



SIG plc

FY 2024 Results

5 March 2025



FY 2024 Results Agenda



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Gavin Slark
CEO

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Ian Ashton
CFO

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Business Review

Gavin Slark
CEO



Overview

Gavin Slark, CEO



Robust performance in challenging markets

- Group reported revenue of £2.6bn, down 4% LFL
- Operating profit of £25m
- Robust sales performance relative to markets
- UK Roofing, Germany and Ireland the standout performers
- France and Germany remain weakest markets

Cost and financial discipline

- £42m operating cost reduction before inflation
- Restructuring continues - headcount down by 6% (c430 roles) vs start of the year
- Continued to support the business with targeted investment
- Refinancing completed in October – financial stability and certainty

Good progress on strategic and operational changes

- UK Interiors improvements accelerated in Q4 under new Managing Director
- Benelux transformation underway
- Strong delivery on commercial initiatives across the business
- Positioning business for market recovery and long-term growth



Financial Results

Ian Ashton, CFO

Key financials

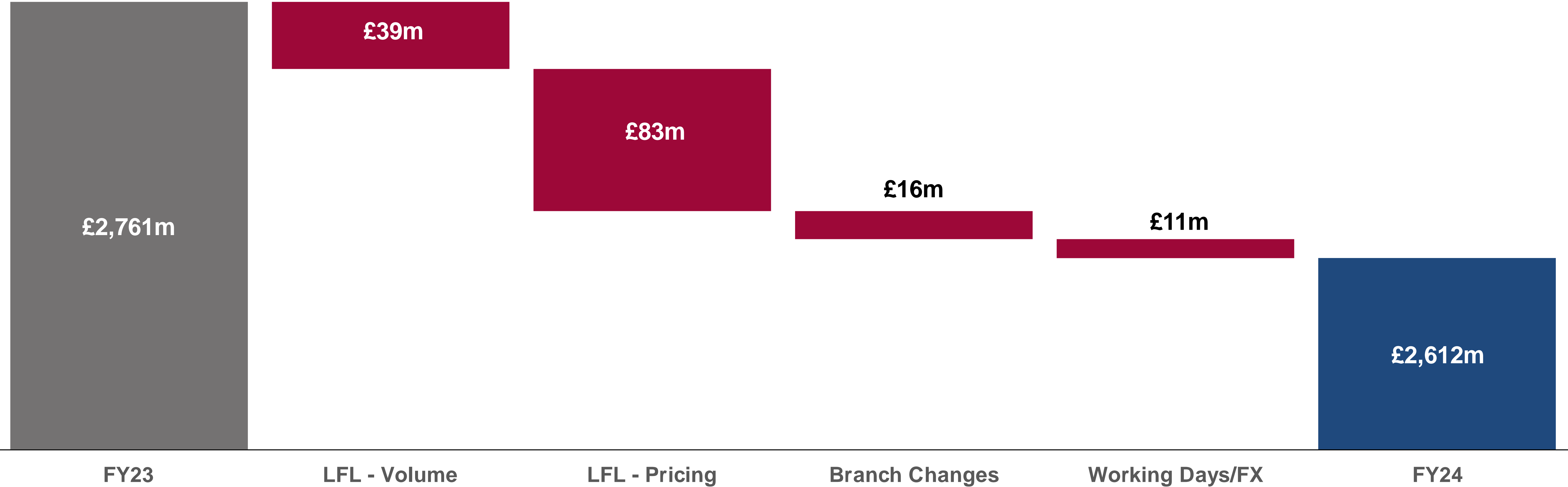


£'m	FY 2024	FY 2023
Revenue	2,612	2,761
<i>LFL sales growth</i>	<i>(4)%</i>	<i>(2)%</i>
Gross profit	640	700
<i>Gross margin</i>	<i>24.5%</i>	<i>25.3%</i>
Underlying operating profit	25	53
<i>Operating margin</i>	<i>1.0%</i>	<i>1.9%</i>
Finance costs	(39)	(36)
Underlying (loss)/profit before tax	(14)	17
Other items	(31)	(49)
Underlying EBITDA	105	132
Free cash flow	(39)	4
Net debt, including leases	497	458
Leverage	4.7x	3.5x

- Market headwinds drove sales decline, moderating in H2
- Gross margin well managed – decline reflects ongoing competitive pricing pressures in current demand environment
- Operating profit supported by material cost saving initiatives of c£42m, including restructuring benefits, more than offsetting c£18m of operating cost inflation
- Other items reflect:
 - £13m restructuring, part of program commenced in 2023
 - £5m costs related to refinancing in October 2024
 - £7m non-cash impairment in UK Interiors
- Free cash outflow reflects lower operating margin, impact of refinancing and restructuring costs

Notes: All data presented on a post-IFRS 16 basis unless stated otherwise. Leverage defined as net debt / LTM EBITDA.

Revenue



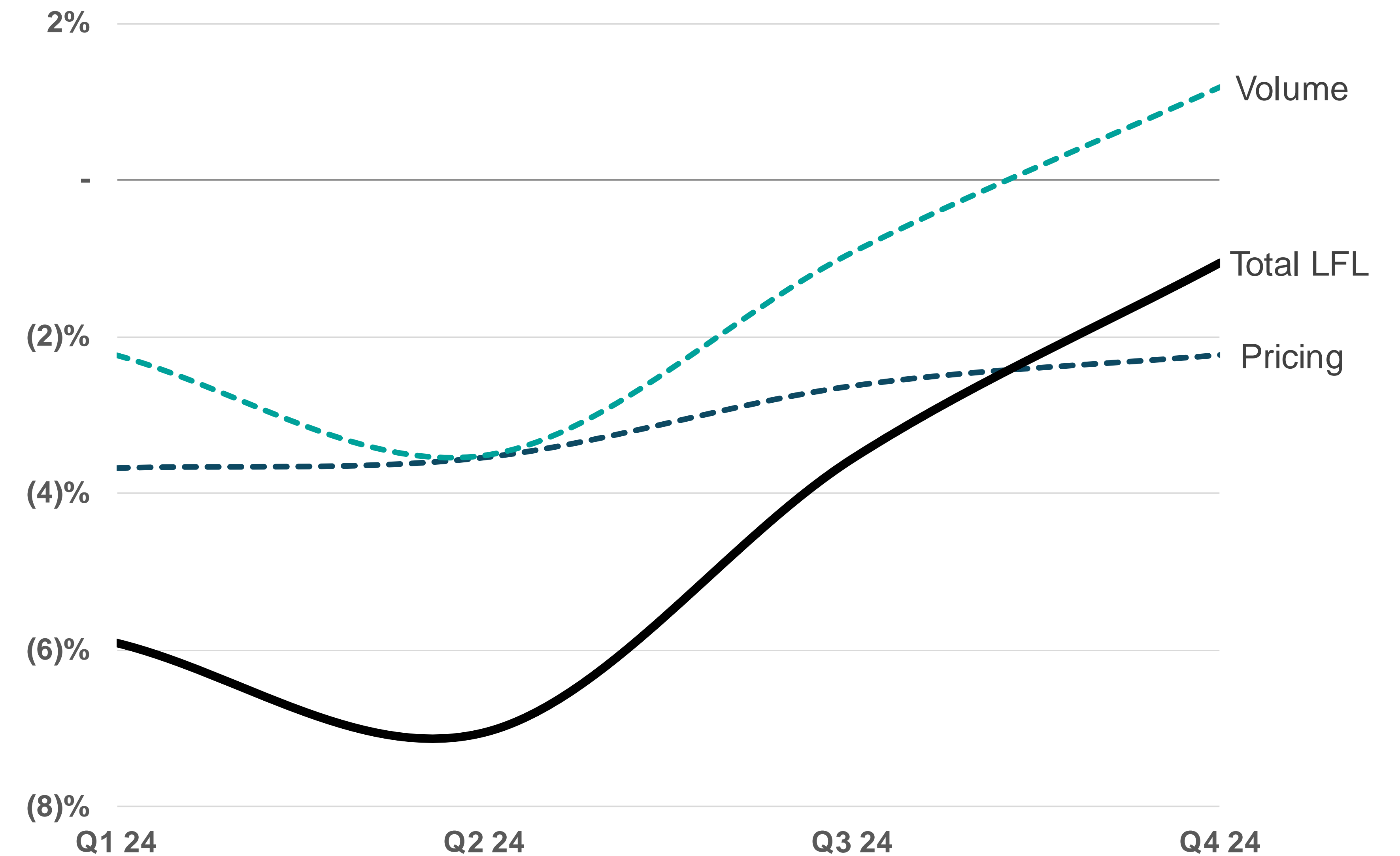
- Positive momentum in difficult markets, with year-on-year increase in volumes in Q4
- Purchase price deflation and sales pricing pressures lead to c3% deflation impact on top line, reducing in H2

Revenue detail



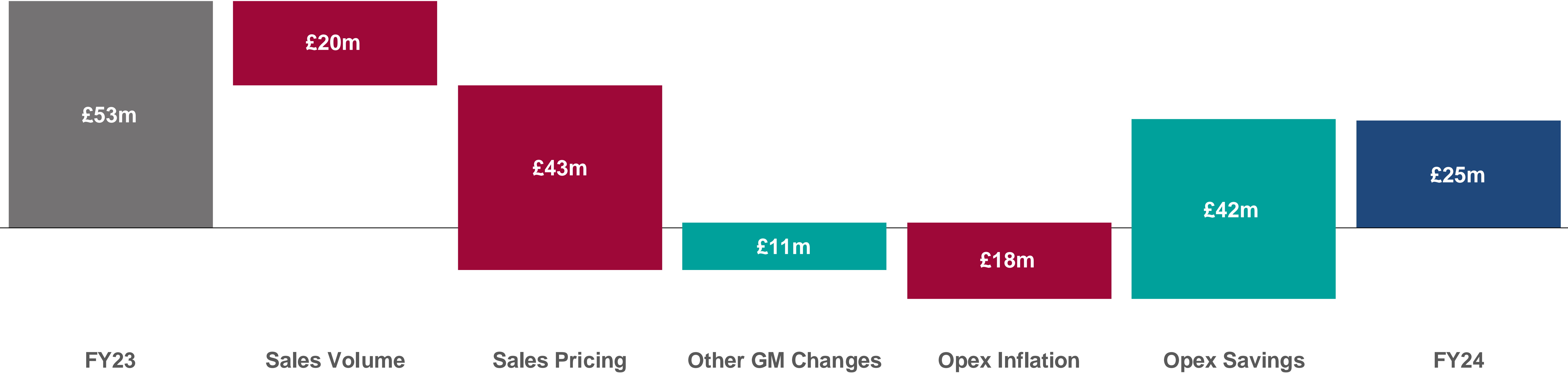
Operating Company	LFL %			FY24	Revenue £m
	H1 24	H2 24	H2 vs H1 Var		
UK Interiors	(13)	(6)	7	(10)	495
UK Roofing	(2)	5	7	2	381
UK Specialist Markets	(7)	(2)	5	(5)	238
UK	(8)	(1)	7	(5)	1,114
France Interiors	(7)	(7)	1	(7)	200
France Roofing	(11)	(5)	5	(8)	410
France	(9)	(6)	4	(8)	611
Germany	(3)	(1)	2	(2)	438
Poland	3	(7)	(9)	(2)	241
Benelux	(12)	(4)	7	(8)	104
Ireland	9	17	9	13	104
EU	(5)	(3)	2	(4)	1,498
Group	(6)	(2)	4	(4)	2,612

Volume, price and total LFL trend yoy



- Ongoing market softness across most of our geographies, particularly in UK Interiors, French and German markets
- All businesses (bar Poland) showing improved H2 over H1, and most showing improvement in Q4 over Q3
- Pricing headwind approximately two thirds input cost deflation and one third competitive product pricing

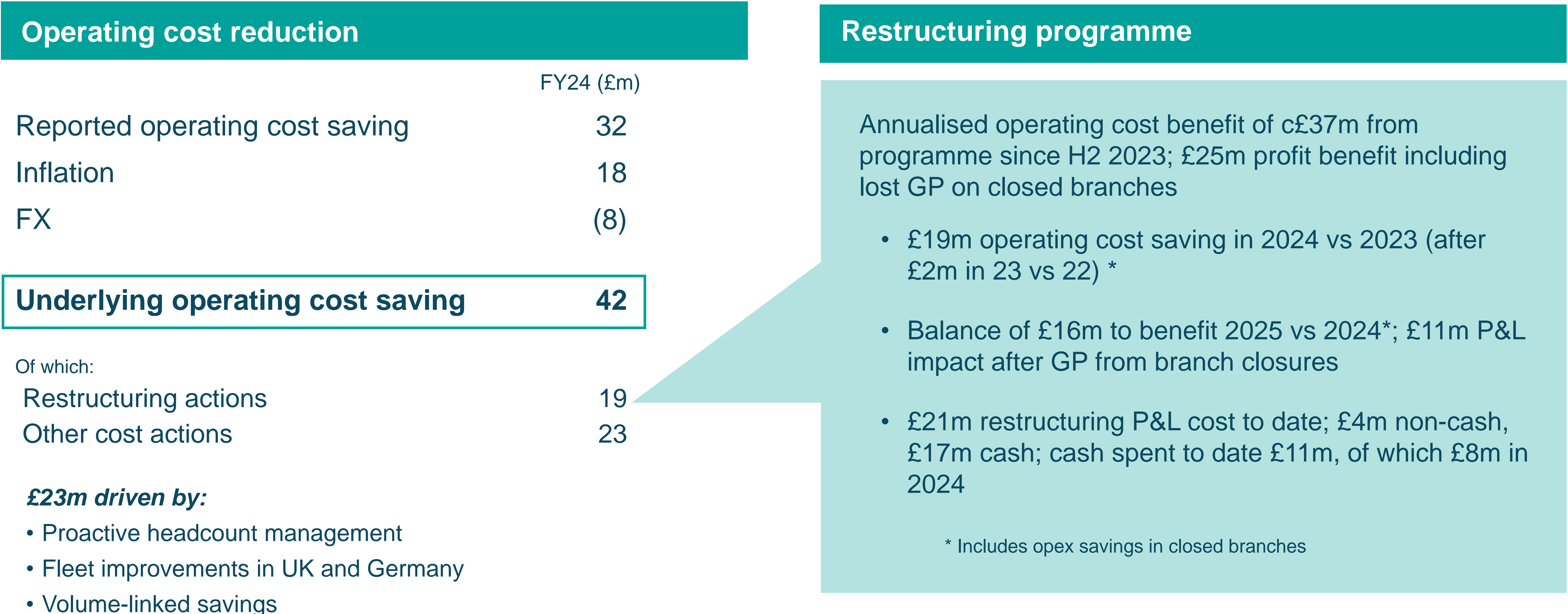
Operating profit bridge



- Drop through from lower sales volumes, but more materially from sales pricing – both input deflation and competitive market pricing
- Other gross margin improvements driven by product mix initiatives
- Operating cost inflation of c2-3% (£18m)
- Underlying operating cost savings of £42m including £19m benefit from restructuring and branch closures

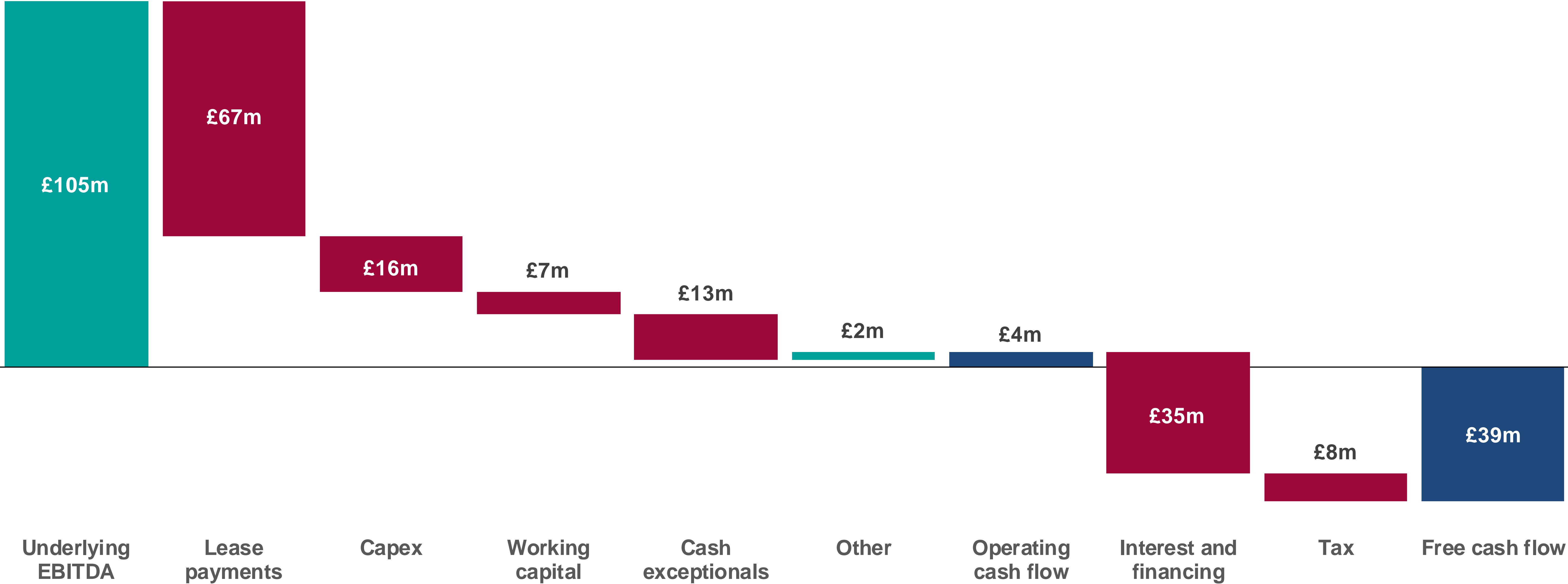
Note: Data represents underlying performance. Above schedule is on a constant currency basis, with FX movements on gross profit and operating expense broadly cancelling each other out (c£8m each).

Reshaping our cost base for profitable growth



Group headcount reduced by c430 or 6% in 2024

Free cash flow



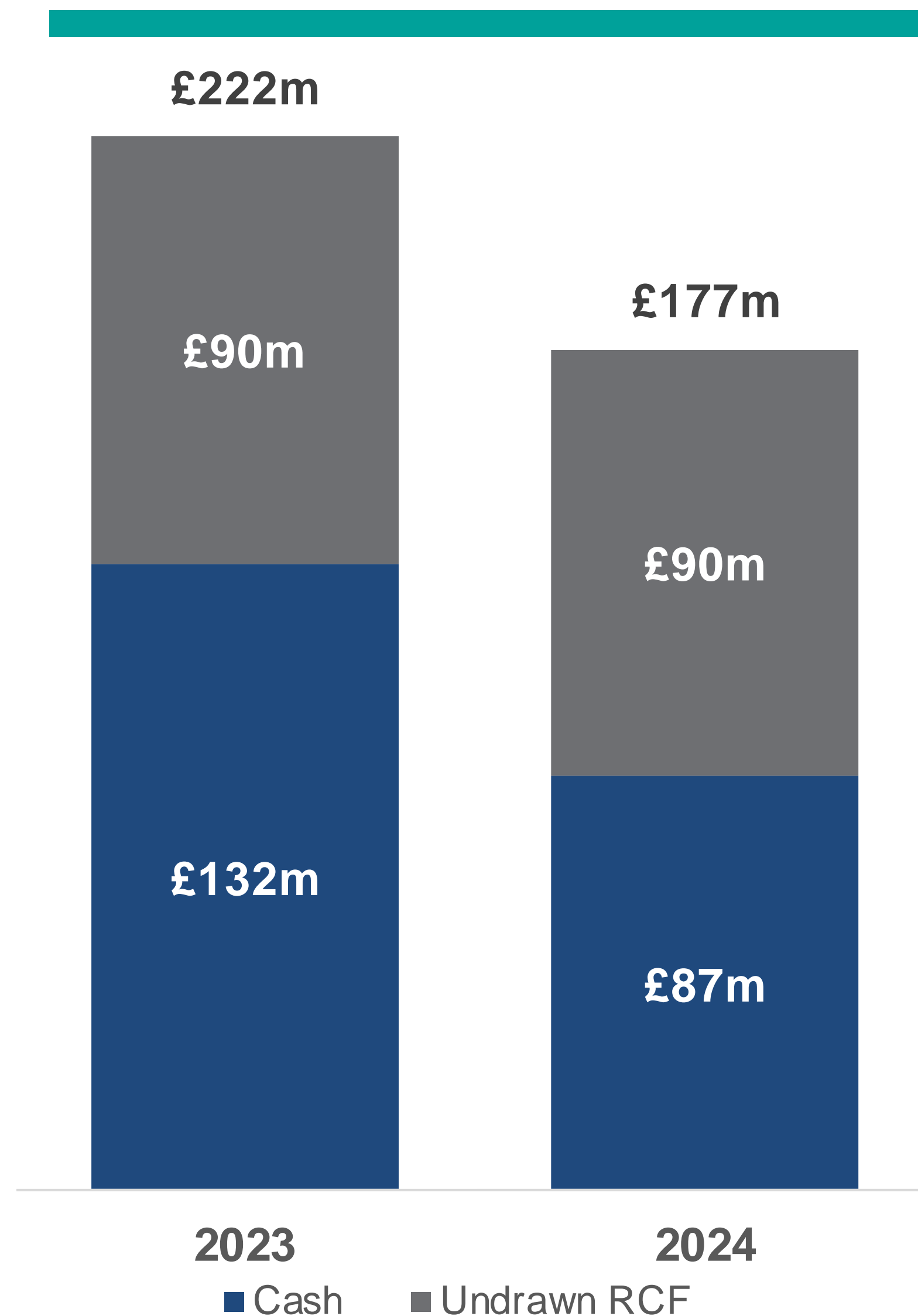
- Modest working capital outflow, reflecting timings of year-end receipts and payments
- Cash exceptionals include restructuring (£8m) and refinancing (£4m)

Balance sheet: extended debt maturities to 2029

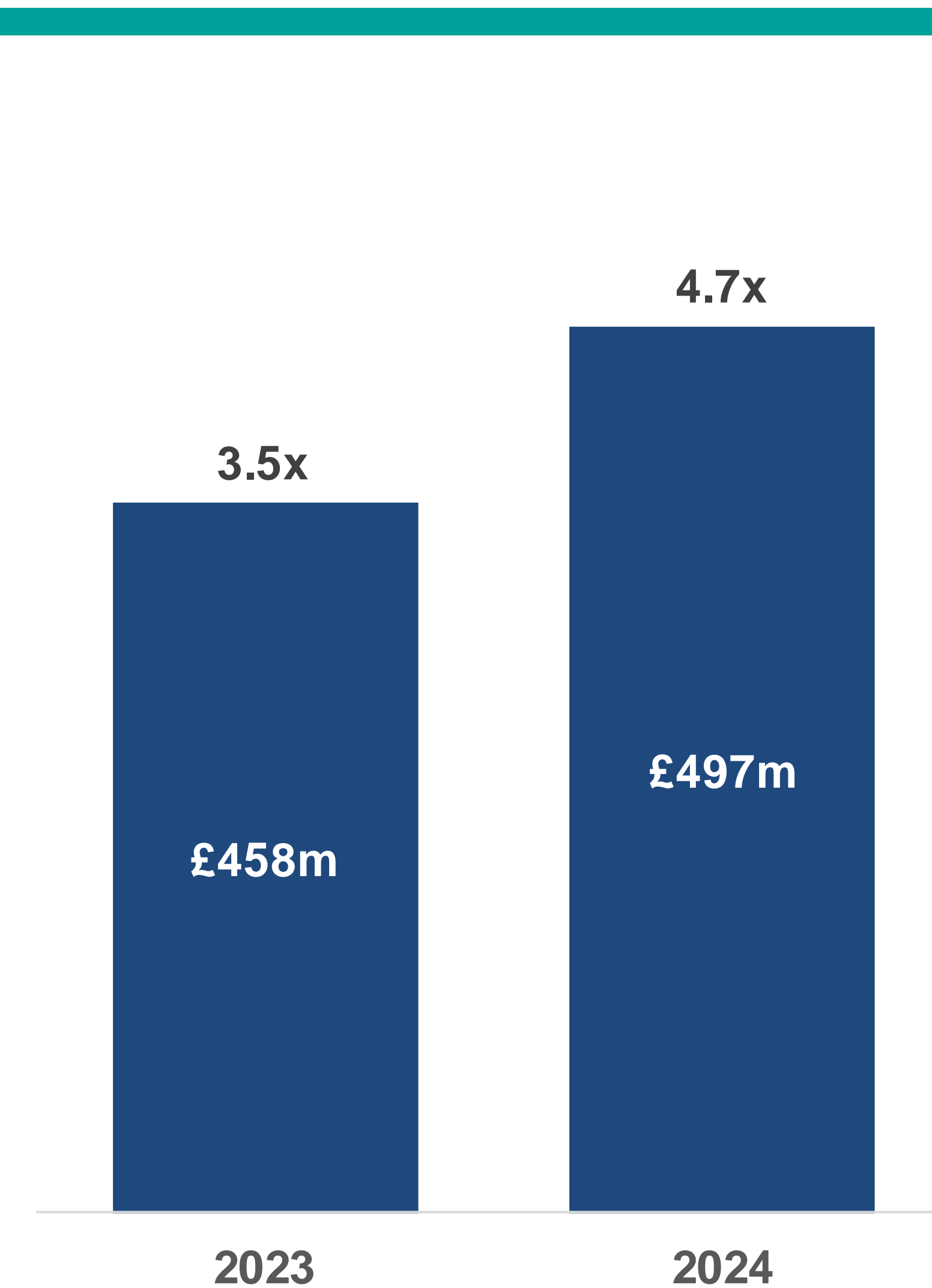


- €300m refinancing completed in October 2024, providing a stable platform for delivery of strategy
- Substantial headroom on revised RCF leverage covenant; bond is “covenant-lite”;
- Net debt includes £321m of lease liabilities on fleet and estate – stable vs prior year
- Leverage increased primarily due to lower EBITDA
- Liquidity remains robust; RCF undrawn throughout the year

Liquidity



Net debt and leverage¹



Note 1: Post-IFRS 16 Net Debt & EBITDA Leverage.

Group debt & cash facilities

- €300m Senior Secured Notes (mature Nov 2029): 9.75% fixed rate
- £90m RCF (expires Apr 2029): SONIA + 2.5% to 5.0%
 - Net leverage covenant set at 6.5x for 2025, 5.5x for 2026, and 5.0x thereafter. Only tested if >40% drawn at a quarter-end
- €13.5m Senior Secured Notes (stub on old bond, mature Nov 2026): 5.25% fixed rate

Cash and working capital cycles

- Spring and autumn peak working capital; September normally highest in the year, typically c£30m > year-end
- Business requires c£20m cash across the network at any time
- Intra-month cash requirements typically peak at c£30m > month-end numbers; intra-month not relevant for covenant testing

Technical guidance – FY 2025 expectations



- **Inflation:**
 - Flat to slightly positive yoy input cost inflation for FY 2025 in aggregate
 - Operating cost inflation expected to be approximately 2-3%; includes UK NIC impact of c£3m p.a. on full year basis
- **Capex** of £15-20m
- **Net interest** charge within the range of £50-55m, reflecting the new bond coupon rate and higher lease interest
- **Tax:**
 - Majority of EU operations to continue on prevailing local rates
 - UK and Benelux: unrecognised deferred tax assets, affecting Group effective tax rate
 - Group tax charge for 2025 in mid-single digit £m's
 - Cash tax in low-single digit £m's



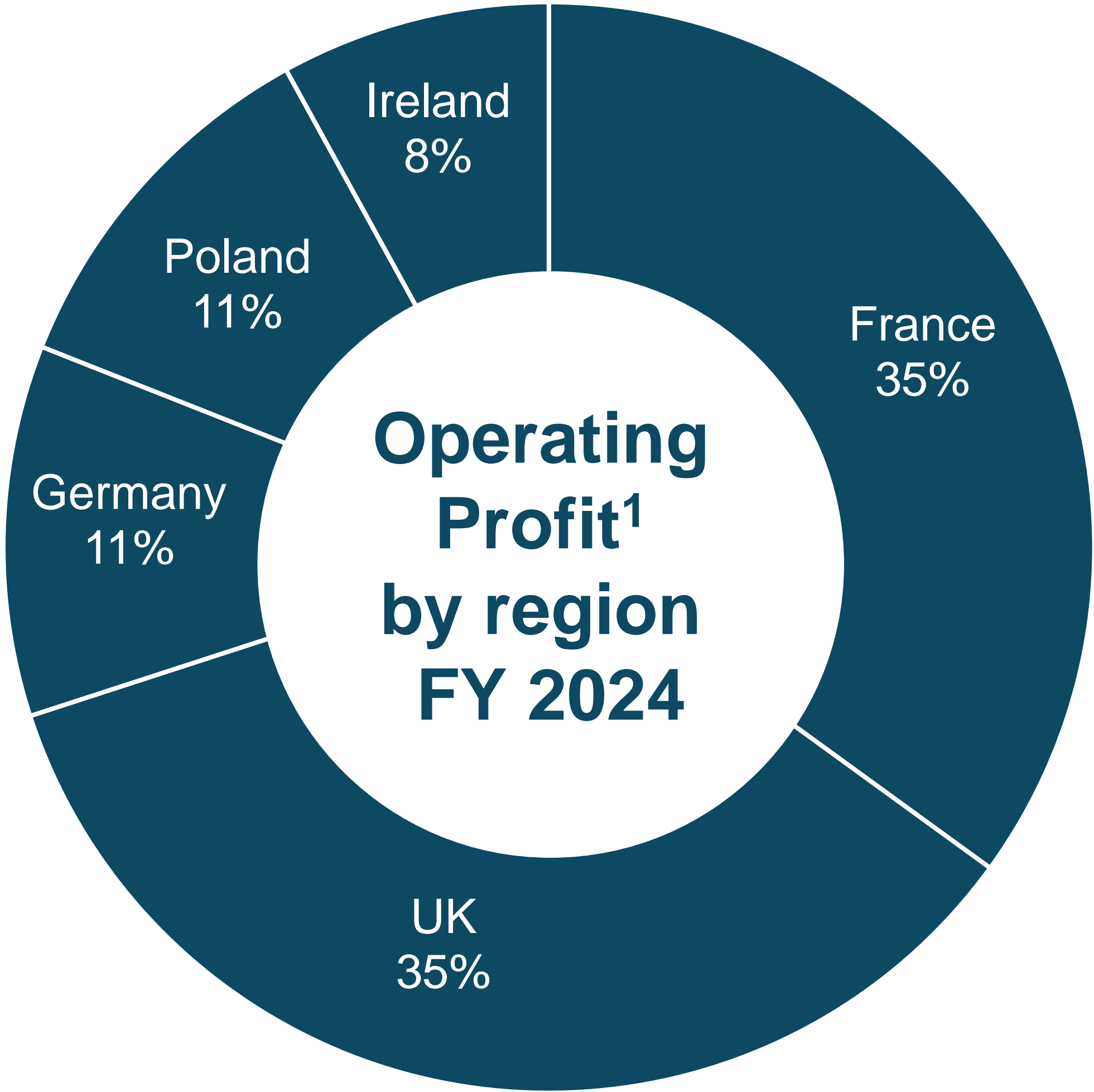


Business Review

Gavin Slark, CEO

SIG overview

Our Pan-European operations




c430
BRANCHES
ACROSS SIX
GEOGRAPHIES


6,700+
COLLEAGUES


c1,100
DELIVERY
FLEET

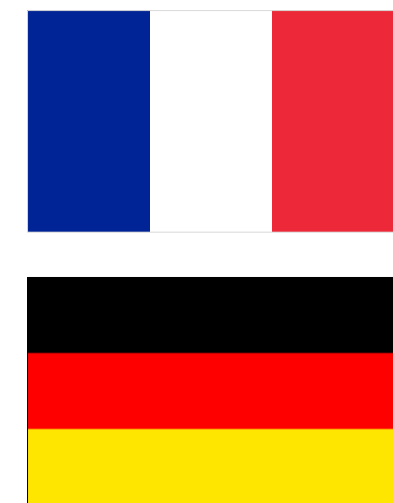
Note: 1) Underlying operating profit adjusted to exclude Group overhead and Benelux loss.

Market conditions



Interest rates

- Building and construction markets continue to adjust to a higher interest rate environment
- New-build residential most impacted
- RMI and non-residential demand also impacted by higher cost environment



France & Germany

- Weakest markets among SIG geographies in 2024: High-single digit to mid-teen declines in new-build residential construction
- To remain challenging in 2025, but with rate of market decline easing
- Expected to return to growth in 2026



UK

- UK industry confidence indicators (PMI) improved in H2 2024
- Modest early improvement to market conditions for 2025; H1 activity to remain subdued
- New-build residential volumes will remain influenced by government support and policy

Growth drivers – Long-term



Construction market growth

- Interest rates, GDP, population growth
- Government building and construction policy and stimulus
- Balanced exposure to commercial, residential, RMI and new-build end-markets



Ageing buildings across Europe and demand for housing

- Housing shortage across Europe
- Significant increase in housebuilding rates needed in UK and France to meet government targets and address pent-up demand
- Ageing buildings and infrastructure across Europe












Sustainability driven regulation, energy-efficiency and decarbonisation

- Supports long-term demand for insulation and wider building envelope materials and lower-carbon energy solutions
- Also driving demand for building safety and other high-performance materials for better buildings
- +60% of EU buildings require renovation and refurbishment to meet target standards to achieve Net Zero by 2045

LFL revenue performance



		LFL ¹	FY 2024 Revenue (£m)
	UK Interiors	(10)%	495
	Germany	(2)%	438
	France Roofing	(8)%	410
	UK Roofing	2%	381
	Poland	(2)%	241
	UK Specialist	(5)%	238
	France Interiors	(7)%	200
	Ireland	13%	104
	Benelux	(8)%	104










Note: 1) LFL revenue growth vs FY 2023.

Operating margins & profit



FY 2024
Operating
margin¹

FY 2024 Operating profit¹ (£m)

 UK Roofing	3.5%	13.2
 France Roofing	2.0%	8.0
 France Interiors	3.1%	6.2
 UK Specialist	2.0%	4.8
 Germany	1.1%	4.7
 Poland	1.9%	4.6
 Ireland	3.2%	3.3
 UK Interiors	(0.7)%	(3.5)
 Benelux	(4.3)%	(4.5)

Note: 1) Underlying operating profit.

Medium-term performance target



Improving our performance

To medium-term target

5% margin

Improving the way we operate now

Positioning to win in long-term growth market

4 Pillar strategy

Grow

Revenue growth ahead of market

Execute

Cost base improvement including restructuring

Modernise

New omnichannel platform in Germany launched

Specialise

New head of Construction Accessories in UK

FY 2024 progress

Strongest performances relative to the market in Germany and UK Roofing

Accelerated actions in UK Interiors and Benelux in Q4, with new MD of UK Interiors

France Interiors new omnichannel platform in development

Investing in sales teams in more specialist product categories and fabrication

Grow: Operating companies performing ahead of the market



LFL rates demonstrating continued performance ahead of market, strongest in UK Roofing, Germany and Ireland

UK Roofing

- Strong 2% FY LFL sales growth relative to weak market
- 5% H2 LFL sales growth
- Driven by range of growth initiatives and customer service innovations, with engaged team
- Increases in customer and employee engagement yoy

Germany

- 2% sales decline includes small impact from closure of underperforming branches, with LFL rate improving in H2
- Strong performance in very challenging market
- Continued its robust recovery and strategic developments of the last three years
- New nationwide specialist sales team to target growth in technical insulation

Ireland

- Distribution business experiencing good growth with improved market conditions
- Good traction and customer wins in contracting businesses, supported by long term trends
- Margin improvement of 170 bps yoy, benefitting from initial volume recovery through network and stable, lower cost base

Ireland snapshot:

£104m revenue:

- £71m Distribution
- £33m Contracting businesses:
 - Infrastructure painting services; Office fit-out design and supply; Bathrooms and Kitchens



J.S. MCCARTHY
LIMITED



Grow: Continued strengthening of customer and supplier engagement in Germany



wego vti
**zusammen.
bauen.**
Die Expertenmesse
2025



Execute: Reshaping cost base and restructuring to drive improved profitability



Group total

- Further reduction in Country and Group corporate overheads
- Reduction of c430 roles in FY 2024
- 17 branch closures in FY 2024, driven by Germany, UK and Benelux



UK Interiors

- New MD Howard Luft joined on 1 October to accelerate operational improvements
- Reduction of c170 roles, including through branch closures and reducing management layers
- Actions in progress to increase sales performance and branch efficiency






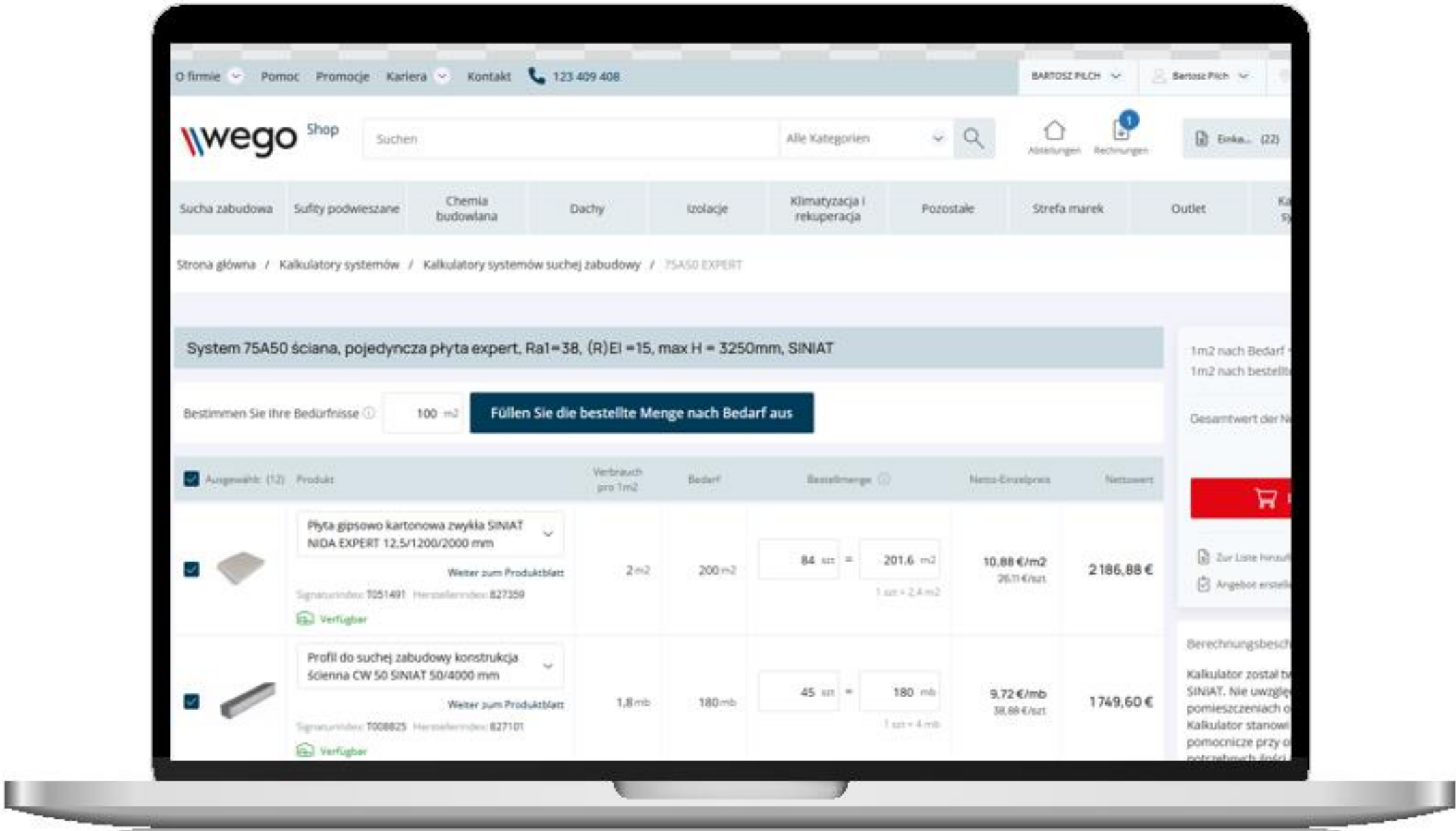
Benelux

- Netherlands business restructured in Q4; closed seven branches and consolidated national operations around Waalwijk Distribution Centre
- Netherlands product mix to narrow to higher margin technical insulation and interiors
- Belgium technical insulation business stable, with positive outlook

Modernise: Good progress on new platforms to drive customer experience



Market	Progress 2024
 Germany	<ul style="list-style-type: none">• New e-commerce site launched in Q3 2024• First B2B distributor in Germany to offer end-to-end omnichannel approach integrated across branch network
 France	<ul style="list-style-type: none">• New LiTT e-commerce site based on Polish and German model in development• New site to launch in 2025
 UK	<ul style="list-style-type: none">• Digitalisation of customer interfaces in UK Roofing supporting customer engagement and sales• New digital and AI-driven tools supporting customer estimates and quotes



Specialise: UK Specialist Markets



Construction Accessories

£121m

FY24 Revenue

Accessories and materials for early-stage infrastructure projects



- Won new contract to supply Anglian water pipeline redevelopment – >300km freshwater pipeline
- Supplying soil stabilisation geotechnical materials to improve pipeline load bearing capacity
- Project required to improve climate resilience of pipeline against flooding

Building Solutions

£68m

FY24 Revenue

Facades, panels and steelwork for warehousing and solar canopies



- Car park solar canopy structures sought by commercial and local government clients
- Contract with Sunderland City Council to design and supply steel structure for public car park
- Structure designed to house EV charging within canopy

Performance Technologies

£48m

FY24 Revenue

A portfolio of performance technology product and fabrication businesses



- Versapanel®, Euroform’s cement particle board, supplied to the new Glass Bottle urban quarter development in Dublin
- The Glass Bottle is a new mixed-use development encompassing almost 4,000 homes, and commercial and retail space
- Product offers sound reduction in a range of commercial, residential and civic buildings - offices, schools, hospitals, hotels.



Five key commitments

		Measure	Change	FY 2024	FY 2023
Net Zero Carbon by 2035		• Net zero carbon emissions ¹	Improved	39,289	42,015
Zero SIG waste to landfill by 2025		• % total waste diverted from landfill	Improved	96%	94%
Health & Safety leader		• LTIFR ²	Improved	8.0	8.4
Employer of choice		• Employee Engagement (eNPS)	Lowered	+9	+14
Reduce supply chain carbon and waste		• Scope 3 emissions supplier engagement ongoing			

Notes: 1) Emissions by scope 1, 2 and business travel in metric tonnes; 2024 emissions affected by lower volumes. 2) Lost Time Injury Frequency Rate per 1,000,000 hours worked on 12 month rolling average.

FY 2024 Results Summary & Outlook



FY 2024 Results

- Robust performance against prolonged weakness in largest end-markets
- Margin impacted by market volume declines, offset by cost actions
- Disciplined cash management with good liquidity
- Successful refinancing completed in October 2024

FY 2025 Outlook

- LFL sales in first two months flat yoy
- H2 weighting to any gradual recoveries in market demand
- Continuing focus on managing near-term margin pressure and strengthening operating platform
- Ongoing targeted investment to support growth
- Cash outflow to moderate with further focus on working capital

Medium to longer term

- Business model and operating leverage will help drive quick and material margin rebound as markets recover
- Medium and long-term growth aided by structural growth tailwinds
- Medium-term target of 5% Group operating margin
- Shareholder value creation



Appendix

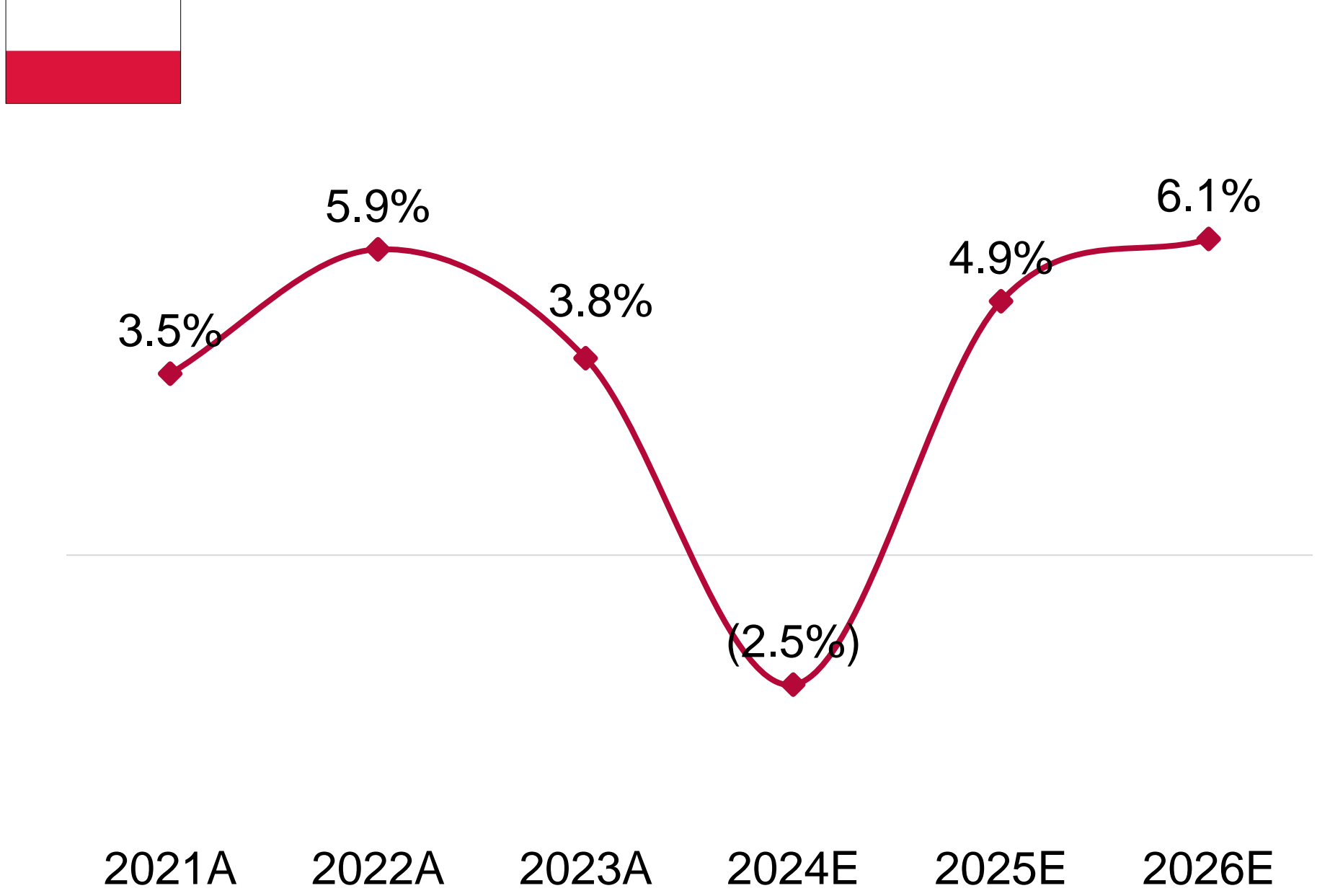
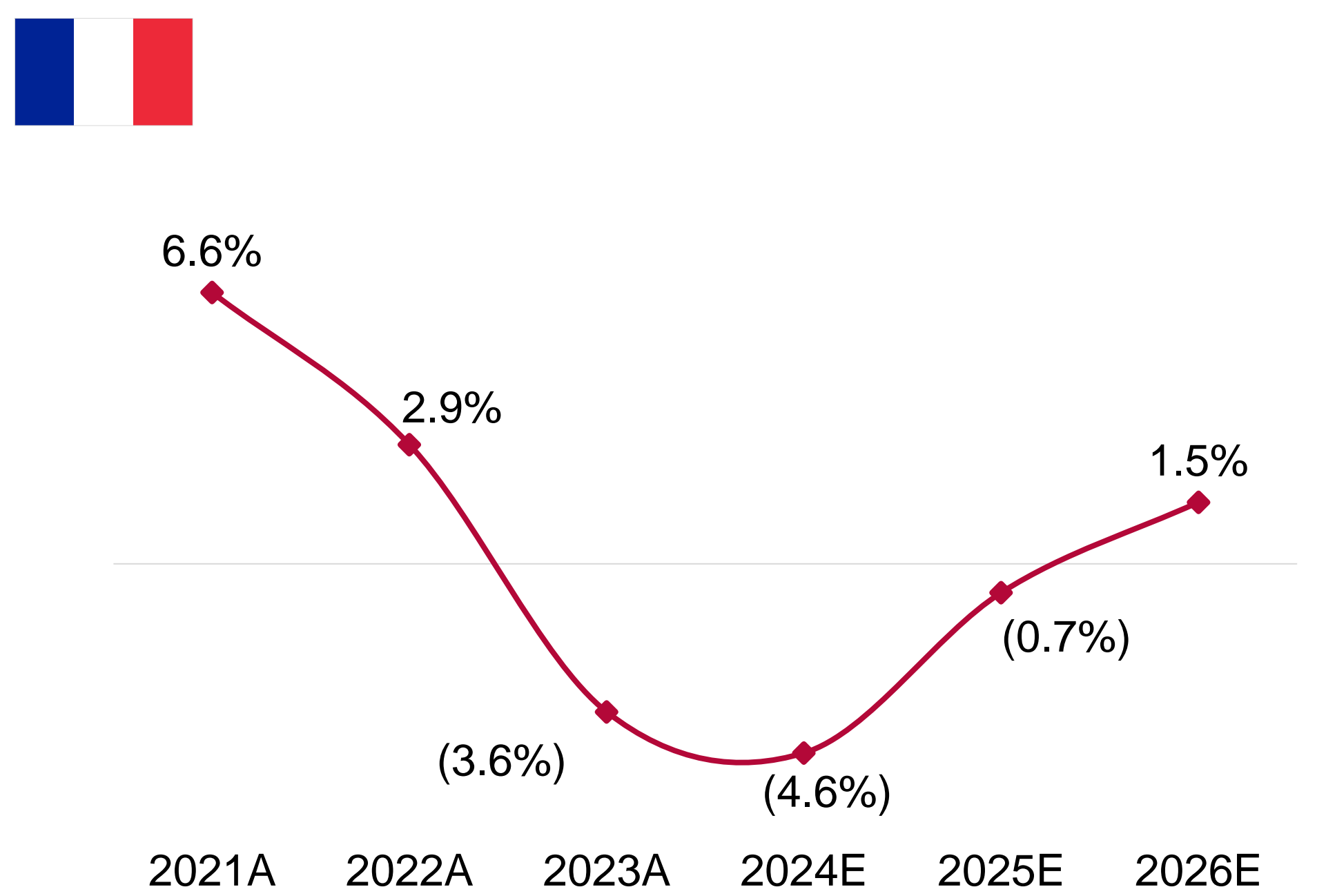
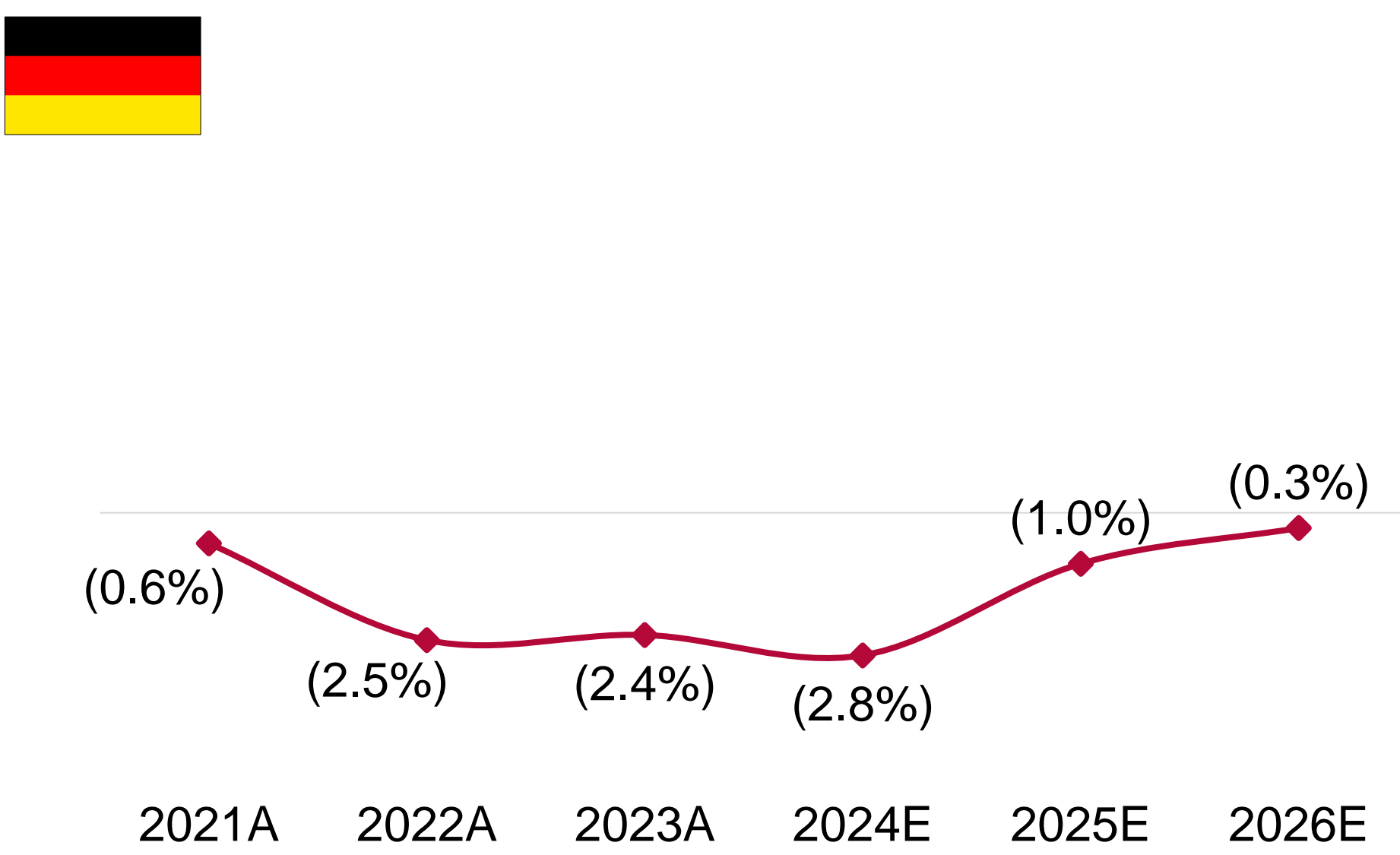
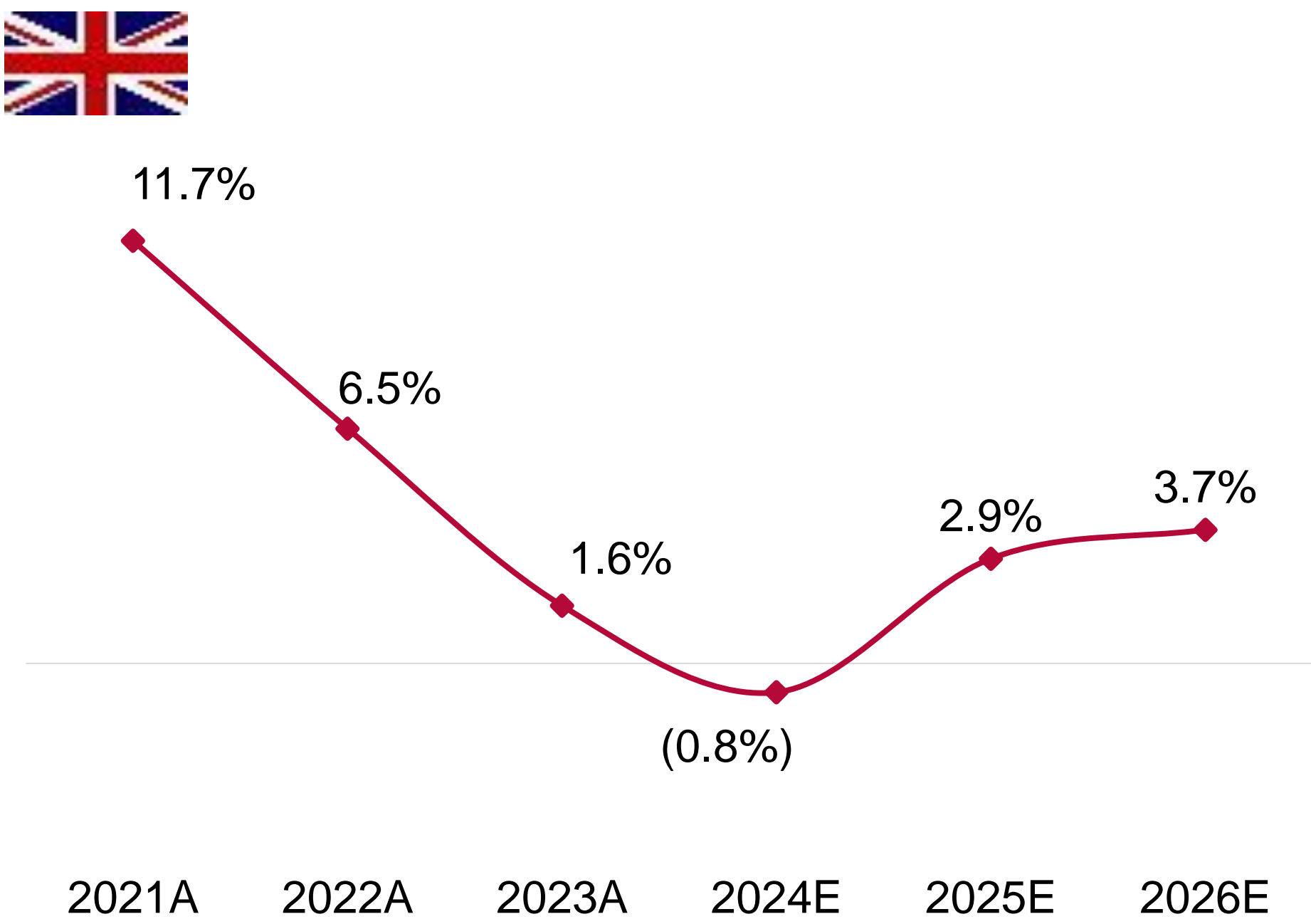
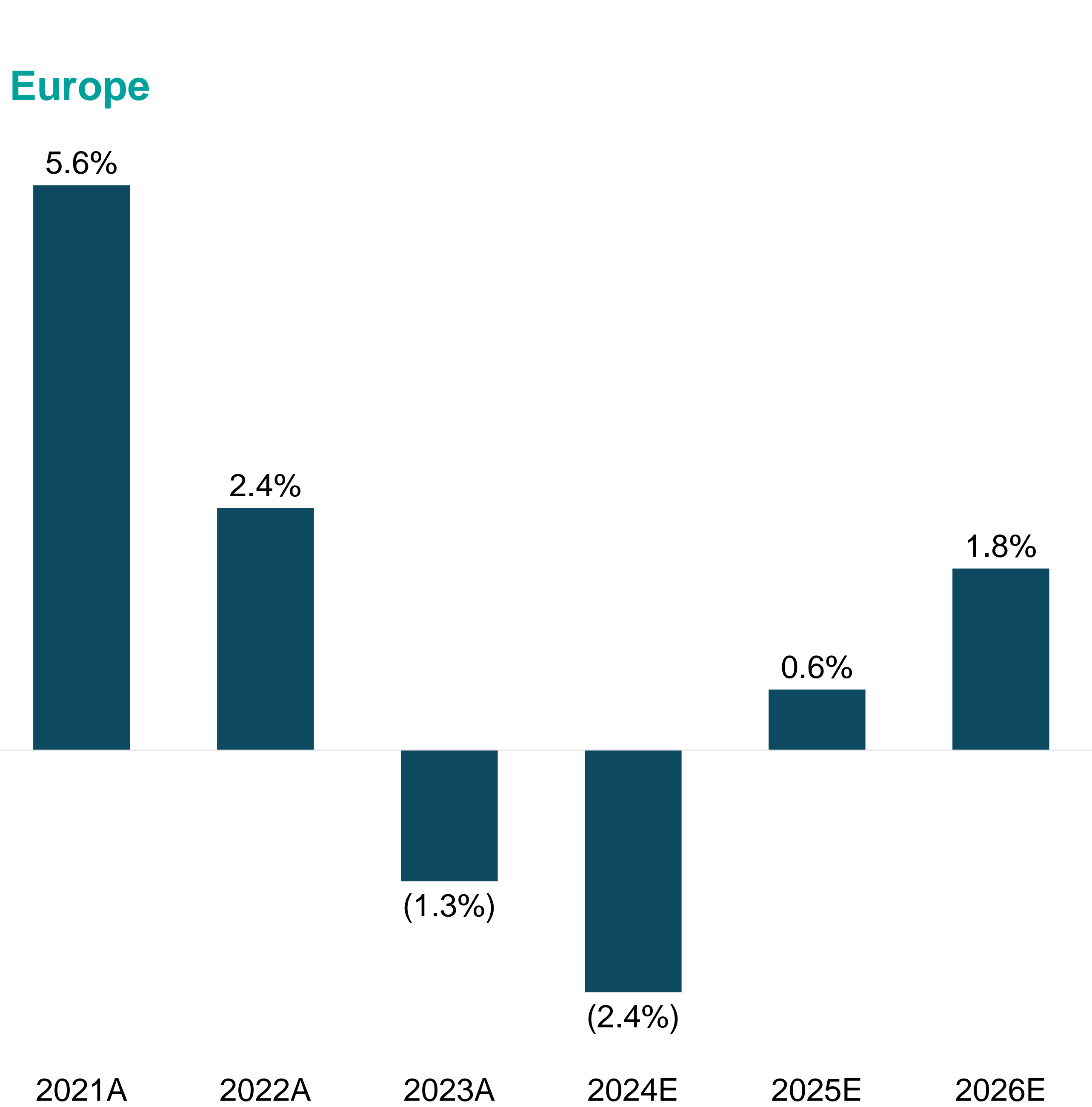
SIG Plc
FY 2024 Results

Market outlook

Construction output forecast in Europe

Evolution of expected construction output in Europe (% change in real terms)

Europe



Source: Euroconstruct 98th edition (November 2024)

Growth drivers – Long-term

Drivers of structural demand within European construction benefit SIG's portfolio

1 Energy efficiency and decarbonisation regulations

Regulations support long-term demand for insulation and wider building envelope materials, and lower-carbon energy solutions - in both RMI and new build

SIG's product portfolio:

Market leader in specialist insulation across Europe

80% of revenue from insulation and wider building envelope related products

Solar panel offering within UK and France Roofing

Growing presence in specialist fire safety products in UK

Regulation examples in UK and EU



Energy Performance of Building Directive



Future Homes Standard and Building Safety Act



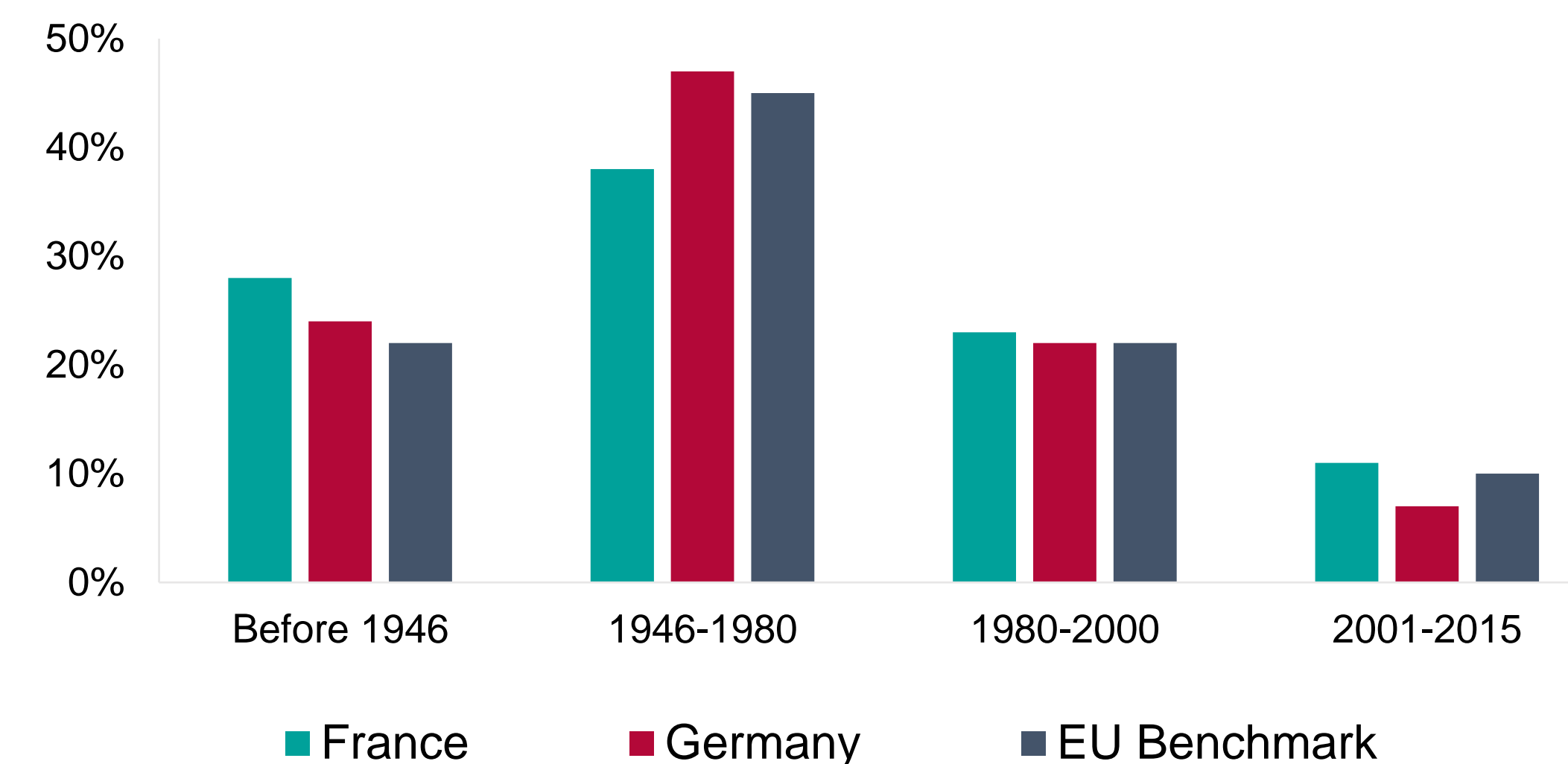
Buildings Energy Act, Federal Funding for Efficient Buildings



MaPrimRénov

2 Ageing buildings across Europe

Significant long-term demand for RMI to address both commercial and residential buildings



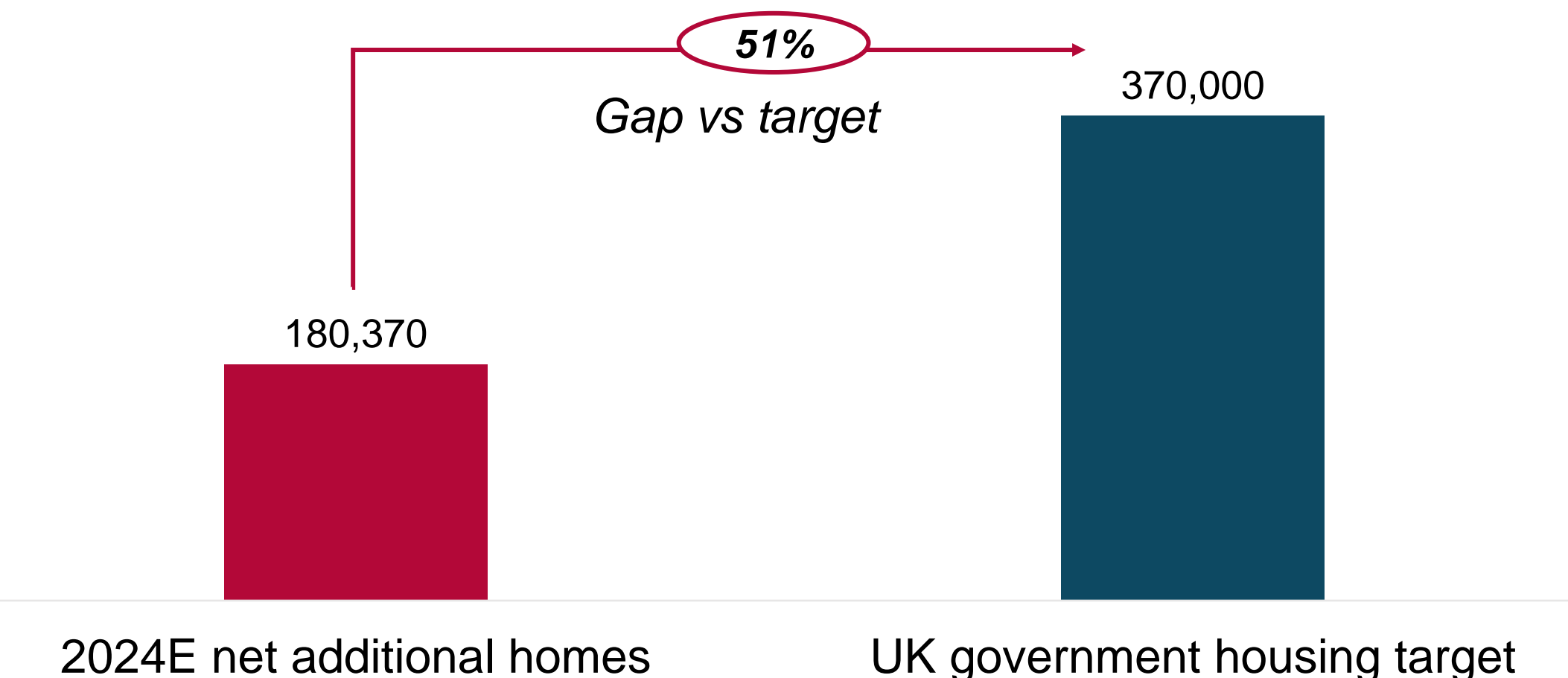
- To achieve Net Zero by 2045, EU countries will focus on renovation and refurbishment of existing buildings, of which +60% do not meet target standards
- Nearly 70% of houses across the EU on average were built before 1980

3 Housing undersupply and pent-up demand

Significant increase in housebuilding rates needed in UK and France to meet government targets



Net additional homes (#)¹



- Low building rates created large pent-up demand from lack of supply, affordability and population growth
- Lower interest rates and government policy stimulus (easing planning) to help with the new housing starts

Underlying financials by segment



	Revenue £'m	LFL	Operating profit/(loss) £'m	Change vs PY £'m	Operating margin	Change vs PY
UK Interiors	495	(10)%	(3.5)	(1.9)	(0.7)%	(0.4)%
UK Roofing	381	2%	13.2	2.6	3.5%	0.6%
UK Specialist Markets	238	(5)%	4.8	(5.5)	2.0%	(2.1)%
Total UK	1,114	(5)%	14.5	(4.8)	1.3%	(0.3)%
France Interiors	200	(7)%	6.2	(4.2)	3.1%	(1.7)%
France Roofing	410	(8)%	8.0	(11.3)	2.0%	(2.3)%
Total France	611	(8)%	14.2	(15.5)	2.3%	(2.1)%
Germany	438	(2)%	4.7	(10.9)	1.1%	(2.3)%
Poland	241	(2)%	4.6	(2.5)	1.9%	(1.1)%
Benelux	104	(8)%	(4.5)	(1.5)	(4.3)%	(1.8)%
Ireland	104	13%	3.3	1.9	3.2%	1.7%
Total Group	2,612	(4)%	25.1	(28.0)	1.0%	(0.9)%

Data represents underlying performance post-IFRS 16. Group stated net of central costs.

Other items



£'m	PBT Impact		Cash Impact
	FY 2024	FY 2023	FY 2024
Amortisation of acquired intangibles	(2.1)	(2.8)	-
Impairment charges	(7.3)	(33.8)	-
Net restructuring costs	(13.4)	(8.0)	(7.8)
Costs related to acquisitions	-	(3.2)	-
Cloud based ERP implementation costs	(1.0)	(2.2)	(0.8)
Onerous contract costs	-	(0.2)	-
Costs associated with refinancing	(3.9)	-	(3.7)
Other	(1.2)	1.1	(0.7)
Impact on operating profit	(28.9)	(49.1)	(13.0)
Non-underlying finance costs	(1.6)	(0.2)	-
Impact on (loss)/profit before tax	(30.5)	(49.3)	(13.0)

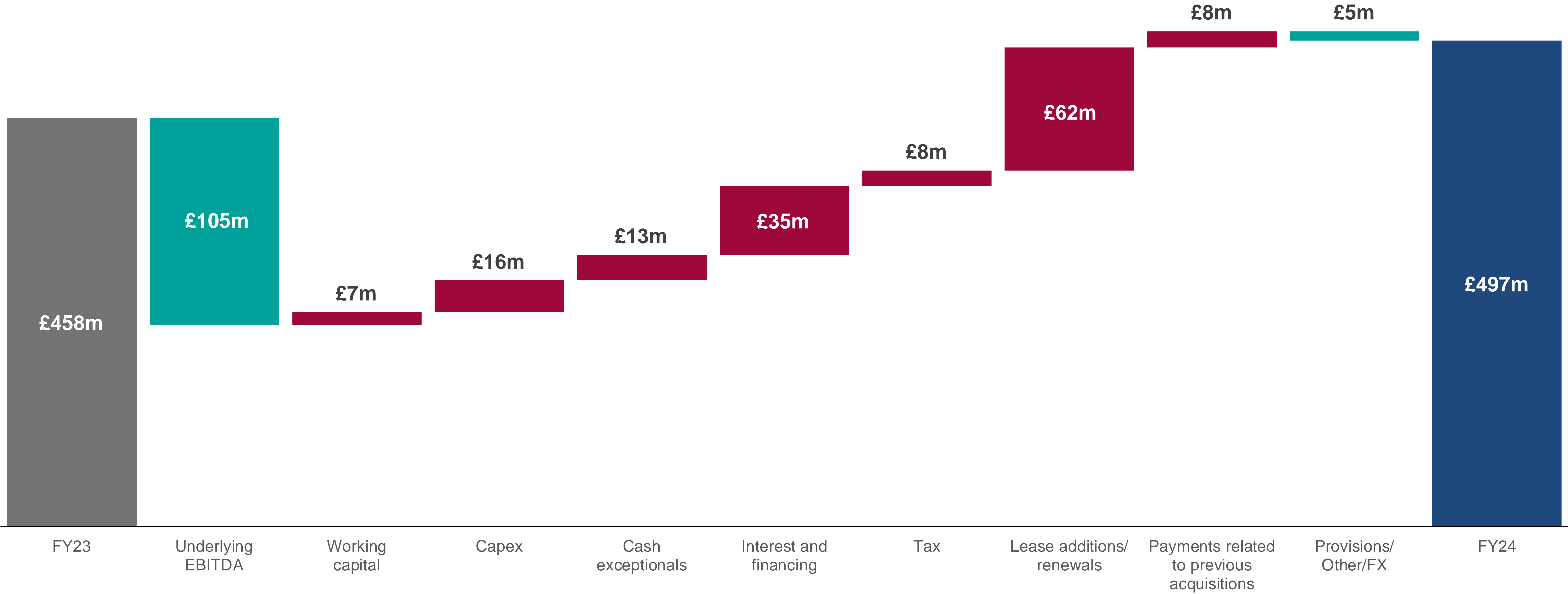
Cash flow and net debt



£'m	FY 2024	FY 2023
Underlying operating profit	25	53
Add back: Depreciation & amortisation	80	79
Underlying EBITDA	105	132
Working capital movements	(7)	2
Repayment of lease liabilities	(67)	(64)
Capital expenditure	(16)	(16)
Cash exceptionals	(13)	(7)
Other	2	5
Operating cash flow	4	53
Interest and financing	(35)	(35)
Tax	(8)	(14)
Free cash flow	(39)	4
Payments related to previous acquisitions	(8)	(1)
Drawdown/(repayment) of debt	7	(1)
Total cash flow	(40)	3
Cash at beginning of the period	132	130
FX impact	(5)	(1)
Cash at end of the period	87	132
Bond (2024: new €300m bond plus €13.5m stub)	(261)	(259)
Other debt	(3)	(5)
Net debt - pre leases	(176)	(132)
Net leases	(321)	(327)
Net debt - post leases	(497)	(458)

- Modest working capital outflow, reflecting timings of payments and receipts
- Lease payments increasing yoy; underlying rent increases partially offset by increase in discount rate on renewals
- Capex primarily branch maintenance, renovation and HSE
- Cash exceptionals include restructuring (£8m), refinancing (£4m), and Poland ERP implementation (£1m)
- Underlying lease interest increased by £3m, reflecting higher levels of lease liability, offset by new bond coupon payment timings
- Final deferred and contingent payments made on 2022 Miers acquisition
- Net drawdown of debt refers to stub remaining on old bond (£11m), less arrangement fees on refinancing, less repayment of bank loan acquired with Miers
- Leases broadly unchanged yoy with additions and renewals offset by unwind of historic liabilities and FX movement

Net debt bridge



Number of trading sites



	31 Dec 2023	Opened	Merged	Closed	31 Dec 2024
UK Interiors	34	-	(1)	(3)	30
UK Roofing	110	1	-	-	111
UK Specialist Markets	30	-	-	(1)	29
Total UK	174	1	(1)	(4)	170
France Interiors	39	1	-	-	40
France Roofing	102	-	-	(2)	100
Total France	141	1	-	(2)	140
Germany	53	1	-	(4)	50
Poland	48	3	(1)	-	50
Benelux	12	-	-	(7)	5
Ireland	11	-	-	-	11
Total Group	439	6	(2)	(17)	426