



# INTERIM RESULTS PRESENTATION 2025

FORTERRA PLC  
29 JULY 2025



# DISCLAIMER



This document has been prepared by Forterra plc (the “Company”) solely for use at a presentation on 29 July 2025 in connection with the Company’s Results Announcement in respect of the financial period ended 30 June 2025 (the “Presentation”). For the purposes of this notice, “Presentation” shall mean and include this document, the oral presentation of this document (and of any related document) by the Company, the question-and-answer session that follows that oral presentation, and any materials distributed at, or in connection with, that presentation (including any hard copies of this document).

The Presentation is being made only to, and is only directed at, investment professionals, representatives of institutional investors and other persons to whom this type of presentation may lawfully be communicated in this form (“relevant persons”). Any person who is not a relevant person should not act or rely on the Presentation or any of its contents. Information contained in the Presentation relating to the Company or its share price or the yield on its shares are not guarantees of and should not be relied upon as an indicator of, future performance. Nothing in the Presentation should be construed as a profit forecast or profit estimate.

The Presentation is being provided for information purposes only. The information contained in the Presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, securities or other financial instruments of the Company or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity. No part of the Presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

The release, publication, or distribution of any part of the Presentation in certain jurisdictions may be restricted by law, and therefore persons in such jurisdictions into which the Presentation (or any part thereof) is released, published or distributed should inform themselves about, and observe, such restrictions.

Statements in the Presentation, including those regarding the future financial condition, results of operations, business or other performance of the Company, the industry in which it operates, or other trend projections, constitute forward-looking statements.

These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances or assumptions that may or may not occur in the future and which may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements.

Accordingly, no assurance is given by or on behalf of the Company or any of its associates, directors, officers, employees or otherwise that any such forward-looking statement will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and therefore no reliance should be placed on such forward-looking statements.

No representation or warranty, express or implied, is given (by the Company, any of its associates, directors, officers, employees, advisers or otherwise) in relation to the accuracy, completeness or reliability of the information contained in the Presentation, including as to the accuracy, completeness or reliability of any forward-looking statements or the basis on which they were prepared.

Except as required by applicable law or regulation, the Company does not undertake any obligation to update or revise any information in the Presentation, whether as a result of new information, future events or otherwise.

# AGENDA

- 01 – Headlines
- 02 – Financial Review
- 03 – Our Markets
- 04 – Strategic Update
- 05 – Outlook



**NEIL ASH**

Chief Executive Officer



**BEN GUYATT**

Chief Financial Officer



# STRONG H1 PERFORMANCE, FULL YEAR EXPECTATIONS INCREASED

- Revenue of £195.1m increased 20.4% relative to the prior period driven by strong volume growth and modest selling price progression
- UK brick industry despatches to the end of May 2025 increased by 14% relative to the prior year
- Recovering demand primarily driven by housebuilding with RM&I subdued. Forterra mechanically outperforming the wider brick market albeit our market share remains below 2022 levels
- Strong improvement in profitability with adjusted EBITDA of £29.9m, 23.0% ahead of the prior period and adjusted PBT up 82.4% vs prior year
- Strong operating cash flow performance delivers better than expected debt reduction, with net debt before leases of £69.4m equating to 1.4x adjusted EBITDA on a last 12 months (LTM) banking covenant basis
- Interim dividend of 1.9 pence per share increased 90% on prior year, reflecting both improved trading environment and strong reduction in net debt





# FINANCIAL REVIEW



# KEY FINANCIALS



Six months ended 30 June*			
£m	2025	2024	Change
<b>Revenue</b>	<b>195.1</b>	<b>162.1</b>	<b>20.4%</b>
<b>EBITDA</b>	<b>29.9</b>	<b>24.3</b>	<b>23.0%</b>
<i>EBITDA margin</i>	<i>15.3%</i>	<i>15.0%</i>	<i>30 bps</i>
Operating profit (EBIT)	20.0	14.0	42.9%
<b>Profit before tax (PBT)</b>	<b>16.6</b>	<b>9.1</b>	<b>82.4%</b>
Earnings per share (pence)	5.8	3.2	81.3%
Operating cash flow	30.0	13.3	125.6%
Net debt before leases	(69.4)	(101.2)	(31.4)%
Interim dividend (pence)	1.9	1.0	90.0%

*\*Adjusted results*

<b>Statutory results</b>			
Profit before tax (PBT)	9.9	12.8	(22.7)%
Earnings per share (pence)	3.4	4.3	(20.9)%

# PROFIT AND LOSS



	Period ended 30 June*		
£m	2025	2024	Change
<b>Revenue</b>	<b>195.1</b>	162.1	<b>20.4%</b>
<b>EBITDA</b>			
- Bricks and Blocks	<b>27.5</b>	22.7	<b>21.1%</b>
- Bespoke Products	<b>2.4</b>	1.6	<b>50.0%</b>
<b>Total</b>	<b>29.9</b>	24.3	<b>23.0%</b>
<i>EBITDA margin</i>	<i>15.3%</i>	15.0%	<i>30 bps</i>
Depreciation and amortisation	<b>(9.9)</b>	(10.3)	<b>(3.9)%</b>
<b>Operating profit (EBIT)</b>	<b>20.0</b>	14.0	<b>42.9%</b>
Finance expense	<b>(3.4)</b>	(4.9)	<b>(30.6)%</b>
<b>Profit before tax (PBT)</b>	<b>16.6</b>	9.1	<b>82.4%</b>
<i>Adjusted effective tax rate</i>	<i>26.1%</i>	26.6%	<i>(50) bps</i>
<b>Earnings per share (pence)</b>	<b>5.8</b>	3.2	<b>81.3%</b>

\*Adjusted results

# ADJUSTMENTS TO STATUTORY RESULTS

- Adjusted results are provided to fairly show our underlying trading performance on a like-for-like basis
- Adjustments relate to:
  - Exceptional costs associated with exiting non – core Formpave and Bison Bespoke businesses. The core Bison flooring business is unaffected
  - Removal of fair value benefit for energy contracts which did not qualify for the own use exemption following reduction in demand
  - Losses on sale of surplus energy not used in the business
  - Accounting for carbon credits
- Bison Bespoke Precast and Formpave together contributed <5% of Group revenue and reported a small loss in the period



	Period ended 30 June	
£m	2025	2024
<b>EBITDA</b>	<b>23.2</b>	28.0
<u>Exceptional items</u>		
Restructuring costs	0.5	0.2
Impairment of assets	3.5	–
<u>Adjusting items</u>		
Aborted corporate transaction	–	2.6
Realised (gain) / loss on the sale of surplus energy	(0.6)	2.1
Fair value movement on energy derivatives	4.8	(6.9)
Accounting for carbon credits	(1.5)	(1.7)
<b>Total adjusted items</b>	<b>6.7</b>	(3.7)
<b>Adjusted EBITDA</b>	<b>29.9</b>	24.3
Depreciation and amortisation	(9.9)	(10.3)
Finance expense	(3.4)	(4.9)
<b>Adjusted PBT</b>	<b>16.6</b>	9.1



# SEGMENTAL RESULTS: BRICKS AND BLOCKS

- Improvement in demand driven by housebuilding with RM&I remaining subdued
- Aircrete also saw strong volume growth although this was constrained by inventory as we increased output
- Necessary price increases implemented across the product range to broadly offset cost inflation with brick pricing subject to a mix effect with increased demand for cheaper extruded bricks
- Cost base in line with expectations with additional costs associated with increasing output along with deferral of non-critical spend from 2023 and 2024
- Energy prices stable with Group now benefiting from the full financial benefits of the solar PPA



	Six months ended 30 June*		
£m	2025	2024	Change
Revenue	154.2	130.2	18.4%
<b>EBITDA before overhead allocations</b>	<b>39.6</b>	31.8	<b>24.5%</b>
<i>EBITDA margin before overhead allocations</i>	<i>25.7%</i>	24.4%	
Overhead allocations	(12.1)	(9.1)	33.0%
<b>EBITDA after overhead allocations</b>	<b>27.5</b>	22.7	<b>21.1%</b>
<i>EBITDA margin</i>	<i>17.8%</i>	17.4%	

\*Adjusted results

# SEGMENTAL RESULTS: BESPOKE PRODUCTS



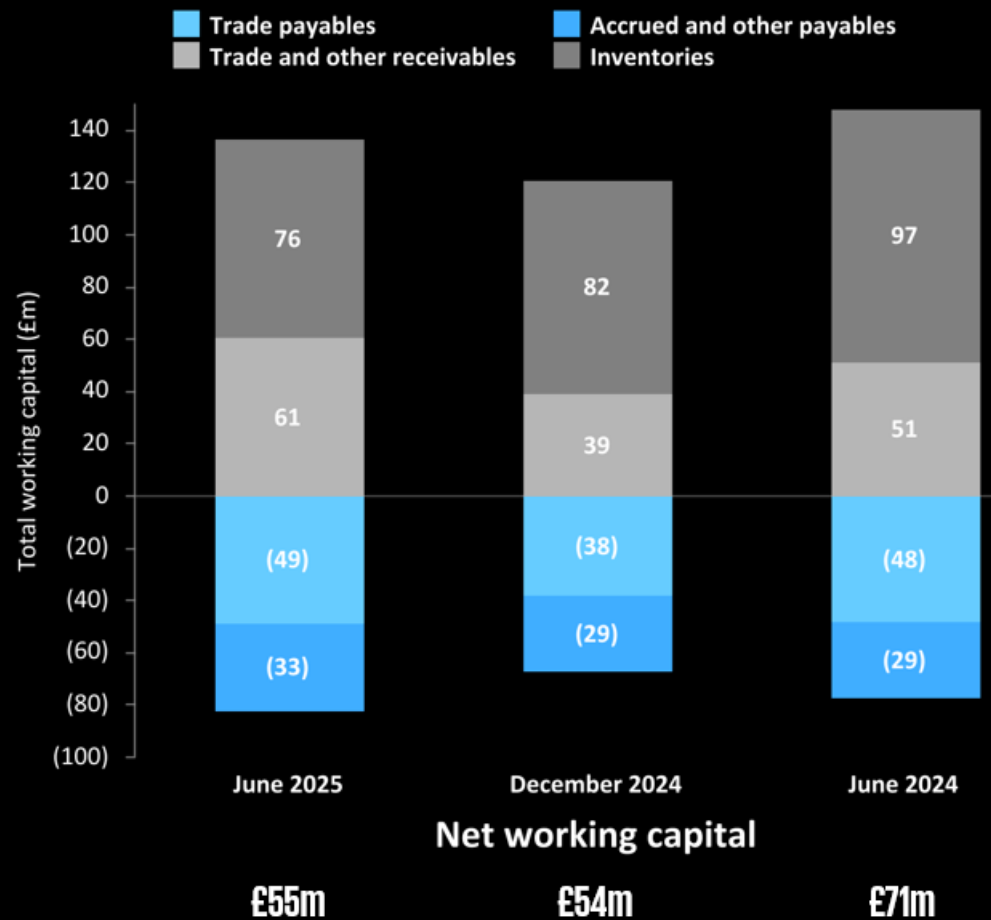
- Improved performance driven by strong demand for both beam & block and hollowcore flooring
- Strong housebuilder and groundworker demand for floor beams provides assurance of underlying demand our other products
- Production of floor beams increased to meet demand
- Modest selling price increases implemented on a customer-by-customer basis
- Following the proposed exit from Bison bespoke precast, this segment will solely comprise our precast concrete flooring business
- Bison Bespoke precast revenue in the period was £6.2m with a small EBITDA loss before overhead allocations

	Six months ended 30 June*		
£m	2025	2024	Change
Revenue	42.2	33.7	25.2%
<b>EBITDA before overhead allocations</b>	<b>5.4</b>	3.9	<b>38.5%</b>
<i>EBITDA margin before overhead allocations</i>	<i>12.8%</i>	11.6%	
Overhead allocations	(3.0)	(2.3)	30.4%
<b>EBITDA after overhead allocations</b>	<b>2.4</b>	1.6	<b>50.0%</b>
<i>EBITDA margin</i>	<i>5.7%</i>	4.7%	

\*Adjusted results

# WORKING CAPITAL

- Continued disciplined working capital management
- Normal H1 seasonal trend of increasing working capital offset by inventory reduction leaving a broadly static position
- At 30 June 2025 finished goods inventories totalled £61.5m, compared to £66.6m at the end of 2024



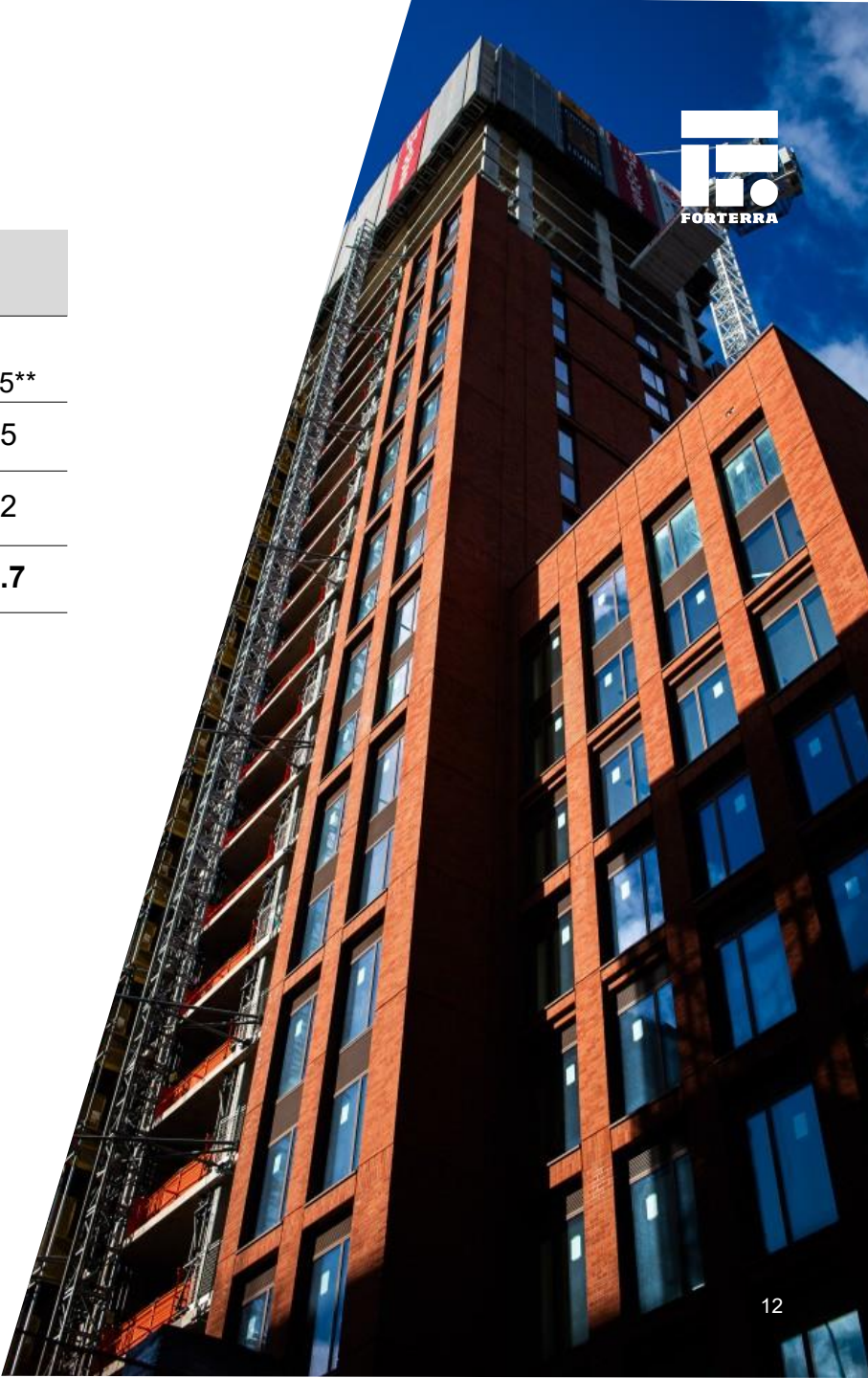


# CAPEX HISTORY AND GUIDANCE

	Capital expenditure*						
£m	2019	2020	2021	2022	2023	2024	2025**
Strategic	12.6	19.5	28.9	33.6	19.3	21.6	9.5
Maintenance	9.9	5.4	5.7	10.5	14.8	4.0	7.2
<b>Total capex</b>	<b>22.5</b>	<b>24.9</b>	<b>34.6</b>	<b>44.1</b>	<b>34.1</b>	<b>25.6</b>	<b>16.7</b>

*Note\*: Excluding capitalised borrowing costs*  
*Note\*\*: Management forecast*

- With our committed strategic capital projects approaching completion, we see a marked reduction in our capital spend
- Capital expenditure in the period totalled £7.3m with £5.0m of this relating to the three strategic projects and the remainder being business as usual maintenance capex
- We anticipate full year capital expenditure of around £17m leaving just over £9m to spend in H2
- In future we expect maintenance capital spend to be a maximum of £14m per annum although this will vary year-on-year
- Organic investment remains key to our strategy although future spend will be lower than recent years



# CASH FLOW



	Six months ended 30 June	
£m	2025	2024
<b>Adjusted operating cash flow</b>	<b>30.0</b>	<b>13.3</b>
Cash flows relating to adjusted items	1.0	(8.4)
<b>Operating cash flow</b>	<b>31.0</b>	<b>4.9</b>
Interest paid	(4.8)	(5.2)
Tax (paid) / credit	(0.6)	0.4
Capital expenditure – maintenance	(2.3)	(1.4)
Capital expenditure – strategic	(5.0)	(8.1)
Proceeds from sale of shares by EBT	–	5.1
Repayment of lease liabilities	(2.9)	(3.2)
Other movements	0.1	(0.5)
<b>Decrease / (increase) in net debt before leases</b>	<b>15.5</b>	<b>(8.0)</b>

- Strong cash flow performance in the Period highlighting the Group's cash generating capabilities
- Adjusted operating cash flow increased to £30.0m from £13.3m in the prior period

# BALANCE SHEET POSITION AND FACILITIES



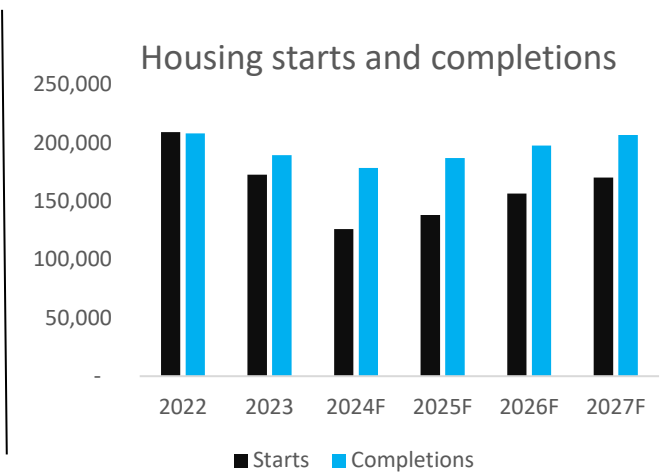
- Closing net debt (excluding lease liabilities) of £69.4m (31 December 2024: £84.9m)
- Leverage as calculated in line with our banking covenants, was 1.4 times EBITDA (31 December 2024: 1.9 times)
- £170m committed revolving credit facility (RCF) of successfully extended through the exercise of a 17 month extension option in the period, now expiring in June 2028
- At the period end a total of £85.0m was drawn on the facility (31 December 2024: £100.0m) leaving facility headroom of £85.0m
- Currently anticipate year end leverage of just above one times adjusted EBITDA

	At 30 June	At 31 December	
£m	2025	2024	Change
Cash and cash equivalents	15.0	15.2	(1.3)%
Borrowings	(85.0)	(100.0)	(15.0)%
Capitalised fees and accrued interest	0.6	(0.1)	
<b>Net debt before leases</b>	<b>(69.4)</b>	<b>(84.9)</b>	
Lease liabilities	(18.5)	(20.9)	(11.5)%
<b>Net debt</b>	<b>(87.9)</b>	<b>(105.8)</b>	

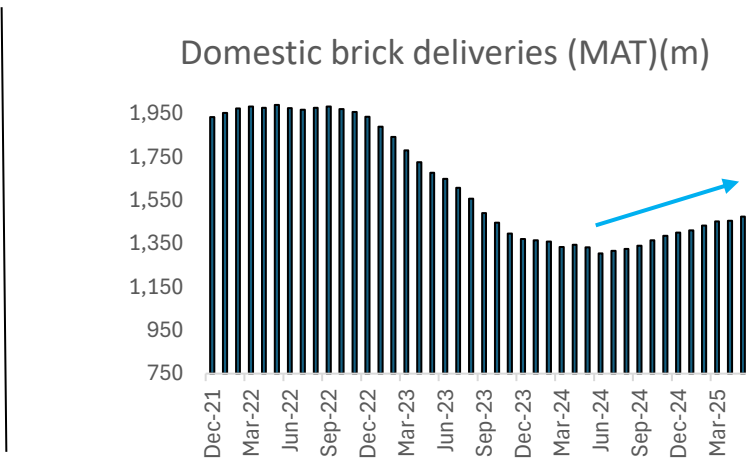




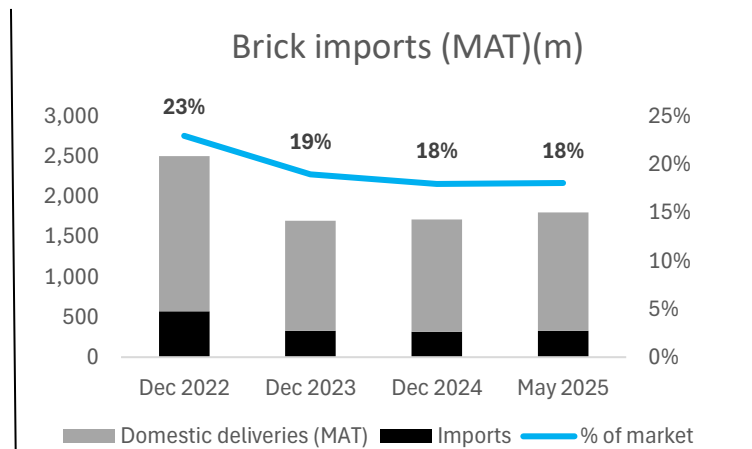
# OUR MARKETS



Source: CPA Forecast Spring 2025



Source: Department for Business & Trade



Source: Department for Business & Trade, HMRC

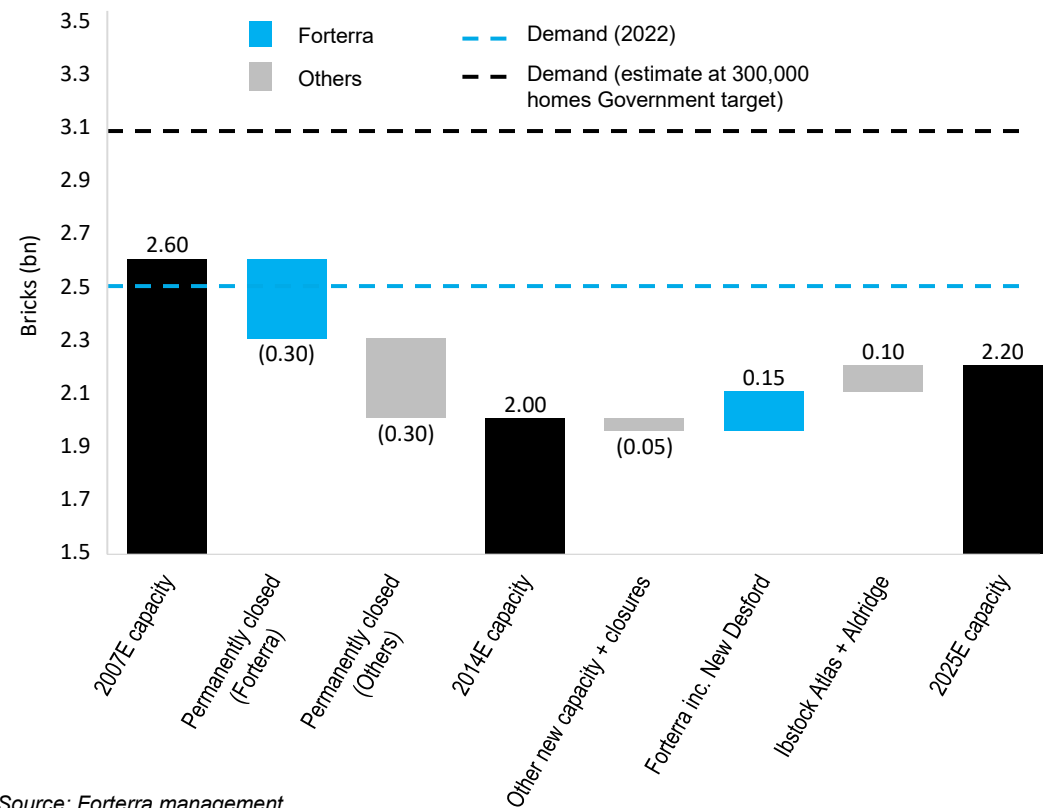
- Cautious optimism with increase in YTD activity seen across both large and medium housebuilders
- Starts and completions forecast to rise in 2025, 2026 and 2027, though remaining below 2022 levels
  - Medium / long-term market fundamentals remain attractive
  - Domestic brick deliveries of c.1.5bn MAT, up 0.2bn from December 2024
- Having reduced significantly since 2022, imports remain flat as a percentage of the market

# FORTERRA BRICK PRODUCTION CAPACITY

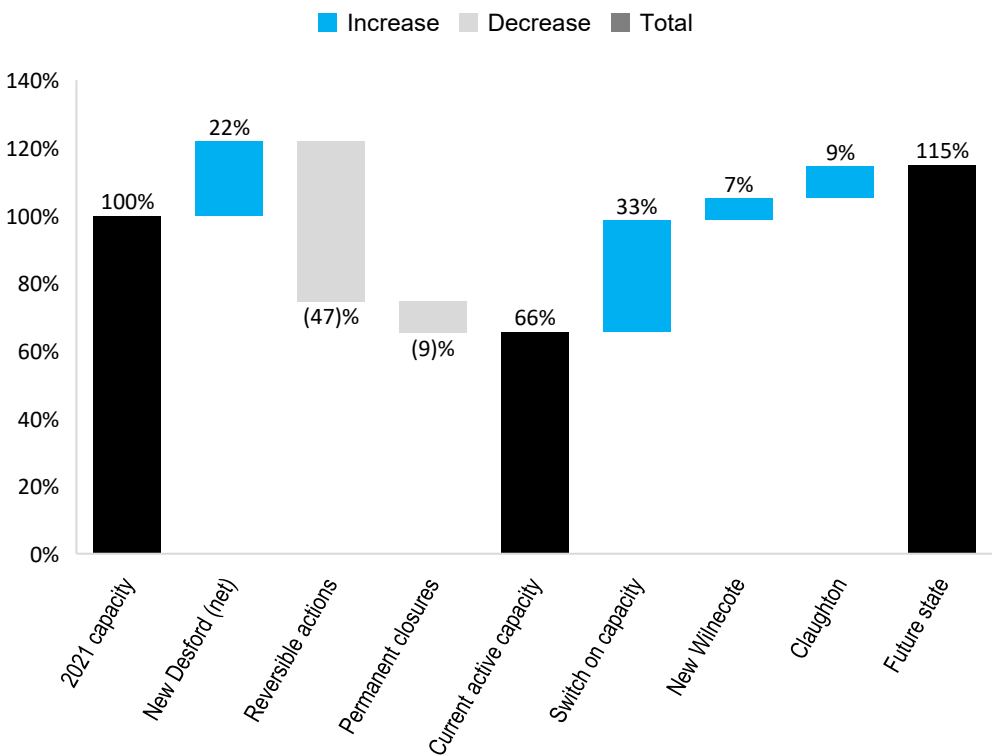
## 15% HIGHER IN NEXT TURN OF CYCLE



Evolving domestic brick industry capacity



Forterra capacity



- At 2022 levels of demand, UK domestic brick market remains capacity constrained
- Forterra well placed to benefit with 15% more capacity than the previous turn of cycle



# STRATEGIC UPDATE



# OUR STRATEGIC IMPERATIVES

- Our strategy supports the delivery of our purpose, recognising the key role our products play in shaping the built environment
- Strategic imperatives provide a clear roadmap for the organisation, guiding our efforts across functions to drive growth, efficiency, and innovation

**Strengthen the core**  
Make our current business even better than it is today



**Beyond the core**  
Provide the products and solutions for the buildings of tomorrow

# GROWTH DRIVERS



# STRATEGIC ENABLERS



**Sustainability**  
Leave the lightest touch on the world we live in



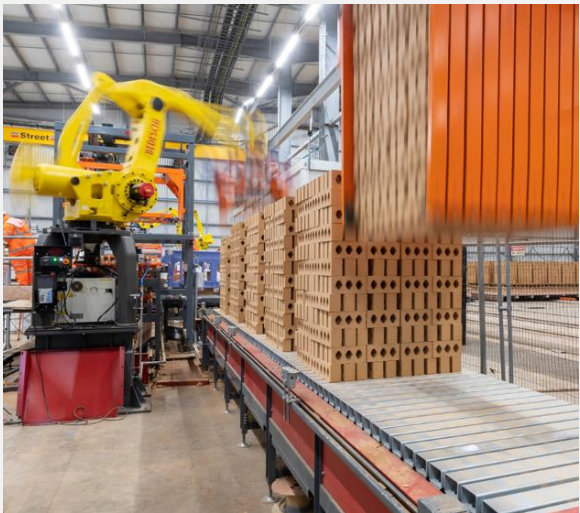
**Safety and engagement**  
Create an engaged, healthy and safe workforce



# CONTINUED PROGRESS ACROSS STRATEGIC CAPITAL PROJECTS



## DESFORD



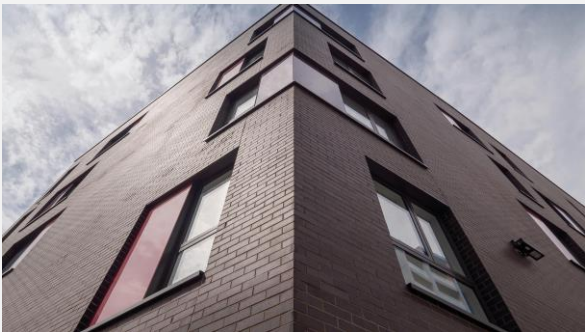
- Production at Desford to ramp up in H2 operating both kilns simultaneously for the first time



STRENGTHEN THE CORE

## WILNECOTE

- Commissioning of the new Wilnecote brick factory underway with the kiln now lit



## ACCRINGTON

- Commissioning of the brick slip production line at Accrington progressing well with activity focused on range design, with initial range of 14 slips expected to be launched in H2



- New mechanically fixed, brick slip system “Omnia” launching in H2, building on our earlier SureBrick system, with technical certifications due imminently



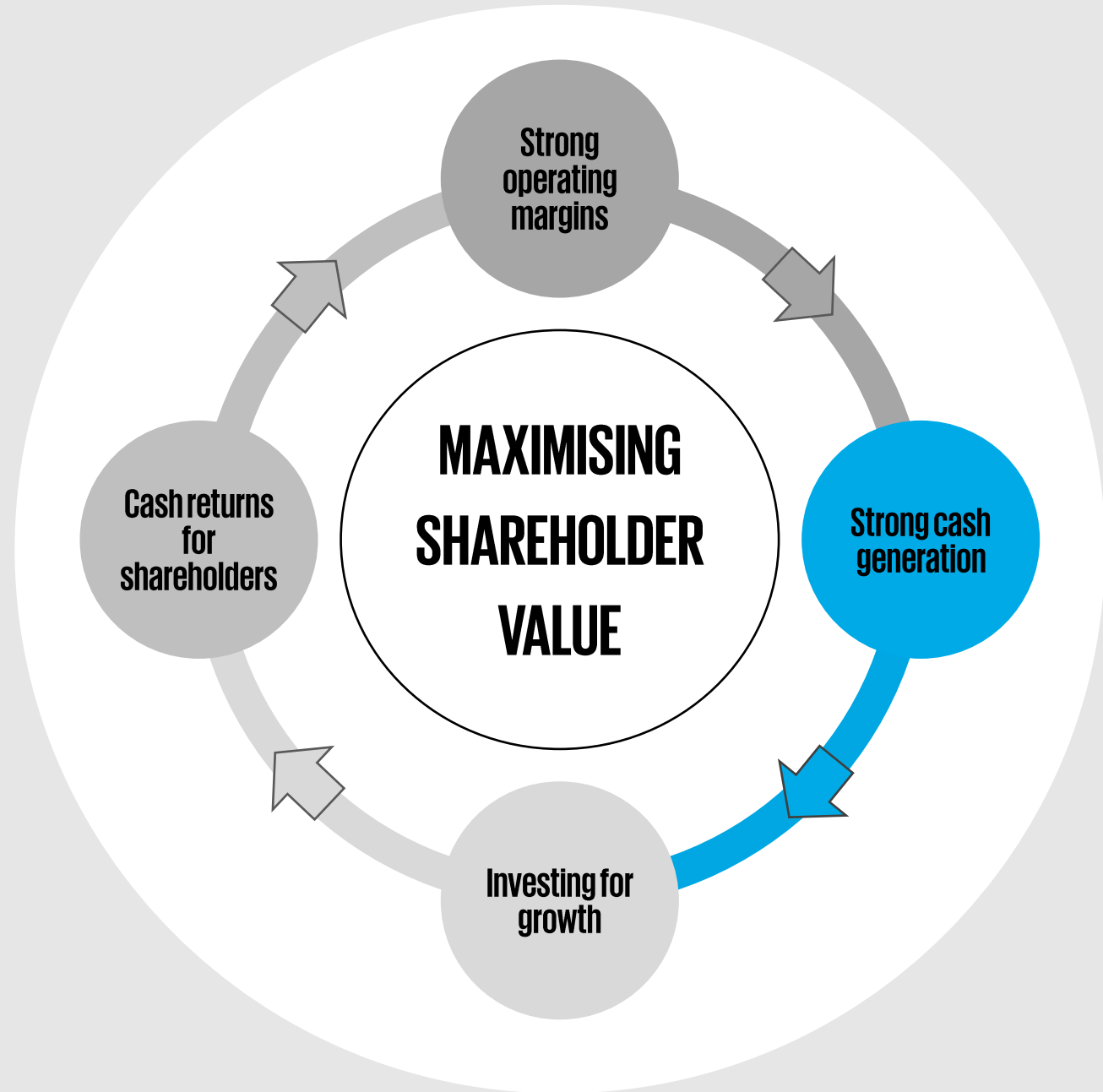
BEYOND THE CORE



# CAPITAL ALLOCATION

With an improving balance sheet, capital will be allocated in line with our capital allocation priorities:

- Strategic organic capital investment to deliver compelling returns
  - Pipeline includes potential aircrete factory
  - Continue to explore the opportunities presented by calcined clay
- Attractive dividend policy
- Bolt-ons as suitable opportunities arise in adjacent or complementary markets
- Supplementary shareholder returns as appropriate





# OUTLOOK

# 2025 OUTLOOK



- The Board are encouraged by the Group's H1 performance, with demand for most products ahead of both the prior year and the Board's previous expectations
- With H2 adjusted EBITDA expected to be modestly ahead of the H1 figure of £29.9m, we now expect the Group's 2025 adjusted EBITDA to be ahead of our previous expectations. This is expected to translate to adjusted PBT being significantly ahead of previous expectations due to broadly fixed depreciation & amortisation and reducing finance expense
- While we currently expect the present demand pattern to continue in the coming months, we remain cautious as to the fragility of the UK economy, and the impact it may have on the new housing market
- Looking beyond the current financial year, the Board remains confident that our recent investments in new production capacity leave the Group well placed to benefit from recovery in our key markets







# Q & A



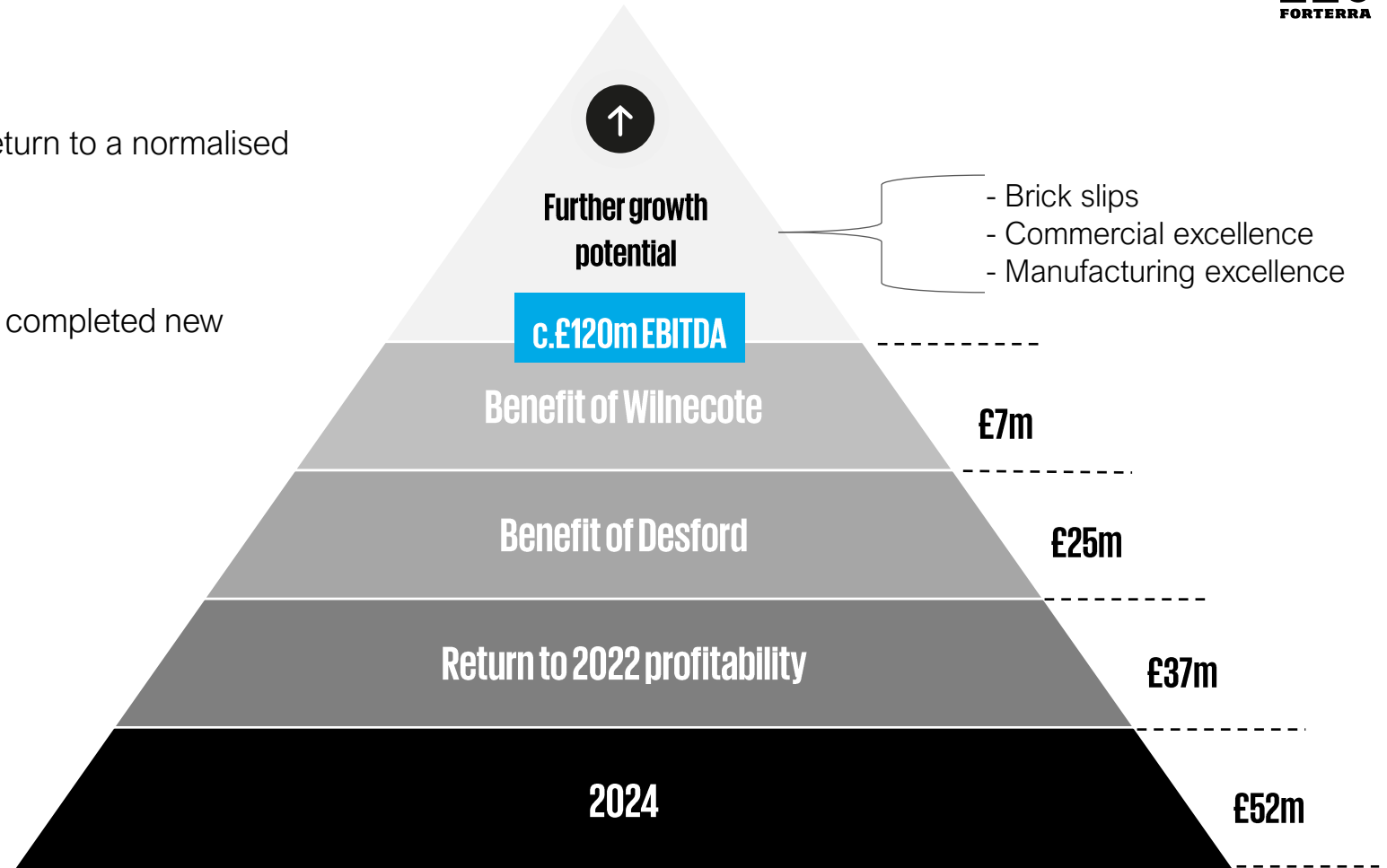


# APPENDICES

# GROUP WELL POSITIONED FOR FUTURE CYCLES



- Strategic capital investments will leverage the return to a normalised market
- Growth illustration assumes:
  - Return to 2022 levels of profitability (208k completed new homes vs. 169k in 2024)
- Incremental benefits from projects (assuming normalised market):
  - £25m from Desford
  - £7m incremental at Wilnecote
- Proforma Group adjusted EBITDA of c.£120m
- Further potential upside from brick slips and excellence projects



The Group is well positioned to capitalise on the recovery of our key markets

# BALANCE SHEET POSITION



	At June	At December	
£m	2025	2024	Change
Intangible assets	8.5	11.6	(3.1)
Property, plant and equipment	263.5	263.8	(0.3)
Right-of-use assets	17.2	20.5	(3.3)
Derivative asset	–	2.8	(2.8)
<b>Total non-current assets</b>	<b>289.2</b>	<b>298.7</b>	<b>(9.5)</b>
<b>Current assets</b>			
Inventories	76.1	82.0	(5.9)
Trade and other receivables	60.5	39.0	21.5
Cash and cash equivalents	15.0	15.2	(0.2)
Other assets	4.9	7.5	(2.6)
<b>Total current assets</b>	<b>156.5</b>	<b>143.7</b>	<b>12.8</b>
<b>Total assets</b>	<b>445.7</b>	<b>442.4</b>	<b>3.3</b>
Trade and other payables	(87.6)	(68.7)	(18.9)
External borrowings	(84.4)	(100.1)	15.7
Lease Liabilities	(18.5)	(20.9)	2.4
Other Liabilities	(26.0)	(27.8)	1.8
<b>Net assets</b>	<b>229.2</b>	<b>224.9</b>	<b>4.3</b>

**Forterra plc**

5 Grange Park Court, Roman Way,  
Northampton

NN4 5EA

Tel: 01604 707600

