



Full Year results for the 12 months ended 31 December 2025

Decisive actions undertaken to deliver a stronger, more profitable business

Marshalls plc, the diversified building products manufacturer and sustainable solutions provider for the built environment, announces its results for the year ended 31 December 2025.

Financial summary

£'M	2025	2024	Change
Revenue	632.1	619.2	2%
Adjusted results (Notes 1 and 2 below)			
Adjusted EBITDA	85.0	97.8	(13%)
Adjusted operating profit	56.4	66.7	(15%)
Adjusted profit before tax	43.7	52.2	(16%)
Adjusted basic EPS – pence	13.4	16.0	(16%)
Adjusted annualised ROCE (%)	7.0	8.2	(1.2 ppts)
Final dividend (proposed) – pence	4.5	5.4	(17%)
Total dividend (proposed) – pence	6.7	8.0	(16%)
Pre-IFRS 16 net debt	137.9	133.9	3%
Reported results			
Operating profit	32.0	53.9	(41%)
Profit before tax	17.7	39.4	(55%)
Basic EPS – pence	5.7	12.3	(54%)

Resilient in-line performance

- Group returned to revenue growth and delivered adjusted profit before tax in-line with market expectations¹
- Landscaping Products improvement plan delivered higher volumes and market share gains despite subdued end markets, offset by targeted price investment and a weaker product mix
 - Strengthened customer relationships beginning to deliver, with 4% volume growth outperforming a flat market
 - Decisive actions taken to right-size capacity, optimise the network, reduce portfolio complexity and tighten commercial practices to deliver profitably at current levels of demand
 - On track to deliver £11 million of annualised cost savings by the end of 2026
- Building Products delivered revenue growth of 4% with good performances in Water Management and Mortars
 - Good progress on strategic growth opportunities in Water Management
- Roofing Products revenue growth of 4% driven by c.32% growth in Viridian Solar as it capitalised on new build energy efficiency regulations

Strong financial position supporting growth ambitions

- Robust balance sheet with year-end pre-IFRS16 net debt of £137.9 million and leverage of 1.8 times pre-IFRS 16 adjusted EBITDA
- Adjusted operating cashflow conversion of 88% reflects disciplined working capital management
- Successfully refinanced the £270 million facility in November with no change in commercial terms, reinforcing the medium-term funding platform and providing flexibility to continue executing the strategy at pace

Clear plan to intensify the execution of ‘Transform & Grow’

- Greater discipline and focus on executing near-term priorities to build on early progress
- Concentrating resources on the priorities that will improve margin, cash and service outcomes by
 - Being selective with the activities that we undertake
 - Building an organisation focused on delivery
 - Strengthening our commercial discipline

Current trading and outlook

- Market activity levels in the first two months of 2026 remained consistent with the close of 2025, although they were affected by persistent rainfall.
- Against this backdrop, our priority for 2026 is the disciplined implementation of the ‘Transform & Grow’ strategy. This will be underpinned by sharper execution through intensifying our pace, tightening our focus and embedding performance, ensuring teams throughout our businesses are aligned behind priorities that will improve margin, cash and service outcomes.
- The Board is mindful of the conflict in the Middle East. However, in the absence of clarity on the impact of the conflict on our end markets and cost base, our expectations for the year remain unchanged and the Board is confident of driving a material increase in profitability and returns over the medium-term.

¹ Company compiled consensus for adjusted profit before tax for 2025 is £43.5 million with a range of £42.0 million to £44.1 million.

Simon Bourne, Chief Executive Officer, commented:

“We have acted decisively to strengthen Marshalls’ foundations as part of our ‘Transform and Grow’ strategy. These actions have resulted in a sharper focus on execution with greater emphasis on delivery and commercial discipline alongside more value-driven activity across the business. We are not simply waiting for a cyclical recovery. As a result, the business has returned to revenue growth while adjusted profit before tax was in line with the guidance set out in July last year.

In Landscaping Products, we have made significant progress on our near-term improvement plan and put the building blocks in place to support a material increase in operating margins. In Roofing and Building Products, we have continued to position the business to capture regulatory and infrastructure-led demand.

Our strategic direction remains unchanged, and our immediate focus is on executing against our plan with greater discipline, in order to deliver sustainable, profitable growth over the medium term.”

There will be a live presentation today at 10am at the offices of Peel Hunt for analysts and investors, which will also be webcast live. The presentation will be available for analysts and investors who are unable to view the webcast live and can be accessed on Marshalls’ website at www.marshalls.co.uk. Users can register to access the webcast using the following link: https://brrmedia.news/MSLH_FY25

Notes:

1. The results for the year ended December 2025 have been disclosed after adding back adjusting items. These are set out in Note 4.
2. This Preliminary Announcement includes alternative performance measures (‘APMs’), which are not defined or specified under the requirements of International Financial Reporting Standards. The Board believes that these APMs provide stakeholders with important additional information on the Group. To support this, we have included an accounting policy note on APMs in the Notes to this Preliminary Announcement, a glossary setting out the APMs that we use, how we use them, an explanation of how they are calculated, and a reconciliation of the APMs to the statutory results, where relevant. See Notes 4 and 19 for further details.

Enquiries:

Marshalls plc

Simon Bourne	Chief Executive Officer	Marshalls plc	+44 (0)1422 314777
Justin Lockwood	Chief Financial Officer		

Financial PR & media

James White	Sodali & Co	+44 (0) 78 5543 2699
Pete Lambie		marshalls@client.sodali.com
Tilly Abraham		

Chief Executive Officer's statement

Good strategic progress in subdued markets

2025 saw a continuation of the trends experienced in recent years with subdued activity in UK housing and discretionary home improvement spending. Against this backdrop, our strategic actions returned the Group to revenue growth for the first time since 2022 and delivered adjusted operating profit in line with revised expectations, reflecting disciplined trading and firm control of cash, cost and capital allocation. Our diversified portfolio continues to provide balance through the cycle, with Roofing and Building Products delivering robust contributions, partially offsetting continued pressures in Landscaping Products.

A core focus in 2025 has been the reset of our Landscaping business. Our performance improvement plan is now delivering tangible progress, creating a leaner and more agile operation that is better aligned to servicing current demand levels. We accelerated the optimisation of the manufacturing network and overhead base, delivering c.£3 million of cost savings in-year, and remain on track to achieve £11 million of annualised savings by the end of 2026. We also reduced portfolio complexity and working capital intensity, cutting the SKU count by 30% while strengthening commercial discipline through tighter pricing and discount governance with a clearer "good-better-best" product architecture.

Alongside these self-help actions in Landscaping, our other business units underline the value of our diversified portfolio and our three growth engine businesses increase our exposure to regulation-led and infrastructure-driven demand.

Marley has faced a more challenging trading and operational backdrop, with mixed demand and shifting supply dynamics in certain categories. In response, we have prioritised protection of margins and service levels through commercial discipline, while progressing targeted investment to strengthen manufacturing efficiency and resilience. Viridian Solar performed strongly as regulation-led adoption of solar in new build continued to mature. We are focused on protecting and extending Viridian Solar's leadership position as the market evolves.

In Water Management, we have made good progress in strengthening service levels and building our position in infrastructure-led demand in support of AMP8, investing in capability and customer engagement to convert a growing design and project pipeline into orders as activity ramps up through 2026. In Bricks & Masonry, market conditions remained challenging, with demand recovery in new build slower than anticipated and excess industry capacity resulting in a highly competitive trading environment. In response, we have moderated discretionary activity within the business - pausing elements of our market advocacy programme – while maintaining focus on core operational efficiency.

Looking ahead, the Group's 'Transform & Grow' strategy remains unchanged and is expected to deliver sustainable, profitable growth over the medium-term. In the near term, we are sharpening execution: acting with purpose, and concentrating resources on those priorities that will improve margin, cash and service outcomes. With the steps taken in 2025, we have entered 2026 with stronger operational foundations and a clearer focus on delivery in current markets, with any material market recovery being incremental to our planning assumptions.

Strategy update

'Transform & Grow' is the Group's strategy to strengthen performance through the cycle and deliver sustainable, profitable growth. In the near term, UK construction demand remains subdued, and the timing of recovery is uncertain. In this context, our focus is firmly on disciplined execution and assuring near-term outcomes. The Board is committed to this strategy with an increased emphasis on performance today. We are therefore refining priorities, reducing the scope of activities that are unlikely to translate quickly into improved profitability, and reallocating focus and capital to those parts of the portfolio best positioned to deliver earnings progression.

The organisation will have a flatter structure to improve accountability, with clear frames of reference to deliver more agile and faster decision making. We will strengthen our commercial discipline through improved visibility of financial performance levers and modified incentive plans, underpinned by a commercial training academy. All strategic investments will be aligned to business unit priorities and value creation.

Landscaping Products

Marshalls Landscaping is a market leader operating a distinctive national, specification-led, sales model across commercial, infrastructure and residential end markets. In 2025, the Group operated in a challenging environment characterised by subdued demand, industry overcapacity and heightened customer focus on value engineering. In response, we took decisive action to reset the business for sustainable profitability. Our strategic priority remains unchanged - to maximise the value of our specification-pull model - but with a sharper focus on margin recovery, cost discipline and operational alignment to market demand.

During the year, we strengthened customer relationships, simplified the operating model, reduced structural costs and aligned capacity more closely to market requirements. These actions supported a return to volume growth, with volumes up 4% in a flat market, reflecting early market share gains. This was achieved through targeted price investment and a deliberate focus on rebuilding customer confidence, albeit alongside a weaker product mix, as demand shifted towards lower-margin categories. While this combination resulted in a material reduction in profitability in 2025, the actions taken were deliberate and foundational, positioning the business to rebuild margins as volumes and mix improve.

We remain confident in the medium-term margin potential of the business, with an adjusted operating margin of at least 12% being achievable. The building blocks to deliver this outcome are now firmly in place. Cost reduction programmes implemented in 2025 will deliver annualised cost base savings of £11 million, with £3 million realised in-year and the remaining £8 million to be delivered in 2026. Further efficiency opportunities continue to be identified across the network.

Our specification-led commercial pipeline was reinvigorated during the year, with an increased intake of higher-value projects expected to translate into despatches from 2026. New product launches planned for H1 2026 will strengthen our mid-range portfolio, supporting improved mix and margin progression. The business has been reshaped to improve profitability at current levels of demand, while retaining capacity flexibility to support higher volumes in a capital-efficient way. As demand recovers, disciplined pricing, improved mix and operational leverage are expected to drive further improvement in profitability. The business is well positioned to deliver an improved financial performance in 2026, underpinned by cost savings and improving mix dynamics.

Marley Roofing

Marley is the market leader in roofing products, with an unrivalled range spanning concrete and clay tiles, roofing accessories, timber battens and integrated solar systems. Market conditions softened in the second half of 2025, reflecting reduced confidence across both new build and RMI markets. At the same time, structural shifts in demand are reshaping the new build mix: the increasing adoption of solar under Part L is reducing demand for traditional roof tiles, while additional industry capacity has increased competitive intensity in concrete tiles. Against this backdrop, Marley remained focused on margin protection, service performance and disciplined trading.

Our clay tile range gained market share during the year as pricing normalised following the stabilisation of gas costs, narrowing the price premium to concrete tiles. While overall tile volumes remain influenced by end-market softness and rising solar penetration, we expect clay to continue to perform comparatively well within the evolving market mix in 2026, reinforcing the product's position as an attractive, sustainable growth area within the portfolio.

Under 'Transform & Grow', Marley's strategic focus is to strengthen share in its roofing heartlands while driving growth in adjacencies. This is being delivered through the accelerated rollout of the full roof offer, deeper customer partnerships and continued investment in specification-led selling. Operational self-help remains a key enabler, with targeted capital investment underway to modernise certain concrete tile manufacturing lines, improve productivity and reinforce service resilience.

Looking ahead, we expect supply conditions to remain competitive, with new capacity partially offset by the decommissioning of older assets elsewhere in the market. Our focus in 2026 is on maintaining and selectively growing market share, unlocking incremental revenue in targeted geographies, leveraging investment in digital capability, and further improving manufacturing efficiency to support returns through the cycle.

Viridian Solar

Viridian Solar is the UK market leader in roof-integrated solar for pitched roofs and supplies its products principally into new build housing. Under our 'Transform & Grow' strategy, Viridian Solar's strategic priority is to leverage regulatory tailwinds to accelerate growth. Our focus is to protect and extend market leadership as solar adoption increases and we will achieve this through continued investment in product development and

customer service; strengthening partnerships with national and regional housebuilders; and ensuring we have the operational capacity and supply chain resilience to deliver reliably at scale.

The regulatory backdrop was very supportive in 2025 with the transition to the 2021 update of Part L of the building regulations driving increased solar adoption by housebuilders. Viridian Solar's market-leading product performed strongly in this growing market, benefitting from its product and service features including human rights assurance, and revenue increased year-on-year by 32%. In addition, ArcBox, the business' patented solar fire safety product, performed strongly growing volumes in the UK by around 35% to £2 million and increasing sales to international markets by around 160%.

We estimate that the majority of homes built by December 2025 were under the new version of Part L and that the ramp-up in activity levels is now nearing completion. As a result, market growth and Viridian Solar's revenue growth is expected to moderate throughout 2026. In the near-term we are focussed on accelerating growth in sales of ArcBox, with a new European sales team to be established in 2026 and maintaining our market share of roof-integrated solar. Looking further ahead, we await the publication of the Future Homes Standard, which has the potential to significantly grow Viridian Solar's addressable market in the UK.

Water Management

Marshalls Water Management has a leading position in residential wastewater and surface water drainage, supported by a nationwide manufacturing and distribution network. Our strategic priority is to shift the business toward infrastructure-led demand, increasing our exposure in regulated water investment, transport and energy markets. Good progress was made in 2025, with revenue growth driven by improved availability, higher service levels and strong execution in core residential markets, alongside early success pivoting towards infrastructure end markets. Capacity was scaled up through targeted investment in curing systems, expanded shift patterns and process simplification.

AMP8 represents a step-change in water sector investment, with planned expenditure, across the cycle, expected to more than double compared to the industry's previous spending plan. To capture this opportunity, we have strengthened our position through key framework agreements and invested in engineering and design capability, enabling earlier engagement with customers and specifiers. The focus now is execution. We expect the project design pipeline built in 2025 to convert into orders, with despatches weighted towards the second half of 2026. Capital investment will be required to support medium-term growth and is expected to be accommodated within the previously guided range for the Group of between £20 million to £30 million a year. The Board expects to consider a comprehensive business case in the first half of 2026 to enable scalable, flexible capacity expansion.

Bricks and Masonry

Marshalls Bricks & Masonry is a leading supplier of lower-carbon concrete bricks with nationwide coverage. Trading in 2025 reflected continued weakness in new housing and elevated supply-side competition as clay bricks manufacturers recommissioned capacity in the first half of the year. However, disciplined pricing and cost control enabled gross margins to be maintained.

Our conviction in the medium-term opportunity remains strong. With customer and regulatory focus on embodied carbon expected to intensify, concrete bricks offer a compelling alternative to traditional clay products. The strategic priority is to accelerate adoption by broadening specification appeal and increasing penetration with national and regional housebuilders. In 2026, investment will continue to be tightly controlled, balancing readiness for recovery with prudent capital allocation until activity levels in new housing improve.

ESG progress

Carbon leadership remains embedded in our 'Transform & Grow' strategy, with a focus on our commitment to being a responsible business and driving competitive advantage. With our net-zero targets validated by the Science Based Targets initiative (SBTi) and an overall Group ambition to reach net zero by 2050, we continue to make progress on our carbon reduction journey by strengthening the quality of our carbon data and disclosure through our newly implemented ESG reporting software.

It is important that we continue to support informed decision-making by our customers while meeting the growing demand for transparent, verifiable product information and clear evidence of due diligence in our supply chain. This is increasingly translating into direct customer value, whether it is extensive mapping of our solar supply chain or our expanded range of Environmental Product Declarations (EPDs) to support tender requirements and customer Scope 3 reporting needs.

Alongside decarbonisation, the Marshalls portfolio of businesses has a key role to play in climate adaptation.

Our water management and drainage solutions in particular will play an important role in improving flood resilience and effective water handling. We also maintain our focus on responsible business practices, including human rights due diligence and supplier improvement programmes as we scale high growth areas in our international supply chains.

Financial and operational review

Group results

The Group's adjusted results are set out in the following table.

£'m	2025	2024	Change (%)
Revenue	632.1	619.2	2%
Adjusted net operating costs	(575.7)	(552.5)	(4%)
Adjusted operating profit	56.4	66.7	(15%)
Adjusted net finance expenses	(12.7)	(14.5)	12%
Adjusted profit before taxation	43.7	52.2	(16%)
Adjusted taxation	(9.7)	(11.7)	17%
Adjusted profit after taxation	34.0	40.5	(16%)
Adjusted EPS - pence	13.4p	16.0p	(16%)
Proposed full-year dividend - pence	6.7p	8.0p	(16%)

Group revenue was £632.1 million (2024: £619.2 million), which is 2% higher than 2024. This reflected growth of 4% in both Building and Roofing Products, partially offset by a modest contraction of 1% in Landscaping Products. Group adjusted operating profit was £56.4 million, which is £10.3 million lower than 2024, reflecting a significant reduction in profitability in Landscaping Products and a modest contraction in Building Products partially offset by growth in Roofing Products. Group adjusted operating margin decreased by 1.9 ppts to 8.9% (2024: 10.8%).

Adjusted net finance expenses were £12.7 million (2024: £14.5 million). These expenses comprised financing costs associated with the Group's bank borrowings of £11.3 million (2024: £12.5 million), IFRS 16 lease interest of £2.0 million (2024: £1.7 million) and a pension related credit of £0.6 million (2024: £0.3 million charge). The reduction in adjusted net finance expenses in 2025 reflects the impact of lower average drawn borrowings and base rates, together with a net benefit from pension interest.

Adjusted profit before tax was £43.7 million (2024: £52.2 million). The adjusted effective tax rate was 22% (2024: 22%), reflecting the UK headline corporation tax rate partially offset by the benefit of a patent box arrangement. Adjusted earnings per share was 13.4 pence (2024: 16.0 pence), which is a 16% reduction year-on-year reflecting the weaker profitability.

A reconciliation of the Group's adjusted operating profit to profit before taxation is set out in the following table.

£'m	2025	2024	Change (%)
Adjusted operating profit	56.4	66.7	(15%)
Adjusting items affecting operating profit	(24.4)	(12.8)	(91%)
Operating profit	32.0	53.9	(41%)
Net finance expenses	(12.7)	(14.5)	12%
Adjusting items affecting finance expenses	(1.6)	-	-
Profit before taxation	17.7	39.4	(55%)
EPS – pence	5.7p	12.3p	(54%)

Reported profit before tax was £26.0 million lower than the adjusted result at £17.7 million (2024: £39.4 million), reflecting the impact of the adjusting items. On a reported basis, the effective tax rate is 18.6%. Reported earnings per share was 5.7 pence (2024: 12.3 pence), which is lower than the adjusted number due to the adjusting items and their tax effect. The statutory operating profit is stated inclusive of adjusting items affecting operating profit totalling £24.4 million as summarised in the following table, further details are set out at Note 4.

£'m	2025	2024
Amortisation of intangible assets arising on acquisitions	10.3	10.4
Restructuring and impairment charges	14.1	-
Transformation costs	-	2.5
Contingent consideration	-	1.6
Significant property sales	-	(1.7)
Adjusting items within operating profit	24.4	12.8
Adjusting items within net finance expenses	1.6	-
Adjusting items within profit before taxation	26.0	12.8

Adjusting items in 2025 totalled £26.0 million (2024: £12.8 million). Adjusting items within operating profit were £24.4 million (2024: £12.8 million) and comprised non-cash amortisation of intangible assets arising on acquisitions of £10.3 million (2024: £10.4 million) and restructuring and impairment charges of £14.1 million (2024: £nil) arising from a partial site closure and other cost reduction actions. In total, adjusting items comprise non-cash charges of £18.6 million and cash costs of £7.4 million, of which £3.7 million was settled in 2025. Adjusting items within net finance expenses were £1.6 million (2024: £nil), relating to the write-off of unamortised bank arrangement fees consequent to the renewal of the Group's banking facilities.

Further details of the adjusting items arising in 2025 are set out in Note 4.

Segmental performance

The adjusted operating profit is analysed between the Group's reporting segments as follows:

£'m	2025	2024	Change (%)
Landscaping Products	0.6	10.7	(94%)
Building Products	13.0	14.1	(8%)
Roofing Products	50.2	49.4	2%
Central costs	(7.4)	(7.5)	(1%)
Adjusted operating profit	56.4	66.7	(15%)

Landscaping Products

Landscaping Products derives 43% of its revenues from commercial & infrastructure end markets, 28% from new housing and 29% from housing RMI.

£'m	2025	2024	Change (%)
Revenue	265.8	268.3	(1%)
Segment operating profit	0.6	10.7	(94%)
Segment operating margin %	0.2%	4.0%	(3.8ppts)

The segment delivered revenue of £265.8 million (2024: £268.3 million) a reduction of 1% year on year, reflecting continued market weakness in the segment's end markets. This performance comprised volume growth of 4%, offset by price investment of 1% and a negative mix impact of 4%, as customers increasingly favoured lower-margin products. This resulted in market-share gain in 2025.

Segment operating profit reduced to £0.6 million (2024: £10.7 million), primarily driven by the targeted price investment, an adverse mix effect and cost inflation, alongside weaker manufacturing efficiency in UK-quarried natural stone processing. This was partially offset by the benefit of volume growth and cost savings from restructuring actions. These factors resulted in segment operating margins reducing by 3.8 percentage points to 0.2%.

We responded swiftly to the reduction in profitability, accelerating a comprehensive performance improvement programme. Restructuring actions taken in 2025 are expected to deliver £11 million of annualised cost savings, including the exit from UK quarried natural stone processing, with around £3 million being realised in the year. These actions materially reduce the fixed cost base and improve operational flexibility, enabling the Group to deliver its national, specification-driven model more efficiently. The business is well positioned to deliver an improved financial performance in 2026 underpinned by cost savings and improving mix dynamics.

Building Products

Building Products generates 65% of its revenues from new housing, 31% from commercial & infrastructure, with the balance being derived from housing RMI.

£'m	2025	2024	Change (%)
Revenue	172.0	164.6	4%
Segment operating profit	13.0	14.1	(8%)
<i>Segment operating margin %</i>	7.6%	8.6%	<i>(1.0ppts)</i>

Revenue increased by 4% driven by strong delivery in our Water Management and Mortars business units partially offset by a contraction in revenue in Bricks & Masonry. Our Water Management business performed strongly, delivering growth through successful commercial execution in both its core housing markets and the wider infrastructure sector, supported by improvements in stock availability and service levels. In Mortars, we have benefited from a strong service proposition and relatively modest build rates on housing developments that favour our ready-to-use mortars. Brick revenues contracted in a competitive market as we maintained a disciplined pricing strategy, choosing to protect margin rather than chase volume at lower prices.

Segment operating profit decreased by 8% to £13.0 million, with segment operating margin reducing by 1.0 ppts to 7.6%. Profitability improved in Water Management, reflecting higher volumes and an improved mix, and in Aggregates through improved pricing and operational efficiency. These improvements were more than offset by a decline in Bricks due to lower volumes and weaker fixed cost absorption. Mortars profitability reduced modestly despite stronger volumes, as cost increases relating to renewal of the logistics fleet were not fully recovered through price. In addition, the segment received lower levels of property income than that generated in recent years.

Roofing Products

Approximately 51% of revenues in this segment are generated from new housing and around 39% from housing RMI, with the balance generated from commercial and infrastructure end markets.

£'m	2025	2024	Change (%)
Revenue	194.3	186.3	4%
Segment operating profit	50.2	49.4	2%
<i>Segment operating margin %</i>	25.8%	26.5%	<i>(0.7ppts)</i>

Revenue in this reporting segment increased by 4% year on year to £194.3 million. The improved performance was driven principally by Viridian Solar, which delivered revenue growth of 32% for the year, offsetting a modest revenue reduction from Marley. Viridian Solar revenue growth was driven by the continued adoption of its market-leading integrated solar systems by national housebuilders in response to the Part L (2021) building regulations that require higher levels of energy efficiency in new homes. We estimate that by December 2025 the majority of new houses completed were built to the new regulations and that growth in 2026 will be more modest and will moderate through the year.

Segment operating profit increased to £50.2 million (2024: £49.4 million), delivering a strong operating margin of 25.8% (2024: 26.5%). This reflected increased profitability from Viridian Solar driven by strong volume growth while maintaining pricing discipline. This was offset by a lower contribution from Marley, where profitability was affected by several factors. During the year, the business experienced short-term operational disruption as it executed planned changes to improve manufacturing processes. This reduced stock availability and manufacturing efficiency in certain product categories, which had an associated effect on revenue. In addition, shifting market dynamics reduced volumes in other categories. Targeted capital investment to improve efficiency and resilience across Marley's core manufacturing lines is underway and will remain a key focus in 2026, supporting a shift to a more efficient production process and helping to maintain returns across a range of market conditions.

Balance sheet, cash flow and funding

A summary of the Group's capital deployment and net assets is set out below.

£'m	December 2025	December 2024
Goodwill	324.4	324.4
Intangible assets	206.0	217.8
Property, plant & equipment and right-of-use assets	262.6	267.2
Net working capital	99.4	86.9
Net pension asset	24.9	24.1
Deferred tax	(78.4)	(81.6)
Other net balances	(6.2)	(8.2)
Total capital employed	832.7	830.6
Pre-IFRS 16 net debt	(137.9)	(133.9)
Leases	(39.1)	(35.4)
Net assets	655.7	661.3

Total capital employed at December 2025 was £832.7 million, an increase of £2.1 million year-on-year. The movement reflects the settlement of the final Viridian Solar contingent consideration payment of £6.6 million and a higher investment in working capital. Net working capital increased by £12.5 million, principally due to a reduction in trade and other payables. This was mitigated by modest reductions in inventories and trade and other receivables, reflecting continued discipline in cash collection which reduced debtor days and a reduction of inventories held in Landscaping products. Offsetting movements included the amortisation of acquired intangibles and a reduction in property, plant and equipment consistent with lower capital expenditure.

The balance sheet value of the Group's defined benefit pension scheme ('the Scheme') was a surplus of £24.9 million (2024: £24.1 million). The amount has been determined by the Scheme's pension adviser using appropriate assumptions which are in line with current market expectations. The fair value of the scheme assets at 31 December 2025 was £225.8 million (2024: £228.3 million) and the present value of the scheme liabilities is £200.9 million (2024: £204.2 million). The total gain recorded in the Statement of Comprehensive Income net of deferred taxation was £0.1 million (2024: £10.0 million). The last formal actuarial valuation of the defined benefit pension scheme was undertaken on 5 April 2024 and resulted in a surplus of approximately £15 million, on a technical provisions basis, which was a funding level of 107%. The Company has agreed with the Trustee that no cash contributions are payable under the current funding and recovery plan. The next actuarial valuation will be undertaken as at 5 April 2027.

Adjusted return on capital employed ('ROCE') was 7.0% (2024: 8.2%). Adjusted ROCE is targeted to increase in the medium term to around 15% as the Group benefits from operational leverage driven by the execution of its strategy and a recovery in market conditions.

Operating cash flow conversion in 2025 was 88% of adjusted EBITDA (2024: 106%) which demonstrates the consistently strong cash generative nature of the Group's businesses. The proactive management of working capital and capital expenditure supported continued strong cash generation. However, adjusted pre-IFRS 16 net debt increased by £4.0 million to £137.9 million at 31 December 2025 (2024: £133.9 million). The year-on-year movement principally reflects lower EBITDA, larger finance cost payments, and higher working capital. Net debt was also affected by increased capital expenditure and cash outflows associated with adjusting items, including the final contingent consideration payment in respect of Viridian Solar and cash restructuring costs.

In November 2025, the Group successfully refinanced its core banking facilities with a new £270 million syndicated facility, extending the maturity profile. At 31 December 2025, the Group had significant available headroom against committed facilities (including an undrawn revolving credit facility of £125 million), providing capacity to fund strategic and operational plans. Adjusted pre-IFRS 16 net debt to EBITDA was 1.8 times (2024: 1.5 times) and the Group remained comfortably compliant with all covenant requirements at the year end.

Dividend

The Group maintains a dividend policy of distributions being covered twice by adjusted earnings. The Board has proposed a final dividend of 4.5 pence per share, which, taken together with the interim dividend of 2.2 pence per share, would result in a pay-out in respect of 2025 of 6.7 pence (2024: 8.0 pence). This is in-line

with the Group policy and represents a year-on-year reduction of 16.3%, driven by weaker profitability. The dividend will be paid on 1 July 2026 to shareholders on the register at the close of business on 5 June 2026. The shares will be marked ex-dividend on 4 June 2026.

Outlook

Market activity levels in the first two months of 2026 remained consistent with the close of 2025, although they were affected by persistent rainfall.

Against this backdrop, our priority in 2026 is the disciplined implementation of 'Transform & Grow' to drive improved operating margins and strong cash generation, supported by tight control of our costs, working capital and capital expenditure. This will be underpinned by sharper execution through tightening our focus, intensifying our pace and improving performance, ensuring teams throughout our businesses are aligned behind priorities that will improve margin, cash and service outcomes.

The Board is mindful of the conflict in the Middle East. However, in the absence of clarity on the impact of the conflict on our end markets and cost base, our expectations for the year remain unchanged and the Board is confident of driving a material increase in profitability and returns over the medium-term.

Simon Bourne
Chief Executive Officer

**Condensed consolidated income statement
For the year ended 31 December 2025**

	Notes	Audited Year ended December 2025 £'m	Audited Year ended December 2024 £'m
Revenue	2	632.1	619.2
Net operating costs	3	(600.1)	(565.3)
Operating profit	2	32.0	53.9
Net finance expenses	5	(14.3)	(14.5)
Profit before tax		17.7	39.4
Income tax expense	6	(3.3)	(8.4)
Profit for the financial year		14.4	31.0
Earnings per share			
Basic	7	5.7p	12.3p
Diluted	7	5.6p	12.2p
Dividend			
Proposed full year dividend - pence per share	8	6.7p	8.0p

A reconciliation of the Group's statutory results to the adjusted results is set out below.

	Notes	Audited Year ended December 2025 £'m	Audited Year ended December 2024 £'m
Operating profit			
Operating profit		32.0	53.9
Adjusting items	4	24.4	12.8
Adjusted operating profit		56.4	66.7
Profit before tax			
Profit before tax		17.7	39.4
Adjusting items	4	26.0	12.8
Adjusted profit before tax		43.7	52.2
Profit after tax			
Profit for the financial period		14.4	31.0
Adjusting items (net of tax)	4	19.6	9.5
Adjusted profit after tax		34.0	40.5
Earnings per share after adding back adjusting items			
Basic	7	13.4p	16.0p
Diluted	7	13.3p	16.0p

Condensed consolidated statement of comprehensive income
For the year ended 31 December 2025

	Notes	Audited Year ended December 2025 £'m	Audited Year ended December 2024 £'m
Profit for the financial year		14.4	31.0
Other comprehensive income/(expense)			
Items that will not be reclassified to the Income Statement:			
Re-measurements of the net defined benefit surplus		0.2	13.4
Deferred tax arising		(0.1)	(3.4)
Total items that will not be reclassified to the Income Statement		0.1	10.0
Items that are or may in the future be reclassified to the Income Statement:			
Effective portion of changes in fair value of cash flow hedges		0.1	1.6
Fair value of cash flow hedges transferred to the Income Statement		(1.1)	(2.4)
Deferred tax arising		0.2	0.2
Exchange difference on retranslation of foreign currency net investment		(0.2)	0.2
Total items that are or may be reclassified to the Income Statement		(1.0)	(0.4)
Other comprehensive income/(expense) for the year, net of income tax		(0.9)	9.6
Total comprehensive income for the year		13.5	40.6

Condensed consolidated balance sheet
As at 31 December 2025

	Notes	Audited December 2025 £'m	Audited December 2024 £'m
Assets			
Non-current assets			
Goodwill	9	324.4	324.4
Intangible assets	10	206.0	217.8
Property, plant and equipment	11	223.9	234.8
Right-of-use assets		38.7	32.4
Employee benefits	12	24.9	24.1
Deferred taxation assets		0.7	2.1
		818.6	835.6
Current assets			
Inventories		137.2	138.2
Trade and other receivables		79.6	80.8
Cash and cash equivalents		4.9	18.9
Assets classified as held for sale		0.9	1.5
Derivative financial instruments		0.2	1.1
		222.8	240.5
Total assets		1,041.4	1,076.1
Liabilities			
Current liabilities			
Trade and other payables		117.3	132.1
Corporation tax		2.2	4.2
Lease liabilities	13	5.6	5.7
Provisions		-	6.6
		125.1	148.6
Non-current liabilities			
Lease liabilities	13	33.5	29.7
Interest-bearing loans and borrowings	14	142.8	152.8
Provisions		5.2	-
Deferred taxation liabilities		79.1	83.7
		260.6	266.2
Total liabilities		385.7	414.8
Net assets		655.7	661.3
Equity			
Capital and reserves			
Called-up share capital		63.2	63.2
Share premium & merger reserve		341.6	341.6
Capital redemption reserve & consolidation reserve		(137.7)	(137.7)
Other reserves		(0.4)	0.5
Retained earnings		389.0	393.7
Total equity		655.7	661.3

Condensed consolidated cash flow statement
For the year ended 31 December 2025

	Notes	Audited Year ended December 2025 £'m	Audited Year ended December 2024 £'m
Cash generated from operations	17	64.0	97.3
Finance expenses paid		(16.1)	(11.7)
Income tax paid		(9.0)	(8.8)
Net cash flow from operating activities	17	38.9	76.8
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0.8	4.4
Acquisition of subsidiary undertaking		-	(2.6)
Acquisition of property through corporate structure		(2.9)	-
Acquisition of property, plant and equipment		(13.1)	(9.2)
Acquisition of intangible assets		(0.5)	(2.4)
Net cash flow from investing activities		(15.7)	(9.8)
Cash flows from financing activities			
Payments to acquire own shares		(0.9)	(1.4)
Repayment of borrowings		(42.1)	(80.0)
New loans		32.1	25.0
Cash payment for the principal portion of lease liabilities		(6.9)	(5.3)
Equity dividends paid		(19.2)	(21.0)
Net cash flow from financing activities		(37.0)	(82.7)
Net (decrease) in cash and cash equivalents		(13.8)	(15.7)
Cash and cash equivalents at the beginning of the year		18.9	34.5
Effect of exchange rate fluctuations		(0.2)	0.1
Cash and cash equivalents at the end of the year		4.9	18.9

**Condensed consolidated statement of changes in equity
for the year ended 31 December 2025**

	Share capital £'m	Share premium & merger reserve £'m	Capital redemption & consolidation reserves £'m	Other reserves* £'m	Retained earnings £'m	Total £'m
At 1 January 2025	63.2	341.6	(137.7)	0.5	393.7	661.3
Total comprehensive income/(expense) for the period						
Profit for the financial period	-	-	-	-	14.4	14.4
Other comprehensive income/(expense)						
Foreign currency translation differences	-	-	-	(0.2)	-	(0.2)
Effective portion of changes in fair value of cash flow hedges	-	-	-	0.1	-	0.1
Net change in fair value of cash flow hedges transferred to the Income Statement	-	-	-	(1.1)	-	(1.1)
Deferred tax arising	-	-	-	0.2	-	0.2
Defined benefit plan actuarial gain	-	-	-	-	0.2	0.2
Deferred tax arising	-	-	-	-	(0.1)	(0.1)
Total other comprehensive income/(expense)	-	-	-	(1.0)	0.1	(0.9)
Total comprehensive income/(expense) for the period	-	-	-	(1.0)	14.5	13.5
Transactions with owners						
Share-based payments	-	-	-	-	1.0	1.0
Dividends to equity shareholders	-	-	-	-	(19.2)	(19.2)
Purchase of own shares	-	-	-	(0.9)	-	(0.9)
Own shares issued under share scheme	-	-	-	1.0	(1.0)	-
Total contributions by and distributions to owners	-	-	-	0.1	(19.2)	(19.1)
At 31 December 2025	63.2	341.6	(137.7)	(0.4)	389.0	655.7

Note*: Other reserves include own shares, hedging reserve and foreign exchange reserve.

**Condensed consolidated statement of changes in equity
for the year ended 31 December 2024**

	Share capital £'m	Share premium & merger reserve £'m	Capital redemption & consolidation reserves £'m	Other reserves* £'m	Retained earnings £'m	Total £'m
At 1 January 2024	63.2	341.6	(137.7)	1.1	373.1	641.3
Total comprehensive income/(expense) for the period						
Profit for the financial period	-	-	-	-	31.0	31.0
Other comprehensive income/(expense)						
Foreign currency translation differences	-	-	-	0.2	-	0.2
Effective portion of changes in fair value of cash flow hedges	-	-	-	1.6	-	1.6
Net change in fair value of cash flow hedges transferred to the Income Statement	-	-	-	(2.4)	-	(2.4)
Deferred tax arising	-	-	-	0.2	-	0.2
Defined benefit plan actuarial loss	-	-	-	-	13.4	13.4
Deferred tax arising	-	-	-	-	(3.4)	(3.4)
Total other comprehensive income/(expense)	-	-	-	(0.4)	10.0	9.6
Total comprehensive income/(expense) for the period	-	-	-	(0.4)	41.0	40.6
Transactions with owners						
Share-based payments	-	-	-	-	1.8	1.8
Dividends to equity shareholders	-	-	-	-	(21.0)	(21.0)
Purchase of own shares	-	-	-	(1.4)	-	(1.4)
Own shares issued under share scheme	-	-	-	1.2	(1.2)	-
Total contributions by and distributions to owners	-	-	-	(0.2)	(20.4)	(20.6)
At 31 December 2024	63.2	341.6	(137.7)	0.5	393.7	661.3

Note*: Other reserves include own shares, hedging reserve and foreign exchange reserve.

Notes to the condensed consolidated financial statements For the year ended 31 December 2025

1. Basis of preparation

The condensed consolidated financial information, which comprises the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and related notes, is derived from the Company's Financial Statements for the year ended 31 December 2025, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. It does not constitute full Financial Statements with the meaning of section 434 of the Companies Act 2006.

Statutory Financial Statements for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's Annual General Meeting. The auditor, Deloitte LLP, has reported on those Financial Statements. The audit reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying the reports and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

The accounting policies used in completing this financial information have been applied consistently in all periods shown and are set out in detail in the Annual Report for the year ended 31 December 2025 which can be found on the Group's website (www.marshalls.co.uk).

The Group operates a formal risk management process, the details of which are set out on pages 54 to 56 of the Annual Report for the year ended 31 December 2025. The risks assessed in preparing Preliminary Announcement are consistent with those set out on pages 57 to 64 of the Annual Report and an update on those risks is set out at Note 20 of this report.

Going concern

In assessing the appropriateness of adopting the going concern basis in the preparation of this Preliminary Announcement, the Board has considered the Group's financial forecasts and its principal risks for a period of at least twelve months from the date of this report. The forecasts included projected profit and loss, balance sheet, cash flows, headroom against debt facilities and covenant compliance. As noted above, the Group's principal risks are set out in the 2025 Annual Report and Accounts and an update is included in this report.

The financial forecasts have been stress tested in downside scenarios to assess the impact on future profitability, cash flows, funding requirements and covenant compliance. The scenarios comprise a more severe economic downturn (which represents the Group's most significant risk) than that included in the base case forecast, and a reverse stress test on our financial forecasts to assess the extent to which an economic downturn would need to impact on revenues in order to breach a covenant. This showed that revenue would need to deteriorate significantly from the financial forecast and the Directors have a reasonable expectation that it is unlikely to deteriorate to this extent.

Details of the Group's funding position are set out in Note 14. The Group has a syndicated bank facility of £270 million that matures in November 2029 and at December 2025, £125 million of the facility was undrawn. There are two financial covenants in the bank facility that are tested on a semi-annual basis and the Group maintains good cover against these with pre-IFRS 16 net debt to EBITDA of 1.8 times (covenant maximum of three times) and interest cover of 5.7 times (covenant minimum of three times).

Taking these factors into account, the Board has the reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future (a period of at least twelve months) and for this reason, the Board has adopted the going concern basis in preparing this Preliminary Announcement.

Alternative performance measures and adjusting items

The Group uses alternative performance measures ("APMs") which are not defined or specified under IFRS. The Group believes that these APMs, which are not considered to be a substitute for IFRS measures, provide additional helpful information. APMs are consistent with how business performance is planned, reported and assessed internally by management and the Board and provide additional comparative information. A glossary setting out the APMs that the Board use, how they are used, an explanation of how they are calculated, and a reconciliation of the APMs to the statutory results, where relevant is set out at Note 19.

Adjusting items are items that are unusual because of their size, nature or incidence and which the Directors consider should be disclosed separately to enable a full understanding of the Group's results and to demonstrate the Group's capacity to deliver dividends to shareholders. The adjusted results should not be

regarded as a complete picture of the Group's financial performance, which is presented in the total results. Details of the adjusting items are disclosed in Note 4 and Note 19.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of condensed consolidated financial statements requires the Group to make estimates and judgements that affect the application of policies and reported accounts. Critical judgements represent key decisions made by the Board in the application of the Group accounting policies. Where a significant risk of materially different outcomes exists due to the Board's assumptions or sources of estimation uncertainty, this will represent a critical accounting estimate. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and judgements which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Critical accounting judgements

The following critical accounting judgement has been made in the preparation of the condensed consolidated financial statements:

- As noted above, adjusting items have been highlighted separately due to their size, nature or incidence to provide a full understanding of the Group's results and to demonstrate the Group's capacity to deliver dividends to shareholders. The determination of whether items merit treatment as an adjusting item is a matter of judgement. Note 4 sets out details of the adjusting items.

Sources of estimation uncertainty

The Directors consider the following to be key sources of estimation uncertainty:

- The carrying value of goodwill is reviewed on an annual basis in accordance with IAS 36. This review requires the use of cash flow projections based on a financial forecast that are discounted at an appropriate market-based discount rate, and a long-term growth rate. The assumption on the market-based discount rate is determined based on the advice of a third-party advisor. The actual cash flows generated by the business may be different to the estimates included in the forecasts. See further information in Note 9.
- In arriving at the accounting value of the Group's defined benefit pension scheme, key assumptions have to be made in respect of factors including discount rates and inflation rates. These are determined on the basis of advice received from a qualified actuary. These estimates may be different to the actual outcomes. See further information in Note 12.

2. Segmental analysis

IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of discrete financial information about components of the Group that are regularly reviewed by the Group's Chief Operating Decision Maker ('CODM') to allocate resources to the segments and to assess their performance. The CODM at Marshalls is the Board. The Group reports under three reporting segments, namely Landscaping Products, Building Products and Roofing Products. Landscaping Products comprises the Group's Landscaping Products business and Landscape Protection. Building Products comprises the Group's Water Management, Bricks and Masonry, Mortars and Screeds and Aggregate businesses. Roofing Products comprises Marley Roofing and Viridian Solar.

Segment revenues and operating profit

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Revenue		
Landscaping Products	265.8	268.3
Building Products	172.0	164.6
Roofing Products	194.3	186.3
Revenue	632.1	619.2
Operating profit		
Landscaping Products	0.6	10.7
Building Products	13.0	14.1
Roofing Products	50.2	49.4
Central costs	(7.4)	(7.5)
Segment operating profit	56.4	66.7
Adjusting items (see Note 4)	(24.4)	(12.8)
Reported operating profit	32.0	53.9

The Group has two customers which each contributed more than 10% of total revenue in the current and prior year. The accounting policies of the three operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned without allocation of certain central administration costs that are not capable of allocation. Centrally administered overhead costs that relate directly to the reportable segment are included within the segment's results.

The geographical destination of revenue is the United Kingdom £631.1 million (2024: £617.8 million) and Rest of the World £1.0 million (2024: £1.4 million).

Segment assets

	Audited December 2025 £'m	Audited December 2024 £'m
Segment assets		
Landscaping Products	212.9	222.6
Building Products	139.4	142.2
Roofing Products	578.8	584.3
Unallocated assets	110.3	127.0
Total	1,041.4	1,076.1

For the purpose of monitoring segment performance and allocating resources between segments, the Group's CODM monitors the property, plant and equipment, right-of-use assets, intangible assets and inventory. Assets used jointly by reportable segments are not allocated to individual reportable segments.

Capital additions

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Capital additions		
Landscaping Products	10.6	21.2
Building Products	6.5	8.2
Roofing Products	8.4	3.8
Total	25.5	33.2

Capital additions comprise property, plant and equipment of £13.3 million (2024: £9.2 million), right-of-use assets of £11.7 million (2024: £21.6 million) and intangible assets of £0.5 million (2024: £2.4 million).

Depreciation and amortisation

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Depreciation and amortisation		
Landscaping Products	14.9	17.8
Building Products	8.0	8.0
Roofing Products	5.7	5.3
Segment depreciation and amortisation	28.6	31.1
Adjusting items	10.3	10.4
Depreciation and amortisation	38.9	41.5

Depreciation and amortisation includes £10.3 million of amortisation of intangible assets arising from the purchase price allocation exercises (2024: £10.4 million). This comprises £nil million (2024: £0.1 million) in Landscaping Products, £1.1 million in Building Products (2024: £1.1 million) and £9.2 million in Roofing Products (2024: £9.2 million). The amortisation has been treated as an adjusting item (Note 4).

3. Net operating costs

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Raw materials and consumables	238.8	237.5
Changes in inventories of finished goods and work in progress	0.9	(14.4)
Personnel costs	133.7	132.8
Depreciation of property, plant and equipment	19.8	22.1
Depreciation of right-of-use assets	6.8	7.3
Amortisation of intangible assets	12.3	12.1
Asset impairments	4.5	-
Own work capitalised	(0.2)	(1.3)
Other operating costs	175.4	174.0
Redundancy costs	9.6	-
Operating costs	601.6	570.1
Other operating income	(1.6)	(2.9)
Net loss / (gain) on asset and property disposals	0.1	(1.9)
Net operating costs	600.1	565.3
Adjusting items (Note 4)	(24.4)	(12.8)
Adjusted net operating costs	575.7	552.5

4. Adjusting items

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Amortisation of intangible assets arising on acquisitions	10.3	10.4
Restructuring and similar costs	9.6	-
Impairment of property, plant and equipment	4.5	-
Transformation costs	-	2.5
Contingent consideration	-	1.6
Significant property sale	-	(1.7)
Total adjusting items within operating profit	24.4	12.8
Adjusting item in interest expense	1.6	-
Total adjusting items before taxation	26.0	12.8
Current tax on adjusting items (Note 6)	(2.7)	(0.7)
Deferred tax on adjusting items (Note 6)	(3.7)	(2.6)
Total adjusting items after taxation	19.6	9.5

- Amortisation of intangible assets arising on acquisitions is principally in respect of brands and customer relationships.
- Restructuring and similar costs arose during major restructuring exercises conducted when the Group took steps to reduce its cost base as part of the Landscaping Performance Improvement Plan.
- The impairment of property, plant and equipment arose in connection with the major restructuring exercises noted above.
- Transformation costs represent costs incurred in 2024 in respect of the 'Transform & Grow' strategy.
- The additional contingent consideration arising in 2024 relates to the reassessment of the amounts that became payable to vendors arising in relation to Viridian Solar.
- The profit generated on the sale of a significant property in 2024 was in respect of the Group's former manufacturing site in Carluke.
- Following the refinancing of the Group's debt facilities during the year, the unamortised balance of arrangement fees was written off to the income statement as a non-cash charge. These fees had been recognised as part of the carrying amount of the related borrowing and amortised over the term of the facilities using the effective interest rate; on derecognition/repayment of the original facilities, the remaining unamortised balance was expensed.

5. Net finance expenses

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Net interest expense on bank loans	11.3	12.5
Interest expense of lease liabilities	2.0	1.7
Net interest (income)/expense on defined benefit pension scheme	(0.6)	0.3
	12.7	14.5
Additional interest expense on refinancing of bank loans	1.6	-
Net finance expenses	14.3	14.5

Net interest (income)/ expense on the defined benefit pension scheme is disclosed net of Company recharges for scheme administration. Following the refinancing of the Group's debt facilities during the year, the unamortised balance of arrangement fees was written off to the income statement as a non-cash charge. This additional interest charge was accounted for as an adjusting item (see Note 4).

6. Income tax expense

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Current tax expense		
Current year	7.8	13.7
Adjustments for prior years	(1.2)	-
	6.6	13.7
Deferred taxation expense		
Origination and reversal of temporary differences:		
Current year	(3.5)	(4.0)
Adjustments for prior years	0.2	(1.3)
Total tax expense	3.3	8.4
Current tax on adjusting items (Note 4)	2.7	0.7
Deferred tax on adjusting items (Note 4)	3.7	2.6
Total tax expenses after adding back adjusting items	9.7	11.7

7. Earnings per share

Basic earnings per share from total operations of 5.7 pence (2024: 12.3 pence) per share is calculated by dividing the profit attributable to Ordinary Shareholders for the financial year, after adjusting for non-controlling interests, of £14.4 million (2024: £31.0 million) by the weighted average number of shares in issue during the period of 252,868,921 (2024: 252,807,833).

Basic earnings per share after adding back adjusting items of 13.4 pence (2024: 16.0 pence) per share is calculated by dividing the adjusted profit attributable to Ordinary Shareholders for the financial year, after adjusting for non-controlling interests, of £34.0 million (2024: £40.5 million) by the weighted average number of shares in issue during the period of 252,868,921 (2024: 252,807,833).

Profit attributable to Ordinary Shareholders

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Adjusted profit after tax	34.0	40.5
Adjusting items	(19.6)	(9.5)
Profit attributable to Ordinary Shareholders	14.4	31.0

Weighted average number of Ordinary Shares

	Audited year ended December 2025 Number	Audited year ended December 2024 Number
Number of issued Ordinary Shares	252,968,728	252,968,728
Effect of shares transferred into Employee Benefit Trust	(99,807)	(160,895)
Weighted average number of Ordinary Shares at the end of the year	252,868,921	252,807,833

Diluted earnings per share from total operations of 5.6 pence (2024: 12.2 pence) per share is calculated by dividing the profit for the financial year, after adjusting for non-controlling interests, of £14.4 million (2024: £31.0 million) by the weighted average number of shares in issue during the period of 252,868,921 (2024: 252,807,833) plus potentially dilutive shares of 1,636,634 (2024: 999,738), which totals 254,505,555 (2024: 253,807,571).

Diluted earnings per share after adding back adjusting items of 13.3 pence (2024: 16.0 pence) per share is calculated by dividing the adjusted profit for the financial year, after adjusting for non-controlling interests, of £34.0 million (2024: £40.5 million) by the weighted average number of shares in issue during the period of 252,868,921 (2024: 252,807,833) plus potentially dilutive shares of 1,636,634 (2024: 999,738), which totals 254,505,555 (2024: 253,807,571).

Weighted average number of Ordinary Shares (diluted)

	Audited year ended December 2025 Number	Audited year ended December 2024 Number
Weighted average number of Ordinary Shares	252,868,921	252,807,833
Potentially dilutive shares	1,636,634	999,738
Weighted average number of Ordinary Shares (diluted)	254,505,555	253,807,571

8. Dividends

The Group maintains a dividend policy of distributions being covered twice by adjusted earnings. The Board has proposed a final dividend of 4.5 pence per share, which taken together with the interim dividend of 2.2 pence per share, would result in a pay-out in respect of 2025 of 6.7 pence. This is in-line with the Group policy and would represent a year-on-year reduction of 16% driven by weaker profitability. The dividend will be paid on 1 July 2026 to shareholders on the register at the close of business on 5 June 2026. The shares will be marked ex-dividend on 4 June 2026.

9. Goodwill

	Audited December 2025 £'m	Audited December 2024 £'m
Net book value at start and end of the period	324.4	324.4

All goodwill has arisen from business combinations. The carrying amount of goodwill is allocated across cash generating units ("CGUs") which represent the lowest level within the Group at which the associated goodwill is monitored for management purposes and is consistent with the operating segments set out in Note 2. The Group has three material CGUs, Landscaping Products, Building Products and Roofing Products. The carrying amount of goodwill has been allocated to CGUs as follows:

	Audited December 2025 £'m	Audited December 2024 £'m
Landscaping Products	34.8	34.8
Building Products	43.7	43.7
Roofing Products	245.9	245.9
	324.4	324.4

The Group conducted a full impairment review in the year to determine the recoverable amount based on a value in use calculation for each CGU compared to the carrying amounts to which goodwill is allocated. This assessment concluded that the recoverable amount exceeded the carrying amount for each CGU and no impairment was required. The value-in-use calculation uses cash flow projections based on management's latest forecasts covering a five-year period and a post-tax discount rate of 9.9% (2024: 10.0%). Cash flows beyond that five-year period have been extrapolated using a 2.4% (2024: 2.4%) growth rate. This growth rate reflects the long-term structural growth in demand for our products.

At the end of the financial year, the recoverable amount of the Landscaping Products CGU exceeded the carrying amount by £60 million. During 2025, the performance of the Marshalls Landscaping CGU was impacted by subdued market conditions leading to profits being below expectation. Within the five-year forecast period, cashflows are dependent on the successful execution of the Landscaping Products

improvement plan and the 'Transform & Grow' strategy. This plan includes operational efficiency improvements, delivering commercial excellence, a normalisation of competitive dynamics, and growth in volumes aligned with industry consensus for the market. The combination of these assumptions is included within the value-in-use of the Landscaping Products CGU, which forecasts a revenue CAGR of 6%, and given the subjective nature of these assumptions it is reasonably possible that they will not occur as the directors forecast. The Group has performed a sensitivity analysis on the reasonably possible changes in key assumptions which illustrates that a reduction in forecast revenue CAGR of around 2ppts would be required before the carrying amounts exceeded the value in use. The impairment review is also sensitive to changes in the discount rate with an increase of 140 basis points in the post-rate discount rate to reduce the headroom to £nil.

At the end of 2025, the recoverable amount of the Roofing Products CGU was £80 million higher than the carrying amount and assumed a revenue CAGR of 8%. The CAGR in the Roofing Products CGU is sensitive to future political and regulatory decisions and the industry's interpretation of the most effective solution to building regulations requirements regarding the use of roof-integrated solar in new homes. These factors could affect growth rates within the residential solar PV market and may have a corresponding impact on profit margins. Changes in regulations regarding both the UK's ambitions for energy efficiency of residential properties and specificity on how they should be achieved represent reasonably possible downside risks that could give rise to a future impairment charge. The Group has performed a sensitivity analysis on the reasonably possible changes in key assumptions which illustrates that a reduction in revenue CAGR of around 3ppts would be required before the carrying amounts exceeded the value in use. The impairment review is also sensitive to changes in the discount rate with an increase of 110 basis points in the post-rate discount rate to reduce the headroom to £nil.

The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amounts of Building Products CGU are based on would not cause the aggregate carrying amounts to exceed the aggregate recoverable amounts.

10. Intangible assets

	Audited December 2025 £'m	Audited December 2024 £'m
Net book value at start of period	217.8	227.5
Additions	0.5	2.4
Amortisation	(12.3)	(12.1)
Net book value at end of period	206.0	217.8

Amortisation includes £10.3 million (2024: £10.4 million) relating to intangible assets arising on acquisitions that is accounted for as an adjusting item (see Note 4). Included in software additions is £0.2 million (2024: £1.0 million) of own work capitalised.

11. Property, plant and equipment

	Audited December 2025 £'m	Audited December 2024 £'m
Net book value at start of period	234.8	249.4
Additions	13.3	9.2
Depreciation	(19.8)	(22.1)
Impairment	(4.5)	-
Other movements	0.1	(1.7)
Net book value at end of period	223.9	234.8

Impairment in 2025 represents the assets being written down to recoverable value in relation to major restructuring exercises at certain facilities in the Group's network (see Note 4).

12. Retirement benefit asset

The amounts recognised in the balance sheet in respect of the defined benefit asset are as follows:

	Audited December 2025 £'m	Audited December 2024 £'m
Present value of Scheme liabilities	(200.9)	(204.2)
Fair value of Scheme assets	225.8	228.3
Net amount recognised (before deferred tax)	24.9	24.1

The Company sponsors a funded defined benefit pension scheme in the UK (the "Scheme"). The Scheme is administered within a trust which is legally separate from the Company. The Trustee Board is appointed by both the Company and the Scheme's membership and acts in the interest of the Scheme and all relevant stakeholders, including the members and the Company. The Trustee is also responsible for the investment of the Scheme's assets.

The Scheme provides pension and lump sums to members on retirement and to dependants on death. The defined benefit section closed to future accrual of benefits on 30 June 2006 with the active members becoming entitled to a deferred pension. Members no longer pay contributions to the defined benefit section. Company contributions to the defined benefit section after this date are used to fund any deficit in the Scheme and the expenses associated with administering the Scheme, as determined by regular actuarial valuations.

The Scheme poses a number of risks to the Company, for example longevity risk, investment risk, interest rate risk, inflation risk and salary risk. The Trustee is aware of these risks and uses various techniques to control them. The Trustee has a number of internal control policies, including a Risk Register, which are in place to manage and monitor the various risks it faces. The Trustee's investment strategy incorporates the use of liability-driven investments ("LDIs") to minimise sensitivity of the actuarial funding position to movements in interest rates and inflation rates.

The defined benefit section of the Scheme is subject to regular actuarial valuations, which are usually carried out every three years. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures which are determined using best estimate assumptions. The last formal actuarial valuation was carried out as at 5 April 2024. The results of that valuation have been projected to 31 December 2025 by a qualified independent actuary.

The income recognised in the income statement in respect of the Scheme is included in net finance expenses and totalled £0.6 million in the year ended December 2025 (2024: £0.3 million charge). Net interest income on the defined benefit pension scheme is disclosed net of Company recharges for scheme administration.

13. Lease liabilities

	Audited December 2025 £'m	Audited December 2024 £'m
Analysed as:		
Amounts due for settlement within twelve months	5.6	5.7
Amounts due for settlement after twelve months	33.5	29.7
	39.1	35.4

The interest expense on lease liabilities amounted to £2.0 million (2024: £1.7 million). Lease liabilities are calculated at the present value of the lease payments that are not paid at the commencement date. For the year ended December 2025, the average effective borrowing rate was 4.9% (2024: 5.0%). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The total cash outflow in relation to leases amounts to £9.1 million (2024: £7.0 million). The total cash outflow in relation to short-term and low value leases was £5.1 million (2024: £2.7 million).

14. Interest bearing loans and borrowings

	Audited December 2025 £'m	Audited December 2024 £'m
Analysed as:		
Non-current liabilities	142.8	152.8

Interest bearing loans and borrowings are stated net of unamortised debt arrangement fees of £2.2 million (2024: £2.2 million).

The total syndicated bank facility at December 2025 was £270.0 million (2024: £315.0 million), of which £125.0 million (2024: £160.0 million) was unutilised. Long-term funding stability was achieved during the year with the extension of the Group's bank facility until 2029 with no change in commercial terms.

The Group's committed bank facilities are charged at variable rates based on SONIA plus a margin. The Group's bank facility continues to be aligned with the current strategy to ensure that headroom against the available facility remains at appropriate levels and are structured to provide committed medium-term debt.

Marshalls has a receivables purchase agreement with a UK bank and is party to a reverse factoring finance arrangement between a UK bank and one of the Group's key customers (the principal relationship is between the customer and its partner bank). Under these agreements, Marshalls has the option of transferring the ownership of certain customer receivables to the bank or to receive advance payment of approved invoices from the key customer, respectively. Utilising either agreement results in the derecognition of receivables from the Group's balance sheet. The Group utilises these facilities periodically in order to help manage its short-term funding requirements and pays a finance charge upon utilisation.

15. Analysis of net debt

	Audited December 2025 £'m	Audited December 2024 £'m
Cash at bank and in hand	4.9	18.9
Debt due after 1 year	(142.8)	(152.8)
Lease liabilities	(39.1)	(35.4)
Net debt	(177.0)	(169.3)

16. Reconciliation of net cash flow to movement in net debt

	Audited December 2025 £'m	Audited December 2024 £'m
Net decrease in cash equivalents	(13.8)	(15.7)
Cash outflow from movement in bank borrowings	10.0	55.0
Cash outflow from lease repayments	6.9	5.3
New leases entered into	(10.6)	(20.4)
Lease liability de-recognised	-	24.4
Effect of exchange rate fluctuations	(0.2)	(0.3)
Movement in net debt in the year	(7.7)	48.3
Net debt at beginning of the year	(169.3)	(217.6)
Net debt at end of the year	(177.0)	(169.3)

The lease liability derecognition was in respect of vehicle leases that were novated as part of a logistics outsourcing project.

17. Reconciliation of profit after taxation to cash generated from operating activities

	Notes	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Profit after taxation		14.4	31.0
Income tax expense on continuing operations	6	3.3	8.4
Profit before tax		17.7	39.4
Adjustments for:			
Depreciation of property, plant and equipment	11	19.8	22.1
Asset impairments		4.5	-
Depreciation of right-of-use assets		6.8	7.3
Amortisation	10	12.3	12.1
Loss / (gain) on sale of property, plant and equipment		0.1	(1.9)
Equity settled share-based payments		1.0	1.1
Net finance expenses	5	14.3	14.5
Operating cash flow before changes in working capital		76.5	94.6
Decrease in trade and other receivables		2.2	13.8
Decrease / (increase) in inventories		1.0	(13.1)
(Decrease) / increase in trade and other payables		(15.7)	2.0
Cash generated from operations		64.0	97.3

18. Fair values of financial assets and financial liabilities

A comparison by category of the book values and fair values of the financial assets and liabilities of the Group at 31 December 2025 is shown below:

	Book value		Fair value	
	Audited December 2025 £'m	Audited December 2024 £'m	Audited December 2025 £'m	Audited December 2024 £'m
Trade and other receivables	75.2	76.1	75.2	76.1
Cash and cash equivalents	4.9	18.9	4.9	18.9
Bank loans	(142.8)	(152.8)	(142.0)	(146.1)
Trade payables, other payables and provisions	(112.7)	(122.8)	(112.7)	(122.8)
Derivatives	0.2	1.1	0.2	1.1
Contingent consideration	-	(6.6)	-	(6.6)
Financial instrument assets and liabilities – net	(175.2)	(186.1)		
Non-financial instrument assets and liabilities – net	830.9	847.4		
Net assets	655.7	661.3		

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table. Other than contingent consideration, which uses a level three basis, all use level two valuation techniques.

(a) Derivatives

Derivative contracts are either marked to market using listed market prices or by discounting the contractual forward price at the relevant rate and deducting the current spot rate. For interest rate swaps, broker quotes are used.

(b) Interest-bearing loans and borrowings

Fair value is calculated based on the expected future principal and interest cash flows discounted at the market rate of interest at the balance sheet date.

(c) Trade and other receivables/payables

For receivables/payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables/payables are discounted to determine the fair value.

(d) Contingent consideration

The contingent consideration has been calculated based on the Group's expectation of what it will pay in relation to the post-acquisition performance of the acquired entities.

(e) Fair value hierarchy

The table below analyses financial instruments, measured at fair value, into a fair value hierarchy based on the valuation techniques used to determine fair value.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 £'m	Level 2 £'m	Level 3 £'m	Total £'m
December 2025				
Derivative financial assets	-	0.2	-	0.2
Contingent consideration	-	-	-	-
	-	0.2	-	0.2
December 2024				
Derivative financial assets	-	1.1	-	1.1
Contingent consideration	-	-	(6.6)	(6.6)
	-	1.1	(6.6)	(5.5)

19. Alternative performance measures

The APMs set out by the group are made-up of earnings-based measures and ratio measures with a selection of these measures being stated after adjusting items.

Measures stated after excluding adjusting items

These performance measures are calculated using either the associated statutory measure or alternative performance measure after adding back the adjusting items detailed in Note 4. The Group's accounting policy on adjusting items is set out in Note 1, basis of preparation.

APM	Definition and/or purpose
Adjusted operating profit, adjusted profit before tax, adjusted profit after tax, adjusted earnings per share, adjusted EBITA, adjusted EBITDA and adjusted operating cash flow	The Directors assess the performance of the Group using these measures including when considering dividend payments.
Adjusted return on capital employed	Adjusted return on capital employed is calculated as adjusted EBITA divided by shareholders' funds plus net debt at the period end. It is designed to give further information about the returns being generated by the Group as a proportion of capital employed.
Adjusted operating cash flow conversion	Operating cash flow conversion is calculated by dividing adjusted operating cash flow by adjusted EBITDA (both on an annualised basis). Adjusted operating cash flow is calculated by adding back adjusting items paid, net finance expenses paid, and taxation paid. It illustrates the rate of conversion of profitability into cash flow.

Pre-IFRS 16 measures

The Group's banking covenants are assessed on a pre-IFRS 16 basis. In order to provide transparency and clarity regarding the Group's compliance with banking covenants, the following performance measures and their calculations have been presented:

APM	Definition and purpose
Pre-IFRS 16 adjusted EBITDA	Pre-IFRS 16 adjusted EBITDA is adjusted EBITDA excluding right-of-use asset depreciation and profit or losses on the sale of property, plant and equipment.
Pre-IFRS 16 net debt	Pre-IFRS 16 net debt comprises cash at bank and in hand and bank loans but excludes lease liabilities. It shows the overall net indebtedness of the Group on a pre-IFRS 16 basis.
Pre-IFRS 16 net debt leverage	This is calculated by dividing pre-IFRS 16 net debt by adjusted pre-IFRS 16 EBITDA to provide a measure of leverage.

Other definitions

APM	Definition and purpose
EBITDA	EBITDA is earnings before interest, taxation, depreciation, and amortisation and provides users with further information about the profitability of the business before financing costs, taxation, and non-cash charges.
EBITA	EBITA is earnings before interest, taxation and amortisation and provides users with further information about the profitability of the business before financing costs, taxation, and amortisation.

Reconciliations of IFRS reported income statement measures to income statement APMs is set out in the following three tables. A reconciliation of operating profit to pre-IFRS 16 adjusted EBITDA is set out below:

	Audited year ended December 2025 £'m	Audited year ended December 2024 £'m
Operating profit	32.0	53.9
Adjusting items (Note 4)	24.4	12.8
Adjusted operating profit	56.4	66.7
Amortisation (excluding amortisation of intangible assets arising on acquisitions)	2.0	1.7
Adjusted EBITA	58.4	68.4
Depreciation	26.6	29.4
Adjusted EBITDA	85.0	97.8
Loss/(profit) on sale of property, plant and equipment	0.1	(0.2)
Right-of-use asset payments	(6.9)	(5.3)
Pre-IFRS 16 adjusted EBITDA	78.2	92.3

Disclosures required under IFRS are referred to as on a reported basis. Disclosures referred to after adding back adjusting items basis are restated and are used to provide additional information and a more detailed understanding of the Group's results.

Pre-IFRS 16 net debt and pre-IFRS 16 net debt leverage

Net debt comprises cash at bank and in hand, bank loans and leasing liabilities. An analysis of net debt is provided in Note 15. Net debt on a pre-IFRS 16 basis has been disclosed to provide additional information and to align with reporting required for the Group's banking covenants. Pre-IFRS 16 net debt leverage is defined as pre-IFRS 16 net debt divided by adjusted pre-IFRS16 EBITDA. Net debt as reported in Note 15 is reconciled to pre-IFRS 16 net debt and pre-IFRS 16 net debt leverage below:

	Audited December 2025 £'m	Audited December 2024 £'m
Net debt	177.0	169.3
IFRS 16 leases	(39.1)	(35.4)
Net debt on a pre-IFRS 16 basis	137.9	133.9
Adjusted pre-IFRS 16 EBITDA	78.2	92.3
Pre-IFRS 16 net debt leverage	1.8	1.5

Return on capital employed ('ROCE')

ROCE is defined as adjusted EBITA divided by shareholders' funds plus net debt.

	Audited December 2025 £'m	Audited December 2024 £'m
Adjusted EBITA	58.4	68.4
Shareholders' funds	655.7	661.3
Net debt	177.0	169.3
Capital employed	832.7	830.6
ROCE	7.0%	8.2%

Adjusted operating cash flow conversion

Adjusted operating cash flow conversion is the ratio of adjusted operating cash flow to adjusted EBITDA and is calculated as set out below:

	Audited year ended December 2025 £'m	Audited year ended December 2024 £m
Net cash flow from operating activities	38.9	76.8
Adjusting items paid	10.9	6.4
Net finance expenses paid	16.1	11.7
Taxation paid	9.0	8.8
Adjusted operating cash flow	74.9	103.7
Adjusted EBITDA	85.0	97.8
Adjusted operating cash flow conversion	88%	106%

20. Principal risks and uncertainties

Risk management is the responsibility of the Marshalls plc Board and is a key factor in the delivery of the Group's strategic objectives. The Board establishes the culture of effective risk management and is responsible for maintaining appropriate systems and controls. The Board sets the risk appetite and determines the policies and procedures that are put in place to mitigate exposure to risks. The Board plays a central role in the Group's Risk Review process, which covers emerging risks and incorporates scenario planning and detailed stress testing.

There continue to be external risks and significant volatility in UK and world markets with high and persistent levels of cost inflation and an uncertain outlook. In addition to the macro-economic environment, the key risks for the Group are cyber security, competitor activity and an increased focus in climate change and other ESG related issues. In all these cases, specific assessments continue to be reviewed, certain new operating procedures have been implemented and mitigating controls continue to be reviewed as appropriate. A summary of these risks is set out below.

- Macro-economic uncertainty – The Group's performance is dependent on activity in its end markets, particularly UK residential construction and RMI, and is therefore susceptible to economic downturns, conflicts in Ukraine and the Middle East, changes in government policy, and interest rates. Uncertainty persists regarding the pace and quantum of interest rate reductions, plus consumer confidence continues to be subdued and the Board is not expecting a significant increase in market activity levels in the short term. The Group's primary mitigation has been the execution of its diversification strategy, with resilient performances in Roofing and Building Products offsetting the reduction in profitability in Landscaping Products. This has been supported by decisive cost control actions as part of the Landscaping Improvement Plan and disciplined working capital management to maintain flexibility and prepare for market recovery.
- Cyber security – Cyber security remains a principal risk for the Group, with the potential to cause operational disruption, financial loss, and reputational damage. The external threat landscape has continued to evolve throughout 2025, with a marked increase in both the frequency and sophistication of attempted attacks. In response, we have focused on strengthening and aligning cyber security controls across the Group and have advanced our multi-year action plan, which includes targeted investment in people, processes, and technology. Key initiatives include enhanced employee awareness and training programmes, regular independent vulnerability and penetration testing, and the introduction of improved monitoring and detection capabilities. Together, these actions reinforce the resilience of our operations and our commitment to safeguarding customer, partner, and stakeholder trust.
- Competitor activity – In some business units it was not possible to recover input cost inflation through higher selling prices due to weaker demand levels resulting in heightened competition for volumes in the marketplace and not all input costs were covered by price increases in 2025. In addition, concrete roof tile capacity has come on stream, which has increased levels of competition in that category within Roofing Products. To partially mitigate, the Group is controlling its cost base and selectively investing to improve efficiency and resilience of its tile lines, whilst continuing to focus on the attributes that are important to our customers, including best in class technical and design support, carbon leadership and our leading brands.
- Climate change and other ESG issues – The Group is exposed to the transition risks of climate change, alongside the increasing commercial and reputational risks associated with evolving stakeholder and regulatory ESG expectations. During 2025, the focus on sustainability has been maintained with UK government announcements on the Future Homes Standard and long-term social housing investment creating both significant opportunities and a sharper focus on the sustainability credentials of building materials. Our mitigation is to align our 'Transform & Grow' strategy directly with these trends. This was demonstrated by the strong growth of Viridian Solar and our focus on lower-carbon brick offerings. This is all underpinned by the governance of our ESG Board Committee.

The other principal risks and uncertainties that could affect the business for the remainder of the current financial year are those set out in the 2025 Annual Report and Accounts on pages 57 to 64. These cover the strategic, financial and operational risks and have not changed significantly during the period. Strategic risks include those relating to the ongoing Government policy, general economic conditions, the actions of customers, suppliers and competitors, as well as weather conditions. The Group also continues to be subject to various financial risks in relation to the pension scheme, principally the volatility of the discount (AA corporate bond) rate, any downturn in the performance of equities and increases in the longevity of members. The other main financial risks arising from the Group's financial instruments are liquidity risk, interest rate risk, credit risk and foreign currency risk. External operational risks include the cyber security and information technology, the effect of legislation or other regulatory actions and new business strategies.

The Group continues to monitor all these risks and pursue policies that take account of, and mitigate, the risks where possible.

21. Annual General Meeting

The Annual General Meeting will be held at the offices of Walker Morris, 33 Wellington Street, Leeds, West Yorkshire, LS1 4DL at 11.00 am on 13 May 2026.

Board members

The Directors serving during the year ended 31 December 2025 and up to the date of this report were as follows:

Vanda Murray OBE	Chair
Simon Bourne*	Chief Executive Officer
Angela Bromfield	Non-Executive Director
Avis Darzins	Non-Executive Director
Diana Houghton	Non-Executive Director
Paul Inman	Non-Executive Director
Justin Lockwood	Chief Financial Officer
Graham Prothero	Senior Non-Executive Director
Matt Pullen**	Chief Executive

* Chief Commercial Officer from 1 January 2025 to 27 November and Interim Chief Executive Officer from 27 November 2025 to 19 January 2026

** Stepped down 27 November 2025

By order of the Board

Shiv Sibal
Group Company Secretary
16 March 2026

Cautionary Statement

This Preliminary Results announcement contains certain forward-looking statements with respect to the financial condition, results, operations and business of Marshalls plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this Preliminary Results announcement should be construed as a profit forecast.

Directors' Liability

Neither the Company nor the Directors accept any liability to any person in relation to the contents of this Preliminary Results announcement except to the extent that such liability arises under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A of the Financial Services and Market Act 2020.

Shareholder Information

Financial calendar

Annual General Meeting	13 May 2026
Final dividend for the year ended December 2025 (subject to shareholder approval)	1 July 2026
Results for the half year ending June 2026	10 August 2026
Results for the year ending December 2026	Early March 2027

Registrars

All administrative enquiries relating to shareholdings should, in the first instance, be directed to Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ (telephone: 0870 707 1134) and should clearly state the registered shareholder's name and address.

Dividend mandate

Any shareholder wishing dividends to be paid directly into a bank or building society should contact the Registrars for a dividend mandate form. Dividends paid in this way will be paid through the Bankers' Automated Clearing System ("BACS").

Website

The Group has a website that gives information on the Group and its products and provides details of significant Group announcements. The address is www.marshalls.co.uk.