

27 January 2023

**Stelrad Group PLC**  
**(“Stelrad” or “the Group”)**

**Trading Update**

Stelrad Group plc, a leading specialist manufacturer and distributor of steel panel and other design radiators in the UK, Europe and Turkey, today announces a trading update for the twelve months ended 31 December 2022.

Stelrad’s performance, in the period since its half year results were announced on 12 August 2022, has been as anticipated with challenging economic conditions in the Group’s end markets continuing.

Group revenue (pre IAS 29) for the year ended 31 December 2022 was c£312m, representing c15% growth on prior year including the benefit of the acquisition of DL Radiators from August 2022. Revenue growth was 3% on a like-for-like basis. The Board expects to deliver a record adjusted operating profit of c£34m.

The benefits of a successful focus on margin management and operational improvements has more than offset the impact of a decrease in volumes during the period, resulting in a strong increase in contribution per radiator.

Leverage is c1.6x EBITDA at 31 December 2022 following the acquisition of DL Radiators in July 2022 with good headroom against both bank facilities and covenants.

The integration of leading Italian heat emitter manufacturer, DL Radiators, continues to progress and complement Stelrad’s core markets and channels. A new production line is currently being commissioned in the recently acquired Italian facility with two further refurbished lines fully operational in our Turkish factory during 2022.

Rising energy costs across Europe and the drive towards decarbonisation are both expected to underpin further, long-term demand for the Group’s products.

These trends, together with the flexibility of Stelrad’s business model, market-leading positions, and the strength and breadth of the Group’s customer and supplier relationships, mean that the Group enters 2023 with a high degree of resilience.

The Board remain mindful of prevailing market headwinds across the Group’s areas of activity and management continues to monitor events closely. Equally, the Group is well positioned and prepared for challenging trading conditions during 2023.

The Group intends to issue its full year Preliminary Announcement on Monday 13 March 2023.

**Trevor Harvey, Chief Executive of Stelrad, commented:**

*“Despite well-publicised macroeconomic headwinds in our end markets, the Group performed broadly in line with its expectations in 2022, a testament to the resilience of our business model and market position, the robustness of our strategy and the dedication of our team. We have more than offset a decline in volumes with proactive margin management initiatives while the acquisition of DL Radiators offers considerable potential for the future by extending our range of heat emitters and providing access to new markets and channels. We remain committed to our strategic objectives of growing market share, improving product mix, optimising routes to market, and positioning the business for decarbonisation, and, while we anticipate 2023 will be more challenging with further reductions in market size likely, we have proven that the strength of our business can meet these challenges and continue to deliver long-term value for all of our stakeholders.”*

**For further information:**

**Stelrad Group plc**  
Trevor Harvey, Chief Executive Officer  
George Letham, Chief Financial Officer

+44 (0)191 261 3301

**Investec - Sole Broker**  
Bruce Garrow / Ben Griffiths

**Powerscourt - PR Advisor**  
James White / Genevieve Ryan

[stelrad@powerscourt-group.com](mailto:stelrad@powerscourt-group.com)  
+44 (0)7855 432 699

**Notes to Editors**

Stelrad Group plc is a leading specialist radiator manufacturer, selling an extensive range of hydronic, hybrid, dual fuel and electrical heat emitters to more than 500 customers in over 40 countries. These include standard, premium and low surface temperature (LST) steel panel radiators, towel warmers, decorative steel tubular, steel multicolumn and aluminium radiators.

Following the acquisition of DL Radiators in July 2022, the Group has five core brands: Stelrad, Henrad, Termo Teknik, DL Radiators and Hudevad. In 2021, the latest year for which data is available, Stelrad held 18.4% share by volume of the combined UK, European and Turkish steel panel radiator market, being the clear market leader in five countries - the UK, Ireland, the Netherlands, Belgium and Denmark - and having a top 3 position in a further seven markets.

Stelrad is headquartered in Newcastle upon Tyne in the UK and in 2022 employed c1,650 people, having manufacturing and distribution facilities in Çorlu (Turkey), Mexborough (UK), Moimacco (Italy) and Nuth (Netherlands), with further commercial and distribution operations in Kolding (Denmark) and Krakow (Poland).

The Group's origins date back to the 1930s and Stelrad enjoys long established commercial relationships with many of its customers, having served each of its top five current customers for over twenty years.

Further information can be found at: <https://stelradplc.com/>