



## **Howdens agrees to acquire 'DIY Kitchens'**

3 June 2026



**Andrew Livingston**

Chief Executive Officer

# We have agreed to acquire 'DIY Kitchens' for an enterprise value of £390m



**DIY Kitchens is high quality, vertically integrated, and sells kitchens exclusively online, principally to end users looking to self-manage their kitchen purchase**

- Highly profitable and growing enterprise
- Proven business model distinct from the Howdens trade-only full-service model
- Direct access to 'non-trade' consumers - expands the Group's addressable UK customer base
- Originally a manufacturer of kitchens supplying wholesale to independent retailers, then transitioned to one serving end-users directly online
- Five-year CAGR in sales of 17%

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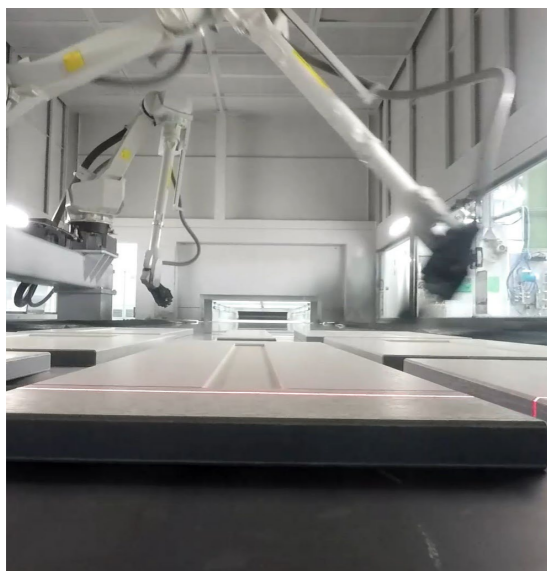
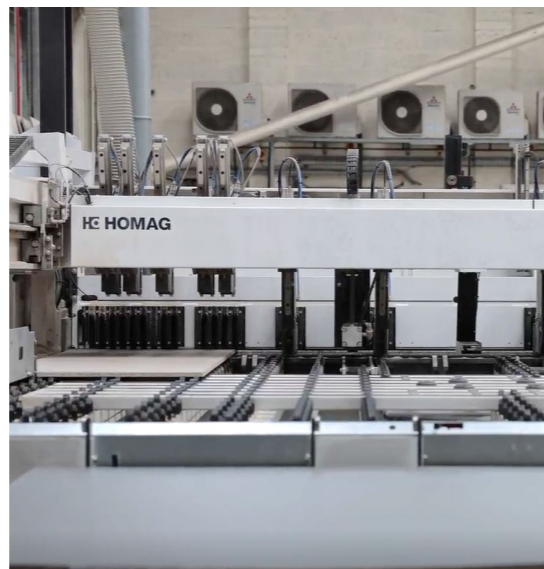
- Has the founders' entrepreneurial spirit in it, which sits well alongside Howdens' own strong entrepreneurial culture
- Best example of a vertically integrated online kitchen business operating at scale in the UK
- Standalone business operating in parallel to Howdens trade-only kitchen and joinery business
- Incremental acquisition for the Group
- Highly attractive revenue growth potential, margin, earnings per share and cash generation

## DIY Kitchens gives us an additional route to market and expands the Group's accessible UK customer base



- Attracts an emerging type of customer:
  - motivated to plan and design their own kitchen
  - from the comfort of their home
  - with control over the ordering process
- Online platform is used by purchasers to design and order their kitchen
- High quality, made-to-order product
- Low selling overheads (e.g. no brochures and few but large showrooms)
- Consistently delivered strong growth and impressive returns
- Highly rated by its customers, with an 'Excellent' Trustpilot rating

## Positioned for growth: well invested, scalable, and vertically integrated across manufacturing and supply chain



- Both Howdens and DIY Kitchens have strong integrated manufacturing and supply operations:
  - DIY Kitchens: short production runs for a **made-to-order offering**.
  - Howdens: manufactures **to stock**, predominantly with **long production runs**.
- DIY Kitchens' in-house manufactured product is c.40% of COGS, comparable to Howdens and product quality is also very high.

## Positioned for growth: well invested, scalable, and vertically integrated across manufacturing and supply chain

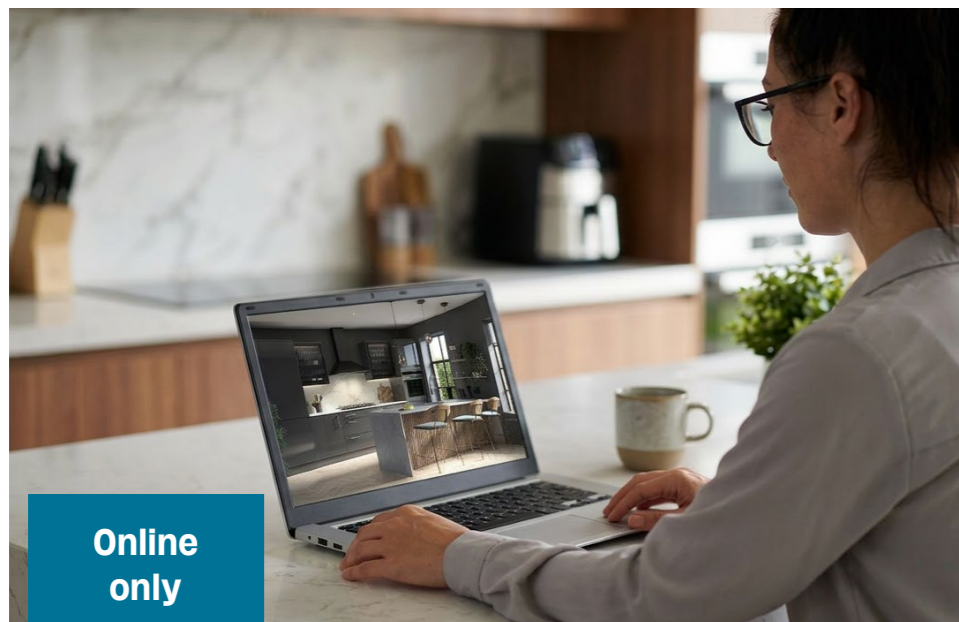


- DIY Kitchens' online-only proposition is currently supported by two large destination showrooms adjacent to regional distribution facilities:
  - Customers can make a trip to see an impressive display of product
  - West Yorkshire showroom is the largest in the country - 60 kitchen displays
  - A third showroom is currently under construction in Livingston, Scotland

## On completion, the Group will comprise two of the best business models in the UK kitchen industry



**Trade  
only**



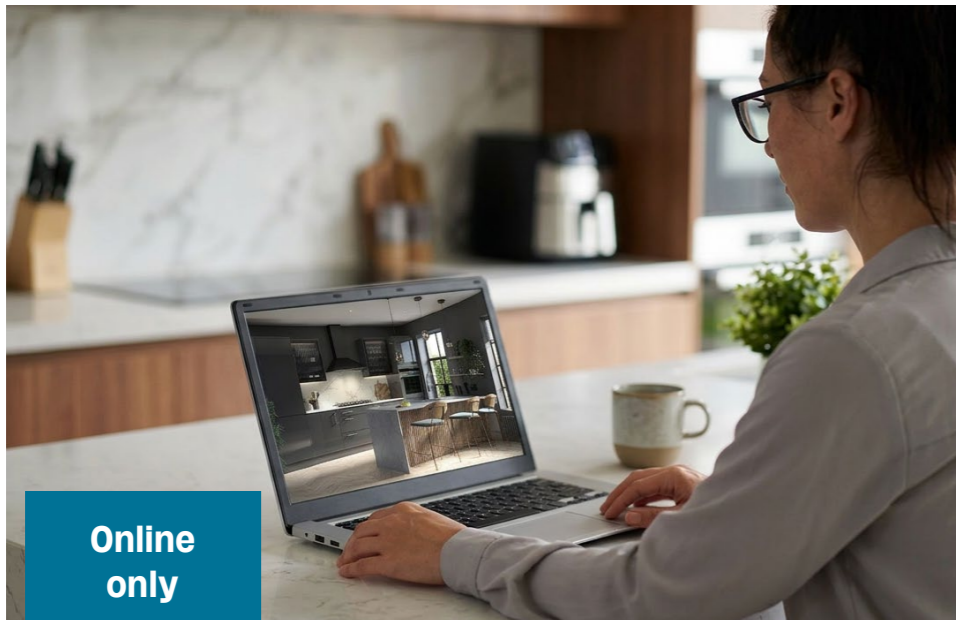
**Online  
only**

- Both Howdens and DIY Kitchens have outperformed the kitchen market as a whole
- UK kitchen market is large and remains relatively fragmented
- Both Howdens and DIY Kitchens' business models:
  - are distinctive and complementary - plenty of room for both to continue to grow
  - have efficient cost bases - makes them strong, robust, high growth and high margin propositions
  - have manufacturing operations contributing profit and value
  - can make sourcing decisions which balance lower product costs with overall supply chain availability, resilience and flexibility
- Businesses are complementary because of their disciplined focus on servicing distinct customer bases with very different requirements

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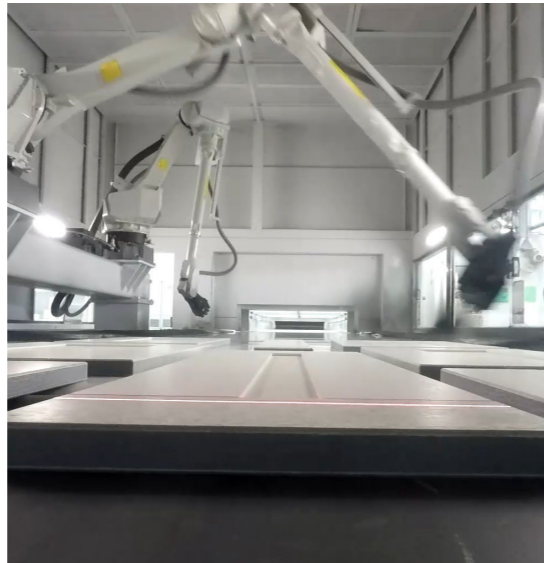
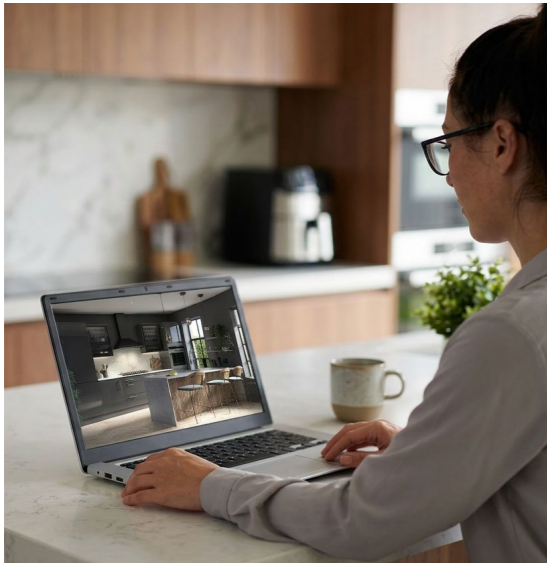


Online  
only

- **HOWDENS:**
  - Entirely dedicated to trade customers who build their own businesses off the back of our in-stock depot proposition
  - Net trade customer account base has continued to grow year-on-year
  - Builders trade time and again because they value our full service offering from stock to design
  - Confidential local pricing, backed by credit terms to help manage cash flow, and an in-stock proposition in more than 890 UK\* locations (increasing to 1,000 in the coming years)
  - Depots staffed by teams, including designers, on-hand to support throughout the planning and installation process
  - None of this will change
- **DIY KITCHENS:**
  - Online-only offer focused on non-trade customers
  - Differentiated product range, which is made-to-order
  - Small number of destination showrooms nationwide over time
- Key to unhindered success is operational independence; Howdens and DIY Kitchens are to be run as distinct and separate businesses focusing on their well-defined customer bases
- Cost saving opportunities over time, focused initially where there is a common approach to raw materials, sourcing and machinery

\* UK depots plus depots in Isle of Man and Channel Islands

# DIY Kitchens will be operated as a standalone business with its own leadership team



- **DIY Kitchens' leadership team:**

- To be led by Julian Lee as Managing Director
  - He has led the Howdens manufacturing and logistics operations for the last six years
  - He oversaw and led development of our solid surface worktop business, now one of the leading suppliers of solid surface worktops in the UK
- The founders, Alf and Clare Ellis, will retire from the business with Alf continuing to provide advice and support as needed
- Matt Ellis - pivotal in the launch and success of the online business - will become DIY Kitchens Digital and Marketing Director and a key member of its leadership team

## FINANCIALS



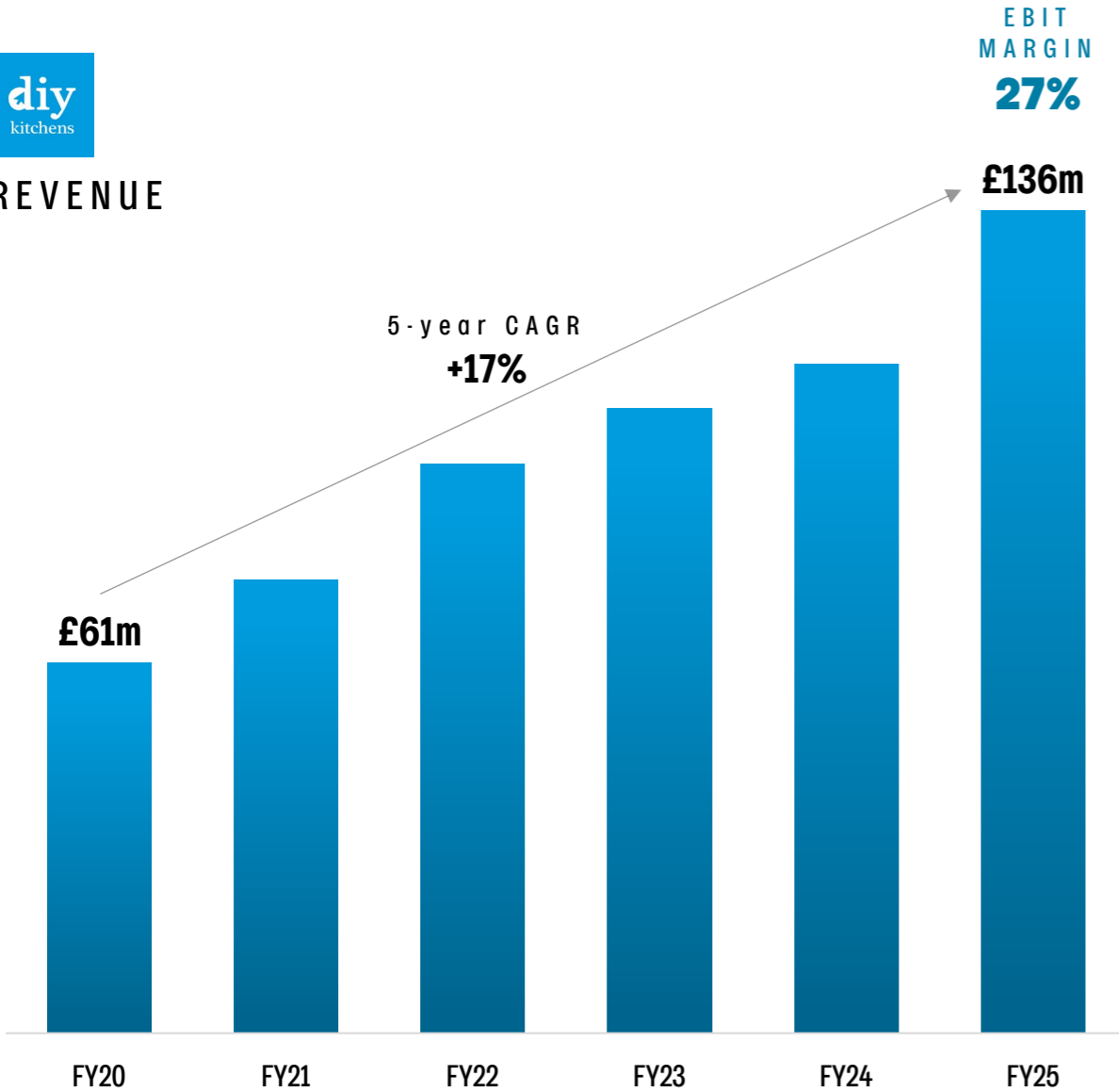
**Jackie Callaway**

Chief Financial Officer

# Compelling financial logic

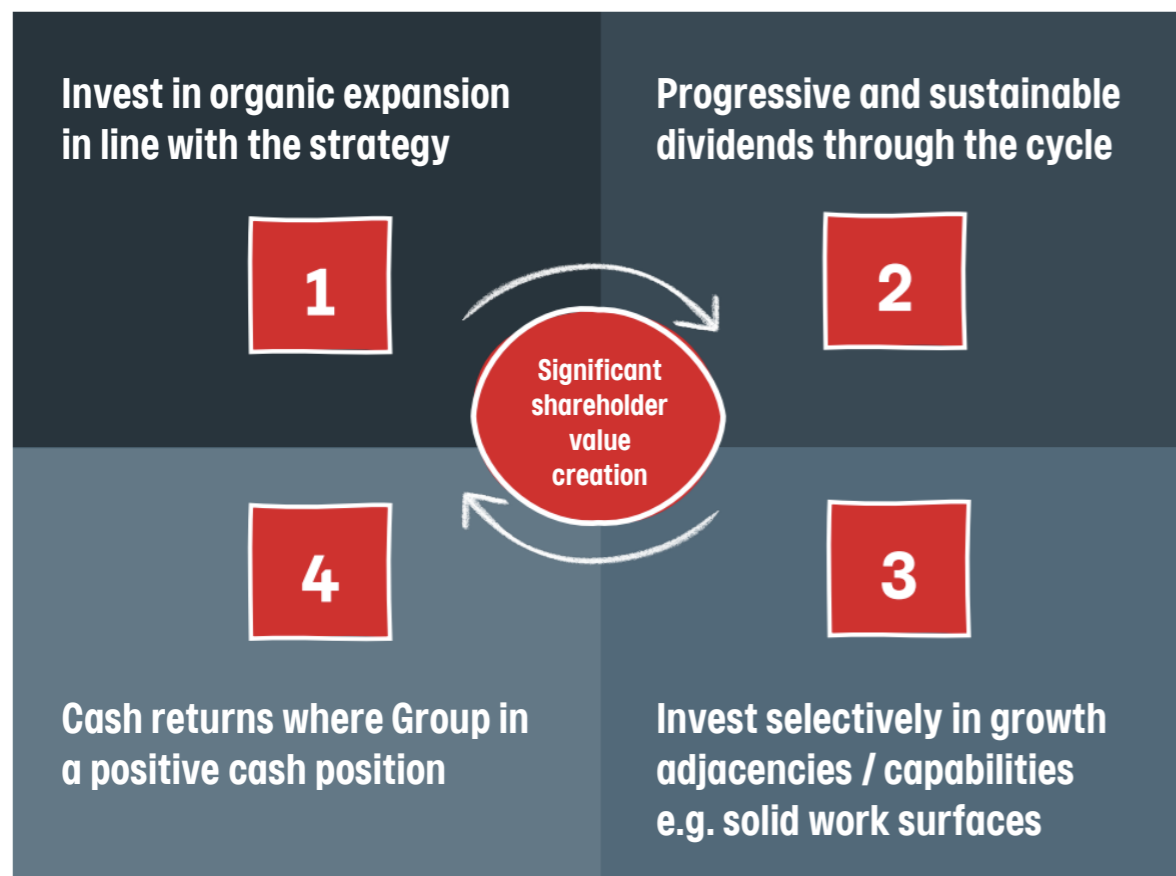


REVENUE



- Enterprise value is £390m - cash and debt-free basis
- Consideration - £292.5m cash plus £97.5m shares
- Attractive EBITDA multiple of c.8.5x LTM to 31 March 2026
- Subject to customary regulatory approvals
- 2025 Revenues £136m, over 17% CAGR over the past five years
- 2025 EBIT £37m, with an EBIT margin of 27%
- Cash generation very strong, supported by customer prepayment
- Business does not offer consumer credit

# Balance sheet, capital allocation and shareholder returns



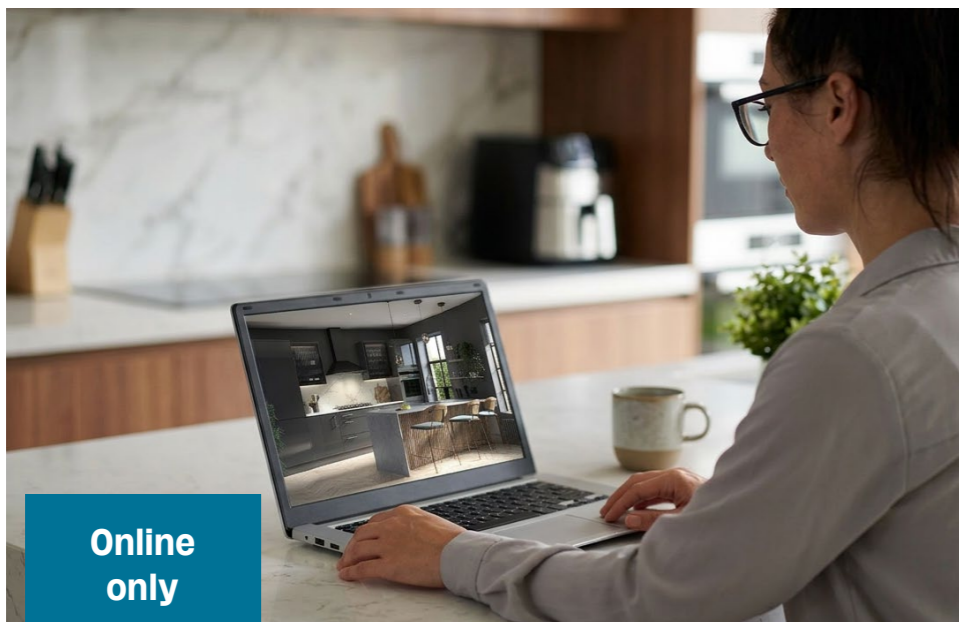
- Transaction includes DIY Kitchens' freehold property assets, valued at around £55m.
- £292.5m cash consideration will be funded from existing cash and a new £240m bank facility.
- Howdens and DIY Kitchens are highly cash generative.
- Howdens expects to remain in a net cash position post-transaction.
- Continuing to prioritise organic growth, maintain a progressive dividend policy, and return surplus capital to shareholders while the Group maintains a net cash position.
- The transaction does not affect the existing dividend policy or the £100m share buyback programme to be completed in 2026.
- Acquisition expected to be immediately accretive to revenue, margin and EPS, and to deliver returns on capital employed above the cost of capital.



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Chief Executive Officer

## Continuing to invest in Howdens' strong, organic growth model; DIY Kitchens an attractive opportunity to access a new route to market



- Like Howdens, DIY Kitchens has:
  - Well-invested manufacturing
  - Strong vertical integration
  - High capture of margin in the value chain
  - Scalable capabilities
  - Deep, well-embedded, entrepreneurial culture
- DIY Kitchens is considered by both the trade and Howdens staff to be a completely different proposition
- We will have two of the best business models in our industry

# Questions



**Thank you for joining**