc, the leading UK manufacturer and distributor of window and door products to the trade, today announces its preliminary results for the year ended 31 December 2025.

Highlights

- Adjusted operating profit up 6%, driven by a strong contribution from Alunet (acquired in March 2025) and effective cost control, partially offset by lower organic sales volumes, labour cost inflation and investment in strategic initiatives
- Adjusted profit before tax down 5%, reflecting higher finance costs following the Alunet acquisition
- Continuing focus on operational improvements, cost reduction and cash flow management
- Further progress with five-year strategy
- Driving shareholder returns through a combination of ordinary dividends and share buybacks, with total returns of £11.4 million for 2025
- Will Truman appointed Chief Executive Officer (CEO) on 9 February 2026

Key financial performance measures	2025	2024	Change
Revenue (£ million)	403.5	357.9	13%
Underlying measures ⁽¹⁾			
Adjusted operating profit (£ million)	24.1	22.8	6%
Adjusted profit before tax (£ million)	19.0	20.0	(5)%
Adjusted basic earnings per share (pence)	14.6	14.4	1%
Reported measures			
Operating profit (£ million)	17.3	16.6	4%
Profit before tax (£ million)	12.2	13.8	(12)%
Basic earnings per share (pence)	9.5	9.8	(3)%
Total dividends per share for the year (pence)	6.4	6.1	5%
Capital investment (£ million)	12.5	10.3	21%
Net cash generated from operating activities (£ million)	48.4	44.2	10%
Net debt (£ million) ⁽²⁾	98.2	62.5	(35.7)
Net debt, pre-IFRS 16 (£ million) ⁽²⁾	22.1	3.1	(19.0)

Resilient financial performance

- Group sales 13% above 2024, or flat excluding Alunet, with organic volumes 2% lower
- Profiles division sales up 1% on 2024, with volumes 2% lower, reflecting reduced RMI ⁽³⁾ activity through our trade fabricators, partially offset by some modest improvement in the new build housing market
- Branch Network division sales down 1% on 2024, with volumes 2% lower, reflecting general Branch Network sales to the RMI market down 6%, offset by further progress with our strategic initiatives (see below)
- Alunet post-acquisition sales of £46.7 million in the 10 months to 31 December 2025, representing growth of 28% over the corresponding March to December period in 2024, driven by market share gains
- Adjusted operating profit up 6% vs 2024, reflecting a strong contribution from Alunet and effective cost control, partially offset by:
 - Lower organic sales volumes and competitive pressure on selling prices in the branches

- Continued labour and other overhead cost inflation, including the increases to employers' National Insurance and the National Living Wage from April 2025
- Further targeted investment to maintain momentum in strategic initiatives, including the new branch opening programme (see below)
- Reported operating profit up 4% vs 2024 and reported profit before tax down 12%, after non-underlying items of £6.8 million ⁽¹⁾
- Strong balance sheet, with pre-IFRS 16 net debt of £22.1 million down from £29.0 million at 30 June 2025 (31 December 2024: £3.1 million), representing leverage of 0.7x pre-IFRS 16 EBITDA ⁽⁴⁾
 - Initial consideration for Alunet of c.£22m substantially funded from debt facility
 - Net cash generated from operating activities of £48.4 million up 10% vs 2024, reflecting good cash management
- Driving shareholder returns through a combination of ordinary dividends and share buybacks
 - Interim dividend paid in October 2025 of 2.3 pence per share up 5% (2024: 2.2 pence per share)
 - Proposed final dividend of 4.1 pence per share (2024: 3.9 pence per share), resulting in total dividends for the year of 6.4 pence per share (2024: 6.1 pence per share), up 5% and totalling £6.4 million (2024: £6.2 million)
 - £5 million buyback announced in March 2025 now complete
 - Total returns announced for 2025 of £11.4 million (equivalent to a yield ⁽⁵⁾ of c.8%), which followed total returns for 2024 of £21.2 million (including a buyback of £15 million and equivalent to a yield of c.14%)
 - Intend to continue share buybacks, assuming no prolonged impact from the situation in the Middle East and subject to maintaining a strong financial position

Progress with strategic initiatives

- New branches: 2 opened at the end of 2024 plus 7 new sites and 6 relocations completed in 2025
 - Sales from new branches in 2025 of £3.3 million
 - Creates a short-term profit drag (operating loss of £1.1 million in 2025), but drives longer-term profit growth
- Windows and doors: accelerated roll-out, with all 215 branches live on the programme from July (90 live at the end of 2024), driving sales of £30.3 million, up 12% on 2024 and up 26% on 2023, the base year for the strategic plan
- Digital growth: e-commerce sales of £6.6 million, up 40% on 2024, with a strong operating profit margin
- Garden rooms: sales of £9.6 million up 9% on 2024, with an improving operating profit margin
- Business effectiveness: ongoing operational improvements and cost reduction
 - Previously announced programmes implemented in H1 2025, including Branch Network restructuring, deliver annualised cost savings of c.£4 million
 - Continuing project to modernise IT infrastructure, with transition to new systems expected at the end of 2026

Derek Mapp, Chair of Eurocell plc said:

“Our financial performance in 2025 was resilient, in the context of trading conditions that remained subdued. We delivered an increase of 6% in adjusted operating profit despite lower organic volumes, thanks to a strong contribution from Alunet and effective cost control. Our cash generation was good and our financial position remains strong.

“We have continued to invest to maintain momentum with our strategy and we are planning to deliver further progress in 2026. The acquisition of Alunet in March is a compelling strategic fit for Eurocell and the business is performing strongly under our ownership.

“Demand in the RMI market remains sluggish, and we are therefore continuing to focus on operational improvements and cost control. The potential impact of the evolving situation in the Middle East is difficult to assess at this time, but the medium and long-term prospects for the UK construction market remain attractive and we are well positioned to drive sustainable growth in shareholder value.

“Finally, the recent appointment of Will Truman as CEO will bring both valuable stability and an injection of pace, as we continue to progress our strategy.”

Will Truman, CEO of Eurocell plc said:

“I am delighted to be leading Eurocell. We have a strong business with a clear strategy, and I look forward to working with the team to drive opportunities and accelerate our growth.”

Notes

- (1) Non-underlying items of £6.8 million in 2025 comprise strategic IT project costs of £4.2 million (including cloud computing and internal resourcing costs), restructuring costs of £1.8 million, plus Alunet acquisition and certain other costs of £0.8 million. Non-underlying items of £6.2 million in 2024 include £2.2 million of strategic IT project costs, a £3.2 million non-cash right-of-use asset impairment charge and £0.8 million of Alunet acquisition costs.
- (2) Net debt is bank overdrafts, borrowings, deferred consideration and lease liabilities less cash and cash equivalents. Pre-IFRS 16 net debt excludes lease liabilities and is provided as our financial covenants are measured on this basis.
- (3) RMI is repair, maintenance and improvement.
- (4) Pre-IFRS 16 EBITDA is stated inclusive of operating lease rentals under IAS 17 Leases.
- (5) Yield calculated as total returns divided by average market capitalisation for the year.

Analyst presentation

There will be an audiocast presentation for analysts and investors at 9am today. The presentation can be accessed remotely via a live audiocast link as follows: <https://streamstudio.world-television.com/782-2007-43069/en>

Alternatively, you can join via conference call as follows:

Dial-in	+44 203 481 4247
Toll free	+44 800 260 6466
Conference ID: Eurocell Full Year Results	4912001

A copy of the presentation will be made available from 7am on 19 March on the Group's website: <https://investors.eurocell.co.uk/investors/>

Following the presentation, a recording of the audiocast will also be made available on the Group's website (link above).

CHAIR'S STATEMENT

Introduction

Against a weak market backdrop, Eurocell delivered a resilient financial performance for the year, with adjusted operating profit ahead of 2024.

The progress we are making in the business is testament to the commitment, hard work and dedication of our teams in every part of the Group, and I would like to offer, on behalf of the Board, my sincere thanks to them all.

Financial performance

Adjusted operating profit was up 6% at £24.1 million (2024: £22.8 million), with the acquisition of Alunet and further progress with our strategic initiatives offsetting the impact of weakening markets. Adjusted profit before tax was down 5% at £19.0 million, reflecting higher interest costs on debt arising following the acquisition.

The business continued to generate good cash flows, and the acquisition of Alunet in March 2025 was funded primarily from our debt facility. Pre-IFRS 16 net debt at 31 December 2025 was £22.1 million, down from £29.0 million at 30 June 2025 (31 December 2024: £3.1 million). We have a strong balance sheet and good headroom on our debt facility, which was refinanced in March 2026.

Capital allocation

In line with our strategy, significant investments in the next 12 months include delivering the project to modernise our IT infrastructure, where we expect transition at the end of 2026.

We are committed to driving shareholder returns through a combination of ordinary dividends and supplementary distributions (currently via share buybacks) where appropriate.

The £5 million share buyback announced in March 2025 is now complete. Our intention remains to continue share buybacks, assuming no prolonged impact from the situation in the Middle East and subject to maintaining a strong financial position.

We paid an interim dividend in October 2025 of 2.3 pence per share, up 5% on the prior year (2024: 2.2 pence per share). The Board proposes a final dividend of 4.1 pence per share (2024: 3.9 pence per share), which results in total dividends for the year of 6.4 pence per share (2024: 6.1 pence per share), up 5% and totalling £6.4 million (2024: £6.2 million). Total returns announced for 2025 are therefore £11.4 million, equivalent to a yield of c.8%. This follows total returns for 2024 of £21.2 million (including a buyback of £15 million), equivalent to a yield of c.14%.

Strategy and acquisition of Alunet

Alunet is a highly complementary acquisition and a good strategic fit for Eurocell, reflecting the growth of aluminium fabrication for windows and doors. The acquisition enhances our leadership position in fenestration by expanding the Group's aluminium offering, with a wider range of products and ownership of our own aluminium system, and also improves our offering in composite doors. The Alunet team has strengthened the Group's management and I was delighted to welcome all 200 Alunet employees to the Eurocell Group in March.

Our strategy, launched at the beginning of 2024, identifies an ambitious pathway to building a £500 million revenue, £50 million operating profit business, generating a 10% operating profit margin, over a five-year period. We have made further progress with our strategic initiatives, but reported financial results so far have been below our original projections, impacted by weakening demand. However, with a strong contribution from Alunet, we are confident that our targets remain achievable, although the timing and pace of market recovery will continue to be a factor in determining when we achieve our goals.

The Business Review includes an update on progress with our key strategic initiatives.

Board changes and governance

As previously announced, Darren Waters stepped down as Chief Executive Officer (CEO) on 9 February 2026. The Board's view is that to achieve our strategic objectives in this critical year, it is in the best interests of the Company to have surety of strong leadership and a seamless handover, and therefore Will Truman was appointed as CEO with immediate effect.

Will was CEO at Imagesound for 9 years up to April 2023, having served as Chief Financial Officer (CFO) for 7 years prior to that. Previously, he was an Associate Director within Transaction Services at KPMG. I am pleased that Will has agreed to step into this role. Having served on our Board as a Non-executive Director since 2023, he has a deep understanding of the Group, its culture, and its strategic objectives. The Board is confident Will's appointment will bring both valuable stability and an injection of pace, as we continue to progress our strategy.

Will vacated his role as CFO Designate and we are grateful that Michael Scott has agreed to postpone his previously announced retirement and continue as CFO, whilst the Board completes a full and rigorous recruitment process to identify a permanent CFO for the business.

In order to balance the workload across our Non-executive Directors, Angela Rushforth will take over as Chair of the Remuneration Committee from Alison Littlely, with effect from the AGM on 14 May 2026. Alison will continue in her position as Senior Independent Non-executive Director and Chair of the Social Values and ESG Committee.

Finally, I can confirm that as a Board, we are committed to the highest standards of corporate governance and ensuring effective communication with shareholders.

Derek Mapp
Chair

BUSINESS REVIEW

INTRODUCTION

Trading conditions remained subdued in 2025, with challenging macroeconomic conditions and weak consumer confidence continuing to impact demand in both the repair, maintenance and improvement market (RMI) and new build housing. These trends were compounded in the fourth quarter of the year, with increasing uncertainty over the Autumn Budget announcements driving a further slowdown in activity.

Group revenues for 2025 were up year-on-year, enhanced by the acquisition of Alunet in March, which continues to perform strongly. Organic revenues for the year were level with 2024 and include further progress with our growth strategy, which we are pleased to see coming through in the sales performance of our key initiatives.

We have faced ongoing competitive pressure on selling prices in the branches, as well as overhead cost inflation across the business. Our focus remains on further operational improvements and cost reduction initiatives to drive greater efficiencies and to mitigate against the impact of weaker markets. We are also driving opportunities to accelerate the pace of execution across our strategic initiatives.

Further details of our financial and operating performance, together with an update on the progress with implementation of our five-year strategy, including the acquisition of Alunet, are set out below.

FINANCIAL RESULTS

Sales for the year were £403.5 million, up 13% on 2024, or flat excluding Alunet, with organic volumes 2% lower. In the organic business, lower underlying volumes were partially offset by further progress with our strategic initiatives, including window and door sales, new branches, e-commerce activity and garden rooms. At Alunet, market share gains have driven strong sales growth.

Adjusted operating profit was £24.1 million, up 6% on 2024. This reflects a strong contribution from Alunet and effective cost control, partially offset by lower organic volumes, competitive pressure on selling prices in the branches, labour cost inflation and further investment in our strategic initiatives.

Net cash generated from operations was £48.4 million, up 10% on 2024, reflecting our continued focus on cash management.

Further information on our financial performance is included in the Chief Financial Officer's Review.

OPERATIONAL PERFORMANCE

Production

Extrusion performance was consistent throughout 2025 and the level of output stable, benefiting from process improvements and increased preventative maintenance. We have a programme of initiatives to drive further operational improvements (see Business Effectiveness below) and we expect these benefits to begin to materialise in 2026, and thereafter as volumes increase.

Recycling

We are the leading UK-based recycler of PVC windows, saving the equivalent of c.3 million window frames from landfill each year. Our use of recycled materials in production remains substantial at 30%, driving lower carbon emissions and typically reducing costs through the cycle, compared to the use of virgin material. A slight decrease on 2024 (32% usage) reflects product mix and lower volumes, as well as some unscheduled plant downtime caused by equipment breakdowns. We have increased our programme of preventative maintenance in the recycling facilities to reduce the risk of future breakdowns.

To further improve the effectiveness of our recycling operations, in February 2026 we began a project to consolidate our two recycling plants onto the existing facility at Ilkeston (see Business Effectiveness below).

Recycling feedstock purchase prices have remained stable, reflecting the action we have taken to secure additional cost-effective sources of supply.

Health and safety

The safety and well-being of our employees, contractors and branch customers is our number one priority.

Following improved safety results in 2024, our Lost Time Injury Frequency Rate ('LTIFR') slipped back to 6.4 in 2025 (2024: 4.1). In the light of these results, we have made some changes to health and safety leadership and our approach. A new Head of Safety, Health, Environment and Quality ('SHEQ') joined the business in Q4 and has led the development of an improved health and safety plan, focussing on the behaviours that will drive a more proactive safety culture across the Group.

In addition, following the acquisition, we have ensured critical health and safety policies and controls are in place across the Alunet businesses.

STRATEGY

At the beginning of 2024 we launched our ambitious strategy, which reset our objectives for the business. We identified a pathway to building a £500 million revenue, £50 million operating profit business, generating a 10% operating margin, over the five-year period to December 2028. Our strategy is built around four pillars: Customer Growth, Business Effectiveness, People First and ESG Leadership. The following paragraphs summarise these pillars and our progress with the initiatives which support them.

When we launched the strategy, a modest but sustained recovery in our core markets was generally anticipated for the earlier years of our five-year plan. However, trading conditions have in fact deteriorated since then and remain weak. As a result, whilst we have made progress with our strategic initiatives, overall sales and operating profits reported to date have been below our original projections. We are therefore now driving opportunities to accelerate the pace of execution on our growth strategy and we are confident that, whilst ambitious, these financial targets remain achievable, with the Alunet acquisition providing a significant offset to continued market weakness. However, the timing of market recovery and the pace at which demand picks-up will continue to be a factor in determining when we achieve our goals.

Customer Growth

Our aim is to become the trade customer's preferred choice in all markets and segments where we operate. We believe the biggest opportunity for growth is expansion of the Branch Network, including opening new branches and significantly increasing the sale of windows and doors, underpinned by investment in digital marketing, to raise awareness of our products and home improvement solutions and acquire new customers.

Branch Network

We estimate that the optimum Branch Network size is at least 250 sites, which was confirmed through modelling and analysis work with our location planning partner. This work identified an additional c.50 priority locations.

We opened 2 branches in Q4 2024, followed by 7 in 2025, primarily in the South of England, delivering incremental sales of £3.3 million in 2025. We now have 215 sites in operation and plan to add c.30 new sites over the next three to four years, including at least 5 in 2026.

We are supplementing the opening programme with several branch relocations, where the current site is sub-optimal in terms of size or location, and therefore a constraint to our growth objectives. Following 2 site relocations in 2024, we completed another 6 in 2025.

New branches and relocations include a refreshed branch exterior, an improved interior layout and are supported with strong pre-opening recruitment and marketing campaigns. This programme therefore creates a short-term operating profit drag (£1.1 million in 2025), but drives longer-term profit growth.

Windows and doors

Following encouraging early results with our initiative to sell more windows and doors through the network, we accelerated the site roll-out in 2025. All 215 branches were live on the programme by July (90 live at the end of 2024), driving sales of £30.3 million, up 12% (£3.3 million) on 2024 and up 26% (£6.2 million) on 2023, the base year for our strategic plan.

In addition, we have now built a national fabricator network across both aluminium and PVC to service the branches, which exclusively sources bar length material from Eurocell. The project provides incremental growth opportunities for our fabricator partners, and we continue to work with them to secure additional capacity.

Extended living spaces

Extended living comprises garden rooms and extensions. In 2025, we delivered garden room sales of £9.6 million, up 9% on 2024, supported by the introduction of four new designs. Extension sales were £1.2 million, compared to £1.0 million in 2024.

Since launching these product ranges, we have delivered good sales growth, but operating margins have been below our expectations, due to the cost of lead generation, plus other selling and installation costs. Following a review in H2 2025, we identified opportunities to increase garden room sales and margins and capture further growth.

With extensions, our review determined that higher costs are typically driven by more complex installations and we therefore concluded to exit this initiative, on the basis that returns were unlikely to meet our target level.

Profiles (fabricators)

In Profiles, we believe we are now the leading supplier of rigid PVC profile to the UK market. Our objective is to protect our existing business and maintain our value-added service propositions that support customers. We will continue to leverage our leading position with housebuilders and commercial developers to ensure we maintain specifications to support a robust pipeline of work for our fabricator customers. We are recognised across the industry as the leading technical systems house and will continue to exploit this advantage.

The windows and doors initiative also provides growth opportunities in Profiles, as it pulls through increased profile sales via fabricator partners and increased composite door sales through our entrance doors businesses.

As described below, the acquisition of Alunet in March 2025 complements our proposition to fabricators, by providing a one-stop shop for PVC and aluminium door and window systems. As a result, 14 Eurocell PVC fabricators have now switched their aluminium requirements to Alunet.

Digital growth

We have an ambitious digital strategy to drive more relevant trade customer traffic to our website, as well as build homeowner brand awareness.

We have invested to drive organic web traffic growth, increased our digital paid media, improved our use of AI to support customer targeting and developed our web proposition with initiatives such as one hour click-and-collect. As a result, we have grown e-commerce sales to £6.6 million in 2025 (2024: £4.7 million), and we are confident that we will achieve more progress in 2026.

This investment has also attracted more new trade accounts to our branches, with 11,596 new spending accounts added in 2025 (2024: 10,785), and driven more homeowner leads to buy big ticket items.

Business Effectiveness

Our objective is to make Eurocell a lean and efficient business. We are upgrading our business systems and streamlining structures and processes to increase efficiency and improve customer experience. Given that the near-term market outlook is likely to remain challenging, we are continuing to prioritise operational improvements and cost reduction.

Continuous improvement, efficiencies and cost reduction

In April 2025, we restructured the Branch Network by removing a layer of regional operational management, reducing the size of the salesforce and closing a small number of underperforming branches, generating annualised cost savings of c.£2 million.

In May 2025, we announced further overhead cost reductions, including restructuring now completed in Operations and Shared Services, generating annualised cost savings of c.£2 million.

In February 2026, to further improve the effectiveness of our recycling operations, we began a project to consolidate our two recycling plants onto the existing facility at Ilkeston. The project requires relocation of certain critical equipment from the site at Selby, plus investment in the Ilkeston plant to eliminate single points of failure, enhance the layout and improve working conditions. We expect to cease operations at Selby and begin processing at Ilkeston in H2 2026, with the Selby site exit to be concluded by the end of the year. Capital investment is expected to be c.£2.6 million, with annualised cost savings of c.£1.5 million running from 2027. Non-underlying charges are expected to be in the region of £3 million, including non-cash asset write downs of c.£1.5 million.

Systems replacement

As previously announced, we are in the process of replacing our Enterprise Resource Planning ('ERP') system, including a new trade counter system in the Branch Network.

The new trade counter system will transform the way we interact and transact with customers in the branches, primarily through process simplification (including electronic point-of-sale technology). The new ERP system will support all other functions of the business and comes with built-in analytics to facilitate data-driven decisions.

We expect to transition to the new systems at the end of 2026. Whilst a little later than previously envisaged, we are confident in this timing, with total non-underlying costs for the project now estimated at c.£13 million (previously £10 million) over the 2024-2027 period. Associated capex costs remain unchanged at c.£1 million.

People First

With People First, our objective is to make Eurocell a great place to work, through a focus on health and safety, an enhanced employee value proposition, improved levels of engagement and effective talent management.

For our employee value proposition, in 2025 we developed a much-improved wellbeing framework and better induction and onboarding programmes. In 2026, we will seek to better align and improve our reward and recognition schemes.

On engagement, we launched the Eurocell Colleague Forum in 2025, to provide a stronger link with senior leadership at local and national levels. Our 2025 externally administered employee engagement survey results demonstrate progress in some areas, but also that more work on engagement is required. Action plans responding to the survey findings are in progress, including development of the Forum and simplification of processes (facilitated by the new systems).

Effective talent management includes talent development, succession planning and an increasing use of apprenticeships. We have launched a revised apprenticeship offer and will begin a new leadership development framework in 2026, affiliated to the Institute of Leadership and Management.

ESG Leadership

Our ambition is to be a leading responsible company. Eurocell is already a leader in PVC recycling, and looking ahead, we aim to excel in all areas of ESG.

In 2024, we completed the work to determine a path to reach Net Zero by 2045. In 2025, our targets were independently verified by the Science Based Targets initiative ('SBTi') and we published our Transition Plan. We now intend to progress decarbonisation initiatives in line with the Plan.

ACQUISITION OF ALUNET

In March 2025, we announced the acquisition of Alunet for consideration of £29 million on a debt/cash free basis. The acquisition advances our strategy, significantly strengthening the Group's position in residential aluminium systems and composite doors, and adds aluminium garage doors to our portfolio of home improvement products.

Alunet has grown rapidly since its establishment in 2013 and under Eurocell's ownership we expect to leverage our leading market positions in new build, trade fabrication and distribution, to help the business reach its full potential.

In the post-acquisition period (10 months to 31 December 2025), Alunet delivered sales of £46.7 million, up 28% over the corresponding period in 2024, with growth driven primarily by market share gains. Adjusted operating profit in the post-acquisition period was £4.8 million, which is up £1.8 million on 2024.

We expect another year of good growth in 2026, driven by further market share gains and new product introductions, alongside capturing group-wide synergies and manufacturing efficiencies.

Full financial details of the transaction (including the potential for additional performance-related payments) and trading performance are set out in the Chief Financial Officer's Review.

SUMMARY AND OUTLOOK

Our financial performance in 2025 was resilient, in the context of trading conditions that remained subdued. We delivered an increase of 6% in adjusted operating profit despite lower organic volumes, thanks to a strong contribution from Alunet and effective cost control. Our cash generation was good and our financial position remains strong.

We have continued to invest to maintain momentum with our strategy and we are planning to deliver further progress in 2026. The acquisition of Alunet in March is a compelling strategic fit for Eurocell and the business is performing strongly under our ownership.

Demand in the RMI market remains sluggish, and we are therefore continuing to focus on operational improvements and cost control. The potential impact of the evolving situation in the Middle East is difficult to assess at this time, but the medium and long-term prospects for the UK construction market remain attractive and we are well positioned to drive sustainable growth in shareholder value.

CHIEF FINANCIAL OFFICER'S REVIEW

	2025	2024
	£m	£m
Underlying measures⁽¹⁾		
Revenue	403.5	357.9
Gross profit	205.3	188.3
Gross margin (%)	50.9%	52.6%
Overheads	(153.8)	(140.2)
Adjusted⁽¹⁾ EBITDA	51.5	48.1
Depreciation and amortisation	(27.4)	(25.3)
Adjusted⁽¹⁾ operating profit	24.1	22.8
Finance costs	(5.1)	(2.8)
Adjusted⁽¹⁾ profit before tax	19.0	20.0
Taxation	(4.2)	(4.6)
Adjusted⁽¹⁾ profit after tax	14.8	15.4
Adjusted⁽¹⁾ basic earnings per share (pence)	14.6	14.4
Reported measures		
Non-underlying items	(6.8)	(6.2)
Tax on non-underlying items	1.6	1.3
Reported operating profit	17.3	16.6
Reported profit before tax	12.2	13.8
Reported profit after tax and profit for the year	9.6	10.5
Reported basic earnings per share (pence)	9.5	9.8

(1) See Alternative Performance Measures below.

INTRODUCTION

The weakening trends experienced at the start of the year in the RMI market continued throughout 2025. Against this backdrop, we delivered a resilient financial performance for the year.

Whilst organic sales volumes were below 2024, we have proactively managed our gross margin and cost base to offset significant cost inflation and support investment in our strategy. As a result, organic sales and gross margin for the year were both level with 2024 and we reported only a small increase in organic operating costs, despite significant inflationary pressure. Alunet has performed well since the acquisition in March 2025, and is the key driver of the Group's overall sales and adjusted operating profit increases for the year.

We continue to focus on efficient working capital management and delivered robust cash flow generation for the year. We retain a strong balance sheet with good headroom on our debt facility, which was refinanced in March 2026.

We are committed to driving shareholder returns through a combination of ordinary dividends and share buybacks, subject to maintaining a strong financial position. Total returns announced for 2025 are £11.4 million, equivalent to a yield of c.8%.

Since we launched our strategy at the beginning of 2024, our markets have been weaker than anticipated. However, with a strong contribution from Alunet, we are confident that our targets remain achievable, although the timing and pace of market recovery will be a factor in determining when we achieve our goals.

REVENUE

Revenue for 2025 was £403.5 million, 13% above 2024 (£357.9 million), or flat excluding Alunet, with organic volumes down 2%. In the period from the acquisition at the beginning of March to 31 December 2025, Alunet added sales of £46.7 million to the Group. In the organic business, lower underlying volumes were partially offset by selling price increases and further progress with our strategic initiatives. See Divisional Performance for further information on revenues.

GROSS MARGIN

Gross margin was 50.9% in 2025, or 52.6% excluding Alunet (2024: 52.6%). In the organic business, we implemented selling price increases to recover cost inflation, although competition for limited demand continues to drive pressure on selling prices in the Branch Network. However, we continued to proactively manage our gross margin and secured stable input cost prices, including PVC resin, recycling feedstock and electricity.

DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES (OVERHEADS)

Underlying overheads for 2025 were £153.8 million, up 10% on 2024 (£140.2 million), or up 1% excluding Alunet, demonstrating effective cost control. We have continued to experience cost inflation, particularly for labour, which includes the increases to employers' National Insurance and the National Living Wage from April 2025. Overheads also include targeted investment to maintain momentum in our strategic initiatives, including the new branch opening programme.

These increases were partially offset by the previously announced cost savings, including the Branch Network restructuring completed in April 2025.

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures are used alongside statutory measures to facilitate a better understanding of financial performance and comparison with prior periods, and in order to provide audited financial information against which the Group's bank covenants, which are all measured on a pre-IFRS 16 basis, can be assessed.

Adjusted EBITDA, adjusted operating profit and adjusted profit before tax all exclude non-underlying items. Adjusted profit after tax and adjusted earnings per share exclude non-underlying items and the related tax effect. Pre-IFRS 16 EBITDA is stated inclusive of operating lease rentals under IAS 17 Leases. Pre-IFRS 16 net debt is defined as total borrowings, deferred consideration and lease liabilities less cash and cash equivalents, excluding the impact of IFRS 16 Leases.

We classify some material items of income and expense as non-underlying when the nature of the circumstances merit separate presentation. Alongside statutory measures, this facilitates a better understanding of financial performance and comparison with prior periods.

NON-UNDERLYING ITEMS

Non-underlying items for 2025 of £6.8 million comprise: strategic IT expenses of £4.2 million, including cloud computing and internal resourcing costs, which are expensed as incurred rather than capitalised as intangible assets; restructuring costs of £1.8 million, being redundancy payments and related employee benefit termination costs in connection with restructuring completed in the year; plus Alunet acquisition and certain other costs of £0.8 million.

Non-underlying items of £6.2 million in 2024 include £2.2 million of strategic IT project costs, a £3.2 million non-cash right-of-use asset impairment charge plus £0.8 million of Alunet acquisition costs.

Our strategic IT projects comprise a new customer-facing website and an employee management system (both completed in 2024) and, most significantly, the replacement of our Enterprise Resource Planning ('ERP') system. Total expected non-underlying costs for the system replacement are in the region of £13 million over the 2024-27 period, with transition to the new systems expected at the end of 2026. Non-underlying costs incurred on the project up to 31 December 2025 are £6.4 million (comprised of the 2024 and 2025 costs described above).

DIVISIONAL PERFORMANCE – PROFILES

	2025 £m	2024 £m	Change %
Third-party revenue	146.7	146.1	1%
Inter-segmental revenue	61.5	63.7	(3)%
Total revenue	208.2	209.8	(1)%
Adjusted⁽¹⁾ operating profit	17.4	19.4	(10)%
Operating profit	14.0	14.6	(4)%

(1) Adjusted performance measures are stated before non-underlying items.

Profiles third-party revenue for the year was £146.7 million, 1% higher than 2024 with volume down 2%, reflecting reduced RMI activity through our trade fabricators, partially offset by some modest improvement in the new build housing market. Cost-of-living pressures, high interest rates and falling house prices have all had a significant adverse effect on our end markets.

Profiles adjusted operating profit for 2025 of £17.4 million was 10% below 2024, reflecting lower sales volumes plus labour and other cost inflation, with stable raw material and electricity costs.

Reported operating profit is stated after non-underlying costs of £3.4 million in 2025, comprised of strategic IT projects and restructuring costs. Non-underlying costs of £4.8 million in 2024 included strategic IT projects, a non-cash right-of-use asset impairment charge and acquisition expenses.

DIVISIONAL PERFORMANCE – BRANCH NETWORK

	2025 £m	2024 £m	Change %
Third-party revenue	210.1	211.8	(1)%
Inter-segmental revenue	0.4	0.5	(20)%
Total revenue	210.5	212.3	(1)%
Adjusted⁽¹⁾ operating profit	3.4	6.5	(48)%
Operating profit	0.4	5.1	(92)%

(1) Adjusted performance measures are stated before non-underlying items.

Third-party revenues in the Branch Network for 2025 were £210.1 million, 1% lower than 2024, with volume down 2%. This comprises general RMI volumes in the Branch Network down 6%, with homeowners holding back on discretionary expenditure against a backdrop of macroeconomic uncertainty, offset by the benefits of progress with our strategic initiatives, including window and door sales up 12%, garden rooms up 9% and e-commerce activity up 40%. New branches added sales of £3.3 million in 2025.

Branch Network adjusted operating profit for 2025 was £3.4 million, 48% below 2024, reflecting competitive pressure on selling prices in the branches and higher overheads, which include labour and other cost inflation.

Branch Network overheads also include investment to maintain momentum in our strategic initiatives, including the new branch opening programme, which creates a short-term operating profit drag (c.£1.1 million in 2025), but drives longer-term profit growth. Investment in strategic initiatives also includes marketing (pay-per-click), and central order processing capability for windows and doors, and we expect to leverage this investment and improve margins as volumes grow.

The reported operating profit is stated after non-underlying costs of £3.0 million in 2025, comprised of strategic IT projects and restructuring costs. Non-underlying costs of £1.4 million in 2024 related to strategic IT projects.

DIVISIONAL PERFORMANCE – ALUNET

In March 2025 we announced the acquisition of Alunet in a deal that valued the business at £29 million, based on a multiple of 6.5x Alunet's EBITDA for the year ended 31 December 2024. Initial consideration paid of £22 million was on a debt/cash free basis, and future payments over the next four years could rise to £13 million, contingent upon performance against agreed EBITDA targets. The maximum future payments, if achieved, would result in a total consideration of £35 million, representing a multiple of c.4x Alunet's projected EBITDA for the year ended 31 December 2028.

Approximately £1 million of the initial payment was in the form of ordinary shares in Eurocell plc and satisfied out of shares held in treasury, with the remainder payable in cash, funded from the Group's existing £75 million revolving credit facility.

	2025 £m	2024 £m	Change %
Third-party revenue	46.7	–	n/a
Inter-segmental revenue	–	–	n/a
Total revenue	46.7	–	n/a
Adjusted⁽¹⁾ operating profit	4.8	–	n/a
Operating profit	4.8	–	n/a

(1) Adjusted performance measures are stated before non-underlying items.

In the period from the acquisition at the beginning of March to 31 December 2025, Alunet external sales were £46.7 million. This represents growth of 28% compared to the corresponding period in 2024, driven by market share gains, particularly in Alunet Systems and Comp Door, which together represent c.75% of Alunet's sales.

Since the acquisition, Alunet Systems has benefited from group synergies and secured new business with 14 Eurocell fabricators, as well as successfully launched the Aluna+ aluminium window system, which complements the new Eurocell Iconiq aluminium roof lantern. Comp Door has continued to acquire new installers, with the new SleekSkin door now representing more than 15% of sales and we expect the business to benefit from cross-selling opportunities and supply chain synergies with Vista.

Alunet post-acquisition adjusted operating profit for 2025 was £4.8 million, which is up £1.8 million on 2024.

The Corporate segment operating profit includes a further underlying charge of £0.4 million relating to the Alunet acquisition, comprising amortisation of acquired intangible assets and the unwind of discounting of future contingent consideration, and a non-underlying charge of £0.4 million relating to acquisition expenses.

OPERATING PROFIT

Adjusted operating profit for 2025 was £24.1 million, up 6% on 2024. This reflects a strong contribution from Alunet and effective cost control, partially offset by lower organic volumes, competitive pressure on selling prices in the branches, labour cost inflation and targeted investment to maintain momentum in our strategic initiatives.

FINANCE COSTS AND TAXATION

Finance costs for 2025 were £5.1 million, which includes incremental interest of approximately £1.0m arising on higher debt following the Alunet acquisition. Finance costs in 2024 were £2.8 million.

The underlying tax charge for 2025 was £4.2 million (2024: £4.6 million). The total tax charge for 2025 was £2.6 million (2024: £3.3 million). The effective tax rate on underlying profit before tax for 2025 of 22% is lower than the standard rate of corporation tax of 25% due to Patent Box relief and the impact of share options exercised during the year.

We were pleased to retain the Fair Tax Mark accreditation in 2025, reflecting our commitment to paying the right amount of tax at the right time.

PROFIT BEFORE TAX AND EARNINGS PER SHARE

Adjusted profit before tax for the year was £19.0 million compared to £20.0 million in 2024, reflecting the increase in adjusted operating profit described above, offset by increased finance costs following the Alunet acquisition.

Reported profit before tax in 2025 was £12.2 million (2024: £13.8 million), reflecting the above less £6.8 million of non-underlying costs (2024: £6.2 million).

Adjusted basic earnings per share were 14.6 pence and diluted earnings per share for the year were 14.5 pence (2024: 14.4 pence and 14.3 pence respectively). Total basic earnings per share were 9.5 pence and total diluted earnings per share were 9.4 pence (2024: 9.8 pence and 9.7 pence respectively).

DIVIDENDS AND SHARE BUYBACKS

The Board is committed to driving shareholder returns through a combination of ordinary dividends and supplementary distributions (currently via share buybacks).

The £5 million share buyback announced in March 2025 is now complete. Our intention remains to continue share buybacks, assuming no prolonged impact from the situation in the Middle East and subject to maintaining a strong financial position.

We paid an interim dividend in October 2025 of 2.3 pence per share, up 5% on the prior year (2024: 2.2 pence per share). The Board proposes a final dividend of 4.1 pence per share (2024: 3.9 pence per share), which results in total dividends for the year of 6.4 pence per share (2024: 6.1 pence per share), up 5% and totalling £6.4 million (2024: £6.2 million). Total returns announced for 2025 are therefore £11.4 million, equivalent to a yield of c.8%. This follows total returns for 2024 of £21.2 million (including a buyback of £15 million), equivalent to a yield of c.14%.

The dividend will be paid on 19 May 2026 to shareholders registered at the close of business on 17 April 2026. The ex-dividend date will be 16 April 2026.

The retained earnings of Eurocell plc as at 31 December 2025 were £33.8 million (2024: £41.2 million). The Company takes steps to ensure distributable reserves are maintained at an appropriate level through intra-Group dividend flows.

CAPITAL EXPENDITURE

Capital expenditure for 2025 of £11.8 million (2024: £10.7 million) includes £3.7 million for new branches and site relocations, but is otherwise largely maintenance in nature.

CASH FLOW

Net cash generated from operating activities was £48.4 million (2024: £44.2 million), reflecting good cash flow generation, including a net inflow from working capital of £3.7 million, comprised of an increase in inventories (£0.2 million), decrease in receivables (£0.9 million) and an increase in payables (£3.0 million). This compares to a net outflow from working capital of £0.2 million in 2024. Net cash generated from operating activities also includes net tax paid in the year of £1.7 million (2024: £3.0 million).

Other cash flow items include payments for capital investments of £12.5 million (2024: £10.3 million), including the net movement on capital creditors of £0.7 million and financing costs paid of £1.9 million (2024: £0.7 million), plus the initial Alunet cash consideration (net of cash acquired) of £20.6 million.

The principal elements of lease payments of £16.4 million (2024: £14.4 million) are presented within cash flows arising from financing activities. The finance elements of lease payments were £2.9 million (2024: £2.1 million).

Dividends paid in the year were £6.2 million, being the 2024 final and 2025 interim payments (2024: dividends paid: £6.1 million). Cash paid under the share buyback programmes, including for shares held in treasury and transaction costs, was £6.0 million (2024: £14.5 million).

NET DEBT

Net debt on a pre-IFRS 16 basis at 31 December 2025 was £22.1 million (31 December 2024: £3.1 million), down from £29.0 million at 30 June 2025, reflecting good cash generation in the second half. Lease liabilities increased by £16.7 million, due to new branches, plus the properties and vehicles acquired with Alunet. Total net debt at 31 December 2025 was £98.2 million (31 December 2024: £62.5 million).

	2025 £m	2024 £m	Change £m
Cash	6.3	0.4	5.9
Bank overdrafts	–	(3.0)	3.0
Borrowings	(27.7)	(0.5)	(27.2)
Deferred consideration	(0.7)	–	(0.7)
Net debt (pre-IFRS 16)	(22.1)	(3.1)	(19.0)
Lease liabilities	(76.1)	(59.4)	(16.7)
Total net debt	(98.2)	(62.5)	(35.7)

BANK FACILITY

Our activities are funded via our £75 million unsecured Revolving Credit Facility, which was refinanced in March 2026 and now matures in 2030. The facility is provided by Barclays, NatWest and AIB, and is competitively priced. We operate comfortably within the terms of the facility and in compliance with our financial covenants, which are measured on a pre-IFRS 16 basis.

Michael Scott
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Year ended 31 December 2025			Year ended 31 December 2024			
	Note	Underlying £m	⁽¹⁾ Non- underlying £m	Total £m	Underlying £m	⁽¹⁾ Non- underlying £m	Total £m
Revenue	3	403.5	–	403.5	357.9	–	357.9
Cost of sales		(198.2)	–	(198.2)	(169.6)	–	(169.6)
Gross profit		205.3	–	205.3	188.3	–	188.3
Distribution costs		(28.0)	–	(28.0)	(25.7)	–	(25.7)
Administrative expenses		(153.2)	(6.8)	(160.0)	(139.8)	(6.2)	(146.0)
Operating profit	3	24.1	(6.8)	17.3	22.8	(6.2)	16.6
Finance expense		(5.1)	–	(5.1)	(2.8)	–	(2.8)
Profit before tax	3	19.0	(6.8)	12.2	20.0	(6.2)	13.8
Taxation	4	(4.2)	1.6	(2.6)	(4.6)	1.3	(3.3)
Profit for the year and total comprehensive income		14.8	(5.2)	9.6	15.4	(4.9)	10.5
Basic earnings per share	5	14.6p		9.5p	14.4p		9.8p
Diluted earnings per share	5	14.5p		9.4p	14.3p		9.7p

(1) Non-underlying items are detailed in Note 2.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	2025 £m	2024 £m
Assets		
Non-current assets		
Property, plant and equipment	63.2	60.5
Right-of-use assets	71.6	54.3
Goodwill	36.1	10.8
Intangible assets	4.7	3.8
Total non-current assets	175.6	129.4
Current assets		
Inventories	53.6	47.2
Trade and other receivables	51.9	45.8
Corporation tax	0.4	1.0
Cash and cash equivalents	6.3	0.4
Total current assets	112.2	94.4
Total assets	287.8	223.8
Liabilities		
Current liabilities		
Trade and other payables	(54.0)	(45.2)
Contingent consideration	(3.7)	–
Deferred consideration	(0.6)	–
Lease liabilities	(14.4)	(12.5)
Bank overdrafts	–	(3.0)
Provisions	(0.5)	(0.4)
Total current liabilities	(73.2)	(61.1)
Non-current liabilities		
Borrowings	(27.7)	(0.5)
Contingent consideration	(8.5)	–
Deferred consideration	(0.1)	–
Lease liabilities	(61.7)	(46.9)
Provisions	(1.8)	(1.3)
Deferred tax	(10.0)	(8.6)
Total non-current liabilities	(109.8)	(57.3)
Total liabilities	(183.0)	(118.4)
Net assets	104.8	105.4
Equity attributable to equity holders of the parent		
Share capital	0.1	0.1
Share premium account	22.2	22.2
Treasury shares	(0.9)	(2.0)
Share-based payment reserve	2.4	2.3
Share buyback reserve	–	–
Retained earnings	81.0	82.8
Total equity	104.8	105.4

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash generated from operations	7	50.1	47.2
Income taxes paid		(1.7)	(3.0)
Net cash generated from operating activities		48.4	44.2
Investing activities			
Acquisition of subsidiaries (net of cash acquired)	9	(20.6)	–
Purchase of property, plant and equipment		(12.3)	(10.2)
Purchase of intangible assets		(0.2)	(0.1)
Net cash used in investing activities		(33.1)	(10.3)
Financing activities			
Purchase of own shares held as treasury shares		(1.0)	(1.9)
Share buybacks	11	(5.0)	(12.6)
Exercise of share options		–	(0.1)
Proceeds of bank and other borrowings		27.0	1.0
Principal elements of lease payments		(16.4)	(14.4)
Finance elements of lease payments		(2.9)	(2.1)
Finance expense paid		(1.9)	(0.7)
Dividends paid to equity Shareholders	6	(6.2)	(6.1)
Net cash used in financing activities		(6.4)	(36.9)
Net increase/(decrease) in cash and cash equivalents⁽¹⁾		8.9	(3.0)
Cash and cash equivalents ⁽¹⁾ at beginning of year		(2.6)	0.4
Cash and cash equivalents⁽¹⁾ at end of year		6.3	(2.6)

(1) Cash and cash equivalents includes bank overdrafts as overdrafts form part of the Group's cash pooling facility

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital £m	Share premium account £m	Treasury shares £m	Share-based payment reserve £m	Share buyback reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2025	0.1	22.2	(2.0)	2.3	–	82.8	105.4
Comprehensive income for the year							
Profit for the year	–	–	–	–	–	9.6	9.6
Total comprehensive income for the year	–	–	–	–	–	9.6	9.6
Contributions by and distributions to owners							
Exercise of share options	–	–	1.0	(0.9)	–	(0.2)	(0.1)
Alunet acquisition	–	–	1.1	–	–	–	1.1
Share-based payments	–	–	–	1.0	–	–	1.0
Purchase of own shares	–	–	(1.0)	–	(4.9)	(0.1)	(6.0)
Cancellation of shares	–	–	–	–	4.9	(4.9)	–
Dividends paid	–	–	–	–	–	(6.2)	(6.2)
Total transactions with owners recognised directly in equity	–	–	1.1	0.1	–	(11.4)	(10.2)
Balance at 31 December 2025	0.1	22.2	(0.9)	2.4	–	81.0	104.8
	Share capital £m	Share premium account £m	Treasury shares £m	Share-based payment reserve £m	Share buyback reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2024	0.1	22.2	(0.1)	0.9	–	91.2	114.3
Comprehensive income for the year							
Profit for the year	–	–	–	–	–	10.5	10.5
Total comprehensive income for the year	–	–	–	–	–	10.5	10.5
Contributions by and distributions to owners							
Exercise of share options	–	–	–	(0.1)	–	(0.2)	(0.3)
Share-based payments	–	–	–	1.5	–	–	1.5
Purchase of own shares	–	–	(1.9)	–	(12.4)	(0.2)	(14.5)
Cancellation of shares	–	–	–	–	12.4	(12.4)	–
Dividends paid	–	–	–	–	–	(6.1)	(6.1)
Total transactions with owners recognised directly in equity	–	–	(1.9)	1.4	–	(18.9)	(19.4)
Balance at 31 December 2024	0.1	22.2	(2.0)	2.3	–	82.8	105.4

1 BASIS OF PREPARATION

The financial information for the year ended 31 December 2025 was approved by the Board on 18 March 2026. This financial information does not constitute the statutory accounts of the Company within the meaning of Section 435 of the Companies Act 2006, but is derived from those accounts, which have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

This information has been prepared under the historical cost method, using all standards and interpretations required for financial periods beginning 1 January 2025. The functional currency is Sterling, and the Financial Statements are presented in millions, unless otherwise stated. No standards or interpretations have been adopted before the required implementation date.

Statutory accounts for the year ended 31 December 2024 have been delivered to the Registrar of Companies. Statutory accounts for the year ended 31 December 2025 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The auditors have reported on those accounts. Their reports were not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Going concern

The Group funds its activities through a £75 million Revolving Credit Facility, provided by Barclays, NatWest and AIB, which matures in March 2030. The facility includes two key financial covenants, which are tested at 30 June and 31 December on a pre-IFRS 16 basis. These are that net debt should not exceed 3 times adjusted EBITDA (Leverage), and that adjusted EBITDA should be at least 4 times the interest charge on the debt (Interest Cover).

At 31 December 2025 the Group has complied with all of its covenants, and it expects to do so for the next measurement period, being 30 June 2026, and going forward.

In assessing going concern, the Directors have considered financial projections for the period to December 2027, which is consistent with the Board's strategic planning horizon and reflects a period of at least 12 months from the date of approval of the Financial Statements. These forecasts have been compiled based on the best estimates of the Group's commercial and operational teams. This includes a severe but plausible 'Downside' scenario, which reflects demand for the Group's products being severely weakened.

In all scenarios tested, including sensitivities reducing sales forecasts to 10% below management's estimates for the period 2026 - 27, key raw material prices increasing by 33% over that period and both scenarios combined, the Group operates with significant headroom on its RCF facility and remains compliant with its original covenants.

After reviewing the Group's projected financial performance and financing arrangements, the Directors consider that the Group has adequate resources to continue operating and that it is therefore appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

Changes in accounting policies and disclosures applicable to the Company and the Group

In the current year, the Group has applied the amendment below to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that is mandatorily effective for an accounting period that begins on or after 1 January 2025, with no material impact:

- Amendments to IAS 21 – Lack of Exchangeability.

The following new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- IFRS 18 – Presentation and Disclosure in Financial Statements; and
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures.

These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

IFRS 18 becomes effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when IFRS 18 is applied. IFRS 18 requires retrospective application with specific transition provisions. The Directors anticipate that the application of these amendments will have an impact on the Group's consolidated financial statements in future periods.

2 NON-UNDERLYING ITEMS

Amounts included in the Consolidated Statement of Comprehensive Income are as follows:

	2025 £m	2024 £m
Strategic IT expenses	4.2	2.2
Restructuring costs	1.8	–
Acquisition costs	0.4	0.8
Asset impairment charge and related expenses	0.4	3.2
Non-underlying operating expenses	6.8	6.2
Taxation	(1.6)	(1.3)
Impact on profit after tax	5.2	4.9

Strategic IT expenses

Strategic IT expenses of £4.2 million (2024: £2.2 million) relate to costs incurred on strategic IT projects involving 'Software as a Service' arrangements and internal resourcing costs which are expensed as incurred rather than being capitalised as intangible assets.

Such items are considered to be non-underlying in nature because they relate to multi-year programmes to deliver strategic IT implementations which are material in size. Strategic IT projects include the replacement of our Enterprise Resource Planning ('ERP') system, including a new trade counter system for the Branch Network. The expected non-underlying cost of the system replacement is in the region of £13 million over the 2024-27 period.

Restructuring costs

A restructuring of the Branch Network was completed in April 2025, with the removal of a layer of regional operational management, a reduction in the size of the salesforce and closure of a small number of underperforming branches. Further restructuring work was also completed in Operations and Shared Services. In total 53 roles were impacted at a cost of £1.8 million, comprising redundancy costs and related asset impairments.

Acquisition costs

In March 2025, the Group completed the acquisition of the Alunet Group. In total, acquisition-related expenses of £1.2 million were incurred in the process, comprising deal advisory, legal and due diligence costs.

Asset impairment charges

The right-of-use asset impairment charge arose in 2024 following a dispute with the landlord at a secondary warehouse in Derbyshire, where there was significant deterioration to the flooring. Following legal advice, the Group terminated the lease. The landlord contested the termination and issued proceedings for unpaid rent. The Group determined that the landlord issuing legal proceedings represented an impairment trigger for the right-of-use asset, which had a net book value of £3.2 million at that time. With the site not in condition for use and the outcome of the dispute uncertain, the lease asset was impaired in full in 2024 (a non-cash item). Legal and other costs relating to the dispute of £0.4 million were incurred in 2025.

Impact on cash flow

Of the £6.8 million non-underlying expenses recognised in 2025, £6.1 million was settled in cash at 31 December 2025 and £0.2 million related to non-cash impairment charges. The remaining £0.5 million will be settled within the next twelve months. £3.0 million of the non-underlying expenses incurred in 2024 were settled in cash at 31 December 2025. The remaining £3.2 million related to non-cash impairment charges.

3 SEGMENTAL INFORMATION

The Group organises itself into a number of operating segments that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Internal reporting provided to the chief operating decision-maker, which has been identified as the executive management team including the Chief Executive and the Chief Financial Officer, reflects this structure.

The Group has aggregated its operating segments into four reported segments, as these business units have similar products, production processes, types of customer, methods of distribution, regulatory environments and economic characteristics:

- **Profiles** – extrusion and sale of PVC window and building products to the new and replacement market in the UK. This segment includes Vista Panels, S&S Plastics and Eurocell Recycle.
- **Building Plastics** – sale of plastic building materials through the Branch Network substantially all in the UK.
- **Alunet** – sale of aluminium window and composite door products to the new and replacement market in the UK. This segment includes Alunet Systems, Comp Door, JDUK and UK Doors (Midlands).
- **Corporate** – represents income and costs relating to the ultimate parent company and includes the assets and related amortisation in respect of acquired intangible assets.

Inter-segmental sales, which are eliminated on consolidation, are transacted at an arms' length basis and relate to manufactured products distributed by the Building Plastics division.

2025	Profiles £m	Building Plastics £m	Alunet £m	Corporate £m	Total £m
Revenue					
Total revenue	208.2	210.5	46.7	–	465.4
Inter-segmental revenue	(61.5)	(0.4)	–	–	(61.9)
Total revenue from external customers	146.7	210.1	46.7	–	403.5
Adjusted EBITDA					
Amortisation of intangible assets	–	–	–	(1.3)	(1.3)
Depreciation of property, plant and equipment	(6.8)	(1.6)	(0.7)	(1.0)	(10.1)
Depreciation of right-of-use assets	(6.3)	(9.3)	(0.3)	(0.1)	(16.0)
Adjusted operating profit/(loss)	17.4	3.4	4.8	(1.5)	24.1
Non-underlying operating expenses	(3.4)	(3.0)	–	(0.4)	(6.8)
Operating profit/(loss)	14.0	0.4	4.8	(1.9)	17.3
Finance expense					(5.1)
Profit before tax					12.2
2024					
	Profiles £m	Building Plastics £m	Alunet £m	Corporate £m	Total £m
Revenue					
Total revenue	209.8	212.3	–	–	422.1
Inter-segmental revenue	(63.7)	(0.5)	–	–	(64.2)
Total revenue from external customers	146.1	211.8	–	–	357.9
Adjusted EBITDA					
Amortisation of intangible assets	–	–	–	(1.3)	(1.3)
Depreciation of property, plant and equipment	(7.5)	(1.3)	–	(0.8)	(9.6)
Depreciation of right-of-use assets	(6.4)	(7.9)	–	(0.1)	(14.4)
Adjusted operating profit/(loss)	19.4	6.5	–	(3.1)	22.8
Non-underlying operating expenses	(4.8)	(1.4)	–	–	(6.2)
Operating profit/(loss)	14.6	5.1	–	(3.1)	16.6
Finance expense					(2.8)
Profit before tax					13.8

2025	Profiles £m	Building Plastics £m	Alunet £m	Corporate £m	Total £m
Additions to plant, property, equipment and intangible assets	5.7	4.0	1.1	1.0	11.8
Segment assets	128.6	94.3	49.0	15.9	287.8
Segment liabilities	(58.5)	(57.3)	(11.0)	(18.5)	(145.3)
Borrowings					(27.7)
Deferred tax					(10.0)
Total liabilities					(183.0)
Total net assets					104.8

2024	Profiles £m	Building Plastics £m	Alunet £m	Corporate £m	Total £m
Additions to plant, property, equipment and intangible assets	7.1	2.7	–	0.9	10.7
Segment assets	122.3	84.0	–	17.5	223.8
Segment liabilities	(53.2)	(48.9)	–	(7.2)	(109.3)
Borrowings					(0.5)
Deferred tax liability					(8.6)
Total liabilities					(118.4)
Total net assets					105.4

Geographical information

	Revenue⁽¹⁾ 2025 £m	Non- current assets 2025 £m	Revenue⁽¹⁾ 2024 £m	Non- current assets 2024 £m
United Kingdom	401.3	175.6	355.8	129.4
Republic of Ireland ⁽²⁾	2.2	–	2.1	–
Total	403.5	175.6	357.9	129.4

⁽¹⁾ Revenues are stated based on the location of point of sale.

⁽²⁾ The net book value of non-current assets in the Republic of Ireland was less than £50,000 in both years.

4 TAXATION

	2025 £m	2024 £m
Current tax expense		
Current tax on profits for the year	2.4	3.0
Adjustment in respect of prior years	(0.4)	(0.3)
Total current tax	2.0	2.7
Deferred tax expense		
Origination and reversal of temporary differences	0.8	0.4
Adjustment in respect of prior years	(0.2)	0.2
Total deferred tax	0.6	0.6
Total tax expense	2.6	3.3

The reasons for the difference between the actual current tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2025 £m	2024 £m
Profit before tax	12.2	13.8
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2024: 25%)	3.1	3.4
Taxation effect of:		
Expenses not deductible for tax purposes	0.6	0.6
Patent Box claims	(0.5)	(0.4)
Deferred tax impact of share-based payments	–	0.4
Adjustments in respect of prior years	(0.4)	(0.3)
Tax effect of accelerated capital allowances	(0.8)	(1.0)
Current tax expense	2.0	2.7

The reasons for the difference between the total tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2025 £m	2024 £m
Profit before tax	12.2	13.8
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2024: 25%)	3.1	3.4
Taxation effect of:		
Expenses not deductible for tax purposes	0.4	0.4
Patent Box claims	(0.5)	(0.4)
Derecognition of trading losses	0.2	–
Adjustments in respect of prior years	(0.6)	(0.1)
Total tax expense	2.6	3.3

Some expenses incurred, such as certain legal and entertainment costs, are not allowable for tax purposes and are therefore not deducted from taxable income when calculating the Group's tax liability.

Capital allowances are tax reliefs for the expenditure the Group makes on fixed assets. The difference between the accounting treatment of fixed assets for tax and accounting purposes gives rise to temporary differences recognised within deferred tax.

The Group recognises a current tax asset in respect of relief claimed under the Patent Box when the inflow of economic benefits arising from that asset is virtually certain, deemed to be the submission of a claim to HM Revenue and Customs. Under the Patent Box regime, tax relief is available on relevant profits from the sales of goods covered by qualifying Intellectual Property rights, held by Eurocell Profiles Limited.

Changes in tax rates and factors affecting the future tax charge

There was no change to the rate of UK corporation tax in the year.

There are no material uncertain tax provisions.

Tax included in Other Comprehensive Income

The tax charge arising on share-based payments within Other Comprehensive Income is £nil (2024: £nil).

Based on the current investment plans of the Group, and assuming the rates of capital allowances on capital expenditure continue into the future, there is little prospect of any significant part of the deferred tax liability becoming payable over the next three years.

Tax residency

Eurocell plc and its subsidiaries are all registered in the United Kingdom and are resident in the UK for tax purposes, except as described below.

The Group has two branches in the Republic of Ireland, with combined annual revenues of £2.2 million (2024: £2.1 million), total assets of less than £50,000 (2024: less than £50,000) and seven full time employees (2024: nine full time employees). For tax purposes these two trading locations form a single branch within Eurocell Building Plastics Limited, and therefore any profits generated are subject to tax in the Republic of Ireland. Profits generated during the year contribute less than 5% of the overall Group profits (2024: less than 5%). The tax charge in relation to the Group's Republic of Ireland operations in 2025 is €570 (2024: €600) and tax payments of €570 were made during the year (2024: €600). The reasons for the difference between the tax charge for the year and the standard rate of corporation tax in Ireland applied to the profits for the year is due to utilisation of losses brought forward. No deferred tax assets are recognised on unutilised losses due to the uncertainty of future profits in the Republic of Ireland (2024: none).

5 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares. Adjusted earnings per share excludes the impact of non-underlying items.

Diluted earnings per share is calculated by adjusting the earnings and number of shares for the effects of dilutive options. In the event that a loss is recorded for the period, share options are not considered to have a dilutive effect.

The company has entered into multiple share buyback programmes. During 2025, the cash outflow in regard to these schemes, including transactional costs (but excluding purchases of shares held as treasury shares), totalled £5.0 million (2024: £12.6 million), with 3,331,218 shares repurchased (2024: 10,287,011 shares repurchased).

	2025	2024
	£m	£m
Profit attributable to ordinary shareholders excluding non-underlying items	14.8	15.4
Profit attributable to ordinary shareholders	9.6	10.5

	Number	Number
Weighted average number of shares – basic	100,739,059	106,455,702
Dilutive impact of share options granted	1,097,003	1,339,708
Weighted average number of shares – diluted	101,836,062	107,795,410

	Pence	Pence
Basic earnings per share	9.5	9.8
Adjusted basic earnings per share	14.6	14.4
Diluted earnings per share	9.4	9.7
Adjusted diluted earnings per share	14.5	14.3

6 DIVIDENDS

	2025	2024
	£m	£m
Dividends paid during the year		
Interim dividend for 2025 of 2.3p per share (2024: 2.2p per share)	2.3	2.3
Final dividend for 2024 of 3.9p per share (2023: 3.5p per share)	3.9	3.8
	6.2	6.1
Dividends proposed		
Final dividend for 2025 of 4.1p per share	4.1	–
Final dividend for 2024 of 3.9p per share	–	4.0
	4.1	4.0

7 RECONCILIATION OF PROFIT AFTER TAX TO CASH GENERATED FROM OPERATIONS

	2025 £m	2024 £m
Profit after tax	9.6	10.5
Taxation (Note 4)	2.6	3.3
Finance expense	5.1	2.8
Operating profit	17.3	16.6
Adjustments for:		
Depreciation of property, plant and equipment	10.1	9.6
Depreciation of right-of-use assets	16.0	14.4
Amortisation of intangible assets	1.3	1.3
Impairment of tangible and right-of-use assets	–	3.2
Loss on disposal of property, plant and equipment	0.2	0.4
Share-based payments	1.0	1.5
Increase in inventories	(0.2)	(0.5)
Decrease/(increase) in trade and other receivables	0.9	(3.4)
Increase in trade and other payables	3.0	3.7
Increase in provisions	0.5	0.4
Cash generated from operations	50.1	47.2

8 ALTERNATIVE PERFORMANCE MEASURES

The Group uses alternative performance measures alongside statutory measures to facilitate a better understanding of financial performance and comparison with prior periods, and in order to provide audited financial information against which the Group's bank covenants, which are all measured on a pre-IFRS 16 basis, can be assessed.

EBITDA is defined as operating profit before depreciation and amortisation charges. Pre-IFRS 16 EBITDA is stated inclusive of operating lease rentals under IAS 17 Leases.

Adjusted EBITDA, profits and earnings per share exclude non-underlying items. Adjusted profit measures allow users of the Financial Statements to better understand financial performance in the year by removing certain material items of income and expense that are unusual due to their nature or infrequency, thus facilitating better comparison with prior periods.

Covenants are assessed on a pre-IFRS 16 adjusted EBITDA, continuing basis.

	2025 £m	2024 £m
Operating profit	17.3	16.6
Depreciation and amortisation	27.4	25.3
EBITDA	44.7	41.9
Non-underlying items	6.8	6.2
Adjusted EBITDA	51.5	48.1
Operating lease rentals under IAS 17	(18.8)	(16.3)
Pre-IFRS 16 adjusted EBITDA	32.7	31.8

Pre-IFRS 16 total net debt is defined as total borrowings and lease liabilities less cash and cash equivalents and deferred consideration, excluding the impact of leases recognised under IFRS 16 Leases.

	2025 £m	2024 £m
Total net debt	98.2	62.5
Lease liabilities	(76.1)	(59.4)
Pre-IFRS 16 net debt	22.1	3.1

9 ACQUISITION OF SUBSIDIARIES

On 7 March 2025 the Group acquired 100% of the ordinary share capital of Alunet Systems Limited, Comp Door Limited, JD (UK) Investments Limited, JD (UK) Limited and UK Doors (Midlands) Limited, together “the Alunet Group”, for an initial consideration of £22.3 million. Of the initial consideration, £1.1 million was in the form of ordinary shares in Eurocell plc and satisfied out of shares held in treasury, with the remainder paid in cash. Further consideration of up to £13.7 million is payable over the next four years, contingent upon future performance. The Group’s current best estimate of the present value of the future amounts payable at acquisition was £12.5 million.

Goodwill represents potential synergies arising from the enlarged group. The amount of goodwill deductible for tax purposes is £nil.

An assessment of the value of net assets acquired has been completed. The Group has 12 months from the date of the acquisition to revise this assessment. The Goodwill recognised for the combined Alunet Group has been estimated as follows:

Total acquired assets and liabilities	Book values on acquisition £m	Fair value adjustment £m	Recognised values on acquisition £m
Intangible assets	–	2.0	2.0
Property, plant and equipment	1.4	–	1.4
Right-of-use assets	–	3.3	3.3
Inventories	5.5	0.7	6.2
Trade and other receivables	7.5	(0.2)	7.3
Cash and cash equivalents	0.6	–	0.6
Trade and other payables	(6.7)	–	(6.7)
Lease liabilities	–	(3.4)	(3.4)
Provisions	–	(0.1)	(0.1)
Corporation tax	(0.3)	–	(0.3)
Deferred tax	(0.1)	(0.7)	(0.8)
Identifiable assets and liabilities	7.9	1.6	9.5
Cash consideration paid			21.2
Equity issued as consideration			1.1
Present value of deferred consideration			0.6
Present value of contingent consideration			11.9
Total consideration			34.8
Goodwill on acquisition			25.3

Cash flows arising on the acquisition were £20.6 million comprising the initial cash consideration paid less cash acquired.

Had the Alunet Group been consolidated from 1 January 2025 the Consolidated Statement of Comprehensive Income would have included revenue of £53.3 million and operating profit of £4.4 million.

Fair value adjustments

- The adjustment to intangible assets is to recognise intangible assets in respect of customer relationships and has been valued using discounted cash flows.
- The adjustments to right-of-use assets and lease liabilities relate to the adoption of IFRS 16 Leases.
- The adjustment to inventories is to reflect the fair value of finished goods acquired.
- The adjustment to trade receivables is a bad debt provision which has been made as part of the fair value exercise.
- The adjustment to provisions is to recognise a dilapidations provision in respect of the leased premises.
- The adjustment to deferred taxation is to recognise the deferred tax liability arising on the intangible assets.

Subsequent payments

Under the terms of the acquisition agreement, the vendors are entitled to further cash consideration based on financial performance for the years ended 31 December 2025-28. An element of this further consideration is of certain amount and timing and has therefore been recognised as deferred consideration (£0.6 million). The remaining consideration is dependent upon future performance and has therefore been classified as contingent consideration. The estimated amount of contingent consideration is £13.1 million, and a liability for the present value of this amount has been

recognised within Current and Non-Current Liabilities (in total £11.9 million). The discount will be unwound through Finance Expense in the Consolidated Statement of Comprehensive Income.

Acquisition-related costs

The Group incurred acquisition-related costs of £0.4 million in 2025 in relation to professional fees and transaction costs arising upon acquisition. Costs of £0.8 million were incurred in the year ending 31 December 2024. These costs have been expensed to the Consolidated Statement of Comprehensive Income in the relevant periods.

10 BORROWINGS

The book and fair value of borrowings are as follows:

	31 December 2025		31 December 2024	
	Book value £m	Fair value £m	Book value £m	Fair value £m
Non-current				
Bank borrowings unsecured	27.7	27.7	0.5	0.5

The Group has a £75 million multi-currency revolving unsecured credit facility, which was refinanced in March 2026 and now matures in 2030. Interest is charged at an excess over base rate of between 1.5% and 2.5% per annum and is dependent upon the ratio of total net debt to consolidated EBITDA (on a pre-IFRS 16 basis).

The facility includes two key financial covenants, which are tested at 30 June and 31 December on a pre-IFRS 16 basis. These are that net debt should not exceed 3 times adjusted EBITDA (Leverage), and that adjusted EBITDA should be at least 4 times the interest charge on the debt (Interest Cover).

Borrowings of £28.0 million were drawn down at 31 December 2025 (31 December 2024: £1.0 million). The average drawdown on the facility during the year ended 31 December 2025 was £28.1 million (2024: £2.3 million). Total unamortised costs of £0.3 million as at 31 December 2025 (31 December 2024: £0.5 million) are presented as a deduction to borrowings.

The bank borrowings outstanding at 31 December 2025 are classified as non-current liabilities as they relate to committed facilities available to the Group until 2030. The book value and fair value are not considered to be materially different.

All of the Group's borrowings are denominated in Sterling.

The analysis of repayments on the combined borrowings is as follows:

	31 December 2025 £m	31 December 2024 £m
Within one year or repayable on demand	–	–
Between one and two years	28.0	–
Between two and five years	–	1.0
	28.0	1.0

11 SHARE BUYBACKS

A share buyback of £15 million launched in January 2024 was completed in February 2025 and a further buyback of £5 million launched in March 2025 was completed in February 2026. During 2025, a total of 3.3 million shares were purchased under these two programmes, with an associated cash outflow of £5.0 million (including transactional costs).

12 EVENTS AFTER THE BALANCE SHEET DATE

In February 2026, to further improve safety, reliability and to reduce cost, we began a project to consolidate our two recycling plants onto the existing recycling facility at Ilkeston. The project requires relocation of certain critical equipment from the site at Selby, plus investment in the Ilkeston plant to eliminate single points of failure, enhance the layout and improve working conditions. We expect to cease operations at Selby and begin full processing at Ilkeston in H2 2026, with the Selby site exit to be concluded by the end of the year. Capital investment is expected to be c.£2.6 million, with annualised cost savings of c.£1.5 million running from 2027. Non-underlying charges are expected to be in the region of £3 million, including non-cash asset write downs of c.£1.5 million.