

5 March 2025

**BREEDON GROUP PLC**  
**Annual results 2024**

**A further year of record Underlying results; ahead of expectations**  
**BMC integration completed; encouraging initial contribution**

Breedon Group plc (Breedon or the Group), a leading vertically-integrated construction materials group in Great Britain, Ireland and the United States, announces audited results for the year ended 31 December 2024.

£m except where stated	Statutory highlights			Underlying <sup>1</sup> highlights			
	2024	2023	% change	2024	2023	% change	% LFL <sup>2</sup>
Revenue	<b>1,576.3</b>	1,487.5	6%	<b>1,576.3</b>	1,487.5	6%	(5)%
EBITDA <sup>3</sup>	<b>245.8</b>	231.8	6%	<b>269.9</b>	242.3	11%	-
EBITDA <sup>3</sup> margin	<b>15.6%</b>	15.6%	-	<b>17.1%</b>	16.3%	80bps	-
EBIT <sup>4</sup>	<b>149.6</b>	145.7	3%	<b>173.7</b>	156.2	11%	-
EBIT <sup>4</sup> margin	<b>9.5%</b>	9.8%	(30)bps	<b>11.0%</b>	10.5%	50bps	-
Profit Before Tax	<b>125.4</b>	134.4	(7)%	<b>150.8</b>	144.9	4%	-
Basic EPS <sup>5</sup>	<b>28.1p</b>	31.1p	(10)%	<b>34.4p</b>	34.0p	1%	-
Dividend per share				<b>14.5p</b>	13.5p	7%	-
Net Debt <sup>6</sup>				<b>405.3</b>	169.9	139%	-
Covenant Leverage <sup>7</sup>				<b>1.4x</b>	0.5x	0.9x	-
ROIC <sup>8</sup>				<b>9.0%</b>	9.9%	(90)bps	-

**FINANCIAL HIGHLIGHTS**

**Acquisition of BMC and careful cost control mitigated market headwinds and weather impact**

- Revenue increased 6% driven by our entry into the US
  - Volume reduced 6ppt due to significant market headwinds in GB and poor weather conditions across our geographies
  - Resilient pricing contributed 2ppt, enabled by our strong competitive position
- Underlying EBITDA margin increased 80bps helped by careful control of costs

**Strategic flexibility retained**

- Covenant Leverage increased to 1.4x reflecting BMC acquisition; comfortably within our target range of 1x to 2x
- Leverage reduced 0.2x in the second half due to strong cash generation and prudent working capital stewardship
- Post-tax ROIC 9.0% reflects the impact of increased corporate tax rates and ten months ownership of BMC

**Total dividend increased to 14.5p; reflecting our confidence in the future**

**OPERATING HIGHLIGHTS**

**Enduring resilience and commitment of Team Breedon delivered strong operating performance**

- GB revenue decreased 4%; robust surfacing performance, resilient pricing and deliberate cost management protected profitability, partially offsetting challenging market conditions which stabilised in the second half
- Ireland delivered a strong performance; Underlying EBITDA margin expanded 260bps reflecting the supportive market in RoI, deliberate focus on growing profitably, increased contribution from aggregates and disciplined cost management
- BMC integration successfully completed and delivered an encouraging initial contribution despite poor weather conditions in the final quarter. Investment in health, safety and wellbeing delivering immediate benefits, improving productivity by reducing lost time injuries
- Cement Underlying EBITDA margin expanded 300bps; volume stabilised in the second half, underlying pricing progressed and we successfully delivered three major capital investment projects

**STRATEGIC HIGHLIGHTS**

**EXPAND: M&A pipeline active across all three platforms**

- Scalable third platform launched with an active pipeline of opportunities across the Midwest
- First US bolt-on transaction, Building Products, completed in October
- Completed two downstream bolt-on transactions in GB to in-fill capability and footprint

**IMPROVE: Focus on continual operational and commercial excellence**

- Operational efficiencies and process improvements, coupled with actions to scale capacity appropriately

- Operational efficiencies and process improvements coupled with actions to scale capacity appropriately, ensure Breedon is set fair when markets recover

#### **LENSES: Material progress across the Group**

- People:
  - Team Breedon; exceptionally high engagement scores sustained at 78%
- Sustainability:
  - 2030 targets upgraded, reflecting the material progress made in recent years
  - Enhanced disclosure and transparency rewarded; CDP ratings awarded and upgraded (Climate Change: A-, Water Security: B-). Net zero targets formally validated by SBTi
  - Carbon footprint reduced further; increasing sales of CEM II cement and Breedon Balance product range, greater utilisation of alternative fuels
- Finance:
  - Disciplined financial framework underpinning growth; healthy balance sheet and cash flow sustained

#### **EXPAND: Earnings enhancing acquisition of Lionmark; scaling and diversifying Breedon US**

- Announcing our diversification into asphalt and surfacing in the US Midwest through the acquisition of Lionmark for US 238m - see separate announcement issued today at [Investors - Breedon](#)

#### **CURRENT TRADING AND OUTLOOK**

##### **Optimally positioned to benefit when construction market activity improves**

- Enquiry levels were healthy towards the end of 2024 and have remained encouraging in the first two months of 2025
- The economic landscape in the US is robust while RoI is strong, benefiting from a budget surplus and net inward migration
- Optimistic 2024 should represent a floor in construction market activity in the UK while the broader economic outlook is less clear
- Our M&A pipeline remains well-populated and provides exciting opportunities in each of our geographies and we continue to prioritise the build-out of our US business
- We remain focused on self-help and have maintained investment through the cycle, ensuring Breedon is well-positioned to participate when market activity improves

##### **Rob Wood, Chief Executive Officer, remarked:**

"2024 was another successful year for Breedon. We entered the US market, delivered record revenue in the face of challenging conditions, and took care of our people. I am extremely proud of what our team has accomplished. What they deliver is remarkable and does not happen by chance. It takes grit, resolve and a relentless focus on getting the job done and so I thank them for 'Making it Happen'.

"When I reflect on another year of progress at Breedon I am struck by how much we have changed and improved. We have extended our model downstream and into new geographies, grown our team and expanded our market position. Even more striking is what has remained the same. By staying true to our purpose of making a material difference while living our values, we have built a bigger and better Breedon.

"Entering 2025 we have three strong platforms, a first-class team, an abundance of opportunity and our markets are poised for recovery. Our refreshed Breedon 3.0 strategy means that everything we need for success is now in place and I am more excited than ever for our future".

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014, as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended).

#### **RESULTS PRESENTATION**

Breedon will host a results presentation for analysts and investors at 08:30am today at the offices of Deutsche Numis, 45 Gresham Street, London EC2V 7BF, or online via [www.breedongroup.com/investors](http://www.breedongroup.com/investors). The presentation will be followed by Q&A, where it will be possible to participate through the following dial-in details:

Event Title:	Breedon Annual Results 2024
Start Time/Date:	08:30 Wednesday, 5 March 2025 - please join the event 5-10 minutes prior to scheduled start time. When prompted, provide the event title
Webcast link:	<a href="https://brmedia.news/BREE_FY24">https://brmedia.news/BREE_FY24</a>
United Kingdom, Toll-free:	0808 109 0700
United Kingdom, Local:	+44 (0) 33 0551 0200
Confirmation Code:	Breedon Full Year Results

#### **ENQUIRIES**

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**Notes:**

1. Underlying results are stated before acquisition-related expenses, property gains and losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fee and related tax items. Prior year included costs associated with the Group's move from AIM to the Main Market. References to an Underlying profit measure throughout this announcement are defined on this basis.
2. Like-for-like reflects reported values adjusted for the impact of acquisitions and disposals.
3. Earnings before interest, tax, depreciation and amortisation.
4. Earnings before interest and tax, which equates to profit from operations.
5. EPS in the Underlying highlights is Adjusted Underlying Basic EPS, which is Underlying Basic EPS adjusted to exclude the impact of non-underlying items.
6. Net Debt including IFRS 16 lease liabilities.
7. Covenant Leverage is defined as the ratio of Underlying EBITDA to Net Debt, with both Underlying EBITDA and Net Debt amended to reflect the material items which are adjusted by the Group and its lenders in determining leverage for the purpose of assessing covenant compliance. The only material adjusting items being the impact of IFRS 16 and a pro-forma adjustment to include pre-acquisition EBITDA from businesses owned for less than twelve months.
8. ROIC: post-tax return on average invested capital.
9. Information for investors, including analyst consensus estimates, can be found on the Group's website at [www.breedongroup.com/investors](http://www.breedongroup.com/investors).

**About Breedon Group plc**

Breedon Group plc, a leading vertically-integrated construction materials group in Great Britain, Ireland and the United States delivers essential products to the construction sector. Breedon holds 1.4bn tonnes of mineral reserves and resources with long reserve life, supplying value-added products and services, including specialty materials, surfacing and highway maintenance operations, to a broad range of customers through its extensive local network of quarries, ready-mixed concrete and asphalt plants.

The Group's two well-invested cement plants are actively engaged in a number of carbon reduction practices, which include utilising alternative raw materials and lower carbon fuels. Breedon's 4,500 colleagues embody our commitment to 'Make a Material Difference' as the Group continues to execute its strategy to create sustainable value for all stakeholders, delivering growth through organic improvement and acquisition in the heavyside construction materials market. Breedon shares (BREE) are traded on the Main Market of the London Stock Exchange and are a constituent of the FTSE 250 index.

LEI: 213800DQGNQE3X76WS92

**LIVING OUR VALUES DELIVERED RESULTS AHEAD OF EXPECTATIONS**

Living our values has never been more evident than in 2024 when our team 'Made it Happen' in the face of significant market headwinds, political and economic instability, and poor weather conditions.

By adhering to a clear objective, to be a bigger and better Breedon, and through the enduring resilience and commitment of our first-class team, we delivered significant strategic and operational milestones across the Group, contributing to a fourth successive year of record revenue and delivering Underlying results ahead of expectations.

We created our third platform in the US, evolved our strategy and upgraded our sustainability targets. This remarkable outcome was achieved by maintaining a determined commitment to executing our strategy and a

deliberate focus on operational and commercial excellence.

In March, we entered the US construction materials market through the acquisition of BMC for an enterprise value of US 300m. BMC, headquartered in St Louis, Missouri, supplies ready-mixed concrete, aggregates and building products. With an entrepreneurial approach and strong growth track record, the close cultural alignment enabled the smooth integration of BMC into the Group, delivering an encouraging initial contribution.

For further detail, turn to the finance review on page 13.

## OUTLOOK

Enquiry levels were healthy towards the end of 2024 and have remained encouraging in the first two months of 2025. Weather conditions in all our markets have been disruptive in early 2025. However, this is traditionally a quieter period of the year for us.

The economic landscape in the US is robust while Rol is strong, benefiting from a budget surplus, falling interest rates and net inward migration. Both regions benefit from long-term commitments to fund development in infrastructure. In addition, they each experience structural housing shortfalls, lack of inventory in the secondary market and improving affordability at the margin.

While we remain optimistic that 2024 should represent a floor in construction market activity in the UK, the broader economic outlook is less clear. The Government's growth agenda is supportive for the construction materials industry, interest rates have started to fall and the housing market lacks inventory. However, the catalyst to stimulate a recovery in confidence and investment is yet to materialise.

Our M&A pipeline remains well populated and we have exciting opportunities in each of our geographies. We continue to prioritise the build out of our US business in the Midwest and we have scope in GB and Ireland to expand our regional footprint and downstream activities.

We remain focused on our operational and commercial excellence programmes and have maintained investment in our machinery and plant through the cycle. This will enable us to maximise the productivity and efficiency of our operations when activity levels improve. While the timing remains uncertain, when market activity improves Breedon is optimally positioned to benefit.

## STRATEGY REVIEW

Evolving our strategy: Breedon 3.0



Our strategy has evolved at intervals since Breedon was formed but always with the same simple principle at its core; deliver profitable growth, by efficiently providing essential materials to structurally growing end-markets and executing carefully considered acquisitions in target geographies.

Key to operating our successful model are our values. Our intention to 'Keep it Simple' and 'Strive to Improve' is evident in this evolution of our strategy, Breedon 3.0, where we have simplified and clarified how we will deliver our next chapter of growth, ensuring our strategy relates directly to the day-to-day activities of our operational colleagues.

We have retained our emphasis on profitable growth through the core driving forces of 'Expand' and 'Improve'. Furthermore, the implementation of our strategy is viewed through the lenses of 'People' - leading our first-class entrepreneurial team effectively, 'Sustainability' - operating our business sustainably, and 'Finance' - deploying our capital in accordance with our disciplined financial framework.

## Expand

Breedon is a consolidator and M&A is at the heart of our strategy. Since formation, we have built three vertically-integrated platforms in GB, Ireland and, most recently, the US, unlocking value in the process.

We balance M&A with organic growth by serving structurally attractive end-markets in geographies that benefit from long-term growth prospects.

The launch of our scalable third platform in the US through the carefully targeted acquisition of BMC delivers an optimal combination of both these routes to Expand. Construction starts in the US are forecast to outpace European construction output in the medium-term, driven by housing and infrastructure deficits and federally funded stimulus programmes. In addition, the US is highly fragmented with c.60% of the market supplied by over 5,000 operators, providing a significant opportunity to source high-quality assets at fair valuations.

Our focus in the US in the medium-term will be on Missouri and the surrounding states, a region with an economic footprint roughly equivalent to the UK but with more than double the demand for aggregates. Within that region we will focus on growing our footprint and building out our vertically-integrated model. In October 2024, BMC completed its first transaction under Breedon ownership, acquiring Building Products, a highly complementary, downstream manufacturer of masonry blocks and other building products.

The US offers Breedon numerous opportunities and our objective in the coming decade is to build a US business of a scale comparable to our combined GB and Ireland operations.

The prospect for further M&A in GB and Ireland for bolt-on and downstream transactions remains compelling, and our M&A pipeline is well populated. In January 2024, we completed the acquisition of Eco-Asphalt, a Merseyside asphalt supplier strategically located within the region where we service the National Highways Pavement framework. In April 2024 we acquired Phoenix Surfacing, enhancing our presence in the Midlands and reinforcing our regional surfacing, airfields and recycled asphalt capabilities.

## Improve

By bringing the assets we acquire onto our vertically-integrated platforms, we can unlock efficiencies, drive innovation and provide our customers with a reliable and trusted supply chain partner. This continual process creates a virtuous cycle of enhancement, complementing end-market growth and M&A with self-help, enabling us to outperform our markets.

Our valuable mineral reserves and resources are the lifeblood of our business and replenishing them requires diligent long-term planning and strong community relationships. In 2024 our land and minerals team successfully replenished our mineral reserves and resources, securing planning consent for extensions at eight quarries, adding 51m tonnes of mineral assets, significantly ahead of the 27.3m tonnes extracted in the year.

Our teams utilise proprietary software to map local markets and track mineral replenishment requirements far into the future. We have an additional pipeline of 142m tonnes at various stages of development, equivalent to more than five years of production at current rates.

As a trusted steward of land and mineral assets, we seek to refine our processes through innovation and commercial and operational excellence programmes to ensure we maximise the value of every tonne of material we produce while minimising the impact on our neighbours and environment.

By using a broad diagnostics benchmark of operational efficiency indicators and analysing every step of the production process from quarry 'face to gate', we understand each site's unique requirements, enabling us to target our investment with care. Process reengineering enabled us to remove the need for contract crushing at Leaton and Cloud Hill while the development of our Running Equipment Efficiency Improvement Programme enabled us to increase the utilisation of the wash plant at Dowlow by 50%.

Our vertically-integrated model promotes commercial excellence, evident in the success of our GB surfacing business. Through the close collaboration of our commercial and site teams we have ensured the reliable provision of highly technical asphalt with sustainable properties to our growing airfield surfacing business.

Increasing the use of technology and innovation is allowing us to unlock efficiencies while improving safety.

increasing the use of technology and innovation is allowing us to unlock efficiencies while improving safety. By using 'setting out' robots to autonomously navigate airfield surfacing projects, marking out each stage of laying asphalt with precision, we increased accuracy and efficiency while reducing the risk of vehicle interaction. We will increasingly utilise Artificial Intelligence and virtual reality for training and quality control, improving outcomes for our people and our customers.

## **We view the implementation of our strategy through three lenses**

### **People: Our people make Breedon unique**

In 2024 we added nearly 600 colleagues through the acquisition of BMC. On completion of the transaction, enhancing safety practices and procedures took priority and we saw immediate benefits, not only reducing time lost to injuries by 80% but also their severity.

Improving the health, safety and wellbeing of our team is a constant objective and therefore, in 2024 we undertook a greater number of Visible Felt Leadership visits across the Group. We were pleased to see a direct improvement in our safety metrics with a reduction in the lost time injury frequency rate to 3.3 per million hours worked (2023: 3.5).

Replenishing our team through the early careers route is essential for the future success of the Group, bringing in fresh talent and perspectives. The apprentice and industrial placement student programmes have been extremely successful in recent years, bringing 170 early careers colleagues into Breedon since 2022, of which 40 joined in the last 12 months.

'Showing we Care' is a value we live by, particularly with regard to our people. In 2024, we rewarded our colleagues with a 4% pay rise and implemented additional management training to enhance our leadership skills. These actions were acknowledged in our latest engagement survey, which once again recorded exceptionally high scores for the construction materials industry with 75% of our colleagues taking part (2023: 76%), and 78% reporting that they felt engaged (2023: 80%).

### **Sustainability: Operating sustainably**

Operating our business sustainably is a strategic imperative and at the forefront of every decision we take. Breedon has always taken its responsibility to its people and its communities seriously and we have committed to increase our disclosure and transparency while working towards reducing our carbon footprint.

In recognition of the substantial progress we have made, we were pleased to receive formal validation of our Group wide carbon reduction targets from SBTi during 2024. In addition, we were awarded our first CDP ratings, receiving a C for Water Security and a B for Climate Change. Both ratings have subsequently been upgraded, and in February 2025 we were awarded B- for Water Security and A- for Climate Change.

Decarbonising our Cement business is essential to achieving our net zero objective and we are targeting every part of our operation that contributes to CO<sub>2</sub> emissions. Both our cement plants made progress to increase the use of alternative fuels, reaching a blended replacement rate of nearly 50% while our modern Kinnegad plant at times achieved 100% utilisation of low carbon alternatives. Our development of a high-strength, lower carbon CEM II product was well received by our customers and CEM II now comprises 37% of our cement sales (2023: 30%).

Carbon capture and storage is an essential technology to enable the decarbonisation of the cement production process. During 2024 we made further progress, moving into the FEED stage (front-end engineering and design) of our plans to capture CO<sub>2</sub> emissions at Hope, exploring different technologies and engineering solutions to capture our carbon emissions.

The landmark Peak Cluster carbon capture and storage project has the potential to decarbonise 40% of the cement and lime production in the UK and we continue to work with the Peak Cluster partners towards the next stage of this exciting project.

In light of the significant progress we have made towards our sustainability targets, in 2024 we took the opportunity to upgrade our ambitions. We have accelerated our plans to decarbonise and we are now aiming to reduce Scope 1 and 2 emissions and Scope 3 emissions from purchased clinker and cement by 23.3% by 2030 from a 2022 baseline. Creating social value remains a key objective and we will generate a cumulative £500m benefit to society by 2030. We will work towards generating half of our downstream revenue from our Breedon Balance product range by 2030 (2024: 34%), thereby contributing to a more sustainable built environment.

### **Finance: Disciplined financial framework**



Our financial framework governs how we connect thoughtful capital allocation to strategy, facilitating multiple routes to growth. By prioritising profitable growth, through-cycle investment and responsible leverage, the framework has served us well, ensuring a strong balance sheet, healthy returns and strategic financial flexibility.

We have multiple investment opportunities and at Breedon investment is a differentiator. Even though volumes have declined in each of the past three years, we deliberately maintained capital investment through the cycle, an approach that ensures our well-invested assets will be positioned to respond efficiently when the end-market backdrop improves.

In 2024 we evolved the suite of financial targets by which we measure our performance, retaining our emphasis on profitability and financial flexibility. While we have maintained the majority of our targets we have modified our Free Cash Flow conversion measure, reducing the target to 45% to reflect higher corporate tax rates.

An Underlying EBITDA margin target range was introduced to complement our existing Underlying EBIT margin target range. Our cost of borrowing is directly impacted by our level of Underlying EBITDA and relates to our debt covenant compliance. M&A transactions predominantly reference an Underlying EBITDA multiple when assessing valuation. Many of our UK and International peers report Underlying EBITDA performance as their primary profit metric. Our primary operating profit performance measure going forward will be Underlying EBITDA.

For further detail, turn to the finance review on page 13.

## OPERATIONAL REVIEW

### Product volumes

million tonnes except where stated

	2024	2023	Change %	LFL %
Aggregates	27.3	25.7	6%	(3)%
Asphalt	3.6	3.8	(4)%	(5)%
Cement	2.0	2.1	(5)%	(5)%
Ready-mixed concrete (m <sup>3</sup> )	3.3m	2.9m	11%	(11)%

Note: Reported percentage movements are based on non-rounded data.

### Great Britain

£m except where stated

	2024	2023	Change %	LFL %
Revenue	997.4	1,033.8	(4)%	(6)%
Underlying EBITDA	131.9	138.6	(5)%	(6)%
Underlying EBITDA margin	13.2%	13.4%	(20)bps	
Underlying EBIT	78.5	86.4	(9)%	(11)%
Underlying EBIT margin	7.9%	8.4%	(50)bps	

Our GB business delivered a resilient performance in 2024, one of the wettest years on record when weather conditions presented significant challenges to on-site activity for us and our customers. With the GB market experiencing its third consecutive year of volume decline, our first-class team drew on their extensive experience and strong customer relationships to manage through the challenging market conditions.

Infrastructure remained relatively robust and, while some high-profile civil engineering projects were cancelled, spending on the maintenance of road, airport, water and energy infrastructure underpinned sales of aggregates and asphalt where volumes only declined 5% and 3% respectively on a like-for-like basis. The downturn in housebuilding activity was particularly evident in ready-mixed concrete sales, which declined 12% organically.

Challenging conditions were felt across the construction supply chain and, although the pace of insolvencies abated towards the end of 2024, the overall level remained elevated at c.29% above the level seen during Covid-19.

Notwithstanding the soft market conditions, our volumes stabilised in the second half with sequential volumes comparable to the first half. Consequently, pricing was sustained. Revenue declined 4% to £997.4m (2023: £1,033.8m) or 6% organically.

Our team took deliberate actions to manage the cost base and protect profitability, restructuring the materials business and scaling capacity appropriately. During the year we closed or mothballed 11 ready-mixed concrete plants, five quarries and two asphalt plants.

As a result, Underlying EBITDA reduced 5% to £131.9m (2023: £138.6m) or down 6% organically. In a business with high operating leverage, it is therefore highly creditable that our team delivered an Underlying EBITDA margin of 13.2%, a small reduction of 20bps compared to 2023.

We maintained our focus on self-help throughout the year, partially mitigating the soft market conditions. We continued to drive our commercial and operational excellence programmes to streamline processes, maximise efficiency and enhance customer service and expanded our presence in new markets with the acquisitions of Eco-Asphalt and Phoenix Surfacing.

Our surfacing business increased its airfield maintenance presence, completing high-profile projects for the Defence Infrastructure Organisation (DIO) and pulling through a third of the GB Materials asphalt volumes. Working in close collaboration internally and with our customers we laid 36,000 tonnes of asphalt at RAF Leeming in nine days.

We have built a strong brand in this niche market, investing carefully in mobile plant and technology to deliver value and reliability for our customers. Consequently, we have a healthy airfields pipeline of DIO and commercial projects with up to five years' visibility.

#### GB outlook

The market backdrop is stabilising and we believe 2024 will prove to be a floor for volumes, particularly in the event of a housebuilding recovery. We have continued to invest through the cycle, maintaining close customer relationships, ensuring that when our end-markets return to growth, our team, and the plant and machinery they operate, are well-positioned to respond efficiently and reliably.

#### Ireland

£m except where stated

	2024	2023	Change %	LFL %
Revenue	233.4	235.5	(1)%	(2)%
Underlying EBITDA	41.5	35.9	16%	14%
Underlying EBITDA margin	17.8%	15.2%	260bps	
Underlying EBIT	33.6	29.0	16%	14%
Underlying EBIT margin	14.4%	12.3%	210bps	

Our business in Ireland delivered a strong performance in 2024. RoI benefited from positive market conditions driven by the budget surplus and investment in housing and infrastructure while the return of the governing Assembly in NI contributed to an improvement in sentiment.

Furthermore, actions taken in recent years to restructure and rebrand our Irish business, reinvigorate the leadership team and enhance the contribution from aggregates came to the fore during the year, driving volume and enhancing profitability.

Increasing the supply of our own mineral assets through our downstream operations has been a strategic priority in Ireland. In 2024 we once again enhanced our contribution from aggregates by recommissioning dormant quarries and acquiring well-located assets.

We secured extensions at three existing quarries, submitted plans for two new strategically located asphalt plants and a recycled asphalt plantings hub, and are preparing three new renewable energy projects.

Our sites are well positioned to serve infrastructure projects across Ireland and the steep rise in house building activity benefited our operations in RoI. We supplied high-profile infrastructure projects such as the Celtic Interconnector and end-uses such as high-speed road networks and rail ballast which require a specific high-value aggregates specification that quarries in our portfolio provide. Consequently, aggregates volumes in Ireland increased 11%, or 8% on a like-for-like basis. Since acquisition our aggregates volumes in Ireland have increased on average by 9% per year.

In 2024 we tendered for c.600 road maintenance schemes and delivered multiple high-speed framework



projects and contracts for Dublin Airport. In NI, although the political backdrop stabilised, the phased return to work of the civil service presented some challenges in progressing the letting of framework contracts, which in turn impacted activity levels. This, together with our more structured approach to the tendering of contracts led to 11% lower asphalt volumes in Ireland across the year.

Due to our leading market positions and reputation for high quality service, pricing was sustained. Revenue was stable at £233.4m (2023: £235.5m) or down 2% on a like-for-like basis after adjusting for the acquisition of Robinsons in May 2023.

Growing profitably is a guiding principle of our strategy and we have continued to review the optimal configuration of the division. During 2024, we took further steps to enhance profitability, increasing the contribution from aggregate sales, reducing headcount and selectively tendering for projects.

These deliberate actions resulted in Underlying EBITDA of £41.5m, an increase of 16%, or 14% on an organic basis, and delivered an Underlying EBITDA margin of 17.8%, an increase of 260bps.

#### Ireland outlook

The political and economic landscape in RoI is supportive where the Government operates a budget surplus and net inward migration is driving population growth and the need to invest in housing and infrastructure. In NI, while sentiment has improved, the economic outlook remains less clear. There are a number of large infrastructure projects coming to market in 2025 and we are well positioned to benefit. Our M&A pipeline is well populated and active discussions are ongoing.

#### United States

£m except where stated

	2024	2023	Change %
Revenue	132.5	-	-
Underlying EBITDA	24.8	-	-
Underlying EBITDA margin	18.7%	-	-
Underlying EBIT	16.4	-	-
Underlying EBIT margin	12.4%	-	-

In March 2024, we delivered a transformational strategic objective. Our third geographic platform was established through the acquisition of BMC which provides us with a solid foundation for growth in the US construction materials market.

BMC's culture is closely aligned to Breedon. Our entrepreneurial US team are close to their local markets, operating an aggregates-led vertically-integrated model, pulling our own material through our ready-mixed concrete plants. BMC is a consolidator and has been built through many transactions, with an ambitious pipeline of target opportunities.

The integration of BMC has been completed quickly and successfully and, in its first ten months under Breedon's ownership, BMC delivered an encouraging initial contribution despite poor weather conditions in the final quarter impacting volumes. Due to the supportive level of underlying demand and healthy backlogs, pricing throughout the year was positive. BMC contributed revenue of £132.5m and Underlying EBITDA of £24.8m in the period since 7 March. Underlying EBITDA margin of 18.7% absorbs certain additional operating costs including investment in improving health, safety and wellbeing outcomes.

Ensuring our colleagues return Home Safe and Well each day is our highest priority. While BMC had already committed to improve its safety practices, following completion we increased the emphasis on safety culture, introducing new protocols while investing in equipment and training to enhance safety outcomes. These actions delivered immediate benefits, improving productivity by reducing days lost to injuries by 80%.

Our M&A pipeline is well populated, active and focused on those states surrounding Missouri that we define as the Midwest. Since completing our entry to the US, we are considered to be a credible acquirer, and our expanded pipeline has been complemented by inbound interest.

During October BMC completed its first transaction under Breedon's ownership, acquiring a building products and masonry manufacturer in Western Illinois. Building Products is highly complementary to our downstream products business and generates revenue of c.US 9.0m per annum.

## United States outlook

The economic and political backdrop in the US is supportive. Residential construction is underpinned by regional population growth and urbanisation while infrastructure and industrial end-markets have been significantly under-invested and benefiting from the recent introduction of new federal and state funding programmes. Falling interest rates and major infrastructure projects should continue to support growth in the future.

## Cement

£m except where stated	2024	2023	Change %
Revenue	309.2	331.2	(7)%
Underlying EBITDA	88.2	84.5	4%
Underlying EBITDA margin	28.5%	25.5%	300bps
Underlying EBIT	58.5	55.2	6%
Underlying EBIT margin	18.9%	16.7%	220bps

The positivity and commitment of our first-class team were exemplary in 2024 and they delivered a strong performance. By adhering to our core strategic priority to Improve and focusing on excellence, they enabled Cement to deliver a significant improvement in Underlying EBITDA margin in the face of considerable market headwinds and challenging weather conditions.

Infrastructure end-market demand remained resilient in 2024. However, the slow-down in house building in GB had a material impact on cement demand, resulting in a reduction in volume for the division as a whole of 5% during the period. Volumes for the division stabilised as the year progressed and production in the second half was comparable to that achieved in the first half.

With the cement market entering a third year of declining volumes, ensuring we provide the highest quality product, and most reliable service, has never been more important. Although the headline price of cement reduced 1%, reflecting the removal of carbon surcharges due to the lower cost of carbon emission allowances, we remained agile and close to our customers, enabling us to progress underlying pricing.

We recorded revenue of £309.2m (2023: £331.2m) during the period, a decrease of 7%. Despite this, through the careful management of our cost base, Underlying EBITDA increased 4% to £88.2m (2023: £84.5m), expanding Underlying EBITDA margin by 300bps to 28.5%.

Both our plants operate at world-class levels of kiln reliability, exceeding 94% uptime due to our diligent monitoring and proactive approach to maintenance. While Hope sustained high levels of performance, Kinnegad once again improved its reliability. Planned kiln maintenance completed on time and within budget in all cases.

Kinnegad, the most modern plant in Ireland, successfully trialled new materials as alternative fuels. The team achieved average fossil fuel replacement of 81%, at times reaching 100% when feed stock availability allowed. Hope continued to increase the mix of alternative fuels enabling Cement to achieve a combined rate of nearly 50% fossil fuel replacement.

During the year, Hope, the largest cement plant in GB, progressed two major capital improvement projects alongside its annual programme of maintenance and capital investments. The primary crusher was replaced, having been in service since 1950. The ARM project, which will enable the import of secondary materials from our Welsh Slate sites, approached its conclusion ahead of commissioning in spring 2025.

At Kinnegad, the new 17MW solar farm neared completion ahead of commissioning in spring 2025. We commenced the construction of a new bagging plant adjacent to the existing site which will begin operation in the first half of 2025 and improve our competitive position in the bagged cement market.

## Cement outlook

The fortunes of the cement market are influenced by the outlook for housing. Housebuilding activity in RoI is accelerating and, with a strong commitment from the UK Government to unlock planning, combined with falling interest rates and improving affordability, we expect 2024 should represent a floor in construction materials activity.

Breedon delivered a further year of balanced financial performance during 2024 with robust pricing and a focus on operational excellence more than offsetting the impact of a challenging GB market.

Revenue for the Group increased by 6% to £1,576.3m (2023: £1,487.5m), supported by our entry into the US and price actions. Like-for-like Revenue for the year decreased 5% (2023: increase of 4%) with 6% of the decrease due to lower volumes, partially offset by a 2% favourable impact from price.

Revenue growth in the year was more weighted to the second half increasing by 3% in the first six months and 9% in the second when compared with the equivalent periods in 2023. The second half benefited from a full contribution from BMC and a modest improvement in GB trading conditions compared with 2023.

Underlying EBITDA increased by 11% to £269.9m (2023: £242.3m), helped by good cost control and operational self-help measures across each of the divisions. The Group's Underlying EBITDA margin for the year increased to 17.1% (2023: 16.3%), assisted by the higher margins generated in BMC and the significantly improved margin in Ireland. Our Underlying EBITDA margin is now only slightly below our threshold target of 17.5%.

On a statutory basis, Group profit from operations of £149.6m increased by £3.9m from £145.7m in 2023.

#### Impact of acquisitions

In addition to the acquisition of BMC for an enterprise value of US 300m during 2024, we also completed three smaller bolt-on transactions for an aggregate enterprise value of £28.8m (2023: three transactions; aggregate enterprise value £22.0m).

In the ten month period under our ownership BMC contributed £132.5m to revenue and £24.8m to Underlying EBITDA. The incremental impact of the other bolt on acquisitions completed in 2023 and 2024 was a contribution to revenue of £26.7m and to Underlying EBITDA of £2.7m during the year.

#### Joint ventures

Our share of profit from our associate and joint ventures was higher at £3.5m (2023: £2.6m), helped by a stronger performance in 2024 from BEAR Scotland.

#### Interest

Finance costs in the year increased to £25.4m (2023: £13.9m) principally due to interest payable on the additional debt drawn to fund the acquisition of BMC together with the write-off of capitalised fees relating to the Group's previous RCF that was refinanced in the year.

#### Non-underlying items

There were £24.1m (2023: £10.5m) of non-underlying items which impacted profit from operations during the period. Key components included £10.2m (2023: £0.9m) of acquisition-related expenses, and £12.5m (2023: £6.0m) amortisation of acquired intangibles. Redundancy and reorganisation costs of £1.3m (2023: nil) relate to an operational efficiency programme implemented in response to trading conditions in some of our markets.

#### Tax

The Group recorded an Underlying tax charge of £32.7m (2023: £29.5m) at an effective rate of 21.7% (2023: 20.4%). The change in the effective rate is due to increases in the statutory UK corporation tax rate combined with the evolving geographic distribution of the Group's trading activities.

The statutory tax charge, calculated relative to statutory profit before tax and inclusive of deferred tax rate changes, was £29.1m (2023: £28.8m), equivalent to an effective tax rate of 23.2% (2023: 21.4%).

From 1 January 2024, the Group falls within scope of the Pillar Two Model Rules ('Pillar Two'). The impact of Pillar Two is limited to the Group's taxable profits generated in the Republic of Ireland, where the tax rate is 12.5%, resulting in a top up charge of £0.6m that has been recorded in the income statement.

#### Earnings per share

Statutory Basic EPS decreased to 28.1p (2023: 31.1p) primarily due to the significant non-underlying expenses recognised in the period and Adjusted Underlying Basic Earnings per Share increased fractionally to 34.4p (2023: 34.0p). The acquisition of BMC is estimated to have been accretive to 2024 Adjusted Underlying Basic Earnings per Share by c.2%, around twelve months ahead of schedule.

The Group has no significant dilutive instruments, and diluted EPS measures closely track non-diluted measures for both the current and prior year.

#### Return on invested capital

Post-tax ROIC was lower in 2024 at 9.0% (2023: 9.9%). ROIC was impacted by the GB trading performance, short-term dilution from the BMC acquisition and the structural impact of increased corporate tax rates. We remain confident in our ability to deliver a ROIC ahead of our target of 10% in the medium term once volumes in our key markets recover.

#### Statement of financial position

Net assets at 31 December 2024 were £1,170.6m (2023: £1,110.7m). Increases in total assets of £2,114.0m (2023: £1,872.8m) and total liabilities £943.4 (2023: £762.1m) were principally driven by the acquisition of BMC which was predominantly cash and debt funded.

#### Impairment review

We completed our annual impairment review of cash generating units containing goodwill and retain comfortable levels of headroom relative to the carrying value of our asset base. As well as our continued consideration of the impacts of climate change on impairment testing; in light of the ongoing challenging market conditions in GB we applied further sensitivities to our GB forecasts. The Directors remain of the view that there are no reasonably possible changes to assumptions which would result in an impairment charge being recognised.

#### Input cost and hedging strategy

Our strategy in the UK and RoI is to hedge substantially all energy and carbon requirements for at least one year in advance, with further layered purchases extending into future years, to deliver near-term cost certainty, particularly for our cement plants. Our US business does not include a cement plant and so its energy requirements are materially lower than the UK and Ireland.

A proportion of our bitumen requirements are hedged in the short-term, typically for larger contracts where pricing is agreed up front. Our remaining bitumen purchases are made at spot as are purchases of other fuels.

#### Free Cash Flow

Free Cash Flow before major capital investment projects was £114.1m (2023: £94.8m). In 2024 material capital investment projects totalled £23.4m (2023: £nil) and comprised three projects consisting of the ARM and primary crusher projects at Hope and the solar farm at Kinnegad.

Working capital management remained disciplined and meant that our Free Cash Flow conversion rate (Free Cash Flow as a percentage of Underlying EBITDA) improved to 42%, just behind our medium-term target of 45%.

In total, net capital expenditure increased by £22.2m to £125.6m (2023: £103.4m) comprising capital investment of £131.3m (2023: £106.8m), offset by £5.7m of proceeds from specific asset disposals (2023: £3.4m). This represents around 132% of the Group's depreciation charge and demonstrates our commitment to use investment as a differentiator for Breedon through the cycle.

Over the last five years, average Free Cash Flow conversion has been 53%.

#### Net Debt

Net Debt increased by £235.4m to £405.3m as at 31 December 2024 (2023: £169.9m), with the increase largely driven by the acquisition of BMC which was principally funded through our existing debt facilities and use of surplus cash balances.

Net Debt includes IFRS 16 lease liabilities of £48.7m (2023: £48.0m). Covenant Leverage at the year-end was 1.4x (2023: 0.5x), well within our target range of 1x to 2x and 0.2x lower than reported at the half year.

#### Refinancing of borrowing facilities

During the year, the Group completed the refinancing of its RCF, increasing the facility size from £350m to £400m and retaining the option of a further £100m accordion. The amended facility secures access to longer-term finance, running for an initial four-year period to at least July 2028, and offers an incremental reduction in ongoing debt service costs.

Fees and expenses capitalised in connection with the refinancing amounted to £2.3m and will be amortised over the amended life of the facility. Capitalised fees of £1.3m relating to the previous facility have been expensed to the income statement as a non-underlying interest cost.

The remaining facilities available to the Group comprise the £250m USPP, issued in 2021, which provides long-term financing at low fixed interest rates with an average fixed coupon of approximately 2%. At 31 December 2024 the USPP comprised £170m sterling and £80m drawn in euro, with a maturity profile between 2028 and 2036. Our borrowing facilities are subject to leverage and interest cover covenants which are tested half-yearly, and we remained fully compliant with all covenants during the year.

The Group maintains a strong liquidity position and at 31 December 2024 had total available liquidity of over £275m comprising undrawn borrowing facilities of over £250m together with cash and cash equivalents of £28.9m.

Subsequent to the year end, the Group issued an additional €95m under its USPP loan note programme. The proceeds from the issuance were used to pay down its existing RCF balances, increasing the level of committed funds available for drawing under the RCF. The notes have maturities of between five and seven years, with a fixed interest rate of approximately 4%.

### Dividend

Subject to shareholder approval at the AGM, we intend to pay an increased total dividend in respect of the 2024 financial results of 14.5p (2023: 13.5p). An interim dividend of 4.5p (2023: 4.0p) was paid on 1 November 2024 and, a final dividend of 10.0p per ordinary share will be paid on 16 May 2025 to shareholders who are on the Register of Members at the close of business on 4 April 2025. The ex-dividend date is 3 April 2025. The latest date for registering for the Company's DRIP is 22 April 2025, further details of how to join the DRIP are available on the Company's website.

This delivers a payout ratio of 42% (2023: 40%) of Adjusted Underlying Basic EPS, slightly ahead of our committed target payout ratio. Since starting to pay a dividend in 2021, we have declared nearly £160m of cash dividends to shareholders.

Dividends are recorded in the financial statements of the accounting period in which they are declared. Accordingly, dividend payments to Breedon Group shareholders amounting to £48.1m (2023: £37.3m) have been recognised in the 2024 financial statements.

### Tax strategy

Breedon's tax strategy governs our approach to tax compliance, and is underpinned by the following principles:

- To comply with all relevant tax regulations.
- To ensure ethical tax practice is maintained and tax planning is undertaken responsibly.
- To engage proactively and transparently with relevant tax authorities.
- To manage tax risks effectively and maintain a high standard of tax governance.

Our tax strategy is reviewed periodically by the Audit & Risk Committee on behalf of the Board, and full details can be found on our website at [www.breedongroup.com/policies](http://www.breedongroup.com/policies).

During the year we complied with our stated tax strategy and made a significant contribution to the economies in which we operate through payments of taxation. In 2024 the total taxes borne or collected by the Group amounted to c. £200m (2023: c.£210m).

### Capital allocation

Conservative and disciplined financial management and the maintenance of a strong balance sheet are at the core of our thoughtful approach to capital allocation. The Board will always seek to deploy the Group's capital responsibly, focusing on organic investment in our business to ensure that our asset base is well invested.

We will look to pursue further selective acquisitions which will accelerate our strategic development and that we are confident will create long-term value. This conservative approach to financial management enables us to pursue capital growth for our shareholders through active development of our business, while supporting our progressive dividend policy.

### Technical guidance 2025 post Lionmark transaction

Depreciation: c.£115m.

Net interest expense: c.£35m.

Group tax rate c.23%.

NIC and minimum/living wage; c.£5m full year impact.

Capital expenditure: £125m to £135m.

Working capital outflow: £20m to £30m.

Cash interest payment: c.£35m

2025 cash cost of dividends: c.£50m.

## RISK

The Group's principal risks that might adversely impact the Group are:

### Strategic

- Acquisitions and material capital projects
- Climate change
- Land and mineral management
- Markets
- People

### Financial

- Treasury

### Operational

- Competition
- Failure of a critical asset
- Health and safety
- IT and cyber security
- Laws, regulation and governance
- Supply chain and input costs

Further details of the principal risks facing the Group for the year ended 31 December 2024 are set out in the Group's Annual Report and Accounts which will be made available on the Group website once published.

The Board consider that these are the risks that could impact the performance of the Group in the current financial year. The Board continues to manage these risks and to mitigate their expected impact.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, and reliable and, in respect of the parent Company financial statements only, prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and



- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are responsible for preparing a Strategic report, Directors' report, Directors' Remuneration report and Corporate Governance statement that complies with that law and those regulations.

In accordance with Disclosure Guidance and Transparency Rule (DTR) 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

**Rob Wood**  
Chief Executive Officer

**James Brotherton**  
Chief Financial Officer

5 March 2025

#### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	Underlying	2024 Non- underlying* (note 4)	Total	Underlying	2023 Non- underlying* (note 4)	Total
	£m	£m	£m	£m	£m	£m
<b>Revenue</b>	<b>1,576.3</b>	<b>-</b>	<b>1,576.3</b>	1,487.5	-	1,487.5
Operating expenses	(1,406.1)	(24.1)	(1,430.2)	(1,333.9)	(10.5)	(1,344.4)
<b>Group operating profit</b>	<b>170.2</b>	<b>(24.1)</b>	<b>146.1</b>	153.6	(10.5)	143.1
Share of profit of associate and joint ventures	3.5	-	3.5	2.6	-	2.6
<b>Profit from operations</b>	<b>173.7</b>	<b>(24.1)</b>	<b>149.6</b>	156.2	(10.5)	145.7
Financial income	1.2	-	1.2	2.6	-	2.6
Financial expense	(24.1)	(1.3)	(25.4)	(13.9)	-	(13.9)

<b>Profit before taxation</b>	<b>150.8</b>	<b>(25.4)</b>	<b>125.4</b>	144.9	(10.5)	134.4
Tax at effective tax rate	(32.7)	3.6	(29.1)	(30.2)	1.4	(28.8)
<b>Taxation</b>	<b>(32.7)</b>	<b>3.6</b>	<b>(29.1)</b>	(30.2)	1.4	(28.8)
<b>Profit for the year</b>	<b>118.1</b>	<b>(21.8)</b>	<b>96.3</b>	114.7	(9.1)	105.6

**Attributable to:**

Breedon Group shareholders	<b>118.0</b>	<b>(21.8)</b>	<b>96.2</b>	114.6	(9.1)	105.5
Non-controlling interests	<b>0.1</b>	<b>-</b>	<b>0.1</b>	0.1	-	0.1
<b>Profit for the year</b>	<b>118.1</b>	<b>(21.8)</b>	<b>96.3</b>	114.7	(9.1)	105.6

\* Non-underlying items represent acquisition-related expenses, property gains or losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fee and related tax items. The prior year also included the costs associated with the Group's move from the AIM to Main Market.

**Earnings per share**

Basic	<b>28.1p</b>	31.1p
Diluted	<b>28.0p</b>	31.0p

**Dividends in respect of the year**

Dividend per share	<b>14.5p</b>	13.5p
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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	2023
	<b>£m</b>	£m
<b>Profit for the year</b>	<b>96.3</b>	105.6
<b>Other comprehensive (expense)/income</b>		
<i>Items which may be reclassified subsequently to profit and loss:</i>		
Foreign exchange differences on translation of foreign operations, net of hedging	<b>(6.0)</b>	(4.1)
Effective portion of changes in fair value of cash flow hedges	<b>0.8</b>	(0.7)
Taxation on items taken directly to other comprehensive income	<b>-</b>	0.1
<b>Other comprehensive expense for the year</b>	<b>(5.2)</b>	(4.7)
<b>Total comprehensive income for the year</b>	<b>91.1</b>	100.9
<b>Total comprehensive income for the year is attributable to:</b>		
Breedon Group shareholders	<b>91.0</b>	100.8
Non-controlling interests	<b>0.1</b>	0.1
	<b>91.1</b>	100.9

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AT 31 DECEMBER 2024**

	<b>2024</b>	2023
	<b>£m</b>	£m
<b>Non-current assets</b>		
Property, plant and equipment	<b>939.1</b>	817.2
Right-of-use assets	<b>46.5</b>	45.1
Intangible assets	<b>686.3</b>	520.2
Investment in associate and joint ventures	<b>15.0</b>	14.5
Trade and other receivables	<b>-</b>	0.9
<b>Total non-current assets</b>	<b>1,686.9</b>	1,397.9
<b>Current assets</b>		
Inventories	<b>135.7</b>	120.1
Trade and other receivables	<b>261.0</b>	227.9
Current tax receivable	<b>1.5</b>	-
Cash and cash equivalents	<b>28.9</b>	126.9

Total current assets	427.1	474.9
<b>Total assets</b>	<b>2,114.0</b>	<b>1,872.8</b>
<b>Current liabilities</b>		
Interest-bearing loans and borrowings	(8.7)	(8.1)
Trade and other payables	(283.6)	(278.6)
Current tax payable	-	(0.1)
Provisions	(30.0)	(8.8)
<b>Total current liabilities</b>	<b>(322.3)</b>	<b>(295.6)</b>
<b>Non-current liabilities</b>		
Interest-bearing loans and borrowings	(425.5)	(288.7)
Provisions	(91.4)	(85.8)
Deferred tax liabilities	(104.2)	(92.0)
<b>Total non-current liabilities</b>	<b>(621.1)</b>	<b>(466.5)</b>
<b>Total liabilities</b>	<b>(943.4)</b>	<b>(762.1)</b>
<b>Net assets</b>	<b>1,170.6</b>	<b>1,110.7</b>
<b>Equity attributable to Breedon Group shareholders</b>		
Share capital	3.4	3.4
Share premium	2.0	0.7
Hedging reserve	0.3	(0.5)
Translation reserve	(9.7)	(3.7)
Merger reserve	92.7	80.5
Retained earnings	1,081.5	1,030.0
<b>Total equity attributable to Breedon Group shareholders</b>	<b>1,170.2</b>	<b>1,110.4</b>
<b>Non-controlling interests</b>	<b>0.4</b>	<b>0.3</b>
<b>Total equity</b>	<b>1,170.6</b>	<b>1,110.7</b>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Share premium	Stated capital	Hedging reserve	Translation reserve	Merger reserve	Retained earnings	Attributable to Breedon Group shareholders	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2023	-	-	555.0	0.1	0.4	-	488.0	1,043.5	0.3	1,043.8
Shares issued	-	0.7	-	-	-	-	-	0.7	-	0.7
Corporate Reorganisation	474.5	-	(555.0)	-	-	80.5	-	-	-	-
Capital reduction	(471.1)	-	-	-	-	-	471.1	-	-	-
Transfer to non-controlling interests	-	-	-	-	-	-	(0.2)	(0.2)	0.2	-
Dividends paid	-	-	-	-	-	-	(37.3)	(37.3)	(0.3)	(37.6)
Total comprehensive income for the year	-	-	-	(0.6)	(4.1)	-	105.5	100.8	0.1	100.9
Share-based payments <sup>1</sup>	-	-	-	-	-	-	2.9	2.9	-	2.9
<b>Balance at 31 December 2023</b>	<b>3.4</b>	<b>0.7</b>	<b>-</b>	<b>(0.5)</b>	<b>(3.7)</b>	<b>80.5</b>	<b>1,030.0</b>	<b>1,110.4</b>	<b>0.3</b>	<b>1,110.7</b>
Shares issued	-	1.3	-	-	-	12.2	-	13.5	-	13.5
Transfer to non-controlling interests	-	-	-	-	-	-	(0.2)	(0.2)	0.2	-
Dividends paid	-	-	-	-	-	-	(48.1)	(48.1)	(0.2)	(48.3)
Total comprehensive income for the year	-	-	-	0.8	(6.0)	-	96.2	91.0	0.1	91.1
Share-based payments <sup>1</sup>	-	-	-	-	-	-	3.6	3.6	-	3.6
<b>Balance at 31 December 2024</b>	<b>3.4</b>	<b>2.0</b>	<b>-</b>	<b>0.3</b>	<b>(9.7)</b>	<b>92.7</b>	<b>1,081.5</b>	<b>1,170.2</b>	<b>0.4</b>	<b>1,170.6</b>

1 Share-based payments are shown inclusive of deferred tax recognised in equity.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£m	£m
<b>Cash flows from operating activities</b>		
Profit for the year	96.3	105.6
<b>Adjustments for:</b>		
Depreciation and mineral depletion	99.7	88.7
Amortisation	12.5	6.0
Financial income	(1.2)	(2.6)
Financial expense	25.4	13.9
Share of profit of associate and joint ventures	(3.5)	(2.6)
Gain on sale of property, plant and equipment	(1.7)	(1.4)
Share-based payments	3.3	3.0
Taxation	29.1	28.8
<b>Operating cash flows before changes in working capital and provisions</b>	259.9	239.4
(Increase) in inventories	(8.4)	(24.6)
Decrease/(increase) in trade and other receivables	10.5	(1.0)
(Decrease)/increase in trade and other payables	(15.6)	8.8
(Decrease)/increase in provisions	(3.1)	8.3
<b>Cash generated from operating activities</b>	243.3	230.9
Interest paid	(15.9)	(6.8)
Interest element of lease payments	(2.9)	(2.3)
Interest received	1.2	2.6
Income taxes paid	(24.0)	(32.5)
<b>Net cash from operating activities</b>	201.7	191.9
<b>Cash flows used in investing activities</b>		
Acquisition of businesses	(173.6)	(18.8)
Dividends from associate and joint ventures	3.0	1.8
Purchase of property, plant and equipment	(131.3)	(106.8)
Proceeds from sale of property, plant and equipment	5.7	3.4
<b>Net cash used in investing activities</b>	(296.2)	(120.4)
<b>Cash flows used in financing activities</b>		
Dividends paid	(48.3)	(37.6)
Proceeds from the issue of shares (net of costs)	1.3	0.7
Proceeds from interest-bearing loans (net of costs)	357.4	-
Repayment of interest-bearing loans	(304.0)	(0.9)
Revolving Credit Facility extension costs	-	(0.7)
Repayment of lease obligations	(9.4)	(8.1)
<b>Net cash used in financing activities</b>	(3.0)	(46.6)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(97.5)	24.9
Cash and cash equivalents at 1 January	126.9	101.7
Foreign exchange differences	(0.5)	0.3
<b>Cash and cash equivalents at 31 December</b>	28.9	126.9

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

Breedon Group plc (the 'Company') is a company domiciled in England. The address of the Company's registered office is Pinnacle House, Breedon Quarry, Breedon on the Hill, Derby, England, DE73 8AP. These condensed consolidated financial statements of the Company as at and for the year ended 31 December 2024 consist of the consolidation of the financial statements of the Company and its subsidiaries (collectively the 'Group') and include the Group's interest in jointly controlled and associated entities.

These condensed consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards (IAS) and interpretations issued by the IFRS Interpretations Committee applicable to companies reporting under UK adopted IFRS. They do not include all the information required for full annual statements and should be read in conjunction with the 2024 Annual Report.

The Board of Directors approved the condensed consolidated financial statements on 5 March 2025. They are not statutory accounts within the meaning of section 435 of the Companies Act 2006.

The Group's financial statements for the year ended 31 December 2024 were approved by the Board on 5 March 2025. They have been reported on by the Group's auditors and will be delivered to the registrar of companies in due course. The report of the auditors (i) was unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The comparative figures for the financial year ended 31 December 2023 have been extracted from the statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor. The report of the auditor (i) was unqualified and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

#### New IFRS Standards and Interpretations adopted in the year

The Group adopted amendments to IAS1, IAS7, IFRS7 and IFRS16 from 1 January 2024. The adoption of these standards has not had a material impact on the financial statements.

#### New IFRS Standards and interpretations not adopted

At the date on which these financial statements were authorised, there were no Standards, Interpretations and Amendments which had been issued but were not effective for the year ended 31 December 2024 that are expected to have a material impact on the Group's financial statements in the future.

#### Significant exchange rates

The following significant exchange rates applied during the year:

	2024 Average rate	2024 Year-end rate	2023 Average rate	2023 Year-end rate
Sterling/euro	1.18	1.21	1.15	1.15
Sterling/US dollar	1.29	1.26	1.24	1.27

## 1 Basis of preparation (continued)

#### Alternative performance measures

The following non-GAAP performance measures have been used in the financial statements:

Non-GAAP performance measure	Note ref
Underlying Earnings Before Interest and Tax (EBIT)	10
Underlying Earnings Before Interest and Tax, Depreciation and Amortisation (EBITDA)	10
Underlying EBIT and EBITDA margin	10
Like-for-like Underlying EBIT and EBITDA	10
Like-for-like revenue	10
Adjusted Underlying Basic & Diluted Earnings Per Share (EPS)	8
Free Cash Flow	10
Free Cash Flow conversion	10
Return on invested capital	10
Covenant Leverage	10
Net Debt	6

Management uses these terms as they believe these measures allow an understanding of the Group's underlying business performance. These alternative performance measures are well understood by investors and analysts, are consistent with the Group's historic communication with investors and reflects the way in which the business is managed.

## 2 Going concern

These condensed consolidated financial statements are prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The Group meets day-to-day working capital and other funding requirements through banking facilities, which include an overdraft facility. Longer-term debt financing is accessed through the Group's USPP loan note programme. The facilities comprise a £400m multi-currency RCF, which runs to July 2028 and £250m of USPP loan notes with maturities between 2028 and 2036.

In 2024, the Group comfortably met all covenants and other terms of its borrowing agreements. The Group has continued its track record of profitability and cash generation, with an overall profit before taxation of £125.4m and net cash from operating activities of £201.7m.

The Group has prepared cash flow forecasts for a period of 12 months from the date of signing these condensed consolidated financial statements, which show a sustained trend of profitability, cash generation and retained covenant headroom, even under a 'severe but plausible' downside scenario of forecast cash flows.

The base case assumes a trading performance delivered in line with market consensus over the forecast period, while the downside scenario models a 5%-10% reduction in revenues, which the Group believes is a severe sensitivity relative to likely outcomes and historic experience.

As at 31 December 2024, the Group had cash balances of £28.9m and undrawn banking facilities in excess of £250m. At the date of this report, the Group's liquidity has increased by c. £80m as a result of the issuance of additional notes under its USPP programme. Following the acquisition discussed in note 28, the level of undrawn facilities will reduce to c. £150m, which is expected to provide sufficient available funds for the Group to discharge its liabilities as they fall due.

Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these condensed consolidated financial statements and therefore have prepared the condensed consolidated financial statements on a going concern basis.

### 3 Segmental analysis

The Group's activities comprise the following reportable segments:

**Great Britain:** our construction materials and surfacing businesses in Great Britain.

**Ireland:** our construction materials and surfacing businesses on the Island of Ireland.

**United States:** our construction materials businesses in the United States, acquired during the year (see note 9).

**Cement:** our cementitious operations in Great Britain and the Republic of Ireland.

	Revenue	2024 Underlying EBITDA*	Revenue	2023 Underlying EBITDA*
	£m	£m	£m	£m
<b>Income statement</b>				
Great Britain	997.4	131.9	1,033.8	138.6
Ireland	233.4	41.5	235.5	35.9
United States	132.5	24.8	-	-
Cement	309.2	88.2	331.2	84.5
Central administration	-	(16.5)	-	(16.7)
Eliminations	(96.2)	-	(113.0)	-
<b>Total</b>	<b>1,576.3</b>	<b>269.9</b>	<b>1,487.5</b>	<b>242.3</b>

#### Reconciliation to statutory profit

<b>Underlying EBITDA as above</b>	<b>269.9</b>	<b>242.3</b>
Depreciation and mineral depletion	(99.7)	(88.7)



<b>Underlying Group operating profit</b>	<b>170.2</b>	153.6
Great Britain	78.5	86.4
Ireland	33.6	29.0
United States	16.4	-
Cement	58.5	55.2
Central administration	(16.8)	(17.0)
<b>Underlying Group operating profit</b>	<b>170.2</b>	153.6
Share of profit of associate and joint ventures	3.5	2.6
<b>Underlying profit from operations (EBIT)</b>	<b>173.7</b>	156.2
Non-underlying items (note 4)	(24.1)	(10.5)
<b>Profit from operations</b>	<b>149.6</b>	145.7

\*Underlying EBITDA is earnings before interest, tax, depreciation and mineral depletion, amortisation, non-underlying items (note 4) and before our share of profit of associate and joint ventures.

#### Disaggregation of revenue from contracts with the customers

##### Analysis of revenue by geographic location of end-market

The primary geographic markets for all Group revenues for the purpose of IFRS 15 are the UK, Republic of Ireland and United States. In line with the requirements of IFRS 8, this is analysed by individual countries as follows:

	2024	2023
	£m	£m
United Kingdom	1,251.0	1,296.8
Republic of Ireland	190.1	188.1
United States	132.5	-
Other	2.7	2.6
	<b>1,576.3</b>	1,487.5

### 3 Segmental analysis (continued)

##### Analysis of revenue by major products and service lines by segment

	2024	2023
	£m	£m
<b>Sale of goods</b>		
Great Britain	797.9	855.8
Ireland	106.9	96.5
United States	132.5	-
Cement	309.2	331.2
Eliminations	(96.2)	(113.0)
	<b>1,250.3</b>	1,170.5
<b>Surfacing</b>		
Great Britain	199.5	178.0
Ireland	126.5	139.0
	<b>326.0</b>	317.0
	<b>1,576.3</b>	1,487.5

Eliminations primarily comprise sales from Cement to the Great Britain and Ireland segments.

##### Timing of revenue recognition

Sale of goods revenue relates to products for which revenue is recognised at a point in time as the product is transferred to the customer. Surfacing revenues are accounted for as products and services for which revenue is recognised over time.

##### Statement of financial position

	2024		2023	
	Total assets	Total liabilities	Total assets	Total liabilities
	£m	£m	£m	£m
Great Britain	940.7	(233.8)	920.6	(238.3)
Ireland	269.4	(38.1)	282.8	(40.6)
United States	303.5	(32.7)	-	-
Cement	567.0	(75.9)	539.2	(73.8)

Central administration	3.0	(24.5)	3.3	(20.5)
<b>Total operations</b>	<b>2,083.6</b>	<b>(405.0)</b>	1,745.9	(373.2)
Current tax	1.5	-	-	(0.1)
Deferred tax	-	(104.2)	-	(92.0)
Net Debt	28.9	(434.2)	126.9	(296.8)
<b>Total Group</b>	<b>2,114.0</b>	<b>(943.4)</b>	1,872.8	(762.1)
<b>Net assets</b>		<b>1,170.6</b>		1,110.7

GB total assets include £13.8m (2023: £13.4m) and Cement total assets include £1.2m (2023: £1.1m) in respect of investments in associate and joint ventures.

#### Geographic location of non-current assets

	2024	2023
	£m	£m
United Kingdom	1,068.0	1,074.6
Republic of Ireland	362.3	323.3
United States	256.6	-
	<b>1,686.9</b>	1,397.9

#### 4 Non-underlying items

Non-underlying items are those which, because of their nature, size or incidence, are either unlikely to recur in future periods or which distort the underlying trading performance of the business, including non-cash items. For an item to be classified as non-underlying, it must meet defined criteria which are applied consistently by the Group.

The directors monitor the performance of the Group using alternative performance measures which are calculated on an underlying basis. In the opinion of the directors, this presentation aids understanding of the underlying business performance and any references to underlying earnings measures throughout this report are made on this basis.

As underlying measures include the benefits of acquisitions but exclude significant costs (such as one-off acquisition related costs or amortisation of acquired intangible assets), they should not be regarded as a complete picture of the Group's financial performance.

Underlying measures are calculated and presented on a consistent basis over time to assist in the comparison of performance.

	2024	2023
	£m	£m
<b>Included in operating expenses:</b>		
Acquisition-related expenses (note 9)	10.2	0.9
Losses on disposal of property	0.1	-
Redundancy and reorganisation costs	1.3	-
Amortisation of acquired intangible assets	12.5	6.0
AIM to Main Market costs	-	3.6
<b>Total non-underlying items (before interest and tax)</b>	<b>24.1</b>	10.5
Non-underlying interest (note 6)	1.3	-
Non-underlying tax	(3.6)	(1.4)
<b>Total non-underlying items</b>	<b>21.8</b>	9.1

#### 5 Taxation

##### Recognised in the condensed consolidated income statement

	2024	2023
	£m	£m
<b>Current tax</b>		
Current year	26.5	30.5
Prior year	(4.1)	(2.1)
<b>Total current tax</b>	<b>22.4</b>	28.4
<b>Deferred tax</b>		
Current year	2.6	(1.2)
Prior year	4.1	1.6
<b>Total deferred tax</b>	<b>6.7</b>	0.4
<b>Total tax charge in the condensed consolidated income statement</b>	<b>29.1</b>	28.8

**Recognised in equity**

	2024	2023
	£m	£m
<b>Deferred tax</b>		
Derivatives	-	(0.1)
Share-based payments	(0.3)	0.1
<b>Total tax charge in equity</b>	<b>(0.3)</b>	<b>-</b>

**5 Taxation (continued)****Reconciliation of effective tax rate**

	2024	2023
	£m	£m
Profit before taxation	125.4	134.4
Tax at the Company's domestic rate of 25.0% (2023: 23.5%)	31.4	31.6
Difference between Company and subsidiary statutory tax rates	(5.8)	(4.0)
Expenses not deductible for tax purposes	3.2	1.4
Income from associate and joint ventures already taxed	(0.8)	(0.5)
Change in deferred tax rate	-	0.7
Pillar Two top up charge	0.6	-
Other	0.5	0.1
Adjustment in respect of prior years	-	(0.5)
<b>Total tax charge</b>	<b>29.1</b>	<b>28.8</b>

The Company is tax resident in the UK, with a 25.0% (2023: 23.5%) tax rate. The Group's subsidiary operations pay tax at a rate of 25.0% (2023: 23.5%) in the UK and 12.5% (2023: 12.5%) in Rol. US subsidiary operations pay tax at the federal tax rate of 21% together with state income tax, resulting in a blended statutory rate of c. 25%.

Excluding the impact of non-underlying items, the Group's Underlying effective tax rate is 21.7% (2023: 20.4%).

Including these items, the Group's reported tax rate for the year is 23.2% (2023: 21.4%).

**Global Minimum Corporate Tax Framework**

From 1 January 2024, the Group is within scope of the Global Minimum Corporate Tax rate of 15% ('Pillar Two' rules). The impact of these new rules on the Group is limited to the Group's taxable profits generated in the Republic of Ireland, where the tax rate is 12.5%, resulting in a top up charge of £0.6m.

In accordance with the mandatory exception under Amendments to IAS 12, the Group has not remeasured deferred tax assets and liabilities as a result of the implementation of the Pillar Two rules.

**6 Interest-bearing loans and borrowings****Net Debt**

	2024	2023
	£m	£m
Cash and cash equivalents	28.9	126.9
Current borrowings	(8.7)	(8.1)
Non-current borrowings	(425.5)	(288.7)
<b>Net Debt</b>	<b>(405.3)</b>	<b>(169.9)</b>
IFRS 16 lease liabilities	48.7	48.0
<b>Net Debt (excluding IFRS 16)</b>	<b>(356.6)</b>	<b>(121.9)</b>

**Analysis of borrowings between current and non-current**

	2024	2023
	£m	£m
Lease liabilities	8.7	8.1
<b>Current borrowings</b>	<b>8.7</b>	<b>8.1</b>
Bank and USPP debt	385.5	248.8
Lease liabilities	40.0	39.9
<b>Non-current borrowings</b>	<b>425.5</b>	<b>288.7</b>

## 6 Interest-bearing loans and borrowings (continued)

During the year, the Group completed the refinancing of its RCF, increasing the facility size from £350m to £400m and retaining the option of a further £100m accordion. The amended facility secures access to longer-term finance, running for an initial four-year period to at least July 2028, and offers an incremental reduction in ongoing debt service costs. The Group's borrowing facilities as at 31 December 2024 also comprise a £250m USPP.

Interest on the RCF is calculated as a margin referenced to the Group's Covenant Leverage plus SONIA, SOFR or EURIBOR according to the currency of borrowing. Interest on the RCF was charged in the period at margins of between 1.65% and 1.75%.

The USPP was issued in 2021 with an average fixed coupon of approximately 2% and comprises £170m sterling and £80m drawn in euro, with a maturity profile between 2028 and 2036.

Fees and expenses incurred in connection with the refinancing amounted to £2.3m and will be amortised over the amended life of the facility. In line with IFRS 9, the refinancing has been treated as an extinguishment of the previous RCF. Prepaid fees of £1.3m, which had been held on the balance sheet in relation to the old facility, have been expensed to the income statement during 2024 as a non-underlying interest expense.

Borrowing facilities are subject to leverage and interest cover covenants which are tested half-yearly. The Group remained fully compliant with all covenants during the year.

## 7 Stated and share capital

### Share capital

All shares issued by Breedon are ordinary shares which have a par value of £0.01 and are fully paid. The Company has no limit to the number of shares which may be issued.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

### Movements during 2024:

The Company issued 0.5 million shares for cash raising £1.3m in connection with the exercise of certain savings-related share options, with £1.3m recognised as share premium. The Company issued 0.3 million shares for non-cash consideration of 1.0p per share, satisfied through the capitalisation of retained earnings, in connection with the vesting of awards under the Performance Share Plans.

In addition, 3.2m of ordinary shares were issued to the vendor of BMC, with £12.2m being recognised within the merger reserve.

	Number of ordinary shares (m) 2024
Issued ordinary shares at beginning of year	339.7
<b>Issued in connection with:</b>	
Exercise of savings-related share options	0.5
Issued on acquisition of BMC (note 9)	3.2
Vesting of Performance Share Plan awards	0.3
<b>As at 31 December 2024</b>	<b>343.7</b>

### Movements during 2023:

### Corporate Reorganisation

In connection with the Group's move from AIM to the Premium Segment of the Main Market of the London Stock Exchange during the first half of 2023, a new holding company for the Group was established ('New Breedon'), which replaced the previous parent company of the Group, Breedon Group Limited ('Old Breedon'). New Breedon obtained control of the Group on 17 May 2023 via a court approved scheme of arrangement (the 'Corporate Reorganisation'). Under the scheme arrangement, shares were issued in exchange for all the shares in Old

Breedon at a ratio of one share in New Breedon to five shares in Old Breedon. The difference between Stated Capital and Share Capital was recognised as a Merger Reserve.

#### Other movements during 2023

The Company issued 0.2 million shares for cash raising £0.7m in connection with the exercise of certain savings-related share options, with £0.7m recognised as share premium. The company issued 0.6 million shares for non-cash consideration of 1.0p per share, satisfied through the capitalisation of retained earnings, in connection with the vesting of awards under the Performance Share Plans.

#### 7 Stated and share capital (continued)

	Number of ordinary shares (m) 2023
Issued ordinary shares at beginning of year	1,694.4
5:1 share consideration	(1,355.5)
Issued ordinary shares after corporate reorganisation	338.9
<b>Issued in connection with:</b>	
Exercise of savings-related share options	0.2
Vesting of Performance Share Plan awards	0.6
<b>As at 31 December 2023</b>	<b>339.7</b>

#### 8 Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to Breedon Group shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit for the year attributable to Breedon Group shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the potential dilutive ordinary shares into ordinary shares.

Calculations of these measures and reconciliations to related alternative performance measures are as follows:

##### Basic EPS to Adjusted Underlying Basic EPS

	Earnings £m	2024 Shares millions	EPS pence	Earnings £m	2023 Shares millions	EPS pence
<b>Basic EPS</b>	<b>96.2</b>	<b>342.754</b>	<b>28.1</b>	105.5	339.148	31.1
<b>Adjustments to earnings</b>						
Earnings impact of change in deferred tax rate (note 5)	-	-	-	0.7	-	0.2
Non-underlying items (note 4)	21.8	-	6.3	9.1	-	2.7
<b>Adjusted Underlying Basic EPS</b>	<b>118.0</b>	<b>342.754</b>	<b>34.4</b>	115.3	339.148	34.0

##### Diluted EPS to Adjusted Underlying Diluted EPS

	Earnings £m	2024 Shares millions	EPS pence	Earnings £m	2023 Shares millions	EPS pence
<b>Diluted EPS</b>	<b>96.2</b>	<b>343.738</b>	<b>28.0</b>	105.5	339.849	31.0
<b>Adjustments to earnings</b>						
Earnings impact of change in deferred tax rate (note 5)	-	-	-	0.7	-	0.2
Non-underlying items (note 4)	21.8	-	6.3	9.1	-	2.7
<b>Adjusted Underlying Diluted EPS</b>	<b>118.0</b>	<b>343.738</b>	<b>34.3</b>	115.3	339.849	33.9

Dilutive items in both the current and prior year related to share-based payments.

## 9 Acquisitions

### Current year acquisitions

The Group completed four acquisitions in the period, being BMC Enterprises Inc. (BMC), Eco-Asphalt Supplies Limited, Phoenix Surfacing Limited and Building Products Inc.

#### BMC

The Group completed the acquisition of BMC, a supplier of ready-mixed concrete, aggregates and building products on 6 March 2024, acquiring 100% of the share capital.

The provisional fair values in respect of the identifiable assets acquired and liabilities assumed are set out below:

	Provisional fair value on acquisition
	£m
Intangible assets	109.9
Property, plant and equipment	81.4
Right-of-use assets	1.2
Inventories	7.2
Trade and other receivables	39.1
Cash and cash equivalents	5.5
Trade and other payables	(12.8)
Provisions	(22.4)
Borrowings	(85.9)
Deferred tax liabilities	(4.5)
<b>Total acquired net assets</b>	<b>118.7</b>
Cash consideration on completion	155.6
Post-completion payment	0.2
Equity consideration	12.2
<b>Total consideration payable</b>	<b>168.0</b>
<b>Goodwill arising</b>	<b>49.3</b>

#### Equity Consideration

Equity consideration comprises 3,199,915 ordinary shares issued to the vendor, valued based on the market price of those shares at the date of acquisition.

#### Fair value adjustments

Fair value adjustments are always considered to be provisional at the first reporting date after the acquisition and are inclusive of adjustments to:

- recognise intangible assets, including the value of acquired customer relationships and non-compete agreements. The value of these assets were assessed with the support of a third party corporate finance specialist using an excess earnings method, based on estimated cash flows;
- revalue certain items of property, plant and equipment, including mineral reserves and resources, to reflect the fair value at date of acquisition;
- working capital accounts to reflect fair value; and
- restoration provisions to reflect costs to comply with environmental and other legislation.

The goodwill arising represents the strategic geographic location of assets acquired, the potential for future growth and the skills of the existing workforce and management team. Goodwill is deductible for tax purposes.

Since the Group's interim results were published, goodwill has increased by £5.7m, with the largest adjustment being £4.5m in relation to deferred tax following agreement of the completion accounts.

Included within provisions is a contingent liability for which the Group is fully indemnified, with a corresponding



asset recognised within trade and other receivables. The range of outcomes in respect of the contingent liability is expected to be either nil or £10.0m.

## 9 Acquisitions (continued)

### Other current year acquisitions

The directors consider the remaining acquisitions completed in the year, being 100% of the share capital of Eco-Asphalt Supplies Limited (31 January 2024), 80% of the share capital of Phoenix Surfacing Limited (1 April 2024), and the trade and assets of Building Products Inc. (18 October 2024) to be individually immaterial, but material in aggregate.

The combined provisional fair values in respect of the identifiable assets acquired and liabilities assumed are set out below:

	Provisional fair value on acquisition
	£m
Intangible assets	7.8
Property, plant and equipment	6.4
Inventories	0.9
Trade and other receivables	5.0
Cash and cash equivalents	1.8
Trade and other payables	(5.6)
Provisions	(0.1)
Borrowings	(1.9)
Deferred tax liabilities	(1.5)
<b>Total acquired net assets</b>	<b>12.8</b>
Cash consideration on completion	25.3
Deferred consideration	3.4
<b>Total consideration payable</b>	<b>28.7</b>
<b>Goodwill arising</b>	<b>15.9</b>

### Consideration

Deferred consideration includes £2.6m relating to a put liability and has been accounted for using the anticipated acquisition method.

### Fair value adjustments

The fair value adjustments primarily comprised:

- intangible assets, including the value of acquired customer relationships;
- impairment of property, plant and equipment; and
- deferred tax balances.

The goodwill arising represents expected synergies, the potential for future growth, and the skills of the existing workforce.

### Impact of current year acquisitions

#### Income statement

During the period, the BMC acquisition (including Building Products which was acquired 18 October 2024) contributed revenues of £132.5m, Underlying EBIT of £16.4m and profit before interest and tax of £13.8m to the results of the Group.

Other current year acquisitions contributed revenues of £22.9m, Underlying EBIT of £0.8m and profit before tax of £0.8m to the results of the Group.

Had these acquisitions occurred on 1 January 2024, the results of the Group for the year ended 31 December 2024

would have shown revenue of £1,612.5m, Underlying EBIT of £176.0m and profit before tax of £127.7m.

## Cash flow

The cash flow impact of acquisitions in the year can be summarised as follows:

	£m
Consideration - cash	180.9
Cash and cash equivalents acquired	(7.3)
<b>Net cash consideration shown in the consolidated statement of cash flows</b>	<b>173.6</b>

## 9 Acquisitions (continued)

### Acquisition costs

The Group incurred acquisition related costs of £10.2m (2023: £0.9m) which included external professional fees in relation to these acquisitions. These are presented as non-underlying operating costs (note 4).

## 10 Reconciliation to non-GAAP measures

Non-GAAP performance measures are used throughout the Annual Report and the condensed consolidated financial statements. This note provides a reconciliation between these alternative performance measures to the most directly related statutory measures.

These measures are not a substitute for, or superior to, any IFRS measures of performance. Management believe these measures allow an understanding of the Group's underlying business performance. They are defined as:

**Underlying EBIT** - statutory (reported) profit from operations excluding non-underlying items. Non-underlying items are disclosed in note 4. Management considers underlying EBIT to be a key measure in understanding the underlying profit of the Group at this level.

**Free Cash Flow (FCF)** - calculated as statutory (reported) net cash flow from operating activities and net cash used in investing activities, adjusted for the cash impact of major capital projects in the year, cash associated with acquisition of businesses and the cash impact of non-underlying items. FCF represents the cash that the Group generates after spending the money required to maintain or expand its asset base, thus is useful for management in assessing liquidity.

**Net Debt** - Net Debt is calculated as the net of cash and cash equivalents and interest-bearing loans and borrowings (both current and non-current). It is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. Net Debt is also shown on a pre-IFRS 16 basis as the banking covenants are calculated on a pre-IFRS 16 basis.

## Reconciliation of earnings based alternative performance measures

2024	Great Britain £m	Ireland £m	United States £m	Cement £m	Share of Centralprofit administration and eliminations £m	Share of profit of associate and joint ventures £m	Total £m
Revenue	997.4	233.4	132.5	309.2	(96.2)	-	1,576.3
Profit from operations							149.6
Non-underlying items (note 4)							24.1
<b>Underlying EBIT</b>	<b>78.5</b>	<b>33.6</b>	<b>16.4</b>	<b>58.5</b>	<b>(16.8)</b>	<b>3.5</b>	<b>173.7</b>
<b>Underlying EBIT margin</b>	<b>7.9%</b>	<b>14.4%</b>	<b>12.4%</b>	<b>18.9%</b>			<b>11.0%</b>
Underlying EBIT	78.5	33.6	16.4	58.5	(16.8)	3.5	173.7
Share of profit of associate							

Share of profit of associate and joint ventures	-	-	-	-	-	(3.5)	(3.5)
Depreciation and mineral depletion	53.4	7.9	8.4	29.7	0.3	-	99.7
<b>Underlying EBITDA</b>	<b>131.9</b>	<b>41.5</b>	<b>24.8</b>	<b>88.2</b>	<b>(16.5)</b>	<b>-</b>	<b>269.9</b>
<b>Underlying EBITDA margin</b>	<b>13.2%</b>	<b>17.8%</b>	<b>18.7%</b>	<b>28.5%</b>			<b>17.1%</b>

## 10 Reconciliation to non-GAAP measures (continued)

### Reconciliation of earnings based alternative performance measures(continued)

2023	Great Britain £m	Ireland £m	Cement £m	Central administration and eliminations £m	Share of profit of associate and joint ventures £m	Total £m
Revenue	1,033.8	235.5	331.2	(113.0)	-	1,487.5
Profit from operations						145.7
Non-underlying items (note 4)						10.5
<b>Underlying EBIT</b>	86.4	29.0	55.2	(17.0)	2.6	156.2
<b>Underlying EBIT margin</b>	8.4%	12.3%	16.7%			10.5%
Underlying EBIT	86.4	29.0	55.2	(17.0)	2.6	156.2
Share of profit of associate and joint ventures	-	-	-	-	(2.6)	(2.6)
Depreciation and mineral depletion	52.2	6.9	29.3	0.3	-	88.7
<b>Underlying EBITDA</b>	138.6	35.9	84.5	(16.7)	-	242.3
<b>Underlying EBITDA margin</b>	13.4%	15.2%	25.5%			16.3%

### Like-for-like alternative performance measures

There are a number of references throughout this report to like-for-like revenue, earnings and volumes. Like-for-like numbers exclude the impact of acquisitions and disposals and have been used alongside non-like-for-like measures to help the Group better communicate performance in the year when compared to previous reporting periods.

### Covenant Leverage

Covenant Leverage is defined as the ratio of Underlying EBITDA to Net Debt, with both Underlying EBITDA and Net Debt adjusted to reflect the material items which are adjusted by the Group and its lenders in determining leverage for the purpose of assessing covenant compliance and, in the case of our bank facilities, the margin payable on overdrawn borrowings. In both the current and prior year, the only material adjusting item was the impact of IFRS 16 - Leases.

	2024 £m	2023 £m
<b>Underlying EBITDA</b>	<b>269.9</b>	242.3
Impact of IFRS 16	(11.0)	(10.3)
<b>Underlying EBITDA for covenants</b>	<b>258.9</b>	232.0
<b>Net Debt (excluding IFRS 16)</b>	<b>356.6</b>	121.9
<b>Covenant Leverage</b>	<b>1.4x</b>	0.5x

## 10 Reconciliation to non-GAAP measures (continued)

### Free Cash Flow conversion

	2024 £m	2023 £m
<b>Net cash from operating activities</b>	<b>201.7</b>	191.9
Net cash used in investing activities	(296.2)	(120.4)

Cash impact of material capital projects	23.4	-
Acquisition of businesses	173.6	18.8
Cash impact of non-underlying items	11.6	4.5
<b>Free Cash Flow</b>	<b>114.1</b>	<b>94.8</b>
<b>Underlying EBITDA</b>	<b>269.9</b>	<b>242.3</b>
<b>Free Cash Flow conversion</b>	<b>42%</b>	<b>39%</b>

The cash impact of material capital projects comprised three projects consisting of the ARM and Primary Crusher projects at Hope and the Solar Farm at Kinnegad.

#### Return on invested capital

	2024	2023
	£m	£m
<b>Underlying EBIT</b>	<b>173.7</b>	<b>156.2</b>
Underlying effective tax rate	21.7%	20.4%
Taxation at the Group's underlying effective rate	(37.7)	(31.9)
<b>Underlying earnings before interest</b>	<b>136.0</b>	<b>124.3</b>
Net assets	1,170.6	1,110.7
Net Debt (note 6)	405.3	169.9
<b>Invested capital as at 31 December</b>	<b>1,575.9</b>	<b>1,280.6</b>
<b>Average invested capital<sup>1</sup></b>	<b>1,428.3</b>	<b>1,261.1</b>
<b>Adjustment for timing of significant acquisition<sup>2</sup></b>	<b>83.3</b>	<b>-</b>
<b>Adjusted average invested capital</b>	<b>1,511.6</b>	<b>-</b>
<b>Return on invested capital<sup>3</sup></b>	<b>9.0%</b>	<b>9.9%</b>

<sup>1</sup> Average invested capital is calculated by taking the average of the opening invested capital at 1 January and the closing invested capital at 31 December. Opening invested capital at 1 January 2023 was £1,241.5m.

<sup>2</sup> This adjustment is made to the average of opening and closing invested capital to more accurately reflect the impact of the timing of the acquisition of BMC Enterprises which completed on 6 March 2024. See note 9.

<sup>3</sup> Return on invested capital is calculated as Underlying earnings before interest for the previous twelve months, divided by Adjusted average invested capital for the year.

## 11 Post balance sheet events

### Acquisition of Lionmark

On 5 March 2025 the Group announced the proposed acquisition of Lionmark Construction Companies LLC, a construction materials and surfacing business headquartered in St Louis, Missouri.

The acquisition is expected to complete by 7 March 2025. Consideration payable is based on an enterprise value of US 237.5m, of which US 225.6m is payable in cash and the remaining US 11.9m through the issue of newly created shares in Breedon Group plc.

The consideration is subject to customary closing adjustments and retentions. The cash element of the consideration will be satisfied through a drawdown on the Group's existing borrowing facilities.

Additional liquidity is provided by €95m of additional notes which were issued under the Group's USPP programme on 26 February 2025. The notes have maturities of between five and seven years, with a fixed interest rate of approximately 4%.

The acquisition is expected to have a material impact on the Group's results for the year ended 31 December 2025. Given the proximity of the acquisition date to the date on which the Financial Statements were authorised, the Group is not yet able to provide certain disclosures required by IFRS 3, including the initial fair values of assets and liabilities acquired, which have not yet been ascertained. These disclosures will be presented as part of the Group's Interim Statement made up to 30 June 2025.

## Cautionary Statement

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018 ("EUWA")) ("UK MAR"). In addition, market soundings (as defined in MAR) were taken in respect of certain matters contained in this announcement with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.

## GLOSSARY

The following definitions apply throughout this announcement, unless the context requires otherwise.

Adopted IFRS	International Financial Reporting Standards as adopted by the UK				
ARM	Alternative Raw Material				
bps	basis points				
BMC	BMC Enterprises Inc.				
Breedon	Breedon Group plc				
CEMII	CEMII limestone cement; consists of clinker, minor additional constituents and up to 20% of limestone which reduces the product's carbon intensity				
Covenant Leverage	Leverage as defined by the Group's banking facilities. This excludes the impact of IFRS 16 and includes the proforma impact of M&A				
DRIP	Dividend Reinvestment Plan				
EBIT	Earnings before interest and tax which equates to profit from operations				
EBITDA	Earnings before interest, tax, depreciation and amortisation				
EPS	Earnings per share				
EURIBOR	Euro Inter-bank Offered Rate				
Exchange rates	2024		2023		
	Average rate	Year-end rate	Average rate	Year-end rate	
Sterling/Euro	1.18	1.21	1.15	1.15	
Sterling/US dollar	1.29	1.26	1.24	1.27	
GAAP	Generally Accepted Accounting Principles				
GB	Great Britain				
Group	Breedon and its subsidiary companies				
IAS	International Accounting Standards				
IFRS	International Financial Reporting Standard				
Invested capital	Net assets plus Net Debt				
Ireland	The Island of Ireland				
Leverage	Net Debt expressed as a multiple of Underlying EBITDA				
Like-for-like	Like-for-like reflects reported values adjusted for the impact of acquisitions and disposals				
M&A	Mergers & acquisitions				
NI	Northern Ireland				
ppt	percentage point				
RCF	Revolving Credit Facility				
RoI	Republic of Ireland				
ROIC	Post-tax Return on Invested Capital for the previous twelve months				
SBTi	Science Based Targets initiative				
SONIA	Sterling Overnight Index Average				
UK	United Kingdom (GB and NI)				
Underlying	Stated before acquisition-related expenses, property gains and losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fee and related tax items. Prior year included costs associated with the Group's move from the AIM to Main Market				
Underlying EBITDA	Earnings before interest, tax, depreciation and amortisation non-Underlying items and before our share of profit from associate and joint ventures				
US	United States				
USPP	US Private Placement				

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