

James Latham plc
("James Latham" or the "Company")

HALF YEARLY RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

Chairman's statement

Unaudited results for the six months trading to 30 September 2025

Revenue for the six months ended 30 September 2025 was £196.8m, up 5.5% on £186.6m for the same period last year. Cost prices on both timber and panels have remained stable throughout the first half of the year. Volumes are up 6.8% compared with the same period last year, across both panels and timber products, with a significant element of this growth coming from an expansion of our LDT timber pack sales business.

Gross profit percentage, which includes warehouse costs, for the six month period ended 30 September 2025 was 16.2% compared with 16.3% in the comparative six months. The growth in our LDT business, which supplies directly to our customers at lower margins with few additional overheads, has slightly reduced the overall gross margin.

Operating profit was £11.1m, down £0.2m compared with £11.3m profit for the same period last year. Finance income, mainly interest on our cash balances, is down from £2.5m to £1.9m, due mainly to our capital investments since the same period last year. Profit before tax was £12.8m compared with £13.6m for the same period last year. The tax charge of £3.2m represents an effective rate of 24.7%, reflecting the UK basic rate of corporation tax. Earnings per ordinary share were 47.9p compared with 50.5 p for the same period last year.

As at 30 September 2025 net assets are £225.2m (2024: £213.8m). Inventory levels of £70.9m are 6.0% higher than the same period last year in line with increases in volumes traded. Trade and other receivables of £67.2m are 4.4% higher than the same period last year, in line with increases in revenues. Bad debts for this period are lower than the same period last year. Cash and cash equivalents have decreased to £59.8m (2024: £67.5m) due to capital expenditure of £8m in the first half of the year, most of which relates to the National Distribution Centre. We continue to take advantage of additional early settlement discount opportunities with our suppliers as well as generating improved interest receipts.

There is a surplus in the IAS19 valuation of the pension scheme at 30 September 2025 of £13.8m compared with £15.1m in the same period last year.

Interim dividend

The Board has declared an increased interim dividend of 8.1p per Ordinary Share (2024: 7.95p). The dividend is payable on 23 January 2026 to ordinary shareholders on the Company's Register at close of business on 5 January 2026. The ex-dividend date will be 2 January 2026.

Current and future trading

The second half of 2025/26 has started with similar volumes to the previous six month period to 30 September 2025, with similar margins. We expect that the stability in product prices will continue.

Our customers still have reasonable order books but there is a degree of nervousness about the economic outlook. The merchant sector is still finding growth difficult, in part due to the weakness of the DIY and House Building and Construction sectors.

Construction has now started on the National Distribution Centre, located in Chatteris, and we are pleased with the progress so far which is all going according to plan. Construction is anticipated to be complete by the end of 2026 with the aim of fully trading from the site by the end of 2027. During this period we have strengthened the senior management team by employing an Operations Director and a Business Development Director who will drive the development of the National Distribution Centre and the business opportunities that this will bring.

The board anticipates that the results for the year ended 31 March 2026 will be announced on 2 July 2026

Nick Latham
Chairman
27 November 2025

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended.

For further information please visit www.lathamtimber.co.uk or contact:

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JAMES LATHAM PLC
CONSOLIDATED INCOME STATEMENT

For the six months to 30 September 2025

	Six months to 30 Sept. 2025 unaudited	Six months to 30 Sept. 2024 unaudited	Year to 31 March 2025 audited
	£000	£000	£000
Revenue	196,794	186,591	366,610
Cost of sales (including warehouse costs)	(164,856)	(156,251)	(305,162)
Gross profit	31,938	30,340	61,448
Selling and distribution costs	(14,029)	(12,933)	(27,407)
Administrative expenses	(6,795)	(6,074)	(13,848)
Operating profit	11,114	11,333	20,193
Finance income	1,877	2,468	4,435
Finance costs	(166)	(210)	(347)
Profit before tax	12,825	13,591	24,281
Tax expense	(3,167)	(3,433)	(6,135)
Profit after tax attributable to owners of the parent company	9,658	10,158	18,146
Earnings per ordinary share (basic)	47.9p	50.5p	90.1p
Earnings per ordinary share (diluted)	47.9p	50.3p	89.9p

All results relate to continuing operations.

JAMES LATHAM PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months to 30 September 2025

	Six months to 30 Sept. 2025 unaudited	Six months to 30 Sept. 2024 unaudited	Year to 31 March 2025 audited
	£000	£000	£000
Profit after tax	9,658	10,158	18,146
Other Comprehensive income			
Actuarial loss on defined benefit pension scheme	(399)	(1,167)	(382)
Deferred tax relating to components of other comprehensive income	219	292	(485)
Foreign translation credit/(charge)	441	(35)	(2)
Other comprehensive income for the period, net of tax	261	(910)	(869)
Total comprehensive income, attributable to owners of the parent company	9,919	9,248	17,277

JAMES LATHAM PLC

CONSOLIDATED BALANCE SHEET

At 30 September 2025

	As at 30 Sept. 2025 unaudited	As at 30 Sept. 2024 unaudited	As at 31 March 2025 audited
	£000	£000	£000
ASSETS			
Non-current assets			
Goodwill	1,193	1,193	1,193
Other intangible assets	901	1,069	985
Property, plant and equipment	55,914	41,462	49,902
Right-of-use-asset	7,572	10,492	8,100
Trade and other receivables	898	863	936
Retirement benefit surplus	13,790	15,066	13,778
Total non-current assets	80,268	70,145	74,894
Current assets			
Inventories	70,884	66,882	65,695
Trade and other receivables	67,229	64,399	65,312
Cash and cash equivalents	59,843	67,457	69,117
Tax receivable	403	-	436
Total current assets	198,359	198,738	200,560
Total assets	278,627	268,883	275,454
Current liabilities			
Lease liabilities	1,423	1,372	1,473
Trade and other payables	38,228	37,856	35,607
Interest bearing loans and borrowings	-	-	3,629
Current tax payable	-	18	-
Total current liabilities	39,651	39,246	40,709
Non-current liabilities			
Interest bearing loans and borrowings	592	592	592
Lease liabilities	6,605	9,493	6,915
Deferred tax liabilities	6,574	5,760	6,758
Total non-current liabilities	13,771	15,845	14,265

Total liabilities	53,422	55,091	54,974
Net assets	225,205	213,792	220,480
Capital and reserves			
Issued capital	5,040	5,040	5,040
Share-based payment reserve	613	197	450
Capital reserve	398	398	398
Retained earnings	219,154	208,157	214,592
Total equity attributable to shareholders of the parent company	225,205	213,792	220,480

JAMES LATHAM PLC

CONSOLIDATED CASH FLOW STATEMENT

For the six months to 30 September 2025

	Six months to 30 Sept 2025 unaudited	Six months to 30 Sept 2024 unaudited	Year to 31 March 2025 audited
	£000	£000	£000
Net cash flow from operating activities			
Cash generated from operations	10,132	11,523	23,724
Interest paid	(26)	(36)	(46)
Income tax paid	(3,099)	(3,722)	(6,659)
Net cash inflow from operating activities	7,007	7,765	17,019
Cash flows from investing activities			
Interest received and similar income	1,377	1,976	3,442
Purchase of property, plant and equipment	(7,900)	(3,166)	(13,464)
Proceeds from sale of property, plant and equipment	80	57	225
Net cash outflow from investing activities	(6,443)	(1,133)	(9,797)
Cash flows before financing activities			
Exercise of share options	108	137	162
Lease liability payments	(818)	(902)	(1,897)
Equity dividends paid	(5,499)	(14,291)	(15,880)
Net cash outflow from financing activities	(6,209)	(15,056)	(17,615)
Decrease in cash and cash equivalents for the period	(5,645)	(8,424)	(10,393)
Cash and cash equivalents at beginning of the period	65,488	75,881	75,881
Cash and cash equivalents at end of the period	59,843	67,457	65,488

JAMES LATHAM PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent company			
	Share-based payment reserve	Capital reserve	Retained earnings	Total equity
Issued capital				

	£000	£000	£000	£000	£000
As at 1 April 2024 (audited)	5,040	152	398	213,027	218,617
Profit for the period	-	-	-	10,158	10,158
Other comprehensive income:					
Actuarial loss on defined benefit pension scheme	-	-	-	(1,167)	(1,167)
Deferred tax relating to components of other comprehensive income	-	-	-	292	292
Foreign translation charge	-	-	-	(35)	(35)
Total comprehensive income for the period	-	-	-	9,248	9,248
Transactions with owners:					
Dividends	-	-	-	(14,291)	(14,291)
Exercise of options	-	(36)	-	36	-
Deferred tax on share options	-	2	-	-	2
Own shares movement	-	-	-	137	137
Share-based payment expense	-	79	-	-	79
Total transactions with owners	-	45	-	(14,118)	(14,073)
Balance at 30 September 2024 (unaudited)	5,040	197	398	208,157	213,792
Profit for the period	-	-	-	7,988	7,988
Other comprehensive income:					
Actuarial gain on defined benefit pension scheme	-	-	-	785	785
Deferred tax relating to components of other comprehensive income	-	-	-	(777)	(777)
Foreign translation charge	-	-	-	33	33
Total comprehensive income for the period	-	-	-	8,029	8,029
Transactions with owners:					
Dividends	-	-	-	(1,589)	(1,589)
Exercise of options	-	30	-	(30)	-
Deferred tax on share options	-	(3)	-	-	(3)
Own shares movement	-	-	-	25	25
Share-based payment expense	-	226	-	-	226
Total transactions with owners	-	253	-	(1,594)	(1,341)
Balance at 31 March 2025 (audited)	5,040	450	398	214,592	220,480
Profit for the period	-	-	-	9,658	9,658
Other comprehensive income:					
Actuarial loss on defined benefit pension scheme	-	-	-	(399)	(399)
Deferred tax relating to components of other comprehensive income	-	-	-	219	219
Foreign translation charge	-	-	-	441	441
Total comprehensive income for the period	-	-	-	9,919	9,919
Transactions with owners:					
Dividends	-	-	-	(5,499)	(5,499)
Exercise of options	-	(34)	-	34	-
Own shares movement	-	-	-	108	108
Share-based payment expense	-	197	-	-	197
Total transactions with owners	-	163	-	(5,357)	(5,194)
Balance at 30 September 2025 (unaudited)	5,040	613	398	219,154	225,205

JAMES LATHAM PLC

NOTES TO THE HALF YEARLY REPORT

- The results presented in this report are unaudited and they have been prepared in accordance with the recognition and measurement principles of International Accounting Standards in conformity with the requirements of the Companies Act 2006 and on the basis of the accounting policies expected to be used in the financial statements for the year ending 31 March 2026. The half yearly report does not include all the disclosures that would be required for full compliance with IFRS. The figures for the year ended 31 March 2025 are extracted from the statutory accounts of the group for that period.
- The directors propose an interim dividend of 8.1p per ordinary share which will absorb £1,633,000 (2024: 7.95p absorbing £1,605,000), payable on 23 January 2026 to shareholders on the Company's Register at the close of business on 5 January 2026. The ex-dividend date is 2 January 2026.
- This half yearly report does not constitute statutory financial accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 March 2025 were filed with the Registrar of Companies. The audit report on those financial statements was not qualified and did not contain a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The half yearly report has not been audited by

the Company's auditor.

4. Earnings per ordinary share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	Six months to 30 Sept 2025 unaudited £000	Six months to 30 Sept 2024 unaudited £000	Year to 31 March 2025 audited £000
Net profit attributable to ordinary shareholders	9,658	10,158	18,146
Number '000	Number '000	Number '000	
Weighted average share capital	20,146	20,131	20,129
Add: diluted effect of share capital options issued	24	63	46
Weighted average share capital for diluted earnings per ordinary share calculation	20,170	20,194	20,175

5. Net cash flow from operating activities

	Six months to 30 Sept 2025 unaudited £000	Six months to 30 Sept 2024 unaudited £000	Year to 31 March 2025 audited £000
Profit before tax	12,825	13,591	24,281
Adjustment for finance income and cost	(1,711)	(2,258)	(4,088)
Depreciation and amortisation	2,924	2,475	5,524
Profit on disposal of property, plant and equipment	(73)	(24)	(454)
Increase in inventories	(5,189)	(5,173)	(3,986)
(Increase)/decrease in receivables	(1,879)	283	(702)
Increase in payables	2,949	2,427	147
Net defined benefit cost recognised in income statement	204	185	2,845
Cash funding of defined benefit scheme	(115)	(62)	(148)
Share-based payments non cash amounts	197	79	305
Cash generated from operations	10,132	11,523	23,724

6. Copies of this statement will be posted on our website, www.lathamtimber.co.uk/investors. A copy can be emailed or posted upon application to the Company Secretary, James Latham plc, Unit C2, Breakspear Park, Breakspear Way, Hemel Hempstead, Herts, HP2 4TZ, or by email to plc@lathams.co.uk

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