

# 4imprint Group

## Steady hands on the tiller

4imprint is continuing its steady approach in a US market facing uncertainties from the imposition of tariffs and with vacillating business confidence. The impact has been limited so far, with first-half revenue holding up well and a small edge up in operating margin. The second half, though, is more likely to be affected by suppliers starting to replenish the inventory bought at lower price points. We do not expect 4imprint to be passing on those price rises in full, resulting in a temporary modest squeeze on margin through H225 and FY26. As in previous difficult trading periods, potential turbulence presents an opportunity for further market share gains, given the group's inherent financial strength and strong cash generation. Net cash was US\$102m at the half-year end.

Year end	Revenue (\$m)	PBT (\$m)	EPS (¢)	DPS (¢)	P/E (x)	Yield (%)
12/23	1,326.5	140.7	377.85	215.00	12.7	4.5
12/24	1,367.9	154.4	416.27	240.00	11.5	5.0
12/25e	1,320.0	135.4	364.95	240.00	13.2	5.0
12/26e	1,335.0	123.5	330.09	240.00	14.6	5.0

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. DPS excludes special dividends.

## Solid performance in H1

H1 revenue was 1% down on the previous year, with a similar pattern to the prior reporting period in resilient demand from existing customers and a slower pace of new customer recruitment, reflecting the backdrop of economic uncertainty. There was a small edge up in operating profit margin from 10.5% to 10.7%, reflecting advantageous timing on pricing versus broadly flat supplier prices and the group's perennial flexibility in determining the mix of marketing spend. Revenue per marketing dollar, a key group KPI, was \$7.79 in the period, up from \$7.64 in H124. Underlying cash conversion was 118%, with the group ending H1 with \$102.3m in net cash (lease debt only) despite having paid out dividends totalling \$119.9m in the period, a sum which includes the special dividend declared for FY24.

## Less certain conditions for H225 and FY26

At the time of writing, negotiations continue between the US administration and China on tariffs, with a wide range of potential outcomes. However, what is certain is that the supplier base is restocking at higher input prices. 4imprint has the financial resilience to play the long game here, absorbing some of the margin pressure, adapting its marketing strategy and positioning itself to build market share. We have taken a more cautious stance on our modelled operating margin for both H225 and FY26, moving from 10.5% to 9.8% for FY25 and from 10.7% to 8.7% for FY26.

## Valuation: Still well below DCF

4imprint's share price is down 21% year to date, but the rating remains well ahead of the marketing services sector, reflecting its earnings quality, attractive cash conversion and distribution policies, in our view. We have recalculated the discounted cash flow on the basis of our revised estimates. On a WACC of 9% and terminal growth of 3%, as previously, the implied value is now £46.84/share, from £52.35 in May, 30% above the current share price.

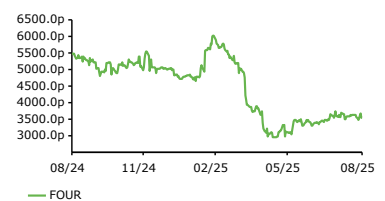
## Interim results

Media

6 August 2025

<b>Price</b>	<b>3,615.00p</b>
<b>Market cap</b>	<b>£1,052m</b>
	US\$1.33:£1
Net cash/(debt) at 30 June 2025	\$102.3m
Shares in issue	28.2m
Free float	97.6%
Code	FOUR
Primary exchange	LSE
Secondary exchange	N/A

## Share price performance



%	1m	3m	12m
Abs	1.8	18.2	(25.6)
52-week high/low		5,498.4p	2,653.8p

## Business description

4imprint Group is a leading direct marketer of promotional products in the United States, Canada, the UK and Ireland. In FY24, 98% of revenues were generated in the US and Canada.

## Next events

Trading update	November 2025
----------------	---------------

## Analyst

Fiona Orford-Williams +44 (0)20 3077 5700

[tmt@edisongroup.com](mailto:tmt@edisongroup.com)

[Edison profile page](#)

**4imprint Group is a research client of Edison Investment Research Limited**

## H125 results show resilience

Reported revenue down 1% over H124 has a slight timing benefit, with the value of orders received in the period down by 3% and a flat average order value. This nevertheless represents an outperformance of the market, which industry body the Advertising Specialty Institute reckons to have dipped 3.6% in Q125 and 3.2% in Q225, implying that 4imprint's market share continues to build. Existing customer retention has been good, with the bringing on board of new customers proving more difficult. This is consistent with a macroeconomic environment, coloured by uncertainty, in which businesses are hesitant to spend on promotion. 125,000 new customers were recruited in the period, down from 145,000 in H124, placing 217,000 orders, down from 250,000. Orders from existing customers were very slightly up on the previous year.

Gross margin was slightly up at 32.8% (32.1%), reflecting the timing difference between sale and input pricing changes.

### Exhibit 1: H125 key performance indicators

\$m	H124	H224	FY24	H125	change on prior year
Revenue	667.5	700.1	1,367.9	659.4	-1.2%
Gross profit	214.3	221.0	435.3	216.5	1.0%
Gross profit margin	32.1%	31.6%	31.8%	32.8%	
Marketing costs	(87.4)	(86.3)	(173.7)	(84.7)	-3.1%
Rev per mktg \$	7.64	8.12	7.88	7.79	1.9%
Operating profit	69.9	78.2	148.1	70.7	1.1%
Operating margin	10.5%	11.2%	10.8%	10.7%	

Source: Company accounts

## Taking a more cautious view on H225 and FY26

With so much uncertainty on the bigger picture for the North American corporate market, but with underlying trends that prices from suppliers are going up, it makes sense to take a more cautious stance over the likely out-turn for H225 and then with a whole year's impact for FY26. The conclusion of tariff negotiations might result in a significantly different outcome. Based on 4imprint management's previous attitudes to suppliers and customers during difficult trading periods, these figures assume that the preference will be to take a degree of the pain on margins to protect and grow market share. This will improve the longer-term outlook for the business, with the significant cushioning afforded by the reserves of cash.

### Exhibit 2: Changes to forecasts

\$m	Previous FY25	New FY25	Change	Previous FY26	New FY26	Change
Revenue	1,320	1,320	0.0%	1,390	1,335	-4.0%
Operating profit	138.1	129.0	-6.6%	149.3	116.5	-22.0%
PBT	144.1	135.4	-6.0%	156.3	123.5	-21.0%
EPS (\$)	3.88	3.65	-6.0%	4.18	3.30	-21.0%

Source: Edison Investment Research

In light of these changes, we now model a maintained ordinary dividend for both FY25 and FY26, which remains comfortably covered and which provides the stock with a premium yield.

**Exhibit 3: Financial summary**

	\$m	2022	2023	2024	2025e	2026e
Year end 31 December		IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>						
Revenue		1,140.3	1,326.5	1,367.9	1,320.0	1,335.0
Cost of Sales		(818.7)	(924.6)	(932.5)	(897.6)	(912.5)
Gross Profit		321.6	401.9	435.4	422.4	422.5
EBITDA		108.4	142.6	155.1	136.1	123.6
Operating profit (before amort. and excepts.)		102.9	136.2	148.1	129.0	116.5
Intangible Amortisation		0.0	0.0	0.0	0.0	0.0
Exceptionals		0.0	0.0	0.0	0.0	0.0
Pensions and share options		(0.8)	(1.1)	(1.4)	(2.9)	(2.0)
Operating Profit		102.9	136.2	148.1	129.0	116.5
Net Interest		0.8	4.5	6.3	6.4	7.0
Net pension finance charge		0.0	0.0	0.0	0.0	0.0
Profit Before Tax (norm)		103.7	140.7	154.4	135.4	123.5
Profit Before Tax (IFRS)		103.7	140.7	154.4	135.4	123.5
Tax		(23.6)	(34.5)	(37.2)	(33.2)	(30.3)
Profit After Tax (norm)		80.1	106.2	117.2	102.2	93.2
Profit After Tax (IFRS)		80.1	106.2	117.2	102.2	93.2
Discontinued businesses		0.0	0.0	0.0	0.0	0.0
Net income (norm)		80.1	106.3	117.2	103.0	93.3
Net income (IFRS)		80.1	104.4	117.2	102.2	93.2
Average Number of Shares Outstanding (m)		28.1	28.1	28.2	28.2	28.3
EPS - normalised fully diluted (c)		285.6	377.9	416.3	364.9	330.1
EPS - (IFRS) (c)		285.0	377.0	415.3	364.1	330.0
Dividend per share (c)		160.0	215.0	240.0	240.0	240.0
Special dividend per share (c)		200.0	0.0	250.0	0.0	0.0
Gross Margin (%)		28.2	30.3	31.8	32.0	31.6
EBITDA Margin (%)		9.5	10.8	11.3	10.3	9.3
Operating Margin (before GW and except.) (%)		9.0	10.3	10.8	9.8	8.7
<b>BALANCE SHEET</b>						
Fixed Assets		47.9	51.4	58.0	55.0	52.0
Intangible Assets		1.0	1.0	1.0	1.0	1.0
Other intangible assets		1.0	0.5	0.3	0.3	0.3
Tangible Assets		29.3	34.7	49.3	47.9	46.5
Right of use assets		13.1	11.4	4.2	2.6	1.0
Deferred tax assets		2.4	3.8	3.2	3.2	3.2
Retirement benefit asset		1.2	0.0	0.0	0.0	0.0
Current Assets		192.4	186.9	229.5	194.5	242.8
Stocks		18.1	13.6	17.1	17.0	17.4
Debtors		87.5	68.4	64.4	60.3	62.2
Cash and short-term deposits		86.8	104.5	147.6	116.8	162.9
Other		0.0	0.4	0.4	0.4	0.4
Current Liabilities		(87.4)	(91.3)	(96.9)	(91.7)	(90.9)
Creditors		(86.0)	(89.9)	(95.0)	(89.8)	(89.0)
Short term borrowings		0.0	0.0	0.0	0.0	0.0
Lease liabilities		(1.4)	(1.4)	(1.9)	(1.9)	(1.9)
Long Term Liabilities		(12.7)	(12.5)	(5.5)	(5.5)	(5.5)
Long term borrowings		0.0	0.0	0.0	0.0	0.0
Lease liabilities		(12.3)	(10.9)	(3.4)	(3.4)	(3.4)
Other long term liabilities		(0.4)	(1.6)	(2.1)	(2.1)	(2.1)
Net Assets		140.2	134.5	90.7	152.3	198.4
<b>CASH FLOW</b>						
Operating Cash Flow		101.3	166.9	162.1	138.5	142.8
Net Interest		0.7	3.9	6.3	6.4	7.0
Tax		(20.8)	(33.8)	(35.8)	(34.2)	(31.0)
Capex		(8.0)	(9.7)	(19.6)	(4.1)	(4.0)
Acquisitions/disposals		(1.7)	0.0	0.0	0.0	0.0
Pension contributions		(4.4)	(6.5)	0.0	0.0	0.0
Financing		(0.9)	2.5	(2.0)	(0.9)	(0.9)
Dividends		(18.7)	(110.8)	(65.5)	(138.5)	(68.0)
Other/ Capital portion of lease repayments		(2.4)	5.3	(1.4)	2.0	0.0
Net Cash Flow		45.2	17.8	44.1	(30.8)	45.9
Opening net debt/(cash and short-term deposits)		(41.6)	(86.8)	(104.5)	(147.6)	(116.8)
Net impact of disposals etc		0.0	0.0	0.0	0.0	0.0
Other		0.0	0.0	(1.0)	0.0	0.0
Closing net debt/(cash)		(86.8)	(104.5)	(147.6)	(116.8)	(162.7)

Source: Company accounts, Edison Investment Research

---

## General disclaimer and copyright

This report has been commissioned by 4imprint Group and prepared and issued by Edison, in consideration of a fee payable by 4imprint Group. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

**Accuracy of content:** All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

**Exclusion of Liability:** To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

**No personalised advice:** The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

**Investment in securities mentioned:** Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2025 Edison Investment Research Limited (Edison).

---

## Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

---

## New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

---

## United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

---

## United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

---