



13 January 2026

SIG plc
2025 Full Year Trading Update and Strategy Framework

SIG plc ("SIG", or "the Group"), a leading supplier of specialist insulation and building products across Europe, today issues a trading update for the year ended 31 December 2025 ("FY25"). On a webcast at 10.00 am (GMT) this morning Pim Vervaat, the Group's CEO, will also share his initial observations since joining on 1 October 2025 and a high-level view of the Group's future strategy.

Key points

- Results reflect continued strong commercial execution and productivity gains against a challenging market backdrop, particularly in the latter part of the year
- Full year like-for-like¹ ("LFL") sales flat versus the prior year, with revenues of £2.6bn; Group continues to perform well relative to its markets
- Underlying operating profit² expected to be c£32m, £7m higher than the prior year and in line with market expectations³
- Restructuring and productivity initiatives contributed to an expected year over year underlying reduction of c£39m in operating expenses
- Free cash outflow⁴ of c£12m; robust liquidity of £171m at year-end, with RCF of £90m remaining undrawn throughout the year

Summary

The Group continued to perform well relative to its markets during the second half of 2025, as well as delivering further significant benefits from its cost reduction and efficiency programmes. Whilst these initiatives are helping support near-term performance, they are also strengthening the Group's commercial and operational capability, which will help drive higher profitability as markets recover.

Subject to audit, the Board expects to report FY25 sales of £2.6bn and underlying operating profit of c£32m, in line with market expectations. Reported operating expenses for FY25 are expected to show an absolute reduction of c£20m vs FY24, which before inflation and FX represents an underlying reduction of c£39m, or 6%, reflecting the benefit of the initiatives referred to above. Within this, restructuring initiatives delivered c£18m of savings vs prior year.

The Board expects to report a free cash outflow for the year of c£12m (2024: £39m outflow), a marked improvement on the prior year, and year-end gross cash balances of c£81m (2024: £87m). Together with the Group's revolving credit facility ("RCF") of £90m, which remained undrawn throughout the year, this resulted in year-end liquidity of £171m. The Group anticipates maintaining healthy levels of liquidity during 2026.

The Group expects to report net debt as at 31 December 2025 of c£518m including leases (2024: £497m). Leverage at 31 December 2025 is expected to be c4.7x, unchanged vs the prior year-end.

Trading summary

Reported Group sales were 1% lower in the year. This included a net 1% negative impact from the combined effect of exchange rates, the number of working days, and branch closures and openings during the year.

Group LFL sales were flat versus the prior year, up 1% in H1 and down 2% in H2. Subdued demand has persisted across the Group's markets throughout the year and softened further in the final months of the year in several geographies, notably the UK, Germany and Ireland. Given this demand backdrop pricing pressure has remained elevated, and this led to a net 1% reduction in pricing in the year, despite modest increases in input costs. The impact of this was similar across H1 and H2.

| LFL sales growth 2025 vs 2024 | H1 Restated* | H2 | FY | FY 2025 sales £m |
|----------------------------------|-----------------|-------------|-------------|------------------------|
| UK Interiors | 6% | (1)% | 3% | 673 |
| UK Roofing | 4% | (1)% | 2% | 453 |
| UK | 5% | (1)% | 2% | 1,127 |
| France Interiors | (7)% | (6)% | (7)% | 190 |
| France Roofing | (4)% | (5)% | (5)% | 388 |
| Germany | 0% | (6)% | (3)% | 432 |
| Poland | 3% | 5% | 4% | 261 |
| Benelux | 3% | 1% | 2% | 92 |
| Ireland | 3% | (10)% | (3)% | 102 |
| EU | (1)% | (4)% | (2)% | 1,464 |

| Group | 1% | (2)% | 0% | 2,591 |
|-------|----|------|----|-------|
|-------|----|------|----|-------|

* Following a change in the UK management structure in November 2025, we now report two segments in the UK, with the various businesses formerly reported as "UK Specialist Markets" now reported within either Interiors or Roofing. The H1 25 segmental information has been restated in order to present it on a consistent basis.

Demand in all markets remains well below historical levels, with European construction at a low point in the cycle and with longer than anticipated delays to the start of meaningful recovery. Against this backdrop, our businesses continue to outperform and in almost all cases take share within their end markets.

The Group continues to make good progress on its operational initiatives, including those to drive efficiencies in costs and working capital. Most notably, the UK Interiors and Benelux businesses continue to benefit from the self-help programmes put in place last year. The Insulation and Drylining business that forms the majority of UK Interiors also had a particularly strong year from a sales perspective, growing 8% in H1, 3% in H2, and 5% for the full year. In Q4 2025 we removed the separate management structure that was supporting the UK Specialist Markets businesses, and these businesses are now reported within either UK Interiors or UK Roofing. We believe these changes in management will allow us to better exploit the opportunities in these smaller specialist businesses, including synergies across our own portfolio. In December 2025, as part of the early phase of a portfolio review, we closed one of the smaller UK businesses, Mayplas, as it did not have the ability to deliver sustainable profitable growth in the future.

Strategy Framework

The Group's Vision 2030 strategy will build on the successful commercial, operational and financial initiatives implemented over recent years, with the aim of creating an agile, focussed and best-in-class pan-European growth platform which, in the medium and longer term, can deliver an operating margin of 3% - 5% through the cycle alongside robust and predictable cash generation.

The immediate priorities are to improve the operating margin through further cost and efficiency programmes, including improved procurement. These will also help maximise the upside potential from operational leverage as markets improve and revenues grow. The Group also remains committed to sustaining investment in commercial initiatives to drive continued local market outperformance. We will, in addition, assess opportunities to simplify and optimise the current business portfolio in order to enhance the Group's focus on its most attractive growth markets and deliver value creation.

We will expand on the Vision 2030 strategic framework in the presentation and conference call later today.

Commenting, Pim Vervaat, Chief Executive Officer, said:

"In 2025 the Group delivered a robust trading performance in continued difficult market conditions. I have been impressed with the energy, commitment and knowledge of the many people I have met across the Group during my first 100 days.

"SIG is well positioned in markets that continue to have strong long-term growth drivers. The operating leverage benefits when markets return to growth will be significant, and further opportunities for self-help have been identified, including through procurement. We will focus on optimising both the business performance and the business portfolio in order to create a best-in-class growth platform for building materials distribution in Europe. In 2026 we aim to deliver further financial and strategic progress, and I look forward to working with the Board and all the SIG management teams in driving substantial value over time."

Presentation today

We will hold a presentation and conference call for analysts and investors at 10.00am (GMT) this morning, 13th January, covering the trading update as well as the initial observations of CEO Pim Vervaat and his high-level view of the Group's future strategy.

Webcast link (Zoom):

https://storm-virtual-uk.zoom.us/webinar/register/WN_0PBnhGg2T9qSUJUPlxAMLw

FY25 Results date, and Outlook

We will publish our full FY25 results on 4 March 2026, and will also hold a presentation and conference call at 10.00am (GMT) on that date. We will provide a more detailed outlook on 2026 at that time.

The numbers in this update remain subject to final close procedures and to audit.

1. *Like-for-like is defined as sales per working day in constant currency, excluding completed acquisitions and disposals, and adjusted to exclude the net impact of branch closures and openings.*
2. *Undervina represents the results before Other items. Other items relate to the amortisation of acquired intangibles, impairment charges, net restructuring costs, cloud-based ERP implementation costs and other specific items. Other items are disclosed separately in order to give an indication of the undervina earnings of the Group.*
3. *Company collated analyst expectations is for Full Year 2025 underlying operating profit (EBIT) of £31.1m, within a range of £30.0m to £34.5m, as at 12 January 2026.*
4. *Free cash flow is defined as all cash flows excluding M&A transactions, dividend payments, and financing transactions.*

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