

Hiding in plain sight

25 November 2025

Margin progression, cash generation and dividend growth – as well as a material, post period end acquisition – were all notable features of H1 26. A sharpened and connected business portfolio with leading market positions, clear strategic growth drivers and demonstrable results are together delivering above sector performance against a generally subdued economic backdrop. The foundations are in place to continue to capture market share in a more favourable cyclical environment, though this is not currently factored in. Our updated fair value estimate is now 397p per share, c.30% above current share price levels.

Strategic re-balancing delivered: The acquisitions of Merlyn (FY18), Grant Westfield (FY23) and now FIBO (FY26) added scale businesses with strong brands and market positions with sustainability drivers, fitting with other group companies in the core bathroom products market. Having also exited weaker brand/capital-intensive tile manufacturing operations in the UK (FY24) and South Africa (FY26), Norcros has undertaken a significant business re-balancing. Noting that the group DB pension scheme is now almost fully funded, we suggest that greater emphasis on the group's progressive strategic ambition will come more to the fore and drive investor sentiment.

Progress confirmed in H1 26 results: Pre-close guidance gave an accurate steer on H1 26 results which contained outlook comments in line with current market estimates. Given unhelpful conditions generally, progress (EPS +11%, DPS +5.7%) was hard-won. In our view, this has flowed directly from strategic actions. Specifically, rolling out new product development across the group has facilitated market out-performance, supported by supply chain and service collaboration together boosting UK margins. The driver for selective alignment of warehousing and distribution activities has been to improve operational excellence to reinforce market positions (sustaining high service levels and creating growth headroom) rather than a cost reduction agenda in challenging markets. Positive cash generation in the first half and existing banking facilities mean that the post period end £46m acquisition of FIBO can be readily accommodated.

Valuation: The company's share price has performed well YTD (+c.18%), c.5% ahead of the FTSE All-Share Index and comfortably ahead of most of its sector peers. However, the re-rating has been minimal due to the earnings-enhancing FIBO deal. Closing sector peer discounts and realistic DCF profit assumptions both support higher valuations for Norcros. Taking an average of these two methods generates our **increased fair value of 397p per share.**

Company Data

EPIC	NXR
Price (last close)	306p
52 weeks Hi/Lo	320p/184p
Market cap	£270m
ED Fair Value / share	397p
Net debt	£30.7m
End H126, pre IFRS 16	
Avg. daily volume	246k

Share Price, p



Source: Investing.com

Description

Norcros is the leading designer and supplier of branded mid/premium bathroom products in its UK/Ireland, Scandinavian, South African and selected export markets.

The portfolio of operating companies (6 UK, 1 Norway, 3 South Africa) is characterised by category-leading individual brands, product breadth and B2B channel diversity from a strong supply chain base.

Next events

- H1 26 DPS 3.7p:
 - ex dividend 27 Nov
 - payment date 13 Jan
- Trading Update – Apr 2026

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Summary financials

Year to March (£m)	2024	2025	2026E	2027E	2028E
Revenue	392.1	368.1	389.2	429.2	449.6
EBITDA - ED*	46.6	46.4	52.8	60.2	62.3
Pre-Tax Profit - company norm	36.4	36.5	39.9	45.4	47.7
EPS FD - company norm (p)	32.1	32.4	35.2	39.9	41.9
DPS (p)	10.2	10.4	11.0	11.2	11.6
Net cash / (debt) pre-IFRS16 basis	(37.3)	(36.8)	(75.1)	(64.7)	(48.0)
P/E (x)	9.5	9.4	8.7	7.7	7.3
EV/EBITDA* (x)	6.7	6.7	6.6	5.6	5.2
Dividend yield (%)	3.3%	3.4%	3.6%	3.7%	3.8%

Source: Company, Equity Development. *pre-IFRS16, before pension cash

FIBO Holding AS: establishing a European presence

We made introductory comments on FIBO when the prospective transaction was **first announced in July and on completion in October**, following CMA clearance. The graphic on page 3 is a corporate summary of the business, and we outline some of the deal attractions in the following paragraphs.

Wall panel features driving above market growth

On a basic product level, waterproof wall panels bring faster fit (to the installer) and lower maintenance (for the owner) benefits versus historically dominant tiles. These are understood to be the primary driver behind higher subsegment growth prospects. Developments in core substrate materials and laminate designs, processes and finishes, backed by extended guarantees, have elevated product quality and broadened end sector appeal. Latterly, product testing has confirmed that the integrity of the waterproof locking systems is sufficient to avoid a new regulatory requirement for a waterproof membrane to be fitted first, further saving installer time and cost.

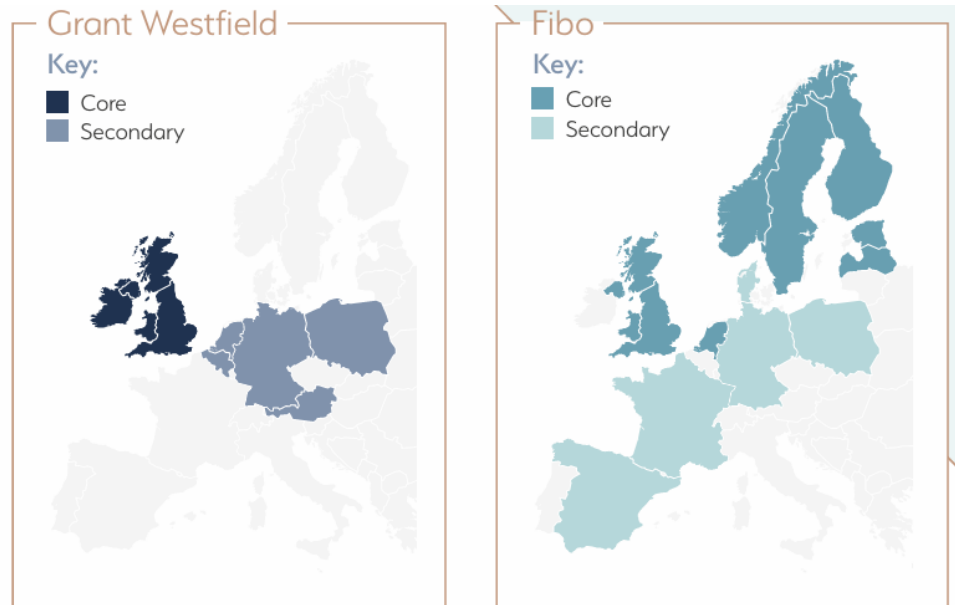
Complementarity between respective UK operations

We understand that **Grant Westfield and FIBO have chiefly addressed complementary segments in this country** and, therefore, are seen as a good fit in the UK market. The CMA enquiry concluded that the transaction was able to proceed and cleared unconditionally¹.

Complementarity across northern European markets

As well as broadening UK sector exposure, FIBO's location in Norway brings new access to Scandinavian markets and broadens (currently limited) joint sales prospects into other northern European countries.

Norcros: portfolio wall panel companies and their primary markets



Source: Company

While panel core preferences may be an important consideration in each country – and therefore drive which is likely to be the lead brand – we would expect potential synergies to be available to support distribution centre investment at the appropriate time.

¹ [CMA Clearance decision](#)

FIBO Group: business summary

This is Fibo Group

Fibo Group is the global leader offering a waterproof and premium quality solution for wet room walls pioneered through 70 years legacy of continuous development.

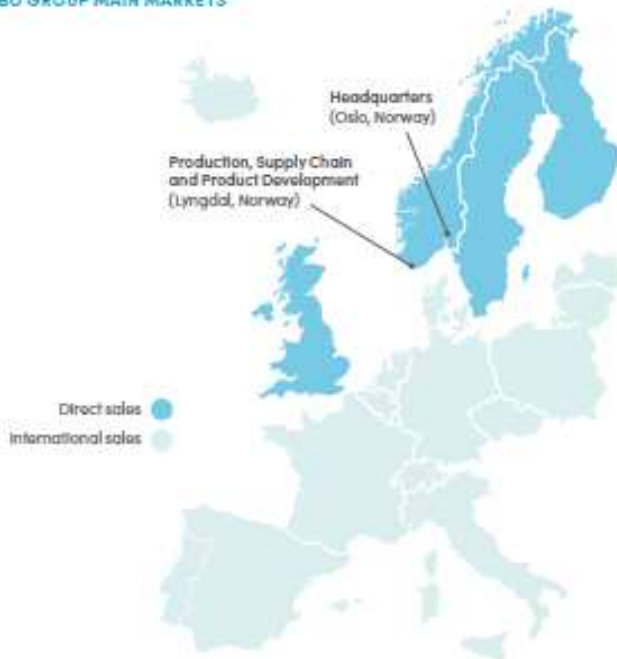
The cost-efficient solution is built in a quick and easy installation process and is sold throughout Europe as well as North America and Oceania representing an eco-friendly alternative to other materials. The solution, with its highly attractive assortment of designs, is well-suited across multiple use cases and caters to a versatile range of end markets including renovation and/or construction of residential, commercial and public properties. With basis in an automated and digitalized production facility in Lyngdal, Norway, with ample room to increase production volumes, the Company is ready to meet increasing demand fueled by strong secular trends promoting cost-efficient and eco-friendly solutions.

GEOGRAPHICAL REVENUE DISTRIBUTION

Net Sales per 31.12.2024



FIBO GROUP MAIN MARKETS



150.7 Number of full-time employees

25+ Countries with Fibo customers

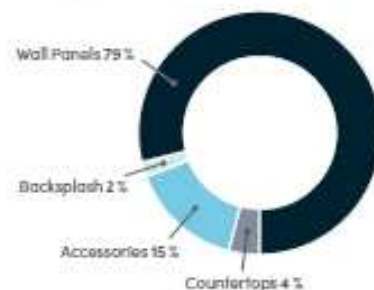
WALL PANELS – GEOGRAPHICAL REVENUE

Net Sales per 31.12.2024



REVENUE BY PRODUCT

Net Sales per 31.12.2024 (excluding UK)



Source: FIBO Group, 2024 Annual Report. NB Average 2024 £/NOK 13.74 (and c.13.44 at completion of the acquisition by Norcros)

Material deal at an attractive price

Based on FIBO's financial metrics in the transaction completion announcement (ie calendar 2024: revenue c.£63m and EBITDA c.£7.3m using an implied £/NOK c.13.7), with consideration of £46m, Norcros' entry multiple is 6.3x. Growth from FIBO in the first nine months of 2025 and a slightly more favourable exchange rate effectively reduced this multiple nearer to 5x, in our view. Incorporating FIBO into our model enhanced our full year estimates by 13-14%; the unchanged supporting contribution is shown explicitly below.

FIBO: Expected contribution to Norcros earnings			
	FY26E	FY27E	FY28E
Revenue	27.5	68.0	70.0
EBIT	3.5	8.8	9.2
<i>EBIT margin</i>	12.7%	12.9%	13.1%

Source: Equity Development. Set at £/NOK 13.5

In context, the figures shown account for c.7% of our expected Norcros group revenue and EBIT in the current year, rising to c.16% in a full year from FY27 onwards.

Prospective strategic development

At a high level, Norcros portfolio companies all have distinct brand identities and are run as independent companies. That said, in recent years there has been a notable step up in collaboration between companies, especially relating to new product development, cross-channel introductions and alignment of warehousing and distribution where relevant. In other words, there has been greater emphasis on driving the benefits of being part of a group.

Turning to FIBO, the potential to share manufacturing best practice, supply chain sourcing and market intelligence are obvious opportunities. We believe that the sequencing of post-acquisition actions will be broadly as follows:

1. **Integrate** – settle FIBO into the group reporting structure and develop a deeper understanding of the business.
2. **Target I** – identify the most attractive European markets for wall panels and the best way to boost visibility, presence and product availability in those markets
3. **Target II** – in newly accessible Scandinavian markets initially, gather market intelligence on other bathroom products to assess market structure and potential for other companies in the Norcros portfolio.

There is a clear opportunity to use FIBO as a bridgehead and foundation stone to broaden the available market for both wall panels and other group products. The process above will be used to determine the scale of opportunities and to formulate route-to market and investment plans. Flowing channel expertise and relationships from FIBO to other group companies fits with Norcros' established collaborative approach and accelerates the pre-entry development period.

From an investor perspective, we suggest that – subject to sensitive commercial aspects - good communication of intentions in Europe are an important consideration. At this stage, we are not pre-judging the likely investment and targeted returns, though the regional footprint presented earlier would seem to be the logical place to start. As market intelligence gathering proceeds, other M&A opportunities may be actively considered. This reinforces our point regarding management laying the ground for growth ambitions outside established UK and Ireland markets.

H1 26 results: well-trailed, guidance unchanged

A **strong UK margin performance was the primary driver of profit progress** for Norcross in first half trading. Reported group headline metrics were all marginally better than pre-close guidance (16 October: revenue c.£184m, EBIT c.£21.8m and period end pre IFRS16 net debt of c.£31m) and a **5.7% DPS uplift was a further highlight**. As FIBO was acquired after the period end (on 13 October), there is no contribution to the H1 26 trading performance, nor material cash/flow balance sheet impact (save for some transaction fees noted as non-underlying in the period).

Norcross ended H1 26 with net debt (pre IFRS16 basis) of £30.7m, following a c.£6m net cash inflow in the period. The FIBO acquisition is expected to boost this by c.£46m funded from existing bank facilities. On our unchanged estimates, end FY26 gearing is anticipated to be 1.6x EBITDA in the year.

Norcross: Interim & Divisional splits

Mar y/e	£m	H1 25R	H2 25	FY25R	H1 26	H1 26 v H1 25	
						Reported	CER LFL
Group Revenue		181.9	173.9	355.8	184.3	1.3%	0.8%
UK		131.3	125.1	256.4	132.9	1.2%	0.8%
South Africa		50.6	48.8	99.4	51.4	1.6%	0.8%
Group EBIT		20.4	24.1	44.5	21.9	7.4%	
UK		17.8	22.0	39.8	19.7	10.7%	
South Africa		2.6	2.1	4.7	2.2	-15.4%	
£/ZAR		23.34		23.38	23.92	2.5%	
Margins%		11.2%	13.9%	12.5%	11.9%	+70bp	
UK		13.6%	17.6%	15.5%	14.8%	+120bp	
South Africa		5.1%	4.3%	4.7%	4.3%	-80bp	

Source: Company. NB i) Restated H1/FY25 figures adjust previously reported numbers, excluding JTSA which is now a discontinued operation. ii) H1 26 was a 27 week trading period vs H1 25 26 weeks.

UK: profit growth despite unhelpful market conditions

Norcross' six UK-based businesses collectively delivered a **well-rounded performance** against an unhelpful market backdrop, chiefly driven by ongoing strategic initiatives. While top line progress was marginal, in the context of widely commented market softness elsewhere in the sector, this is still a very creditable outcome. Moreover, with underlying volumes slightly down y-o-y (compensated for by pricing and mix), the **improved margin delivery is a notable achievement**.

While recent commentary on bigger ticket sales from the DIY retail space has been encouraging, wider newsflow from UK-oriented building products manufacturers/distributors has been less so with volumes under pressure. We believe that a **rolling development programme and new product launches** across Norcross' UK company portfolio has been a significant contributor to performance and market share gains. Triton and Grant Westfield both delivered strong first half performances. In the latter case, the alignment of Merlyn and Grant Westfield distribution (plus Vado's own warehousing consolidation) in the prior year have reinforced a high service level ethos and delivered **margin improvements from operational efficiencies**.

Cross-business collaboration and new product introductions have deepened customer relations with the majority of the top UK 20 accounts now taking product from more than one Norcross company. Business

introductions have resulted in **new listings and share gains in multiple channels**. Following its category expansion into bathroom furniture, Vado has been a particular beneficiary of this collaborative approach.

South Africa: coping with headwinds but margins nudge down

In a still high but improving interest rate environment, GDP growth has remained sluggish. Norcros' ongoing South African business **portfolio now consists of three operating companies** with distinct business model and route to market differences. Unsurprisingly, **a range of performances was seen in H1 26**.

TAL, the market leading tile adhesive and related building products business, grew and gained share in its commercial project specification channels, driven by new products and technical support. Tile Africa (TAF) is the only retail operation in the Norcros group and is focused on a range of bathroom products. H1 trading was mixed here with a slow start followed by a degree of recovery as the period progressed. Lastly, House of Plumbing's newbuild activity focus (both residential and commercial) impacted its top line performance.

In broad terms, TAF accounts for around half of regional revenue with similarly sized TAL and HOP accounting for the remainder. On this basis, we conclude that +0.8% LFL revenue progress comprised of mid/ upper single-digit progress from TAL, diluted by the other two businesses. Operational gearing is most significant across TAF's retail estate and, we suspect, was the primary drag on y-o-y margin progression declining by 80bp to 4.3%. Notwithstanding market conditions, local South African operations have invested in both sustainable new product development in step with the wider group and sourcing renewable energy.

Tile manufacturing (ie Johnson Tiles South Africa) became a discontinued operation during H1 26, with production ceasing at the end of June. As a result, the scope for historic power grid unreliability to negatively and directly impact the South African division's trading performance is significantly diminished. The sell through of JTSA inventory on hand is likely to extend into FY27, but the associated financial performance will continue to be disclosed separately to underlying performance as it was during H1 26 (with prior periods also restated).

Positive cash performance and in prospect

Headline pre IFRS16 net debt reduced by c.£6m to £30.7m over the first six months of FY26. Proceeds from a one-off property disposal accounted for three quarters of this; the underlying inflow was c.£1m with a small cash FX translation benefit also. Cash outflow associated with the discontinued JTSA was £2.4m, implying that the **underlying cash inflow from continuing operations was in the £3-4m range**.

Company-defined underlying EBITDA² rose by £1.7m y-o-y to £23.2m in the first half. On the same basis, we estimate that underlying Operating Cash Flow from continuing businesses was £25m+, a **cash conversion rate in excess of 100%**. Within this, a c.£4m inventory inflow may have partly benefitted from timing effects; we normally expect a seasonal working capital outflow here and management confirmed the importance of stock availability and high service levels as a competitive differentiator. This does not substantially weaken the cash generation point, in our view, but it was perhaps slightly flattered in H1.

Net non-operating cash outflow totalled £0.4m, comprising pension deficit recovery payments of £3.2m, M&A-related costs £1.7m and property disposal proceeds of £4.5m.

Other, regular line items included:

- Interest and tax together absorbed £4m of cash.
- Capex of c.£3m was slightly below the historic run rate.
- Lease costs of £3.5m were in line with the prior year.

² Pre IFRS 16 basis, after factoring in a net £0.8m lease costs

The above items net down to **c.£15m of free cash flow** (or c.£11m excluding property disposal proceeds) which was applied to dividend payments of c.£6m and treasury share purchases approaching £1m. Lastly, the aforementioned costs associated with discontinued operations absorbed £2.4m

Cash flow outlook: The end FY26 balance sheet will, of course, incorporate FIBO for the first time. After paying £46m for the business, we expect Norcross to end FY26 with c.£75m net debt; this is roughly 1.6x our FY26E EBITDA but nearer to 1.4x based on a full year contribution from FIBO. Beyond FY26, absent any further M&A, we project increasing net cash inflows over the following two years to result in net debt below £50m by the end of FY28. While further acquisitions are certainly a strategic aim, our estimates indicate the cash generative potential of the existing business portfolio as an input for further deals. We should also mention that as the DB pension scheme is expected to be fully funded on an actuarial basis within 12 months, 'deficit recovery' payments are likely to be paid into an escrow account beyond the current year over our estimate horizon. With the prospect of these payments tapering to zero beyond FY28, this has positive valuation implications for Norcross (see section below).

Estimates maintained, well supported by strategic momentum

Recent sector newsflow has been characterised by a moderation of demand in already tough market conditions with lower earnings guidance seen among some UK building products peers in their respective 10-month trading updates.

Norcross management also acknowledges market conditions, but underlying margin progress from strategic actions described earlier, and which are ongoing, support existing market expectations in our view. Q3 has started well, in line with exit rate momentum from H1.

Current FY26 market EBIT estimates fall in a range of £47.2m to £48.7m and follow £21.9m reported in H1. Noting that we are towards the upper end of this range, we believe that the maiden contribution from FIBO and a degree of seasonality both support our existing FY26 EBIT estimate.

We see no basis for changing the outer years at this stage. In broad terms, the assumptions behind our earnings projection include c.2-3% top line growth across the three reporting regions, with margins stable in the UK margins, showing gradual recovery in South Africa and modest improvement at FIBO.

Given the receipt of property disposal proceeds that was not factored into our model, we have trimmed our bank interest cost line accordingly. This is balanced out by higher other non-bank finance costs (which company norm definitions exclude), leaving no net change to our PBT norm levels.

Taken together, this results in a **three-year EPS CAGR approaching 9%**. While nudging up our dividend expectations (both for FY26 and subsequent years) based on the H1 26 uplift, to an equivalent **3.4% DPS CAGR, with cover remaining in the 3-4x range** over our estimate horizon.

Higher fair value of 397p, driven by peer ratings & DCF

Despite a healthy share price uptick of c.18% YTD, Norcross' stand-alone valuation metrics remain stubbornly in "value" territory. Bearing in mind that the acquisition of FIBO enhanced our earnings estimates by 13-14% in a full year, no substantial re-rating has taken place, in our view.

Over the last year, our EBIT estimate for continuing businesses has increased modestly (with UK upgrades partly diluted by softer SA expectations). While there has been no catalyst for a re-rating as such from this source, we would argue that UK actual and potential progress has been enhanced over a 12-month period when UK quoted sector peers' expectations have largely been lowered. Therefore, **Norcross' apparent 30%+ P/E discount to selected peer group companies in aggregate is unwarranted, in our view.** Applying a sector average P/E multiple to FY26E calendarised EPS generates a 449p per share fair value.

Even on modest growth expectations beyond our FY28 estimate, a **DCF-derived fair value of 345p per share** (which also excludes pension cash recovery payments from this point) is a realistic target. Further upside towards 400p per share from higher but still reasonable profit inputs is produced by our analysis.

Conventional valuation measures offer value

- **PER: 8.7x declining to 7.3x in FY28** with a **PEG of 1.08x** (based on our estimates, applying a three-year EPS CAGR of 8.7%)
- **EV/EBITDA: 6.6x reducing sharply to 5.2x** reflecting the full year FIBO impacts in FY27 and FY28. In context, our estimated acquisition entry multiple for FIBO is broadly in line with that for Norcross itself in FY27, suggesting that no additional premium is being attributed to the wider portfolio of businesses.
- **Dividend yield 3.6%**, with scope for a faster rate of DPS growth

Discount to peer group multiples remains

In the context of other UK-listed peers – including adjacent sectors – Norcross remains on a significant P/E discount of almost one third. The discount is less marked on an EV/EBITDA basis, though the underlying figure is larger than shown in the table below including a full year contribution from FIBO.

Norcross: Peer group valuation I							
Name	M Cap £m	Price P	P/E x			EV/EBITDA x	
			FY1	FY2	FY3	FY1	FY2
Norcross	275	306.00	8.9	8.0		6.6	
			-36%	-31%		-7%	
All			14.0	11.6	9.6	7.1	6.0
Retailers – DIY & bathroom products			12.8	11.1	8.8	6.0	4.8
Merchants			12.5	11.2	9.5	5.8	5.4
Building Products			13.9	11.5	9.5	8.0	6.4
Brick Manufacturers			14.8	11.7	9.5	7.2	6.4

Source: Koyfin. Calendarised – Equity Development 21 November

In Norcross' natural sector, premium ratings for Howden Joinery and Volution Group (see table below) increase the average valuation metrics among Building Products suppliers in the current year. Also, a cyclical low point for the brick manufacturers inflates current year multiples for this group but they are more aligned one year out, across all peer group sectors shown above. With the exceptions noted, it suggests overall that **market valuations are not especially discriminating and applying a similar, perhaps cycle-based approach** to the group in aggregate. That said, Norcross' valuation appears to be an outlier despite delivering a stronger trading performance than many others in the selected peer group.

Norcross: Peer group valuation II

Name	M Cap £m	Price P	P/E x			EV/EBITDA x	
			FY1	FY2	FY3	FY1	FY2
All			14.0	11.6	9.6	7.1	6.0
Kingfisher	4950	2.89	12.8	11.4	10.0	5.1	4.9
Howden Joinery Group	4234	7.85	16.9	15.6	14.0	9.4	8.9
Grafton Group	1697	8.88	12.5	11.7	10.6	5.9	5.7
Travis Perkins	1203	5.70	19.0	14.0	10.9	6.1	5.6
Volution Group	1200	6.06	24.2	16.8		13.5	
Genuit Group	752	3.03	12.4	10.9	9.9	7.5	6.7
Wickes Group	500	2.14	13.5	11.5	9.9	5.8	5.5
Ibstock	495	1.25	21.1	14.5	10.8	9.3	7.7
Marshalls	410	1.62	12.7	10.6	8.8	6.6	6.2
Forterra	365	1.73	14.8	12.6	10.1	7.4	6.6
Victorian Plumbing Group	227	0.69	13.6	13.2		8.3	
Stelrad Group	195	1.53	11.7	10.5	9.5	6.0	5.8
Brickability Group	166	0.51	6.0	5.4	5.4	4.6	4.3
Eurocell	119	1.20	7.9	5.9	4.7	4.5	4.0
The Alumasc Group	101	2.82	10.3	9.2		7.0	

Source: Koyfin. Calendarised – Equity Development 21 November

Reasonable long-term growth potential drives DCF Fair value

Updating our DCF analysis, we estimate that the **current share price is generated from a long-term level of profitability in line with our existing FY28 EBITDA estimate³**.

The sensitivity table below provides illustrative DCF valuations based on a range of EBITDA and WACC combinations. In our view, **£70m-80m EBITDA is an attainable target from FY29**, requiring an underlying revenue CAGR range of 1.8-5.8% at the lower and upper end of the range (plus FIBO) and a 15% EBITDA margin. These inputs generate a **DCF range of 322p-369p per share**.

Norcross: DCF sensitivity analysis

p per share		EBITDA £m				
		60	65	70	75	80
WACC	9.0%	317	345	372	400	427
	10.0%	276	299	322	346	369
	11.0%	242	262	282	302	322
	12.0%	214	231	249	266	283

Source: Equity Development

In addition, with an updated triennial **DB pension fund** and agreed recovery plan, beyond (and possibly prior to) FY29, the likelihood is that the scheme will be **fully funded and require no additional cash payments**. Eliminating the associated outflows from our DCF approach above **adds c.20p per share to our original base valuation** (ie to 322p; EBITDA £65m, 10% WACC) and the indicated levels from the £70m-80m EBITDA range.

³ Derived from our three-year estimates followed by factoring a flat level of profitability from FY29 onwards at FY28 levels and a 10% WACC.

Norcross: Income Statement

Year end: March	£m	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
			IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenue		331.0	342.0	324.2	396.3	441.0	392.1	368.1	389.2	439.2	449.6
Gross Profit		124.2	124.5	118.4	140.8	169.3	165.0	159.9	167.4	188.9	193.3
EBITDA - pre IFRS16 & SBP		42.5	39.0	40.1	48.1	53.5	48.4	48.2	54.6	62.0	64.1
EBITDA - company		41.3	38.6	37.9	45.4	50.5	45.7	46.1	51.8	59.2	61.3
EBIT - company norm		34.4	32.3	33.7	41.8	47.3	43.2	43.2	48.2	55.4	57.3
Net Bank Interest		(1.8)	(1.6)	(1.5)	(0.8)	(3.7)	(5.2)	(5.0)	(6.5)	(8.1)	(7.7)
IFRS16 Interest		0.0	(1.9)	(1.7)	(1.7)	(1.8)	(1.6)	(1.7)	(1.8)	(1.9)	(1.9)
Other financial		(1.7)	(1.7)	(1.6)	(1.9)	(2.5)	(1.8)	(1.4)	(2.2)	(2.0)	(2.0)
Profit Before Tax (ED norm)*		30.9	27.1	29.0	37.4	39.3	34.6	35.1	37.7	43.4	45.7
Profit Before Tax (company norm)		32.6	28.8	30.6	39.3	41.8	36.4	36.5	39.9	45.4	47.7
Intangible Amortisation		(3.5)	(3.7)	(3.7)	(3.7)	(6.2)	(6.5)	(6.5)	(6.5)	(6.5)	(6.5)
Other Non-Underlying Items		(4.3)	(9.3)	(3.8)	(0.2)	(12.0)	2.7	(28.0)	(7.2)	(5.5)	(2.0)
Profit Before Tax (reported)		25.4	15.0	18.5	33.0	21.7	32.6	2.0	26.2	33.4	39.2
Tax		(6.0)	(4.1)	(3.5)	(7.3)	(4.9)	(5.8)	1.5	(5.5)	(9.5)	(10.1)
Other		0.0	0.0	0.0	0.0	0.0	0.0	0.0	(9.0)	0.0	0.0
Profit After Tax (reported)		19.4	10.9	15.0	25.7	16.8	26.8	3.5	11.7	23.8	29.2
EPS FD - ED norm (p)		29.6	26.1	29.6	35.9	34.6	30.1	30.9	22.7	37.7	39.7
EPS FD - company norm (p)		31.7	28.2	31.1	38.2	37.4	32.1	32.4	35.2	39.9	41.9
EPS FD - reported (p)		23.9	13.5	18.6	31.2	18.8	29.8	3.9	13.1	26.5	32.5
Dividend per share (p)		8.4	3.1	8.2	10.0	10.2	10.2	10.4	11.0	11.2	11.5
Shares - Avge (m)		80.2	80.3	80.6	80.9	88.1	89.0	89.5	89.4	89.4	89.4
Shares - Period End (m)		80.9	80.6	80.8	81.0	89.3	89.6	89.8	89.9	89.9	89.9
Margins (%)											
Gross Profit		37.5	36.4	36.5	35.5	38.4	42.1	43.4	43.0	43.0	43.0
EBITDA - pre IFRS16 & SBP		12.8	11.4	12.4	12.1	12.1	12.3	13.1	14.0	14.1	14.3
EBITDA - company		12.5	11.3	11.7	11.5	11.5	11.7	12.5	13.3	13.5	13.6
EBIT company norm		10.4	9.4	10.4	10.6	10.7	11.0	11.7	12.4	12.6	12.8

Source: Company, Equity Development (ED). ED norm includes IAS19R administration & other financial costs

Norcross: Cash Flow Statement

Year end: March	£m	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
			IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
EBITDA pre IFRS16 & SBP		42.5	39.0	40.1	48.1	53.5	48.4	48.2	54.6	62.0	64.1
Change in working capital		(2.1)	(4.8)	21.8	(23.6)	(13.3)	3.3	(14.0)	(7.8)	(6.9)	(6.8)
Other		(5.1)	0.6	(1.9)	(1.2)	(2.5)	(2.7)	(5.9)	(5.6)	(0.9)	3.7
Operating Cash Flow		35.3	34.8	60.0	23.3	37.7	49.0	28.3	41.2	54.2	61.1
Tax paid		(4.6)	(5.3)	(3.5)	(6.5)	(7.7)	(5.6)	(3.4)	(5.0)	(8.6)	(9.1)
Investing Activities		(7.6)	(14.0)	(2.8)	(5.4)	(84.3)	(7.3)	(3.4)	(51.0)	(9.8)	(9.8)
Income from associates & JVs		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tangible Fixed Assets purchased		(5.6)	(4.8)	(2.8)	(5.4)	(6.0)	(7.3)	(6.9)	(9.5)	(9.8)	(9.8)
Tangible Fixed Assets disposed		0.1	0.0	0.0	0.0	0.0	0.0	3.5	4.5	0.0	0.0
Intangibles		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition consideration		(2.1)	(9.2)	0.0	0.0	(78.3)	0.0	0.0	(46.0)	0.0	0.0
Disposal proceeds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other business investments		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing Activities		(9.3)	(15.1)	(7.2)	(16.2)	(1.2)	(21.8)	(20.8)	(23.7)	(25.5)	(25.5)
Net finance income (cost)		(1.8)	(1.7)	(1.4)	(0.8)	(3.7)	(5.0)	(4.6)	(6.5)	(8.1)	(7.7)
IFRS16 interest		0.0	(1.8)	(1.8)	(1.7)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
IFRS16 lease capital repayments		0.0	(3.8)	(4.3)	(4.7)	(4.6)	(4.9)	(5.1)	(5.1)	(5.1)	(5.1)
Equity Issued		(0.9)	(0.8)	0.3	0.1	18.1	(0.8)	(0.1)	(0.8)	(0.8)	(0.8)
Dividends paid		(6.4)	(7.0)	0.0	(9.1)	(9.2)	(9.1)	(9.2)	(9.5)	(9.7)	(10.1)
Other		(0.2)	0.0	0.0	0.0	0.0	(0.2)	0.0	0.0	0.0	0.0
Net Cash Flow		13.8	0.4	46.5	(4.8)	(55.5)	14.3	0.7	(38.4)	10.4	16.7
Opening cash/(net debt) pre IFRS16		(47.1)	(35.0)	(36.4)	10.5	8.6	(49.9)	(37.3)	(36.8)	(75.1)	(64.7)
Change in Net Cash		13.8	0.4	46.5	(4.8)	(55.5)	14.3	0.7	(38.4)	10.4	16.7
Other		(1.7)	(1.8)	0.4	2.9	(3.0)	(1.7)	(0.2)	0.1	0.0	0.0
Closing cash/(net debt) pre IFRS16		(35.0)	(36.4)	10.5	8.6	(49.9)	(37.3)	(36.8)	(75.1)	(64.7)	(48.0)
IFRS16 lease liabilities			(25.1)	(24.2)	(24.0)	(24.7)	(22.2)	(20.6)	(25.1)	(25.1)	(25.1)

Source: Company, Equity Development

Norcross: Balance Sheet

Year end: March	£m	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
			IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Non-Current Assets		138.0	150.8	141.2	158.8	226.8	224.5	200.2	244.4	245.8	245.8
Intangible Assets		94.9	96.5	93.6	90.3	167.1	161.2	153.5	190.9	184.4	177.9
Tangible Assets - Owned		42.3	29.0	28.0	29.0	24.8	28.1	21.8	26.6	31.0	35.3
Tangible Assets - RoU		0.0	20.6	19.6	19.9	20.0	18.0	16.7	15.3	15.3	15.3
Other Fixed Assets		0.8	4.7	0.0	19.6	14.9	17.2	8.2	11.7	15.1	17.3
Current Assets		169.5	188.7	171.0	200.7	216.2	200.8	187.8	205.5	219.0	242.9
Inventory		79.5	78.9	78.1	100.6	103.9	97.4	88.2	96.1	99.1	101.4
Trade Receivables		57.8	56.1	60.4	66.9	78.7	67.5	64.9	74.7	74.9	79.7
Other Debtors		5.0	6.4	4.2	5.8	4.6	5.1	12.0	6.1	6.1	6.1
Cash		27.2	47.3	28.3	27.4	29.0	30.8	22.7	28.6	39.0	55.7
Current Liabilities		(85.1)	(79.2)	(104.1)	(110.8)	(112.7)	(99.2)	(95.2)	(105.6)	(108.1)	(114.8)
Trade Payables		(44.6)	(41.2)	(49.5)	(56.6)	(50.8)	(45.4)	(48.2)	(58.5)	(54.9)	(55.2)
Other Creditors		(36.7)	(32.7)	(49.2)	(48.5)	(55.8)	(47.5)	(40.5)	(40.5)	(46.7)	(53.0)
IFRS16 Lease Liabilities			(5.2)	(5.4)	(5.7)	(6.1)	(6.3)	(6.5)	(6.6)	(6.6)	(6.6)
Short-term Debt		(3.8)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Current Liabilities		(96.7)	(155.9)	(59.7)	(48.4)	(119.9)	(103.7)	(84.9)	(133.9)	(132.9)	(131.9)
Long-term Debt		(58.4)	(83.6)	(17.8)	(18.8)	(78.9)	(68.1)	(59.5)	(103.7)	(103.7)	(103.7)
IFRS16 Lease Liabilities			(19.9)	(18.8)	(18.3)	(18.6)	(15.9)	(14.1)	(18.5)	(18.5)	(18.5)
Other Long-term Liabilities		(38.3)	(52.4)	(23.1)	(11.3)	(22.4)	(19.7)	(11.3)	(11.6)	(10.7)	(9.7)
Net Assets		125.7	104.4	148.4	200.3	210.4	222.4	207.9	210.4	223.7	242.0

Source: Company, Equity Development

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