

16 April 2026

A year of good progress, matching expectations

A strategically busy year for Norcros has concluded with a financial performance in-line with market forecasts. Underlying business conditions remain challenging but UK progress, the acquisition of FIBO and tight control of South African operations have together driven the Group forward in FY26. The implied reduction in Group net debt from a c.£77m pro forma post-acquisition position is also a notable H2 achievement. Norcros remains well placed to extend its constant focus on gaining share across its leading branded bathroom products portfolio.

Delivering FY26 in line with market expectations: Highlighted metrics in Norcros' year-end update (ie revenue £393m, EBIT £47.5m+, PBT £40.4m and net debt pre-IFRS16 £67m) all appear bang in line with consensus. Our EBIT estimate was slightly higher (at £48.2m) but the company indicated PBT looks to be slightly above our expected £39.9m. This tallies with net debt coming in c.£8m better than we had anticipated, probably with a better average net debt/lower cost of finance also. Underlying FY revenues were modestly ahead y-o-y in both UK/Ireland and South Africa with pricing/mix effects slightly more than compensating for lower volumes in both cases. The UK/Ireland LFL FY outturn was similar to H1 (ie +0.7% and +0.8% respectively) while South Africa was implicitly flat in H2 (ie +0.3% and +0.8% on the same basis). **FIBO** (acquired in October) is stated to have delivered an as expected business performance founded on an excellent manufacturing base.

Strong strategic position continues: As well as further details on the FIBO performance and European outlook, we expect the FY26 results announcement to highlight how increasing group connectivity (in cross-channel introductions, new product development and distribution) is benefitting financial performance. Positive impacts on both top line and margins should be apparent and be noteworthy in the context of generally subdued and competitive markets. Norcros' balance sheet provides flexibility for investment – through the P&L, fixed capital requirements and/or M&A activity – to further advance market position.

Valuation: Having marginally outperformed the FTSE All Share Index to the end of February, the Norcros share price is now down c.20% since that time (and c.13% overall YTD). We see no direct impact on trading from the Middle East conflict at present (in contrast to the Covid period which significantly impacted sourcing from the Far East) and so consider the noted mark down to be disproportionate. This is not to ignore potential secondary GDP effects in key markets, but the company has previously demonstrated resilience in tough trading conditions. **Our estimates and fair value of 397p / share are unchanged.**

Company Data

EPIC	NXR
Price (last close)	285p
52 weeks Hi/Lo	374p/224p
Market cap	£255m
ED Fair Value / share	397p
Net debt	c.£67m
End FY26, pre IFRS 16	
Avg. daily volume	103k

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

FY 26 results – 11 June 2026

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)	8.9	8.8	8.1	7.1	6.8
EV/EBITDA* (x)	6.3	6.3	6.2	5.3	4.9
Dividend yield (%)	3.6%	3.6%	3.8%	3.9%	4.0%

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

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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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