

AGM statement: momentum maintained

18 September 2025

In a statement to accompany today's AGM, Supreme reports that the Group has "continued to see good momentum across its portfolio in the first half of the current financial year" (H126). The Group highlights the combination of strong recent (FY25) financial performance and strategy of complementary acquisitions.

- The Group noted strong FY25 results. We highlight: revenue +4%YoY (£231.1m) and gross profit (incl. forex) +16%YoY (£73.7m), with acquisitions to the value of £25.0m adding c.£40.0m (annualised basis) in non-vape revenue, and the year-end closing net cash positive (pre-IFRS 16) at £1.2m (FY24: £11.6m).
- Supreme notes that "acquisitions remain a core driver of Supreme's growth strategy", the most recent being the earnings-enhancing acquisition of the 1001 carpet care brand, broadening the Group's portfolio and consumer presence. The AGM statement reports "a robust M&A pipeline, capable of offering opportunities across various product categories and markets", whilst "M&A activity has fuelled new product development".

On changes in the UK market for vaping products, Supreme reports that it "continues to successfully navigate the evolving UK vaping market, having strategically managed the ban on disposable vapes, which came into effect on 1 June 2025, as well as the transition to pods and other vaping alternatives". As a result, the Group reports that it has retained all major customers, thus "ensuring continued growth and stability in the segment".

Clear strategic direction and a growing brand presence

UK August inflation (announced on 17th September) remained at the July level of 3.8%, with commentary focused on the impact of the increase in employer National Insurance Contributions feeding through to supermarket food prices in particular (with food and non-alcoholic drinks prices up 5.1%YoY). In this light, Supreme's AGM statement indicates encouraging, positive momentum across its range of consumer products and household staples (e.g. lighting products and batteries). As the Group notes, growth prospects are underpinned by a continuing series of astute acquisitions – Clearly Drinks, Typhoo Tea, 1001 – and the ability to both manage, and diversify away from, an earlier exposure to disposable vapes. In particular, we note the importance of the Group's centralised distribution and management centre (the 'Ark') and the resulting ability to meet the demands of both its major nationwide, and localised, retailers. The AGM report confirms that Supreme expects FY26 trading to be in line with market expectations¹.

Our Fair Value estimate remains 225p per share.

Company data	
EPIC	SUP.L
Price (last close)	182p
52 weeks Hi/Lo	205p/125/p
Market cap	£214m
ED Fair Value / share	225p
Net cash 2025A	£1.2m
Avg. daily volume (3m)	40,370



Source: Investing.com

Description

Supreme plc is a manufacturer, supplier and brand owner of fast-moving consumer products in three categories: Electricals (batteries, lighting); Vaping; and Drinks & Wellness. It supplies leading brands such as Aldi, Amazon, Asda, B&M, Costcutter, Halfords, Home Bargains, Iceland, Morrisons, The Range, Sainsbury's, Tesco, Waitrose and, in addition, HM Prison & Probation Service. The Group has over 3,300 active business accounts with over 10,000 branded retail outlets.

Next event

November 2025 Interim Results

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Key financials & valuation metrics					
Yr to March 31 (£m)	2023A	2024A	2025A	2026E	2027E
Revenue	155.6	221.2	231.1	240.0	241.0
EBITDA (adj)	19.4	38.1	40.5	36.0	37.6
EPS (adj, p)	11.2	19.8	20.5	19.5	20.8
DPS (p)	4.6	3.7	5.2	4.5	4.8
Net cash / (debt)	(11.1)	9.8	1.2	12.5	28.9
EV/EBITDA	10.9x	5.6x	5.2x	5.9x	5.6x
P/E	16.3x	9.2x	8.9x	9.4x	8.8x
Div yield	2.5%	2.0%	2.9%	2.5%	2.6%
(adj.) EBITDA margin	12.5%	17.2%	17.5%	15.0%	15.6%

Source: Company data, Equity Development estimates. ¹ Company stated analysts' consensus estimates immediately prior to the AGM statement of revenue of £236m, and (adj.) EBITDA of £35.8m.

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P&L

£m	H1 24A	H2 24A	H1 25A	H2 25A	FY23A	FY24A	FY25A	FY26E	FY27E
Electricals	23.4	33.6	25.5	27.9	55.0	57.0	53.4	54.0	55.0
Vaping	69.5	70.8	68.5	60.5	76.1	140.3	129.0	115.0	110.0
Drinks & Wellness	12.2	11.7	19.0	29.8	24.6	23.9	48.8	71.0	76.0
Revenue	155.6	105.1	113.0	221.2	113.0	118.1	231.1	240.0	241.0
Gross pre forex	27.9	34.5	33.5	38.9	39.6	62.4	72.4	73.4	75.2
<i>Gross margin</i>	26.6%	29.7%	29.6%	33.0%	25.4%	28.2%	31.3%	30.6%	31.2%
Gross inc forex	28.5	35.0	34.1	39.6	40.9	63.5	73.7	74.9	76.7
<i>Mrg</i>	27.2%	30.1%	30.1%	33.6%	26.3%	28.7%	31.9%	31.2%	31.8%
Sum Op-ex	(15.5)	(16.1)	(20.6)	(20.6)	(28.2)	(31.5)	(41.2)	(46.3)	(46.0)
One-off costs	0.5	(1.1)	1.8	(1.8)	(0.8)	(0.6)	0.0	(1.0)	(0.5)
One off gain	0.0	0.0	0.0	0.7	2.8	0.0	0.7	0.0	0.0
EBIT Reported	13.1	18.9	13.5	19.8	15.4	31.4	33.3	28.6	30.7
EBIT Adjusted	12.6	20.1	15.3	21.6	16.3	32.0	32.5	29.6	31.2
<i>Mrg</i>	12.0%	17.3%	13.6%	18.3%	10.5%	14.5%	14.1%	12.3%	12.9%
Depreciation	(1.8)	(2.0)	(2.3)	(4.2)	(2.2)	(3.8)	(6.4)	(4.9)	(4.9)
Amortisation	(0.8)	(1.5)	(0.9)	(0.7)	(0.9)	(2.3)	(1.5)	(1.5)	(1.5)
EBITDA Reported	15.7	21.8	16.6	24.6	18.6	37.5	41.2	35.0	37.1
EBITDA Adjusted	15.2	22.9	18.5	22.0	19.4	38.1	40.5	36.0	37.6
<i>Mrg</i>	14.5%	19.7%	16.3%	18.6%	12.5%	17.2%	17.5%	15.0%	15.6%
Financial income	0.00	0.14	0.12	0.04	0.03	0.15	0.16	0.00	0.00
Financial expense	(0.8)	(1.3)	(0.7)	(1.0)	(1.0)	(2.0)	(1.8)	(1.8)	(1.8)
PBT Reported	12.3	17.2	12.9	18.8	14.4	29.5	31.7	26.9	28.9
PBT Adjusted	11.8	18.3	14.7	16.2	15.3	30.1	30.9	27.9	29.4
Tax	(3.0)	(4.7)	(2.2)	(5.2)	(2.5)	(7.7)	(7.4)	(6.7)	(7.2)
Reported tax rate	24.5%	27.1%	17.1%	27.7%	20.0%	26.1%	25.0%	25.0%	25.0%
PAT Reported	9.3	12.6	10.7	13.6	12.1	21.8	24.3	20.1	21.7
PAT Adjusted	8.8	13.7	12.5	11.0	12.9	22.4	23.5	21.1	22.2
Amortisation & tax items	0.2	0.0	0.5	0.0	1.8	2.6	0.4	3.3	3.3
PAT Adjusted	9.5	12.6	13.0	13.6	13.8	24.4	24.7	23.4	25.0
Diluted wtd. av. shares (m)	124.0	123.7	120.4	120.5	123.5	123.7	120.5	120.5	120.5
EPS rptd. basic (p)	7.9	10.7	9.2	11.6	10.3	18.6	20.8	17.3	18.6
EPS adj. dil. (p)	7.7	10.2	10.8	11.3	11.2	19.8	20.5	19.5	20.8

Source: Company data, Equity Development estimates.

Cashflow

Yr to March 31 (£m)	H1 24A	H2 24A	H1 25A	H2 25A	FY23A	FY24A	FY25A	FY26E	FY27E
PAT Reported	9.3	12.6	10.7	13.6	12.0	21.8	24.3	20.1	21.7
One-off items	(0.5)	0.7	(1.8)	(2.3)	0.8	0.2	(4.2)	1.0	0.5
Depreciation	1.8	2.0	2.3	4.2	2.2	3.8	6.4	4.9	4.9
Amortisation	0.8	0.9	0.9	1.4	0.9	1.7	2.3	1.5	1.5
Tax	3.0	4.7	2.2	5.2	2.5	7.7	7.4	6.7	7.2
Finance/other	0.4	2.1	0.1	2.1	(0.0)	2.4	2.1	1.8	1.8
Operating Cash Flow	14.8	22.9	14.3	24.1	18.4	37.6	38.4	36.0	37.6
(Increase)/Decrease inventories	(5.2)	6.4	(6.8)	4.8	2.9	1.2	(2.0)	3.5	(3.4)
(Increase)/Decrease in receivables	(21.0)	6.3	3.5	(4.5)	(0.7)	(14.7)	(0.9)	9.3	(0.1)
Increase/(Decrease) in payables	14.4	(6.7)	(2.7)	(0.0)	(0.0)	7.7	(2.7)	(7.6)	0.1
Movement in working capital	(11.8)	6.0	(5.9)	0.3	2.2	(5.8)	(5.7)	5.2	(3.5)
Cash generated by operations	2.9	28.9	8.3	24.3	20.6	31.8	32.7	41.2	34.1
Tax (paid)/received	(2.5)	(2.8)	(0.7)	(6.2)	(1.3)	(5.3)	(6.8)	(6.7)	(7.2)
Net cash from operations	0.4	26.1	7.7	18.2	19.3	26.5	25.8	34.5	26.9
Interest received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Intangibles	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)	0.0	0.0
PPE	(2.8)	(2.5)	(1.1)	(2.1)	(1.3)	(5.3)	(3.1)	(3.3)	(3.5)
Acquisition	0.0	(2.5)	(15.6)	(10.0)	(10.1)	(2.5)	(25.6)	0.0	0.0
Sale of PPE	0.1	0.1	0.9	0.1	4.0	0.1	1.0	0.0	0.0
Net cash used in investing	(5.2)	(6.1)	(15.7)	(11.7)	(7.6)	(11.3)	(27.3)	(3.3)	(3.5)
Net OpFCF	(4.8)	20.0	(8.0)	6.5	11.7	15.2	(1.5)	31.2	23.4
Borrowings (net)	5.5	(9.9)	0.0	2.0	(1.3)	(4.4)	2.0	0.0	0.0
Share issue	0.0	(1.0)	0.0	0.3	0.3	(1.0)	0.3	0.0	0.0
Interest paid	(0.4)	0.4	(0.4)	(0.4)	(0.8)	0.0	(0.8)	0.0	0.0
Leases	(0.5)	(0.7)	(0.7)	(0.7)	(1.0)	(1.2)	(1.4)	(1.4)	(1.4)
Dividend	(2.6)	(1.8)	(3.7)	(2.1)	(5.4)	(4.3)	(5.8)	(5.3)	(5.5)
Net cash from financing	2.1	(13.7)	(4.9)	(1.2)	(8.2)	(11.6)	(6.1)	(6.7)	(6.9)
Net change cash	(2.7)	6.2	(12.9)	5.3	3.5	3.6	(7.6)	24.5	16.4
Cash start	7.5	4.9	11.0	(1.9)	3.9	7.5	11.0	3.4	27.9
Forex	0.0	(0.1)	(0.1)	0.1	0.1	(0.1)	0.0	0.0	0.0
Cash end	4.9	11.0	(1.9)	3.4	7.5	11.0	3.4	27.9	44.3

Source: Company data, Equity Development estimates.

Balance sheet

Yr to March 31 (£m)	H1 24A	H2 24A	H1 25A	H2 25A	FY23A	FY24A	FY25A	FY26E	FY27E
Intangible assets	14.4	13.7	19.3	21.2	15.3	13.7	21.2	19.7	18.2
PPE net	7.1	21.4	15.4	30.8	20.8	21.4	30.8	29.2	27.9
RoU	14.7	0.0	12.7	0.0	0.0	0.0	0.0	0.0	0.0
Investments	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Sum Fixed Assets	36.2	35.1	47.6	52.0	36.1	35.1	52.0	49.0	46.1
Inventories	30.8	24.4	32.3	36.3	25.6	24.4	36.3	32.9	36.3
Trade receivables	41.9	35.6	35.1	42.2	20.9	35.6	42.2	32.9	33.0
Tax assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial insts	0.9	0.0	0.3	0.8	0.0	0.0	0.8	0.8	0.8
Cash	4.9	11.0	(1.9)	3.2	7.5	11.0	3.2	27.9	44.3
Sum Current Assets	78.6	71.1	65.8	82.5	54.0	71.1	82.5	94.5	114.5
Total Assets	114.9	106.2	113.4	134.6	90.1	106.2	134.6	143.5	160.6
Trade payables	(39.8)	(27.3)	(28.4)	(33.7)	(26.1)	(27.3)	(33.7)	(26.1)	(26.2)
Bank borrowings	(9.7)	(1.3)	(1.0)	(3.3)	(4.3)	(1.3)	(3.3)	(3.3)	(3.3)
Tax, Other	(3.2)	(5.5)	(8.9)	(6.4)	(3.2)	(5.5)	(6.4)	(6.4)	(6.4)
Sum Current Liabilities	(52.7)	(34.0)	(38.2)	(43.4)	(34.3)	(34.0)	(43.4)	(35.9)	(36.0)
Total Assets less Current Liabilities	62.1	72.1	75.2	91.2	55.8	72.1	91.2	107.6	124.6
Bank borrowings non-current	(13.8)	(13.4)	(13.1)	(12.1)	(14.3)	(13.4)	(12.1)	(12.1)	(12.1)
Tax/Provisions	(0.6)	(1.3)	(1.1)	(2.1)	(1.6)	(1.3)	(2.1)	(2.1)	(2.1)
Sum Long-term liabilities	(14.3)	(14.8)	(14.2)	(14.7)	(15.9)	(14.8)	(14.7)	(13.7)	(12.7)
Total liabilities	(67.1)	(48.8)	(52.4)	(58.1)	(50.2)	(48.8)	(58.1)	(49.6)	(48.7)
Net Assets	47.8	57.4	61.0	76.5	40.0	57.4	76.5	93.9	111.9
Share Capital	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7
Share Premium	7.4	7.4	7.6	7.7	7.4	7.4	7.7	6.0	(1.0)
Capital Reserve	(22.0)	(22.0)	(22.0)	(21.9)	(22.0)	(22.0)	(21.9)	(21.9)	(21.9)
Retained earnings	46.5	56.8	63.8	74.6	39.8	56.8	74.6	98.1	123.1
Equity	47.8	58.0	65.3	76.5	40.0	58.0	76.5	93.9	111.9
Net cash / (debt) pre IFRS 16	(18.6)	(3.7)	(16.0)	1.2	(11.1)	9.8	1.2	12.5	28.9

Source: Company data, Equity Development estimates

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