



## Introduction to Alumasc

December 2023

Alumasc Roofing – Hydrotech  
– One Chamberlain Square, Birmingham

# Why Alumasc

*A market leading provider of innovative & proven sustainable solutions to the built environment*



Diversified portfolio provides a platform for strategic acceleration

Business set to benefit from long-term structural growth drivers

Premium products and brands, with strong market positions

Entrepreneurial, decentralised model to optimize efficiency and agility

Financial position provides capacity to invest for growth

Potential to deliver significant shareholder value



# Alumasc: Sustainability at core of our growth strategy



## Advancing the Circular Economy

Sustainable materials: reduce, repair, recycle

Market-leading durability

## Decarbonising the built environment

Innovation drives solutions

Operating energy efficiency

Embodied energy efficiency

## Improving building resilience to climate change

Rainwater management

Stormwater runoff

## Improving quality of life in multi-occupancy buildings

Roofline utility areas/biodiversity

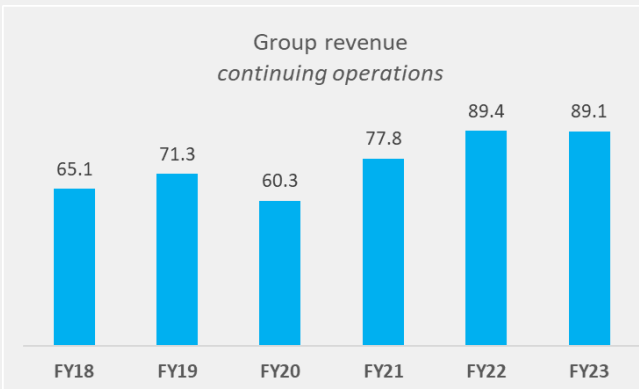
	Water Management	Building Envelope	Housebuilding Products	Group
% of Group revenue				<p><b>80% revenue derived from environmental products</b></p> <p><b>80% revenue supported by specification/regulation</b></p> <p><b>Export sales: 15% of total</b></p>
% of Group profit				
Private vs Public				
Housebuilding vs Non-residential vs Commercial/infras tructure				
RMI vs New build				

# Accelerating growth: solid financial platform



## Profitable growth

### Sales growth

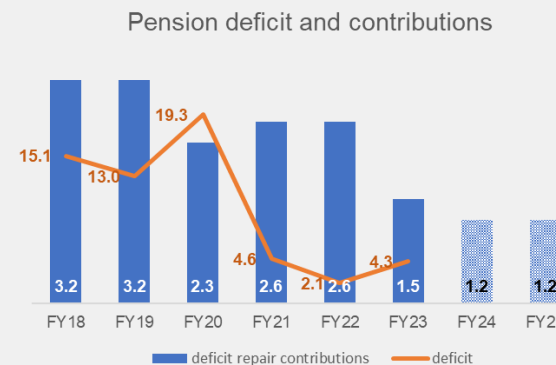


**Driven by:**  
 Attractive niche markets  
 Sustainable material demand  
 Growth in exports

**Medium term aspiration:**  
 Outperform UK construction market

## Cash and facilities

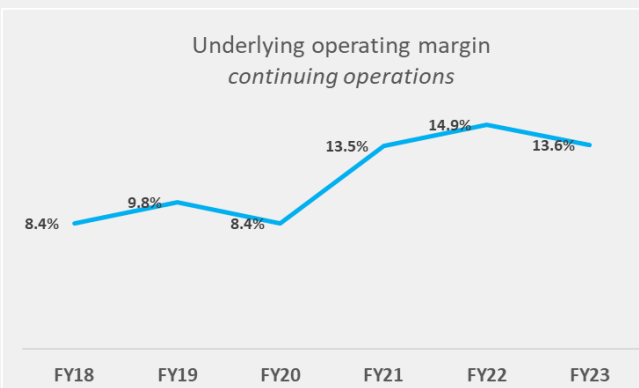
### Pension deficit management



**IAS19 deficit reduced to £2m**  
 Repair contributions reduced to £1.2m pa from 1 October 2022

**Medium term aspiration:**  
 Maintain lower contributions  
 Scheme self-sufficiency

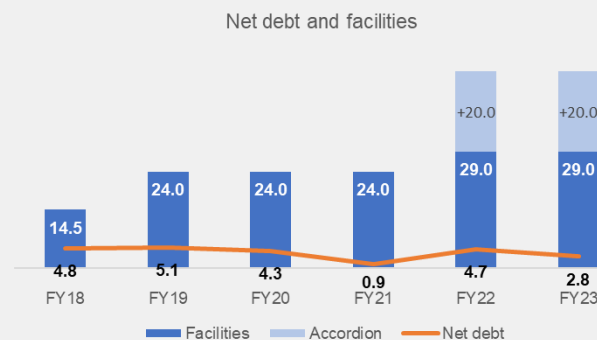
## Operating margin



**Driven by:**  
 Brand and product strength  
 Operating efficiency

**Medium term aspiration:**  
 15-20%

## Net debt and bank facilities



**Headroom vs 30 June 23 debt:**  
 • £26.2m  
 • £46.2m (including accordion)

**Substantial investment capacity**

# Accelerating growth: strategic objectives



## Organic growth strategy:

- **Accelerate organic revenue growth**
  - Attractive positions in markets, underpinned by building regulations/legislation
  - Differentiation through market-leading customer service and support
  - New product development
  - Cross-selling and geographical sales expansion
- **Drive margin improvement**
  - Agile and flexible production capacity
  - Operational efficiency improvements
- **Champion sustainable building products**
  - Long-term environmental growth drivers
  - Durable and low-maintenance products
  - Recycled and recyclable materials

## Inorganic growth strategy:

### Sectors:

- Water Management
- Building Envelope
- Housebuilding Products

### Acquisition criteria:

- Bolt-on (up to c£20m EV)
- Aligned market positions: environmental/innovative in built environment
- Reflecting Alumasc's target margins
- Net debt/EBITDA <2x
- Immediately earnings accretive

# Summary: the investment proposition



Diversified portfolio provides a platform for strategic acceleration

Business set to benefit from long-term structural growth drivers

Premium products and brands, with strong market positions

Entrepreneurial, decentralised model to optimize efficiency and agility

Financial position provides capacity to invest for growth

Potential to deliver significant shareholder value



## Appendices:

- Board
- History
- Wade acquisition: case study

Alumasc Water Management  
– Skyline Fascia, Soffits, Copings  
& Alumasc Rainwater Products  
Willow Bank, Northamptonshire



## Chair

- Vijay Thakrar (appointed 2019)
  - Non-Executive Director of Alpha FX Group plc, RSM Group and Chair of Treatt plc. Previously served as Non-Executive Director on various Boards, including The Quoted Companies Alliance, Sanderson Design Group plc and Quorn Foods, ex-partner at Deloitte and E&Y. Chair from January 22.

## Executive Directors

- Paul Hooper (appointed 2001)
  - Chief Executive - ex-BTR plc, Williams Holdings plc and Rexam plc. Non-Executive Director of Titon Holdings plc.
- Simon Dray (appointed 2021)
  - Group Finance Director - ex-Deloitte, Halma plc and Low & Bonar plc.
- Gilbert Jackson (appointed 2019)
  - Executive Director - ex-Polypipe Civils Ltd, Marley Waterproofing and IKO.
- Michael Leaf (appointed 2019)
  - Executive Director - ex-Ideal Standard (UK).

## Non-Executive Directors

- Stephen Beechey (appointed 2019)
  - Executive Director of the Wates Group; sits on their Group Executive Committee and the Construction Group Board. Director of Construction Skills Certification Scheme Ltd.
- Karen McInerney (appointed 2022)
  - Group Financial Controller of Computacenter plc; member of their Risk Committee.

# History



# Case study: Acquisition of Wade International

## Adding value by targeted acquisitions

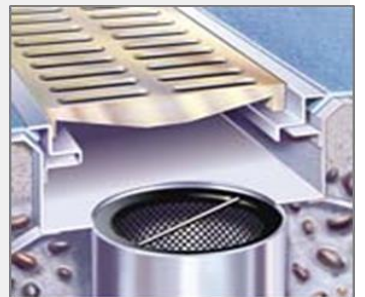
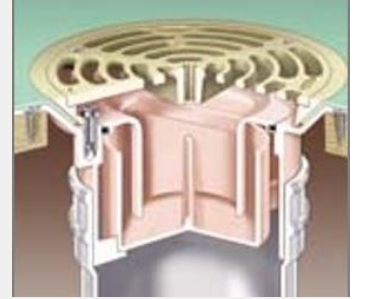


### The business:

- A leading manufacturer / supplier of high quality metal drainage products and access covers with a premium brand
- Owns a c.52,000 sq. ft. factory in Halstead, Essex
  - additional capacity and land for expansion
- Strong positioning in surface water drainage (internal & external) and roof drainage
- Complements AWMS' strengths in roof and through building drainage and Gatic's strengths in higher capacity civil drainage

### Acquisition financials:

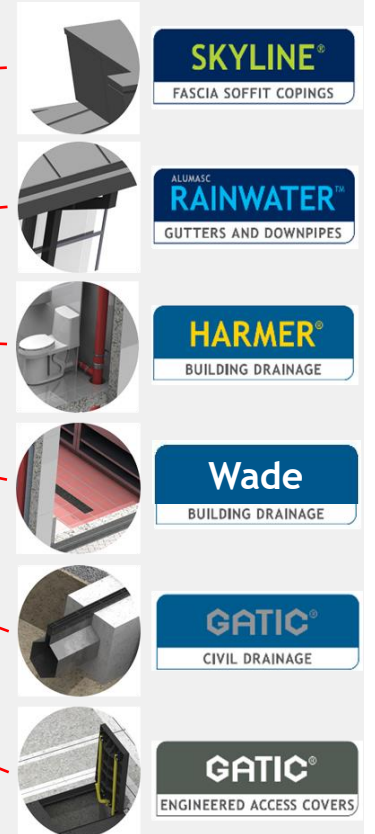
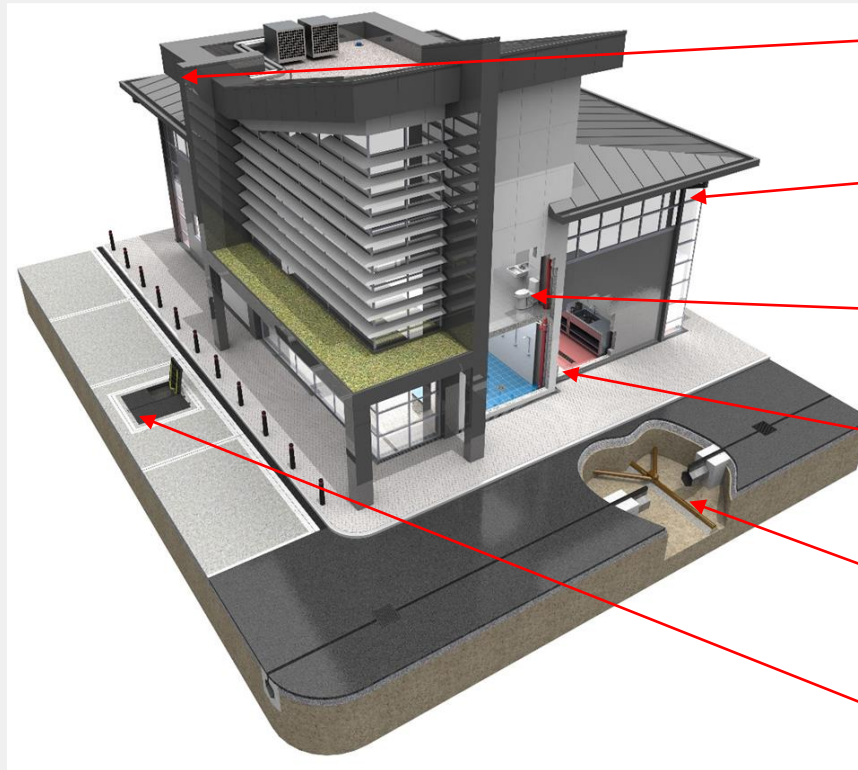
- Enterprise value £8.0m, settled in cash at completion
- Year to 30 June 2018 statutory results : revenue £5.3m; PBT £1.3m; EBITDA £1.6m
- Acquisition multiples:
  - EV/EBITDA : 5.0 times
  - EV/EBIT : 6.2 times
- Strongly earnings enhancing in the first full year of Alumasc's ownership



# Wade – Delivering synergistic value



## “Rain to Drain” Strategy



### The synergistic potential was significant:

- **Enhances Alumasc’s “rain to drain” range of systems:**
  - has facilitated growth in specification sales and divisional cross-selling
  - extends Alumasc’s end user market reach into food / pharmaceutical sectors
- **Export market development potential**
  - especially Middle East
- **Divisional property synergies**
  - Saving c.£200k pa of previously leased property costs
- **Shared divisional management functions, systems & processes**
  - Sales, sales support HR, purchasing, marketing, finance & IT
  - Saving c.£600k pa in FY 2020/21
- **Divisional knowledge and best practice sharing**



The Alumasc Group plc

[www.alumasc.co.uk](http://www.alumasc.co.uk)