SRC AIMX SigmaRoc PLC

Q3 Trading Update · RNS 7448Z · 21 October 2026

SigmaRoc lifts nine-month EBITDA 7.5% to £207.3m and holds its full-year view

Share price	123.3p
Market cap	£1.39bn
52-week range	105p - 153p
Shares in issue	1128.2m
12-month change	+7.3%

Ticker Data API, as at 20 Oct 2026, 16:29

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SUMMARY

SigmaRoc's third-quarter trading update today showed underlying EBITDA up 7.5% to £207.3m for the nine months to 30 September, on revenue up 2.5% to £795m, with the margin up 120bps to 26.1%. The Board left its 2026 outlook unchanged against consensus of £280m EBITDA, and the €110m AB Dolomitas acquisition is still expected to complete later this year. The third quarter alone contributed £76.1m of EBITDA, so the fourth quarter needs £72.7m to reach consensus. That looks achievable without a housing recovery, but growth in the quarter slowed from the first half's pace. The shares closed today at 123.30p, down 2.46%, about 10.6 times the 11.6p consensus EPS. Over the longer term, the case turns on whether pricing gains survive higher energy costs and whether cash generation keeps pace with acquisitions.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Revenue, nine months	£795m	Nine months to 30 September 2026	Up 2.5% (2025: £775m)
Underlying EBITDA, nine months	£207.3m	Nine months to 30 September 2026	Up 7.5% (2025: £192.9m)
Underlying EBITDA margin	26.1%	Nine months to 30 September 2026	Up 120bps (2025: 24.9%)
Consensus underlying EBITDA	£280m	Year to 31 December 2026	Range £276m to £285m; Board view unchanged
Consensus underlying basic EPS	11.6p	Year to 31 December 2026	
AB Dolomitas consideration	€110m		€90m cash plus 13,333,334 shares at 129p, and €8m for non-core assets
Net debt	£462.6m	30 June 2026	Covenant leverage 1.66x
Underlying free cash flow	£67.0m	Six months to 30 June 2026	Prior £61.9m; underlying EBITDA £131m
Share price	123.30p	21 October 2026	Down 2.46% on the day; day range 120.00p to 125.10p
Disclosed short positions	7.08%	15 October 2026	From 6.89% on 9 October

Sources: Q3 Trading Update RNS, 21 Oct 2026; Acquisition of AB Dolomitas RNS, 7 Sept 2026; Interim Results RNS, 7 Sept 2026; Ticker market data, 21 Oct 2026; Disclosed short positions, Ticker research database

THE ANNOUNCEMENT

- Nine-month underlying EBITDA rose 7.5% to £207.3m (2025: £192.9m) on revenue up 2.5% to £795m (2025: £775m); the underlying EBITDA margin improved to 26.1% from 24.9%.
- The Board's view of the full year is unchanged. The consensus it cites for 2026 is revenue of £1,074m, underlying EBITDA of £280m (range £276m to £285m) and underlying basic EPS of 11.6p.
- All three end markets (industry, environment and construction) grew revenue in Q3, and construction returned to growth after a slight first-half decline. Volumes improved slightly, evolving in line with the first half, while European residential construction stayed very subdued.
- SigmaRoc is buying AB Dolomitas, a Lithuanian dolomite producer with 3.5m tonnes of annual output and about 45 years of reserves and resources, for €110m. Completion is expected later this year, and Max Vermorken, chief executive, expects the deal to add to earnings in 2027.
- Management sees little change in Q4 market conditions. It names EU support for steel and mining, the German stimulus programme and a possible residential recovery as potential tailwinds, but says it is too early to call their arrival.

AGAINST GUIDANCE

Nine-month trading is in line with expectations, not ahead of them. The Board has reiterated its 2026 view at each checkpoint this year, and the consensus it cites has edged up from £276m of EBITDA at the interims on 7 September to £280m now. With £207.3m earned in nine months, Q4 needs £72.7m, below the £76.1m earned in Q3 (nine-month EBITDA less the first half's £131.2m). Revenue is the tighter line: consensus of £1,074m requires £279m in Q4, a faster growth rate than the 2.5% achieved so far this year. Ticker's earnings surprise model had leaned only slightly towards an in-line outcome before the update, an estimate rather than a forecast.

BULL CASE

- Pricing and cost control are carrying earnings while volumes barely move: nine-month EBITDA grew three times as fast as revenue, and the margin reached 26.1%. Any return of volume, from German stimulus, EU steel and mining support or a housing recovery, would land on that higher margin base.
- The balance sheet supports the strategy on disclosed figures. H1 covenant leverage was 1.66x, the Board's 2026 leverage guide was 1.4x, and the €825m investment-grade facility leaves nothing material falling due in the next two years.
- Dolomitas adds 3.5m tonnes a year of dolomite with about 45 years of reserves, and management expects it to enhance 2027 earnings. At today's 123.30p close the shares trade on about 10.6 times the 11.6p consensus EPS, a multiple that does not assume a cyclical recovery.
- Management's record this year is unbroken in-line delivery, and the chief executive bought 10,000 shares at 119.65p in June.

BEAR CASE

- Momentum slowed in Q3. First-half EBITDA rose more than 11%, but nine-month growth fell to 7.5%, so Q3 on its own grew only modestly, and management sees little change in Q4 conditions.
- Energy is a live cost risk for a kiln-based lime producer. Brent stood at $110.55 on 20 October, up 17.5% in three months, and the annual report lists higher energy and carbon costs among its principal risks.
- Underlying figures flatter the cash picture. In H1, underlying pre-tax profit was £75.1m against statutory £44.9m, underlying free cash flow was about half of underlying EBITDA, and ROCE rose only to 11.8% from 11.3%. The Q3 statement gives no net debt, cash flow or covenant figure ahead of a €90m cash payment for Dolomitas.
- Construction demand remains weak, with European residential markets very subdued, and disclosed short positions rose to 7.08% of the shares by 15 October.

WHAT TO WATCH

- Completion of AB Dolomitas, expected in Q4 2026, and the net debt and covenant leverage figures that follow it, against the 1.66x reported at June and the 1.4x full-year guide.
- Whether full-year revenue reaches the £1,074m consensus, which needs £279m in Q4, and whether EBITDA lands nearer the £276m or the £285m end of the range.
- 2027 guidance, which will show whether price increases still outrun energy and carbon costs and whether volume growth has started to contribute.
- Cash conversion in the full-year results: free cash flow as a share of underlying EBITDA, and the gap between underlying and statutory profit.

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