BRCK AIMX BRCK Group PLC

Half Year Trading Update and Notice of Results · RNS 6979A · 28 October 2026

BRCK cuts FY27 EBITDA guidance to about £45.0m as housing recovery slips further out

Share price	48.6p
Market cap	£157m
52-week range	39.41p - 59.74p
Shares in issue	323.3m
12-month change	-12.8%

Ticker Data API, as at 27 Oct 2026, 16:25

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SUMMARY

BRCK Group today cut its full-year profit outlook, guiding to FY27 adjusted EBITDA of approximately £45.0 million against the £50.3 million market consensus it cites. First-half revenue is expected to be £343.1 million, down 1.1%, with adjusted EBITDA of approximately £25.5 million against £27.2 million a year earlier. Pre-IFRS net debt rose to £96.4 million from £66.8 million, reflecting the Jacksons fencing acquisition and its freehold property. The Board blames subdued housebuilding and repair, maintenance and improvement (RMI) markets, and the rising chance of UK rate rises, for a slower recovery. The cut comes six weeks after September's AGM statement left full-year expectations unchanged. The investment case now turns on covenant headroom and Distribution trends, both due at the 24 November interim results.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
FY27 adjusted EBITDA guidance	approximately £45.0 million	FY27	vs market consensus of £50.3 million
H1 revenue	£343.1 million	H1 FY27	down 1.1% (H1 FY26: £347.0 million)
H1 adjusted EBITDA	approximately £25.5 million	H1 FY27	H1 FY26: £27.2 million
Net debt (pre-IFRS)	£96.4 million	30 September 2026	30 September 2025: £66.8 million
Net debt	£60.5m	31 March 2026	
Leverage	approximately 1.15x	31 March 2026	
Jacksons initial consideration	£15.0m		plus £4.9m for freehold assets and up to £11.0m contingent earn-out
Pre-tax profit, statutory vs adjusted	£6.3m vs £38.3m	FY26	
Total dividend	3.51p	FY26	maintained

Sources: Half Year Trading Update RNS, 28 Oct 2026; Final Results, 14 Jul 2026; Trading update, 23 Apr 2026

THE ANNOUNCEMENT

- FY27 adjusted EBITDA is now expected to be £45.0 million, below the £50.3 million market consensus cited by the Board, because a recovery in end markets is expected to take longer than previously anticipated.
- H1 FY27 revenue is expected to be £343.1 million (H1 FY26: £347.0 million), and adjusted EBITDA £25.5 million (H1 FY26: £27.2 million), described as in line with the Board's expectations.
- Design & Install delivered another strong contribution, and Jacksons, acquired in July 2026, made a positive initial contribution.
- Pre-IFRS net debt at 30 September 2026 is expected to be £96.4 million (30 September 2025: £66.8 million), reflecting the Jacksons acquisition and associated freehold property.
- The Board will accelerate process, administrative and IT efficiency measures. It welcomes the proposed 'Your First Home' scheme but says it is too early to gauge its impact.
- Interim results are due on 24 November 2026.

AGAINST GUIDANCE

The first half met the Board's own expectations, but the full-year number did not hold. The 15 September AGM statement said trading over the first five months was in line with the July outlook and full-year expectations were unchanged. Six weeks later, guidance of £45.0 million sits £5.3 million below the £50.3 million consensus the Board cites, and with first-half EBITDA at £25.5 million, it implies a weaker second half than the first. Before this, the forecasting record was sound: FY25 EBITDA came in ahead of market expectations and FY26 revenue and EBITDA were delivered in line. Ticker's earnings surprise model, an estimate, had leaned towards an ahead outcome.

BULL CASE

- Design & Install keeps performing strongly in a weak market, and Jacksons adds a fencing business less tied to new-build starts. Together they supported first-half revenue only 1.1% below last year despite subdued housebuilding.
- Cash generation has been better than statutory profit suggests: FY26 operating cash flow was £29.5m against after-tax profit of £1.30m. The rise in net debt is explained in the RNS by an acquisition and freehold property, not trading losses.
- Distribution carries operational gearing (high fixed costs, so extra volume lifts profit sharply). A recovery in housing starts, helped by lower mortgage rates or a confirmed 'Your First Home' scheme, would flow quickly to earnings, and accelerated efficiency measures could lower the cost base before that happens.
- Against a stated market value of £157m, FY26 adjusted EBITDA was £51.0m, so the shares carry modest expectations if earnings recover towards past levels.

BEAR CASE

- Earnings are falling while debt rises. Pre-IFRS net debt of £96.4 million is up from £60.5m at March, and leverage of approximately 1.15x at that date will be materially higher against £45.0 million of EBITDA; the RNS gives no covenant headroom, interest cover or cash flow.
- The FY26 results described a scenario in which a sustained 9% revenue fall over 18 months, with no mitigating action, would breach a covenant in June 2027. First-half revenue is down only 1.1%, but the lower profit outlook makes that headroom more important, and £73.0m of £150m borrowings at March fell due within a year.
- The rate backdrop is unhelpful for Distribution, which the Board calls highly sensitive to UK interest rates. The two-year gilt yield was 4.91% on 22 October against a 3.75% Bank Rate, and CPIH inflation was 3.60% in September, up 0.80 points over three months.
- Adjusted profit sits far above statutory profit (FY26 pre-tax £38.3m adjusted vs £6.3m statutory), and a possible earn-out of up to £11.0m plus 5,996,926 options granted in September add to future calls on cash and shareholders.

WHAT TO WATCH

- The 24 November 2026 interim results: covenant definitions and headroom under the £45.0 million forecast, interest cover, and a debt bridge separating the Jacksons purchase from trading cash flow and working capital.
- Divisional detail at the interims, especially whether Distribution has weakened further since September and how much of the accelerated efficiency programme is quantified.
- The interim dividend decision, after FY26's maintained 3.51p total, as a signal of how the Board views balance-sheet capacity.
- Confirmed details and timing for the 'Your First Home' scheme, and the direction of two-year gilt yields and mortgage pricing ahead of the June 2027 covenant test date flagged in the FY26 accounts.

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