## NCC XLON NCC Group PLC

FY26 trading update and new CEO appointed · RNS 5150A · 27 October 2026

# NCC promotes CFO Guy Ellis to chief executive as FY26 Cyber profit beats expectations

| | |
|---|---|
| Share price | 174.8p |
| Market cap | £293m |
| 52-week range | 107.2p - 174.8p |
| Shares in issue | 167.5m |
| 12-month change | +14.3% |

Ticker Data API, as at 26 Oct 2026, 16:28

### SHARE PRICE, 12 MONTHS




### SUMMARY

NCC Group named finance director Guy Ellis chief executive today, replacing Mike Maddison with immediate effect, alongside a trading update for the year to 30 September 2026. Cyber revenue is expected at c.£235m, up 3.7% on a constant-currency comparable basis and in line with market expectations. Cyber adjusted EBITDA of £16.3m (c.6.9% of revenue) is ahead of expectations, with net cash at c.£53m and FY27 expectations unchanged. The longer view is less settled. Escode, sold in May, supplied £19.7m of the £36.0m Group adjusted EBITDA. Cyber growth slowed from the c.5.9% reported for the first half, and the target of mid-teens margins by FY28 is more than double today's level. The 10 December results are the first chance to test the plan under the new leadership.

## KEY FIGURES

| FIGURE | VALUE | PERIOD | CHANGE |
|---|---|---|---|
| Cyber revenue (expected) | c.£235m | FY26, year to 30 September 2026 | +3.7% on FY25 £227.4m (constant currency, excluding non-core disposals) |
| Cyber gross margin (expected) | 38.4% | FY26 | +1.8 percentage points |
| Cyber adjusted EBITDA (expected) | £16.3m | FY26 | c.6.9% of revenue; ahead of market expectations |
| Escode adjusted EBITDA before disposal | £19.7m | Eight months to May 2026 | |
| Group adjusted EBITDA including Escode | £36.0m | FY26 | |
| Net cash (before arrangement fees, excluding leases) | c.£53m | 30 September 2026 | |
| Cyber revenue growth, first half | c.5.9% | H1 FY26 | |
| Cyber adjusted EBITDA margin guidance | c.5.5%-7.5% | FY26 | |
| Net debt | £72.9m | 30 September 2024 | |
| Disclosed short positions | 5.36% | 22 October 2026 | |

Sources: Trading update RNS, 27 Oct 2026; Trading update, 30 Apr 2026; Interim results, 11 Jun 2026; Debt, maturities and covenants (tagged accounts), 2024-09-30; Disclosed short positions, 2026-10-22

## THE ANNOUNCEMENT

- Guy Ellis, chief financial officer since June 2023, becomes chief executive with immediate effect, succeeding Mike Maddison. Group Financial Director Andy Beaver becomes interim CFO.
- FY26 Cyber revenue is expected at c.£235m against £227.4m in FY25, a 3.7% increase on a constant-currency basis excluding non-core disposals, in line with market expectations.
- Cyber gross margin is expected at a record 38.4%, up 1.8 percentage points, and Cyber adjusted EBITDA (after share-based payments and including head office costs) at £16.3m, c.6.9% of revenue and ahead of market expectations.
- Net cash is expected at c.£53m at 30 September 2026, before arrangement fees and excluding leases. A new three-year £60m revolving credit facility was signed in September, and 35% of the £15m buyback was executed in the period.
- Including eight months of Escode before its May disposal, Group revenue is c.£280.0m and Group adjusted EBITDA £36.0m. The Escode transitional services agreement runs until 28 May 2027.
- FY27 expectations are unchanged. Ellis set out a plan to reach mid-teen EBITDA margins through organic growth, recurring revenue and managed services, with more detail due at the audited results on 10 December 2026.

## AGAINST GUIDANCE

Revenue is in line with market expectations and Cyber adjusted EBITDA ahead. Both sit within the June guidance: mid to low single-digit Cyber revenue growth for FY26 (3.7% delivered) and a Cyber adjusted EBITDA margin of c.5.5%-7.5% (c.6.9% delivered). FY27 expectations are unchanged, so there is no upgrade. The June targets still stand: mid-single-digit Cyber revenue growth in FY27 and FY28, mid-teens Cyber adjusted EBITDA margins by the end of FY28, and savings of c.£25m against FY25 by FY28, of which £7m was due in FY26 with the remainder split evenly across FY27 and FY28.

## BULL CASE

- Management has met its recent promises. FY26 growth and margin landed inside the June ranges with EBITDA ahead of expectations, and the Escode sale, £40m buyback, £170m tender and refinancing all completed as planned.
- The balance sheet has turned from £72.9m of net debt at September 2024 to c.£53m of net cash, backed by a new £60m facility. Interest costs no longer cut into profit, and the remaining £15m buyback continues to shrink the share count.
- The margin path has a defined mechanism. Most of the c.£25m cost programme lands in FY27 and FY28, and a shift towards managed services would add recurring revenue on top of a record 38.4% gross margin.
- Promoting the CFO keeps the person who ran the Escode disposal and the cost plan in charge, and the register is concentrated among holders such as Odyssean Investment Trust (11.97%), Aberforth Partners (11.05%) and Richard Griffiths (8.23%).

## BEAR CASE

- The business that remains earns much less. Escode produced £19.7m of adjusted EBITDA in eight months against £16.3m for a full year of Cyber, so more than half of FY26 Group EBITDA has gone with the disposal.
- Growth is slowing. Cyber revenue rose c.5.9% in the first half but 3.7% for the year, which implies a weaker second half just as FY27 expectations call for mid-single-digit growth.
- The mid-teens margin target means more than doubling the 6.9% FY26 margin. No cash flow figures for Cyber alone were given, net cash excludes leases, and the capital returns were funded by disposal proceeds, not by Cyber's own cash generation.
- Leadership changed with immediate effect and the finance role is now interim, at the point where the strategy moves from cost cutting and disposals to organic growth. Stand-alone central costs may also come into view when the Escode services agreement ends in May 2027.

## WHAT TO WATCH

- The audited FY26 results and strategy update on 10 December 2026: whether they bridge the 6.9% margin to mid-teens by FY28 step by step, and give operating cash flow, exceptional cash costs and lease payments for Cyber alone.
- FY27 trading commentary for signs that Cyber revenue growth is back towards mid-single digits after the slower second half of FY26, including any order book or managed-services revenue data.
- Costs when the Escode transitional services agreement ends on 28 May 2027, and how quickly a permanent CFO is appointed.
- Progress on the £15m buyback, recently executed at a volume-weighted average of 155.9124p on 22 October, and changes in disclosed short positions, which stood at 5.36% on 22 October.

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