

28 May 2024

Genuit Group plc
("Genuit" or "the Company" or "the Group")
Trading Update

Genuit, the UK's largest provider of sustainable water, climate and ventilation solutions for the built environment, today issues an update on trading for the four months ended 30 April 2024 ahead of its Annual General Meeting ("AGM"), which takes place at 13:00hrs (BST) today at 4 Victoria Place, Holbeck, Leeds LS11 5AE.

Highlights

- Year to date trading in line with management expectations, with revenue performance reflecting anticipated market softness
- Continued improvement in underlying operating margin, due to savings from business simplification and continued deployment of lean projects under the Genuit Business System (GBS)
- No change to management's full year earnings expectations

Joe Vorih, Chief Executive Officer, commented:

"Genuit continued to make encouraging strategic and operational progress in the first four months of 2024, despite ongoing market softness, and our expectations for the full year are unchanged. We are continuing to benefit from our focus on business simplification, continuous operational improvement and product innovation which is driving an improved operating margin. Genuit is in a strong position to benefit from the normalisation of volumes as markets recover, and we continue to see growth potential in our markets due to the structural sustainability drivers to which we are exposed."

Current trading

Group revenue for the four months ended 30 April 2024 was £183.7m (2023: £201.0m), a year-on-year reduction of 8.6%.

- **Sustainable Building Solutions** (c.41% of Group revenue) - revenue was 10.6% lower year-on-year, reflecting continued softness in both new housebuilding and RMI markets, however underlying operating margin improved slightly.
- **Water Management Solutions** (c.28% of Group revenue) - revenue was 12.1% lower year-on-year, with similar underlying operating margin, as project revenues were adversely affected by wet weather conditions. However, the volume and intensity of rainfall in key markets continues to underline the need for stormwater attenuation solutions and acts as a structural driver for future growth.
- **Climate Management Solutions** (c.30%* of Group revenue) - revenue was 2.5% lower year-on-year, as growth in the Nuair ventilation business continued to offset weakness in the boiler market, affecting sales at Adey. The business unit generated a marginal improvement in operating margin.

The Group completed its business simplification programme with the closure of the final two out of six sites, realising £4.8m in cash from freehold sales. Genuit is on track to deliver the previously announced £15m of annualised savings from this programme, and will realise further productivity gains through the ongoing rollout of the GBS.

Notice of Interim Results

The Company will report its interim results for the six months ending 30 June 2024 on 13 August 2024.

** The remaining 1% of Group revenue consists of Polypipe Italia, which is not part of our strategic business units.*

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About Genuit Group plc

Genuit Group plc is the UK's largest provider of sustainable water, climate and ventilation products for the built environment. Genuit's solutions allow customers to mitigate and adapt to the effects of climate change and meet evolving sustainability regulations and targets.

The Group is divided into three Business Units, each of which addresses specific challenges in the built environment:

- **Sustainable Building Solutions** - Providing a range of construction solutions to reduce the carbon content of the built environment.
- **Water Management Solutions** - Driving climate adaptation and resilience through integrated surface and drainage solutions.
- **Climate Management Solutions** - Addressing the drivers for low carbon heating and cooling, and clean and healthy air ventilation.

Across these divisions, Genuit's brands are some of the most well-established and innovative in the industry, including Polypipe, Nuaire and Adey.

The Group primarily serves the UK and European building and construction markets with a presence in Italy and the Netherlands and sells to specific niches in the rest of the world.

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