



Hargreaves

Hargreaves Services plc



***Preliminary Results
for the year ended 31 May 2025***

Wednesday 30 July 2025

Presentation team



Gordon Banham, *Chief Executive Officer*

- Joined the Group in 2001 and subsequently appointed as CEO
- Led management buyout in 2004 and the Company's flotation on the London Stock Exchange and has since guided a series of major acquisitions for the Company



Stephen Craigen, *Chief Financial Officer*

- Joined the Board in 2023
- Chartered accountant, with over 20 years experience in finance, having trained at PwC, joined the business in 2013 and subsequently appointed to the Board in 2023



Simon Hicks, *Chief Operating Officer*

- Joined the Group in 2025
- Simon has over 35 years experience in the Energy, Utility, Waste Management and Infrastructure sectors, holding senior leadership positions - notably as CEO of Evero Energy, Regional Managing Director of Altrad Services, and Projects Director at Bilfinger



Strategic Value Proposition

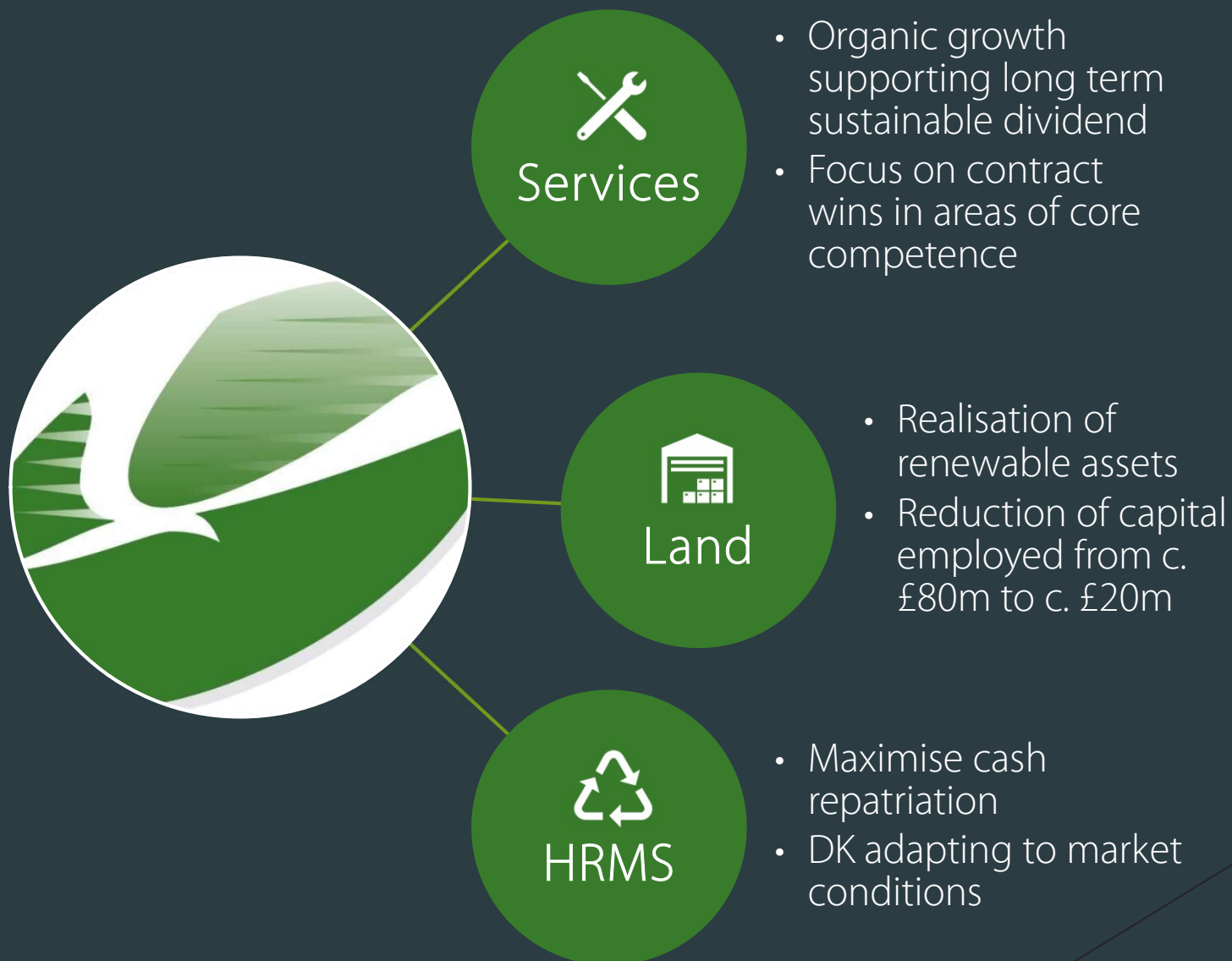
Gordon Banham
Chief Executive Officer



Group Strategy



Hargreaves



FY25 Highlights



01

SERVICES

- Services revenue up by 20% and net margin now 6.5%
- New contract wins including:
 - Yorkshire Water, Northumbria Water and M Group
 - Thalia and Enfinium contract supporting energy recovery
 - Increased Presence at Sizewell C Nuclear Power Station.

02

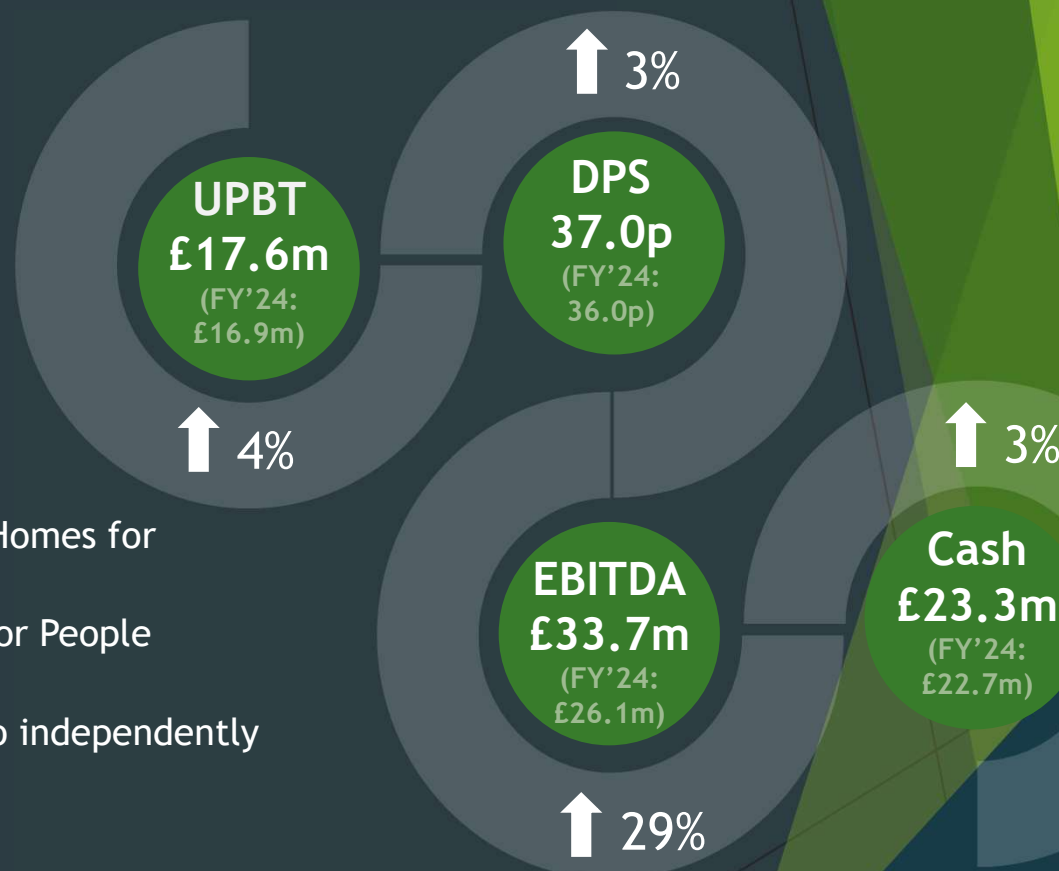
LAND

- 10 acre Blindwells plot sale to Avant Homes for proceeds of £9.25m
- 7 acre Blindwells plot sale to Places for People delivering revenue of £4.55m
- Renewable energy land asset portfolio independently valued at £27m-£29m

03

HRMS

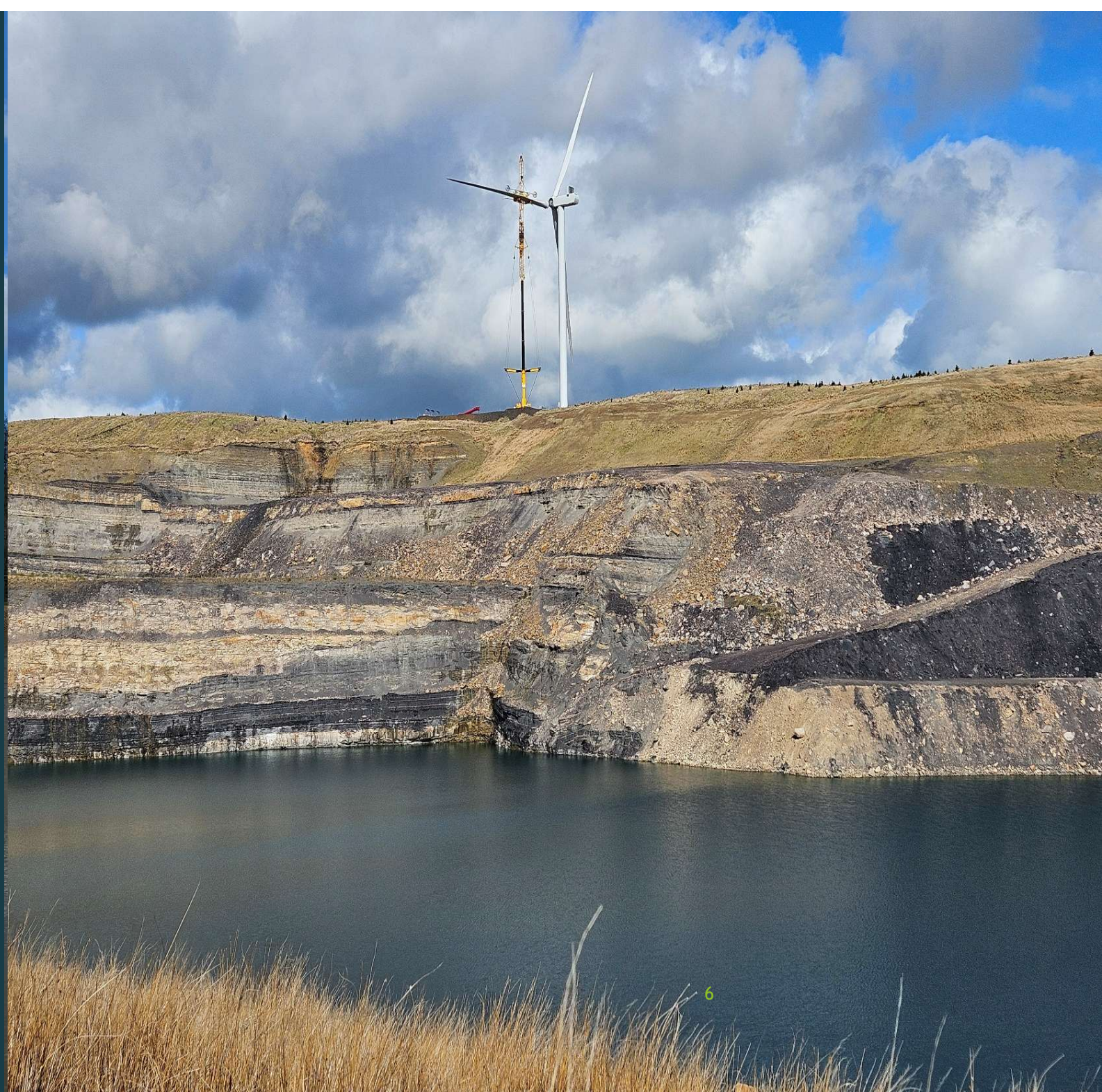
- Trading stable despite challenging German marketplace
- DK improvement following positive movements in solid fuels pricing and renegotiated gate fees





Financial Review

Stephen Craigen
Chief Financial Officer



Financial Review – *Income Statement*



Year ended 31 May	Margin	2025 £m	Margin	2024 £m	
Revenue – Services		244.3		204.1	+19.7%
Revenue – Hargreaves Land		20.1		7.0	+187.1%
Group Revenue		264.4		211.1	+25.2%
Underlying PBT – Services	6.5%	15.9	5.6%	11.4	+39.5%
PBT – Hargreaves Land		2.3		8.2	-72.0%
Profit after Tax – HRMS		4.1		1.3	+215.4%
Corporate Costs & Interest		(4.7)		(4.0)	-17.5%
Underlying Profit before tax		17.6		16.9	+4.1%
Amortisation		(0.2)		(0.2)	
Taxation		(2.7)		(4.5)	
Profit for the period		14.7		12.2	+20.5%
UEPS		45.2p		38.2p	+18.3%
Dividend Per Share		37.0p		36.0p	+2.8%
EBITDA		33.7		26.1	+29.1%

Services - Top line growth due to additional earthmoving activity with margin maintained



Land - Two plot sales at Blindwells, prior year was a record high

HRMS - Turn around in performance following normalisation of commodity pricing

Continued growth in EBITDA and EPS

Financial Review – Balance Sheet



Renewables: £7.6m
Other: £8.6m

Including £42.2m for
Blindwells

31 May 25 (£'m)	Services	Land	HRMS	Unallocated	May 25	May 24
Tangible FA's (incl. ROU assets)	51.5	16.2	-	1.7	69.4	64.9
Goodwill	5.8	-	-	-	5.8	6.0
Investments in JCEs	-	5.8	54.0	-	59.8	62.0
Inventory	0.5	47.0	-	-	47.5	49.3
Other working capital	(17.3)	14.2	14.3	2.2	13.4	10.1
Finance lease debt	(32.6)	(0.2)	-	-	(32.8)	(34.2)
Deferred tax asset	-	-	-	7.8	7.8	11.3
Net cash	-	-	-	23.3	23.3	22.7
Total Capital Employed	7.9	83.0	68.3	35.0	194.2	192.1
31 May 24	Services	Land	HRMS	Unallocated	Total	
Total Capital Employed	5.1	79.4	70.2	37.4	192.1	

Capital employed in
Services remains
low

Capital employed in
Hargreaves Land
broadly consistent

Decrease in HRMS
capital employed, as
cash receipt > share
of profit

Deferred tax asset
reflects the value of
tax losses to be
offset against future
profits

Valuation Considerations



Services*

REVENUE	£246m
EBIT	£14.5m
EBITDA	£30.2m
Equity Employed	£7m-£15m

*Source – All figures are consensus analyst estimates for FY26 and exclude £4.3m of unallocated central EBIT

Land

BOOK VALUE (Cost)	c£80m
RENEWABLE UPLIFT	>£20m
Timescale	4-6 years

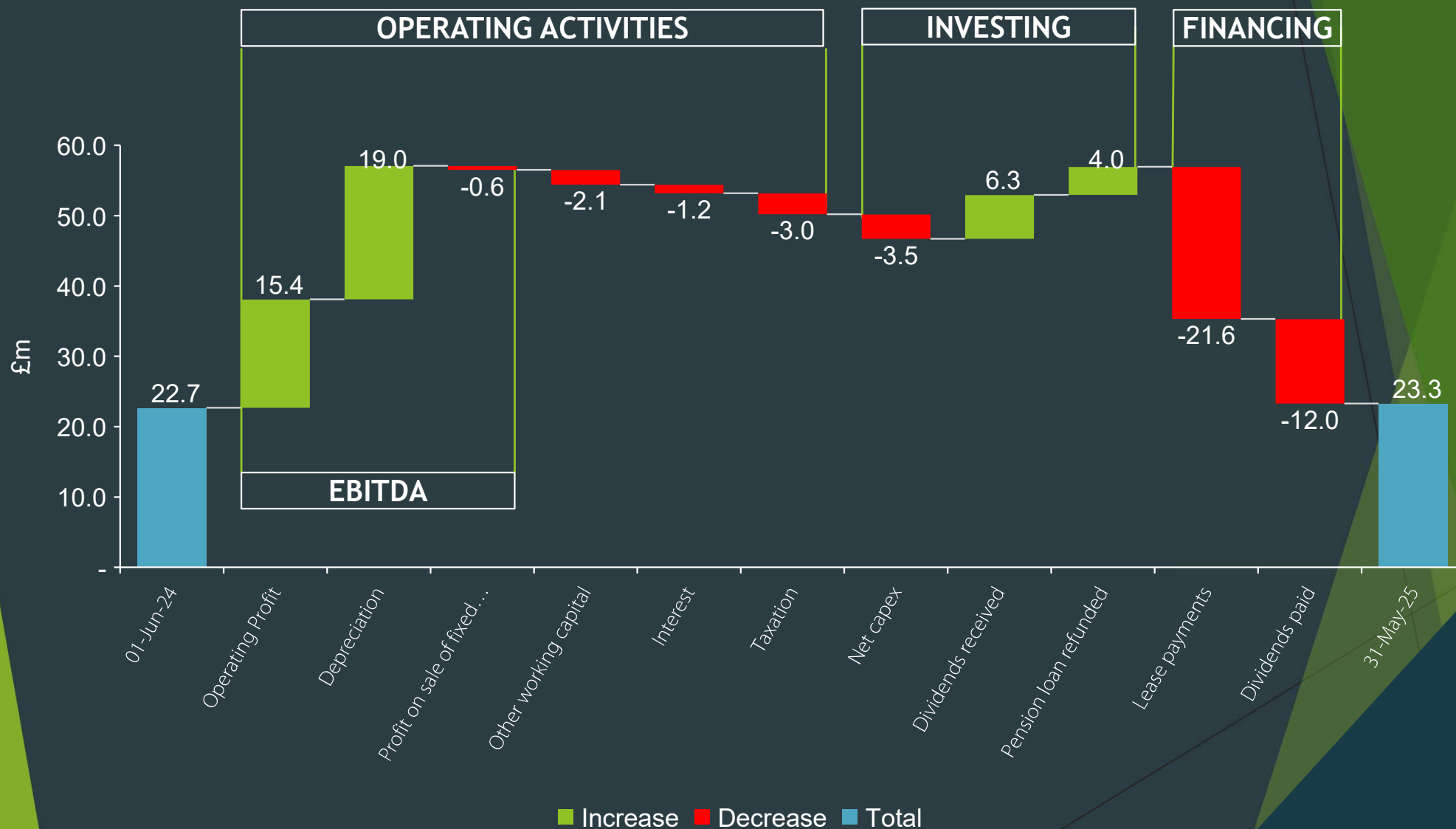
Moving to a lower capital model, utilising c. £20m of capital employed to deliver minimum 15% return

HRMS (Joint Venture)

BOOK VALUE (Cost)	£70m
ANNUAL CASH RECEIPT	£6-7m
Timescale	4-6 years



Finance Review – Cash flow



Finance Review – HRMS Summary



Consolidated financials

Revenue increase

Volume increases (755kt vs 746kt) in HRMS are offset by lower commodity pricing, particularly coke values.

Margin

HRMS margin returned to above 5%, improved over 2024 despite the reduction in headline pricing

DK improvement in Coke pricing and gate fees - improvement seen in second half

Income statement

£'m	May 25		May 24	
Revenue – HRMS	178.9		222.8	
Revenue – DK	108.0		115.9	
Revenue	286.9		338.7	
PBT – HRMS	5.7%	10.2	4.5%	10.0
LBT– DK	-1.3%	(1.4)	-6.4%	(7.4)
Profit before tax	3.1%	8.8	0.8%	2.6
Taxation		(4.0)		(1.1)
Profit after tax		4.8		1.5
Hargreaves Share at 86%		4.1		1.3

Total Group Exposure to HRMS:

£'m	May 25	May 24
Share of retained earnings	54.0	56.0
Total loans	10.9	11.3
Dividend/interest receivable	3.4	2.9
Total exposure	68.3	70.2



Operating Review *Services*

Simon Hicks
Chief Operating Officer



Services Model

70+

Frameworks and term
contracts

c.70%

Secured orders as
31 May 25

Contract Selectivity
(driving the below)



Cashflow

£11m FCF

£36.2m
EBITDA



ROCE

165%

Average 5
Year ROCE



Margins

6%+

Typical
operating
margins

Risk Management

Limited Credit
exposure

Inflation resistant
contracts

Revenue resilience

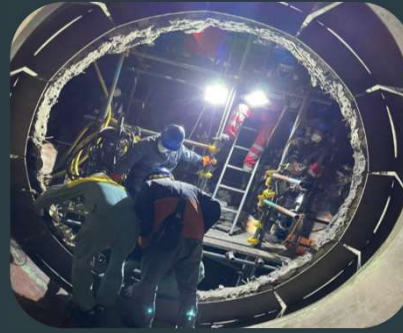
Services — Core competencies



Major Earthmoving



Bulk Logistics



Specialist M&E



Turnkey Engineering



Land Remediation



Quarrying and Aggregate Services



Bulk Materials Handling



Waste Management Solutions

Infrastructure Pipeline



Connectivity

CURRENT CONTRACTS

HS2 - two seasons at current levels remaining

OUTLOOK

Lower Thames Crossing – preferred partner to Balfour Beatty

Growing pipeline - Railways, Runways and Highways



Clean Energy

CURRENT CONTRACTS

Sizewell C - substantial enabling works secured

OUTLOOK

Supporting growth in critical infrastructure services within the Nuclear Power Sector

UK Energy transition



Environment

CURRENT CONTRACTS

Yorkshire, Northumbria and Severn Trent water

OUTLOOK

AMP8 cycle began in April '25

Supporting reservoir creation

Supporting the circular economy

Underpinned by high quality counterparties



Operating Review *Hargreaves Land*

Gordon Banham
Chief Executive Officer



Hargreaves Land – What we do



Multi Phase
Master
Developer

Bespoke
Commercial
Development

Planning
promotion

Renewables



Delivering serviced plots for
residential and commercial
development



Secure new development
opportunities within retail
warehousing and logistics space



Strategic Land adding value through
the planning process



Renewables Ground leases

Key Events – Transactions FY25



Blindwells, Edinburgh

- Two sales, totaling 310 residential plots completed to Avant and Places for People, combined consideration £13.8m

Unity, Doncaster

- Planning permissions secured for McDonalds and Starbucks. £1.2m plot sales completed in early July 25

Planning promotion

- Five new sites contracted including c.150 acres from corporate acquisition, all now being promoted through the development plan process
- Five new sites in Scotland added to the pipeline for residential and commercial opportunities
- A further 150 acres across eight sites in advanced negotiation/ legal hands

Renewables

- Financial close completed on 500MW Broken Cross battery storage making it one of the largest such schemes in Europe
- Lease granted and construction about to commence



Hargreaves Land – Renewables portfolio



Status		May 25	Book Value	Independent Valuation
OPERATIONAL	2 Windfarms	206MW		
	2 Access Agreements			
UNDER CONSTRUCTION	1 Windfarm			
	3 Access Agreements	800MW	£7.4m	£27m-£29m
	1 Battery Storage			
PRE-CONSTRUCTION	1 Solar scheme	142MW		
	1 Access Agreement			
	11 Schemes	1,148MW		
CONTRACTED, Pre-Planning	1 Access Agreement			
	1 Wind Farm	505 MW	Negligible	n/a
	1 Battery Storage			
Non-contracted pipeline	3 schemes	356MW	Negligible	n/a
BROUGHT TO MARKET	2 Windfarms 3 Access Agreements	346MW	BOOK VALUE £4.0m	£12.6m

First tranche of 5 renewables assets brought to market



Hargreaves Land – *Outlook*



Market outlook

- Momentum is building, yet full recovery is hampered by high build costs and increased interest rates
- Retail and commercial demand remains cautious

Residential Pipeline

Pipeline Summary	No. of Sites	Plots/Sq Ft	Acres
Residential (Allocated)	4	5,043	698
Residential (Pre-Allocated)	2	2,100	179
Residential (Promotion)	18	3,184	450
Total	24	10,327	1,327
<i>FY24</i>	<i>13</i>	<i>8,635</i>	<i>1,062</i>



Operating Review *HRMS*

Gordon Banham
Chief Executive Officer



Hargreaves Raw Materials GmbH Hargreaves

HRMS is a Joint Venture

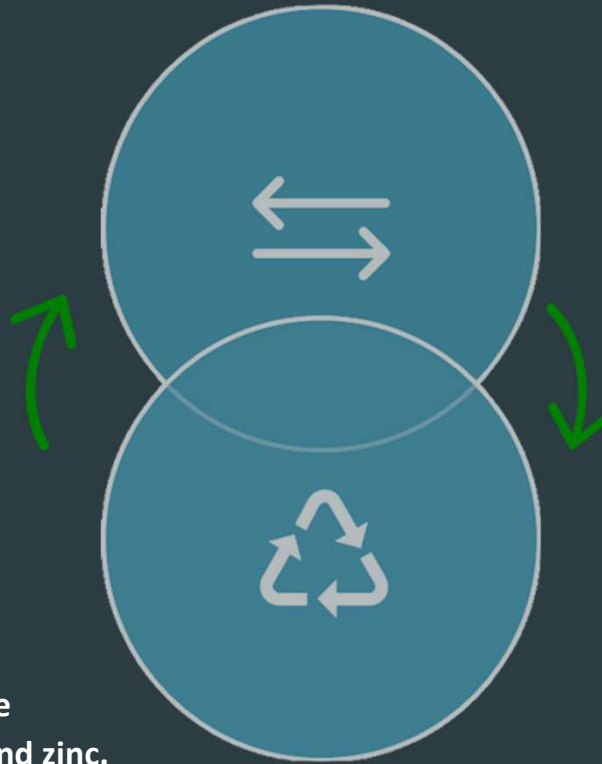
Hargreaves owns 49.9% of voting shares, however, is entitled to 86% of economic benefit through non-voting shares.

The results of HRMS are not consolidated in the Group accounts, they are represented by a single line in the P&L and Balance Sheet



DK Recycling

One of the largest recyclers of ferrous waste materials in the world, producing pig iron and zinc. DK includes the Carbon Pulverisation Plant



HRMS - Trading

Market leading trader in industrial raw materials in Germany and Northern Europe. Supplying solid fuels, refractory minerals, pig iron and ferro-alloys.

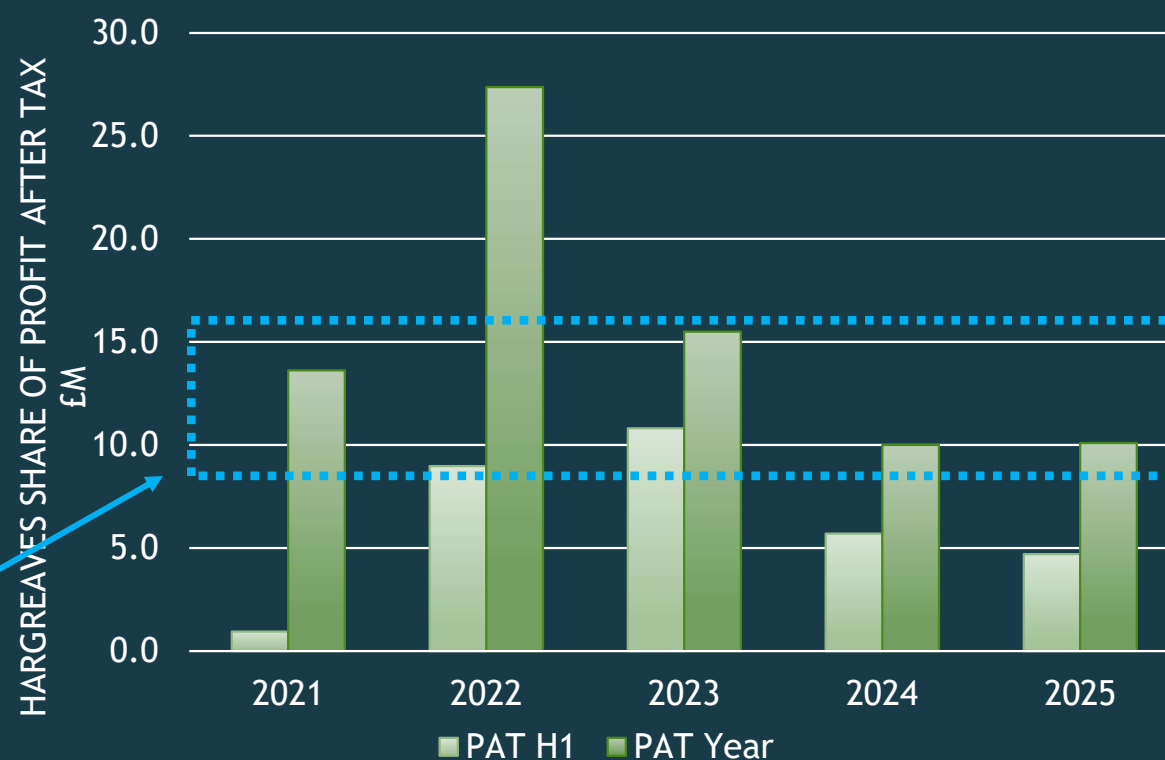


Profits from trading in HRMS have been variable over the period of ownership, given dependency on commodity cycles and market pricing.

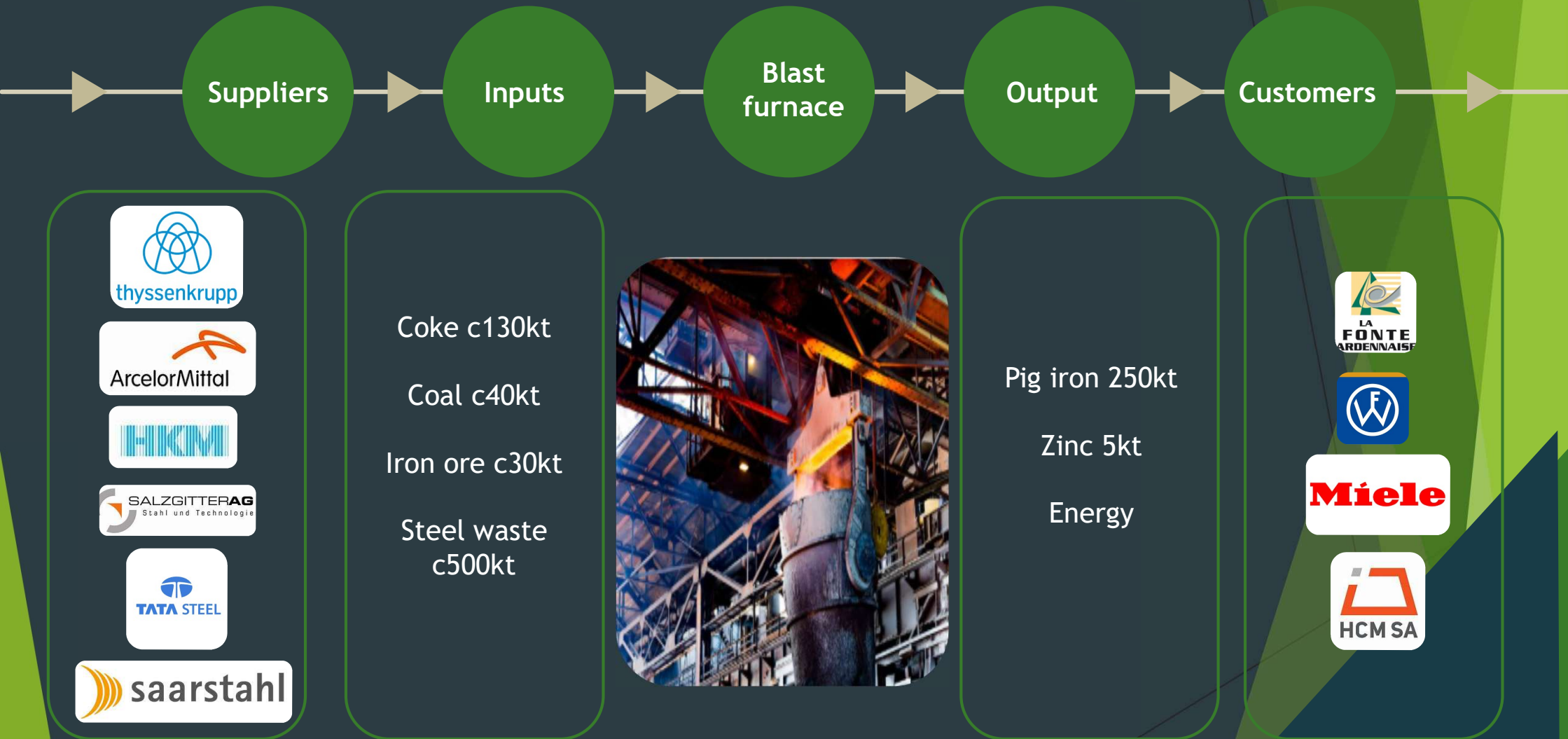
Trading has remained flat given continued German recession.

Normalised trading levels expected to deliver between £8m and £16m - higher than prior to the DK acquisition

Historic performance of the Trading business

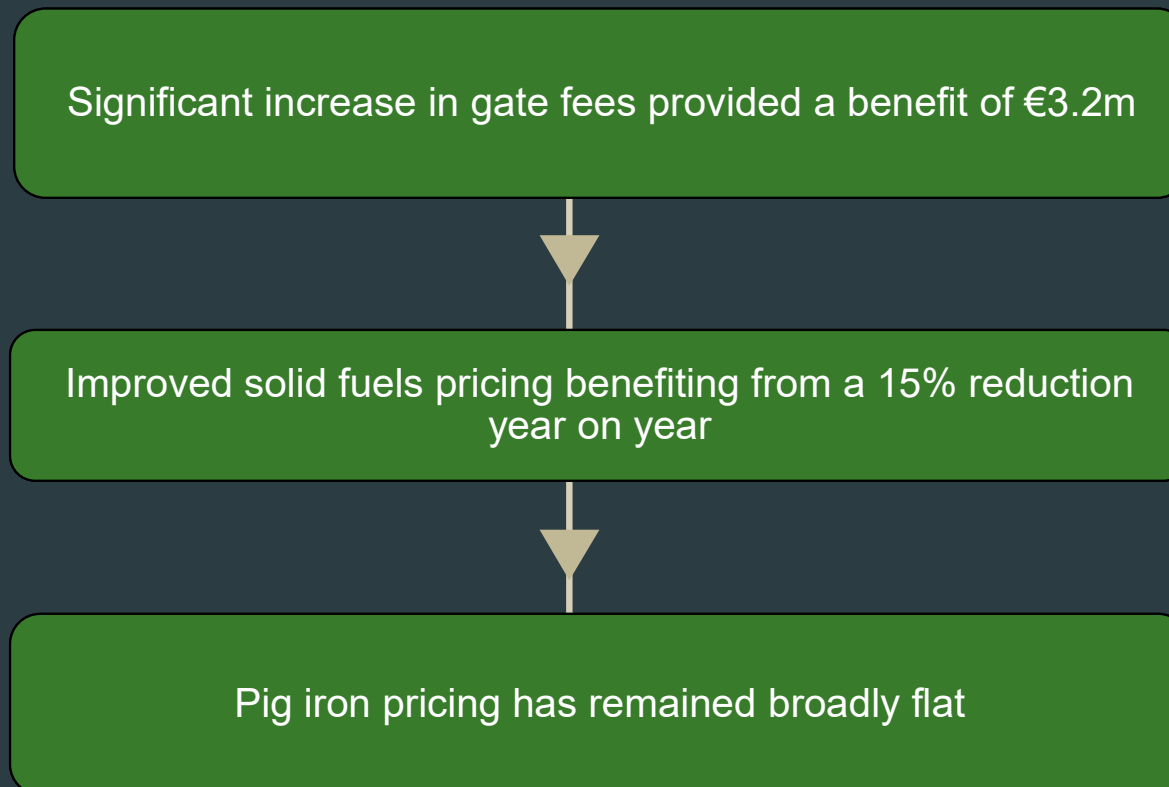


DK Recycling - Operating model



DK is a net energy generator with surplus output being sold back to the German grid.

Drivers for DK Improvement





Our Commitment to ESG



Hargreaves Services plc – ESG



- ✓ Net Zero reviewed May 2025
- ✓ Phased reduction to zero carbon by 2050



- ✓ Enabling renewable clean energy
- ✓ All Services businesses are supporting UK Circular Economy through materials collection, transfer, and reuse/recycling
- ✓ Achieved PAS2080, demonstrating carbon reduction in the built environment



- ✓ Achieved Gold Supply Chain Sustainability School
- ✓ 174,000+ trees planted on Hargreaves' land



Summary



Hargreaves Services plc – Outlook



Services

- Over 70% of revenues secured under contract for new financial year providing confidence in the continued delivery of sustainable and reliable profits into the future

Group Outlook

- Trading outlook for FY26 is strong led by Services and Hargreaves Land
- Significant progress anticipated on strategic goals
- Sustainable full year dividend increased to 37p

Land

- Further realisations expected at Blindwells and renewables
- Growing pipeline of planning promotion opportunities

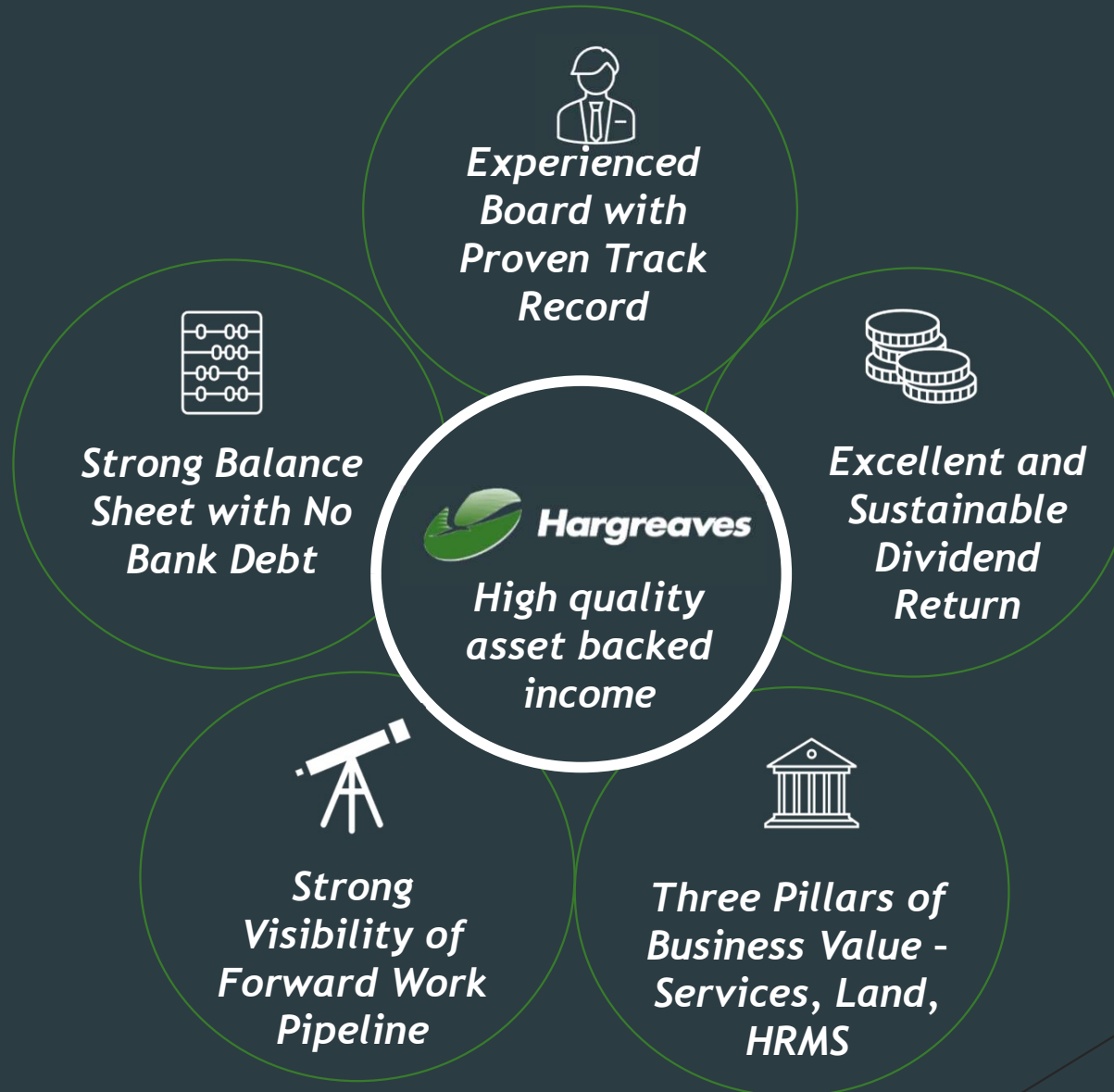
HRMS

- Improvement in DK expected to continue next year
- Focus remains on cash returns from the joint venture

Hargreaves Services plc – Investment Case



Hargreaves



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