RNS Number : 1270S
Breedon Group PLC
23 July 2025

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BREEDON GROUP PLC

Interim results 2025

Resilient performance in challenging markets

US end-market diversification delivered through Lionmark acquisition

Breedon Group plc (Breedon or the Group), a leading vertically-integrated construction materials group in Great Britain, Ireland and the United States, announces unaudited results for the six months ended 30 June 2025.

£m except where stated	Statutory highlights H1 2025	H1 2024	% change	Underlying[1] highlights H1 2025	H1 2024	% change	% LFL[2]
Revenue	**815.9**	764.6	7%	**815.9**	764.6	7%	(3)%
EBITDA[3]	**110.0**	109.1	1%	**115.0**	118.1	(3)%	(5)%
EBITDA[3] margin	**13.5%**	14.3%	(80)bps	**14.1%**	15.4%	(130)bps	(30)bps
Profit Before Tax	**34.9**	46.5	(25)%	**48.9**	61.2	(20)%	
Basic EPS[4]	**8.0p**	10.0p	(20)%	**11.2p**	13.9p	(19)%	
Dividend per share				**4.75p**	4.50p	6%	
Net Debt[5]				**648.1**	472.3	37%	
Covenant Leverage[6]				**2.2x**	1.6x	0.6x	
ROIC[7]				**7.8%**	8.8%	(100)bps	

FINANCIAL HIGHLIGHTS

Acquisition of Lionmark and careful cost control partially offsets challenging market conditions

- Revenue increased 7% driven by the acquisition of Lionmark;
  - LFL Revenue decreased by 3% with volume and mix down 4% due to challenging markets in GB, major project delays in Ireland and adverse US weather conditions
  - Stable pricing, supported by our teams demonstrating good commercial focus, particularly in the US, backed by strong order backlogs and enquiries in key markets
- LFL Underlying EBITDA margin decreased 30bps reflecting operating leverage in GB and trading elsewhere, partially offset by disciplined cost management

Resilient financial performance; navigating challenging conditions well

- Covenant Leverage increased to 2.2x reflecting the Lionmark acquisition and the peak of our in-year working capital cycle; Covenant Leverage is expected to reduce over the second half
- Post-tax ROIC 7.8% (H1 2024: 8.8%) incorporates four months ownership of Lionmark and lower levels of profitability
- Given the difficult first half and the macroeconomic headwinds we now expect our result for the full year will be at the low end of the current range of market expectations[8]

Interim dividend increased to 4.75p; reflecting our confidence in the Group's future prospects

OPERATING HIGHLIGHTS

Focus on self-help, customer service and commercial discipline

- GB enquiries remain elevated and we continue to win high-quality work despite challenging markets; focusing on self-help and delivering consistently excellent customer service
- Ireland Underlying EBITDA margin expanded 130bps; reflecting disciplined tendering and good cost control. While certain major projects have been deferred beyond 2025 the medium-term outlook remains positive
- US continues to progress the integration of Lionmark in line with the plan. Extremes of weather in the first half have required careful operational management; however underlying demand and order backlogs remain strong
- Cement volumes were slightly lower, reflecting GB end market demand for ready-mixed concrete. The division has successfully completed its major investment projects in the first half and continues to progress decarbonisation initiatives

STRATEGIC HIGHLIGHTS

EXPAND: Lionmark secures balanced end market exposure for our US business

- We operate three vertically-integrated geographic platforms. In the US we now have a balanced business with greater infrastructure exposure where healthy backlogs are underpinned by long-term federal and state funding programmes funding programmes

IMPROVE: Replenishing mineral reserves and focusing on commercial discipline

- Secured planning extensions for 8m tonnes and progressed a pipeline of 142m tonnes of mineral at various stages of development
- Unlocking further efficiencies and adjusting capacity in response to market conditions.

LENSES: Enablers of growth

- People; welcomed new Lionmark colleagues, reaccelerated our apprenticeship programme and, with effect from 1 July, moved to a country management structure (GB, Ireland and US) to reflect the geographical operating profile of the Group
- Sustainability: CDP ratings upgraded (Climate Change: A- from B, Water Security: B- from C), Peak Cluster joint venture established to progress carbon capture pipeline investment; significant progress with 'Breedon Balance', our range of products with sustainable attributes
- Finance: additional £79m USPP loan notes issued at attractive rates to finance Lionmark acquisition. Strong, flexible balance sheet maintained with RCF facilities now extended to 2029

CURRENT TRADING AND OUTLOOK

- Given the difficult first half and the macroeconomic headwinds, we now expect our result for the full year will be at the low end of the current range of market expectations[8]
- Our key end-markets, housebuilding and infrastructure, benefit from long-term structural growth drivers across all three platforms
- The UK Government's encouraging commitments to invest at least £725bn into infrastructure over the next decade, including £39bn into affordable housing, should underpin future demand and we continue to believe that 2024 should be the floor for volumes
- In Ireland, the medium-term outlook remains positive and we welcome the outcome of the National Development Plan Review 2025, committing to invest more than €275bn over the next decade
- Our US business enters the second half with a healthy backlog and greater exposure to the growing and well-funded infrastructure market. We expect our US business will see further growth and margin expansion over the balance of the year
- Our M&A pipeline remains well-populated and provides exciting opportunities in each of our geographies
- We are well invested and optimally positioned to benefit when construction market activity improves

Rob Wood, Chief Executive Officer, remarked:

"Breedon has had a challenging first half to the financial year; however I am pleased at how our teams have responded to those challenges by renewing their focus on self-help and customer service while ensuring we maintain our commercial discipline.

"We are confident in the medium-term prospects for the Group and the very nature of our business, supplying local products within local markets, provides a degree of protection in the current uncertain economic climate.

"We have a strong and committed team, three leading platforms in geographies that have structural long-term growth drivers, significant reserves and resources and a well invested production capability. We remain optimally positioned to benefit when construction market activity improves."

RESULTS PRESENTATION

Breedon will host a results presentation for analysts and investors at 08:30am today at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS, or online via 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 Interim Results 2025
Start Time/Date:	08:30am Wednesday, 23 July 2025 - please join the event 5-10 minutes prior to scheduled start time. When prompted, provide the event title
Webcast link:	https://brrmedia.news/BREE_HY25
United Kingdom, Toll-free:	0808 109 0700
United Kingdom, Local:	+44 (0) 33 0551 0200
Confirmation Code:	Breedon Half Year Results

ENQUIRIES

Breedon Group plc	+44 (0) 1332 694010
Rob Wood, Chief Executive Officer	
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Louise Turner-Smith, Head of Investor Relations	+44 (0) 7860 911909
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Reg Hoare, Rachel Farrington, Charles Hirst	breedon@mhpgroup.com

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 fees (where applicable) and related tax items. 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, disposals and material currency fluctuations. Currency fluctuations are calculated on a constant currency basis by applying the average exchange rate for the prior period to the current year local currency amount.

3. Earnings before interest, tax, depreciation and amortisation.
4. Adjusted Underlying Basic EPS is Statutory Basic EPS adjusted to exclude the impact of non-underlying items.
5. Net Debt including IFRS 16 lease liabilities.
6. 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.
7. ROIC: post-tax return on average invested capital.
8. Company compiled consensus: FY 2025 EBITDA £302.8m, range £291.4m to £311.5m.
9. Information for investors, including analyst consensus estimates, can be found on the Group's website at 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 1.6bn 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 4,900 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

OPERATIONAL REVIEW

Product volumes

million tonnes except where stated	H1 2025	H1 2024	Change %	LFL %
Aggregates	**13.9**	13.5	3%	(2)%
Asphalt	**1.9**	1.8	7%	(2)%
Cement	**1.0**	1.0	(3)%	(3)%
Ready-mixed concrete (m^3)	**1.5m**	1.5m	1%	(3)%

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

Great Britain

£m except where stated	H1 2025	H1 2024	Change %	LFL %
Revenue	**480.7**	492.4	(2)%	(4)%
Underlying EBITDA	**56.4**	61.6	(8)%	(9)%
Underlying EBITDA margin	***11.7%***	*12.5%*	*(80)bps*	*(70)bps*

In the first half, GB end-markets remained very challenging and, although enquiry levels were elevated throughout the period, a lack of business confidence and weak economic sentiment presented a headwind to activity. The CPA and MPA reduced their forecasts; acknowledging macroeconomic pressures, elevated costs and reduced visibility which have combined to impact the decision-making process for new projects. Similarly, while actions to reform the planning process are welcome, planning approvals fell to the lowest level in a decade with fewer homes being built year-on-year.

After modest growth in the first quarter, volumes declined in GB with aggregates and asphalt down 2% and ready-mixed concrete down 4% on a like-for-like basis across the first half of the year. Against this backdrop, pricing remained soft, resulting in reported Revenue 2% lower than H1 2024, or 4% on a like-for-like basis.

Our GB team maintained their excellent customer service record, scoring highly in the Net Promoter Score survey and we continued with our focus on self-help, uncovering further operational efficiencies, mothballing sites and undertaking procurement initiatives. In March GB acquired a small ready-mixed concrete business, in the South West.

The GB surfacing business continues to progress, expanding in airfield resurfacing and securing a major contract to supply materials and surfacing on a multi-year project to dual and resurface the A47 near Norwich. This project will be supplied by our local plants and quarries which have benefitted from recent capital investment upgrades.

Underlying like-for-like EBITDA for the period declined 9% and the Underlying like-for-like EBITDA margin contracted by 70 bps reflecting the impact of operational gearing and mix of trading.

Ireland

£m except where stated	**H1 2025**	**H1 2024**	**Change %**
Revenue	**103.0**	111.2	(7)%
Underlying EBITDA	**17.5**	17.5	-
Underlying EBITDA margin	***17.0%***	*15.7%*	*130bps*

Our Ireland business delivered a robust performance in the first half. While volumes were slightly lower for both aggregates and asphalt, and we saw lower levels of activity in our streetlighting services business, our ready-mixed concrete volumes improved. Our commercial teams remained focused on securing profitable new business and, as a consequence, pricing for core products was slightly stronger than in the comparative period resulting in reported Revenue 7% lower than H1 2024.

The new administrations in the NI and RoI have provided an element of political stability; both have taken the opportunity to re-evaluate spending priorities, leading to a deferral of some expenditure plans. The A5 upgrade project, which we had expected would start in 2025, has now been paused indefinitely following a ruling in the High Court.

Our teams have strong relationships with their customers and remained focused on local market dynamics, taking a considered approach to tendering. We retained a disciplined focus on our cost base and maintained Underlying EBITDA while expanding our Underlying EBITDA margin by 130bps to 17.0%.

United States

£m except where stated	**H1 2025**	**H1 2024**	**Change %**	**LFL %**
Revenue	**127.2**	53.0	140%	8%
Underlying EBITDA	**13.0**	10.2	27%	2%
Underlying EBITDA margin	***10.2%***	*19.2%*	*(900)bps*	*(100)bps*

In the US, Missouri had one of the coldest winters and wettest spring construction seasons on record. Therefore, while backlogs remained healthy, particularly in relation to infrastructure projects, site activity was disrupted.

During the period like-for-like aggregates volumes grew 3%, benefitting from crushing and conveyor investments made in 2024 to support new business wins on the I70 project. Like-for-like ready-mixed concrete volumes were broadly flat. Pricing in the US market remains positive leading to a constant currency like-for-like revenue increase of 8% H1 on H1.

Good cost control, combined with the benefits of price increases dropping through meant that constant currency like-for-like EBITDA increased by 2% despite continued investments that we have made into the BMC business to improve health, safety and wellbeing outcomes.

Reported Revenues and Underlying EBITDA have both increased materially, reflecting the acquisition of Lionmark together with a full six months of trading for BMC, offset by the weakening of the US dollar and the impact of weather.

The Underlying EBITDA margin in the division principally reflects the seasonality of our US businesses. BMC is typically loss making in January and February (which comprised the pre-acquisition period in 2024) and Lionmark turns profitable during the course of the second quarter each year. Provided adverse weather conditions do not repeat, we expect our US business will see further growth and margin expansion over the balance of the year.

Acquisition and integration of Lionmark

The acquisition of Lionmark in March established our leading position as a vertically-integrated construction materials supplier in Missouri. The addition of asphalt and surfacing to our US portfolio diversifies and rebalances our US end-market exposure towards infrastructure, bringing it more in line with the profile of the rest of the Group.

The integration of Lionmark is progressing well and is in line with plan. Health and safety teams have been combined, we have started to consolidate the footprint, and made early progress towards generating the committed 3m of synergies by the third full year of ownership.

Lionmark has traded in line with plan since acquisition and has a committed order book for the balance of the year.

Cement

£m except where stated	H1 2025	H1 2024	Change %
Revenue	**150.2**	156.9	(4)%
Underlying EBITDA	**36.5**	38.4	(5)%
Underlying EBITDA margin	***24.3%***	*24.5%*	*(20)bps*

Our cement business delivered a resilient performance in the first half. In Ireland the market was steady, underpinned by the robust economic backdrop in RoI and an active housebuilding market. Trading in GB reflected the challenges observed in the ready-mixed concrete market where volumes are at levels last seen in 1963. While pricing was broadly stable, volumes reduced by 3% and Revenue for the period was 4% lower than in H1 2024. Underlying EBITDA was slightly behind H1 2024 reflecting the lower volumes.

The teams completed two scheduled kiln maintenance shutdowns, within budget and continue to deliver industry leading levels of reliability at both plants. Sales of lower carbon CEM II cement improved to 46% of volumes (2024: 37%) as both Kinnegad and Hope substantially increased the production of lower clinker product. Alternative fuel usage remains a focus and in the first half we replaced 53% of fossil fuels with low carbon alternatives (2024: 48%), our highest substitution rate to date.

At Hope the new primary crusher was fully operational during the period and the ARM project has entered its dry testing phase ahead of full commissioning in the second half. At Kinnegad the solar farm is now supplying power and on certain days has produced sufficient output to run the cement plant entirely on solar energy. The new bagging plant commenced operation towards the end of the quarter and is expected to strengthen our position in bagged cement in the Irish market in the future.

Peak Cluster shareholder agreement

The Peak Cluster shareholder agreement was signed shortly after the period end; representing a significant step towards the ultimate goal of decarbonising 40% of the UK's cement and lime industry through carbon capture and storage. The agreement provides the financing for the planning of all aspects of the project, as well as the FEED design work for the pipeline, with a significant cornerstone equity investment of £28.6 million secured from the National Wealth Fund. In parallel, we will now commence FEED on the Hope cement works carbon capture plant. Across the Peak Cluster and Hope FEED projects, we expect to invest over £20m over the next three years in advance of a final investment decision.

FINANCE REVIEW

Revenue increased by 7% to £815.9m (H1 2024: £764.6m) driven by the acquisition of Lionmark. The first half benefitted from a full six months of trading from BMC (H1 2024 included four months) together with four months of trading from Lionmark. On a like-for-like basis, revenue decreased 3%, with lower volumes across all key product categories. This was due to challenging markets in GB, major project delays in Ireland and adverse US weather conditions. Pricing remained broadly stable supported by our teams demonstrating good commercial focus, particularly in the US.

Underlying EBITDA for the Group decreased by 3% to £115.0m (H1 2024: £118.1m) with the Group Underlying EBITDA margin at 14.1% (H1 2024: 15.4%). The like-for-like Underlying EBITDA margin decreased by 30 bps, reflecting operating leverage in GB and trading elsewhere, partially offset by disciplined decreased by 30 bps, reflecting operating leverage in GB and trading elsewhere, partially offset by disciplined cost management.

On a statutory basis, Group profit from operations reduced by £8.2m to £48.7m (H1 2024: £56.9m) driven by trading performance and increased interest costs.

Non-underlying items

Non-underlying items totalling £14.0m (H1 2024: £14.7m) were recorded during the period principally comprising £5.0m of acquisition-related expenses together with £9.0m amortisation of acquired intangibles.

Interest

Net interest costs in the period were £13.8m (H1 2024: £10.4m). The increase reflects the group's higher levels of net debt following the lionmark acquisition.

Taxation

The Group's underlying effective tax rate for H1 2025 is 20.9% (H1 2024: 22.4%), and the associated tax charge for the period is £7.4m (H1 2024: £12.4m).

Earnings per share

Adjusted Underlying Basic EPS for the period fell to 11.2p (H1 2024: 13.9p) reflecting lower profitability together with increased interest charges. Statutory Basic EPS was 8.0p (H1 2024: 10.0p).

Statement of financial position and ROIC

Net assets at 30 June 2025 were £1,149.4m (H1 2024: £1,120.7m).

We have completed an initial exercise to assess the provisional fair value of assets acquired and liabilities assumed through the acquisitions completed in the first half of 2025. In aggregate, Goodwill of £27.9m has been recognised which equates to c.16% of the equity value of the acquired businesses.

Post-tax ROIC of 7.8% (H1 2024: 8.8%) reflects short term dilution from the Lionmark acquisition and the impact of lower profitability in the period.

Free cash flow

£m	H1 2025	H1 2024
Underlying EBITDA	**115.0**	118.1
Working capital	**(80.5)**	(63.7)
Net interest	**(11.8)**	(8.5)
Income taxes paid	**(7.1)**	(15.2)
Net capital expenditure (excluding major capital projects)*	**(41.9)**	(37.3)
Other	**1.3**	0.6
Free cash flow	**(25.0)**	(6.0)
Acquisitions	**(183.2)**	(248.7)
Dividends paid	**(35.1)**	(32.6)
Major capital projects*	**(2.5)**	(3.6)
Other	**3.0**	(11.5)
Increase in net debt	**(242.8)**	(302.4)

* Major capital projects undertaken in the relevant period include the ARM installation and Primary Crusher projects at Hope and the Solar Farm at Kinnegad. For consistency of presentation, net capital expenditure in the prior period has been adjusted to exclude the impact of major capital projects.

The Group's free cash flow in the period was an outflow of £25.0m (H1 2024: adjusted outflow of £6.0m). This includes the expected seasonal working capital expansion, which is slightly larger than in recent years, reflecting the nature of the Lionmark business. Net interest costs increased to service the additional debt, offset by reduced taxes paid.

The primary driver for the increase in Net Debt is the incremental borrowings taken on by the Group to fund the acquisition of Lionmark.

Net debt and Covenant Leverage

Net Debt at 30 June 2025 was £648.1m (H1 2024: £472.3m) and Covenant Leverage increased to 2.2x (H1 2024: 1.6x) reflecting the Lionmark acquisition and the peak of our in-year working capital cycle. Covenant Leverage is expected to reduce over the second half as working capital unwinds.

Borrowing facilities

Since the period end we have extended our £400m Revolving Credit Facility by 12 months to July 2029. An arrangement fee of £0.7m was incurred in connection with the extension and will be amortised over the remaining term of the facility.

We issued a further £79m of USPP loan notes in the period taking our total issuance outstanding under the programme to £329m. These loan notes provide long-term financing at low fixed rates of interest with an average coupon of between 2% and 4%. Repayment dates for the USPP range 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 period.

Dividend

Reflecting our confidence in the Group's future prospects we have announced an increased interim dividend of 4.75p per share (H1 2024: 4.50p per share). This represents a 6% increase compared with H1 2024 and equates to a dividend payout ratio of 42%, in line with the full year and slightly ahead of our financial framework target of 40%. The cash cost of the interim dividend will be c. £17m (H1 2024: £16m).

The dividend will be paid on 7 November 2025 to shareholders who are on the Register of Members at the close of business on 3 October 2025. The ex-dividend date is 2 October 2025. The latest date for registering for the Company's DRIP is 17 October 2025 and further details of how to join the DRIP are available on the Company's website.

Organisation restructure

With effect from 1 July 2025, the Group changed from a divisional management structure (GB, Ireland, Cement and US) to a Country-based management structure (GB, Ireland and US).

Following the requirements of IFRS 8 - *Operating Segments*, our half year results are presented in the existing divisional structure reflecting how the business was managed and reported upon during the period. Our full year results will reflect the new Country-based structure and will include disclosure reconciliations where applicable. We plan to publish historical segmental information under the new structure before the year end.

2025 updated technical guidance

Full year Underlying EBITDA is now expected to be at the low end of the current range of market expectations[8].

- Depreciation: c.£115m
- Net interest expense: £32m to £35m
- Group Tax rate: 22% to 23%
- NIC and Minimum Wage: c.£5m full year impact
- Indicative phasing

	Revenue	Underlying EBITDA
Group	45:55	40:60
US	35:65	25:75

- Total capital expenditure: £125m to £135m
- Full year working Capital Outflow: £20m to £30m
- Cash interest payment: c.£33m
- 2025 cash cost of dividends: c.£52m
- Cash cost of non-underlying items; £10m to £15m for the full year including Lionmark integration costs and Peak Cluster contributions

RISK

The Group's principal risks that might adversely impact the Group in the remaining six months of the current financial year 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 area set out on pages 48-66 of the Group's Annual Report for the year ended 31 December 2024.

The Board has undertaken a risk review in the period to 30 June 2025, which included specific consideration of any changes to the Group's risk profile arising from the acquisition of Lionmark and from the challenging market conditions experienced in the first half of 2025.

The nature of the Group's principal risks are described in the 2024 Annual Report and the associated risk ratings have not changed as a result of this assessment. The Board continues to manage these risks and to mitigate their expected impact.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that, to the best of their knowledge:

- the condensed consolidated half-year financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the UK
- the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated half-year financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

The Directors of Breedon Group plc are listed in the Group's 2024 Annual Report on pages 102-103.

Since the publication of the 2024 Annual Report, there have been no changes to the composition of the Board.

Rob Wood
Chief Executive Officer

James Brotherton
Chief Financial Officer

23 July 2025

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June 2025			Six months ended 30 June 2024			Year ended 31 December 2024		
	Underlying*	**Non-underlying (note 5)**	**Total**	Underlying*	Non-underlying (note 5)	Total	Underlying*	Non-underlying (note 5)	Total
	£m	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Revenue	**815.9**	**-**	**815.9**	764.6	-	764.6	1,576.3	-	1,576.3
Operating expenses	**(755.3)**	**(14.0)**	**(769.3)**	(694.5)	(14.7)	(709.2)	(1,406.1)	(24.1)	(1,430.2)
Group operating									

Group operating profit	**60.6**	**(14.0)**	**46.6**	70.1	(14.7)	55.4	170.2	(24.1)	146.1
Share of profit of associate and joint ventures	**2.1**	**-**	**2.1**	1.5	-	1.5	3.5	-	3.5
Profit from operations	**62.7**	**(14.0)**	**48.7**	71.6	(14.7)	56.9	173.7	(24.1)	149.6
Financial income	**0.2**	**-**	**0.2**	1.0	-	1.0	1.2	-	1.2
Financial expense	**(14.0)**	**-**	**(14.0)**	(11.4)	-	(11.4)	(24.1)	(1.3)	(25.4)
Profit before taxation	**48.9**	**(14.0)**	**34.9**	61.2	(14.7)	46.5	150.8	(25.4)	125.4
Taxation	**(10.2)**	**2.8**	**(7.4)**	(13.7)	1.3	(12.4)	(32.7)	3.6	(29.1)
Profit for the period	**38.7**	**(11.2)**	**27.5**	47.5	(13.4)	34.1	118.1	(21.8)	96.3
Attributable to:									
Breedon Group shareholders	**38.7**	**(11.2)**	**27.5**	47.5	(13.4)	34.1	118.0	(21.8)	96.2
Non-controlling interests	**-**	**-**	**-**	-	-	-	0.1	-	0.1
Profit for the period	**38.7**	**(11.2)**	**27.5**	47.5	(13.4)	34.1	118.1	(21.8)	96.3

* Underlying results are stated before acquisition-related expenses, property gains and losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fees (where applicable) and related tax items.

Earnings per share			
Basic	**8.0p**	10.0p	28.1p
Diluted	**8.0p**	10.0p	28.0p

Underlying earnings per share are shown in note 9.

Dividends in respect of the period			
Dividend per share	**4.75p**	4.50p	14.50p

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Profit for the period	**27.5**	34.1	96.3
Other comprehensive income/(expense)			
Items which may be reclassified subsequently to profit and loss:			
Foreign exchange differences on translation of foreign operations, net of hedging	**(22.9)**	(5.7)	(6.0)
Effective portion of changes in fair value of cash flow hedges	**(3.8)**	(0.5)	0.8
Taxation on items taken directly to other comprehensive income	**-**	-	-
Other comprehensive expense for the period	**(26.7)**	(6.2)	(5.2)
Total comprehensive income for the period	**0.8**	27.9	91.1
Total comprehensive income for the period is attributable to:			
Breedon Group shareholders	**0.8**	27.9	91.0
Non-controlling interests	**-**	-	0.1
	0.8	27.9	91.1

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2025

	30 June 2025 £m	30 June 2024 Restated* £m	31 December 2024 £m
Non-current assets			
Property, plant and equipment	**974.9**	897.4	939.1
Right-of-use assets	**46.0**	47.2	46.5
Intangible assets	**800.0**	687.5	686.3
Investment in associate and joint ventures	**16.4**	15.6	15.0
Trade and other receivables	**-**	1.1	-
Total non-current assets	**1,837.3**	1,648.8	1,686.9
Current assets			
Inventories	**143.5**	126.0	135.7
Trade and other receivables	**353.3**	345.0	261.0
Current tax receivable	**-**	-	1.5
Cash and cash equivalents	**20.8**	30.3	28.9
Total current assets	**517.6**	501.3	427.1
Total assets	**2,354.9**	2,150.1	2,114.0
Current liabilities			
Interest-bearing loans and borrowings	**(8.1)**	(8.4)	(8.7)
Trade and other payables	**(311.6)**	(312.8)	(283.6)
Current tax payable	**(4.6)**	(0.4)	-
Provisions	**(28.8)**	(29.1)	(30.0)
Total current liabilities	**(353.1)**	(350.7)	(322.3)
Non-current liabilities			
Interest-bearing loans and borrowings	**(660.8)**	(494.2)	(425.5)
Provisions	**(92.9)**	(89.6)	(91.4)
Deferred tax liabilities	**(98.7)**	(94.9)	(104.2)
Total non-current liabilities	**(852.4)**	(678.7)	(621.1)
Total liabilities	**(1,205.5)**	(1,029.4)	(943.4)
Net assets	**1,149.4**	1,120.7	1,170.6
Equity attributable to Breedon Group shareholders			
Share capital	**3.5**	3.4	3.4
Share premium	**5.0**	1.6	2.0
Hedging reserve	**(3.5)**	(1.0)	0.3
Translation reserve	**(32.6)**	(9.4)	(9.7)
Merger reserve	**100.7**	92.7	92.7
Retained earnings	**1,076.0**	1,033.1	1,081.5
Total equity attributable to Breedon Group shareholders	**1,149.1**	1,120.4	1,170.2
Non-controlling interests	**0.3**	0.3	0.4
Total equity	**1,149.4**	1,120.7	1,170.6

*Restated for review of prior year acquisition accounting during the IFRS 3 hindsight period. See note 14 for further details.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025

For the six months ended 30 June 2025

	Share capital	Share premium	Hedging reserve	Translation reserve	Merger reserve	Retained earnings	Attributa to Bree G

	capital	premium	reserve	reserve	reserve	earnings	sharehol
	£m	£m	£m	£m	£m	£m	
Balance at 31 December 2024	3.4	2.0	0.3	(9.7)	92.7	1,081.5	1,
Shares issued	0.1	3.0	-	-	8.0	-	
Dividends paid	-	-	-	-	-	(35.1)	(
Total comprehensive income for the period	-	-	(3.8)	(22.9)	-	27.5	
Share-based payments[1]	-	-	-	-	-	2.1	
Balance at 30 June 2025	**3.5**	**5.0**	**(3.5)**	**(32.6)**	**100.7**	**1,076.0**	**1,**

For the six months ended 30 June 2024

Restated*	Share capital	Share premium	Hedging reserve	Translation reserve	Merger reserve	Retained earnings	Attributable t Breedo Grou shareholder
	£m	£m	£m	£m	£m	£m	£r
Balance at 31 December 2023	3.4	0.7	(0.5)	(3.7)	80.5	1,030.0	1,110
Shares issued	-	0.9	-	-	12.2	-	13
Dividends paid	-	-	-	-	-	(32.6)	(32.
Total comprehensive income for the period	-	-	(0.5)	(5.7)	-	34.1	27
Share-based payments[1]	-	-	-	-	-	1.6	1
Balance at 30 June 2024	3.4	1.6	(1.0)	(9.4)	92.7	1,033.1	1,120

*Restated for review of prior year acquisition accounting during the IFRS 3 hindsight period. See note 14 for further details.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(CONTINUED)*
FOR THE SIX MONTHS ENDED 30 JUNE 2025

For the year ended 31 December 2024

	Share capital	Share premium	Hedging reserve	Translation reserve	Merger reserve	Ret ear
	£m	£m	£m	£m	£m	
Balance at 31 December 2023	3.4	0.7	(0.5)	(3.7)	80.5	1
Shares issued	-	1.3	-	-	12.2	
Transfer to non-controlling interest	-	-	-	-	-	
Dividends paid	-	-	-	-	-	
Total comprehensive income for the period	-	-	0.8	(6.0)	-	
Share-based payments[1]	-	-	-	-	-	
Balance at 31 December 2024	3.4	2.0	0.3	(9.7)	92.7	1

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended	Six months ended	Year ended

	ended 30 June 2025 £m	ended 30 June 2024 £m	ended 31 December 2024 £m
Cash flows from operating activities			
Profit for the period	**27.5**	34.1	96.3
Adjustments for:			
Depreciation and mineral depletion	**54.4**	48.0	99.7
Amortisation	**9.0**	5.7	12.5
Financial income	**(0.2)**	(1.0)	(1.2)
Financial expense	**14.0**	11.4	25.4
Share of profit of associate and joint ventures	**(2.1)**	(1.5)	(3.5)
Net gain on sale of property, plant and equipment	**(1.9)**	(1.3)	(1.7)
Share-based payments	**2.1**	1.6	3.3
Taxation	**7.4**	12.4	29.1
Operating cash flow before changes in working capital and provisions	**110.2**	109.4	259.9
(Increase)/decrease in inventories	**(3.5)**	1.0	(8.4)
(Increase)/decrease in trade and other receivables	**(88.9)**	(74.2)	10.5
Increase/(decrease) in trade and other payables	**13.3**	9.0	(15.6)
(Decrease)/increase in provisions	**(1.4)**	0.5	(3.1)
Cash generated from operating activities	**29.7**	45.7	243.3
Interest paid	**(10.6)**	(8.1)	(15.9)
Interest element of lease payments	**(1.4)**	(1.4)	(2.9)
Interest received	**0.2**	1.0	1.2
Income taxes paid	**(7.1)**	(15.2)	(24.0)
Net cash from operating activities	**10.8**	22.0	201.7
Cash flows used in investing activities			
Acquisition of businesses	**(159.1)**	(160.9)	(173.6)
Dividends from associate and joint ventures	**1.1**	0.3	3.0
Purchase of property, plant and equipment	**(47.7)**	(44.1)	(131.3)
Proceeds from sale of property, plant and equipment	**3.3**	3.2	5.7
Net cash used in investing activities	**(202.4)**	(201.5)	(296.2)
Cash flows used in financing activities			
Dividends paid	**(35.1)**	(32.6)	(48.3)
Proceeds from the issue of shares (net of costs)	**0.8**	1.0	1.3
Proceeds from interest-bearing loans (net of costs)	**323.6**	205.8	357.4
Repayment of interest-bearing loans	**(100.9)**	(86.7)	(304.0)
Repayment of lease obligations	**(4.5)**	(4.7)	(9.4)
Net cash from/(used in) financing activities	**183.9**	82.8	(3.0)
Net decrease in cash and cash equivalents	**(7.7)**	(96.7)	(97.5)
Cash and cash equivalents at beginning of period	**28.9**	126.9	126.9
Foreign exchange differences	**(0.4)**	0.1	(0.5)
Cash and cash equivalents at end of period	**20.8**	30.3	28.9

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

Breedon Group plc (the "Company") is a company domiciled in England. These Condensed Consolidated Interim Financial Statements (the "Interim Financial Statements") consolidate the results of the Company and its subsidiary undertakings (collectively the "Group").

These Interim Financial Statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting*, as adopted by the UK. The Interim Financial Statements have been prepared under the historical cost convention except where the measurement of balances at fair value is required. The Interim Financial Statements have been prepared applying the accounting policies and presentation that were applied in the Consolidated Financial Statements for the year ended 31 December 2024.

These Interim Financial Statements have not been audited or reviewed by auditors pursuant to the Auditing Practices Board's guidance on the review of interim financial information. These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the full Annual Report for the year ended 31 December 2024.

The comparative figures for the financial year ended 31 December 2024 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

The Group has adopted the following standard from 1 January 2025:

- Amendments to IAS 21 - *The effects of changes in foreign exchange rates - Lack of exchangeability*

The adoption of this amendment has not had a material impact on the Interim Financial Statements.

Exchange rates

The following exchange rates have been used in the preparation of the Interim Financial Statements:

		Six months ended 30 June 2025		Six months ended 30 June 2024		Year ended 31 December 2024
Currency	**Period end**	**Average**	Period end	Average	Period end	Average
Sterling/Euro	1.17	1.19	1.18	1.17	1.21	1.18
Sterling/US dollar	1.37	1.30	1.26	1.26	1.26	1.29

2 Going concern

These Interim Financial Statements are prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The Group has access to capital to meet its day-to-day working capital and other funding requirements through committed banking facilities, which include an overdraft facility. Longer term debt financing is accessed through the Group's USPP loan note programme.

The Group's committed facilities at 30 June 2025 comprised a £400m multi-currency RCF to July 2028 (extended since the period end to July 2029) and £329m of USPP loan notes with maturities between 2028 and 2036. Further details of these facilities are provided in note 8 to these Interim Financial Statements.

2 Going concern *(continued)*

The Group comfortably met all covenants and other terms of its borrowing agreements in the period, and maintained its track record of profitability, with an overall profit before taxation for the period of £34.9m. The Group has prepared cash flow forecasts for a period of more than 12 months from the date of signing these Interim Financial Statements, which show a sustained trend of profitability and cash generation. At 30 June 2025, the Group had cash of £20.8m and undrawn banking facilities of over £105m which it is expected will provide sufficient liquidity for the Group to discharge its liabilities as they fall due and retain covenant headroom, even under a 'severe but plausible' downside scenario of forecast cash flows.

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 financial statements and therefore have prepared the Interim Financial Statements on a going concern basis.

3 Accounting estimates and judgements

In preparing these Interim Financial Statements, management have been required to make assumptions, estimates and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expense. Actual results may differ from estimates.

Note 11 contains information relating to the acquisition of Lionmark Construction Companies LLC ("Lionmark") where significant estimates have been applied in determining the fair value of the acquired intangible assets. The Group has engaged a third party expert to calculate the value of the asset and mitigate estimation risk.

There have been no further material judgements or key sources of estimation uncertainty compared to those applicable to the Consolidated Financial Statements for the year ended 31 December 2024 as set out in note 26 of the Annual Report for that year.

4 Segmental analysis

The principal activities of the Group are the quarrying of aggregates and manufacture and sale of construction materials and building products, including cement, asphalt and ready-mixed concrete, together with related activities in Great Britain, Ireland and the United States. The Group's activities comprise the following reportable segments:

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

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

United States: our construction materials and surfacing businesses in the United States.

Cement: our cementitious operations in Great Britain and Ireland.

With effect from 1 July 2025, the Group will change from a Divisional management structure (GB, Ireland, Cement and United States) to a Country-based management structure (GB, Ireland and United States).

Following the requirements of IFRS 8 - *Operating Segments*, our half year results are presented in the existing Divisional structure reflecting how the business was managed and reported upon during that period. Our full year results will reflect the new Country-based structure and will include disclosure reconciliations where applicable.

	Six months ended 30 June 2025		Six months ended 30 June 2024		Year ended 31 December 2024	
Income statement	**Revenue £m**	**Underlying EBITDA* £m**	Revenue £m	Underlying EBITDA* £m	Revenue £m	Underlying EBITDA* £m
Great Britain	**480.7**	**56.4**	492.4	61.6	997.4	131.9
Ireland	**103.0**	**17.5**	111.2	17.5	233.4	41.5
United States	**127.2**	**13.0**	53.0	10.2	132.5	24.8
Cement	**150.2**	**36.5**	156.9	38.4	309.2	88.2
Central administration	**-**	**(8.4)**	-	(9.6)	-	(16.5)
Eliminations	**(45.2)**	**-**	(48.9)	-	(96.2)	-
Group	**815.9**	**115.0**	764.6	118.1	1,576.3	269.9

Reconciliation to statutory profit

Underlying EBITDA as above	**115.0**	118.1	269.9
Depreciation and mineral depletion	**(54.4)**	(48.0)	(99.7)
Underlying Group operating profit	**60.6**	70.1	170.2
Share of profit of associate and joint ventures	**2.1**	1.5	3.5
Underlying profit from operations (EBIT)	**62.7**	71.6	173.7
Non-underlying items (note 5)	**(14.0)**	(14.7)	(24.1)
Profit from operations	**48.7**	56.9	149.6

*Underlying EBITDA is earnings before interest, tax, depreciation and mineral depletion, amortisation, non-underlying items (note 5) and before our share of profit from associate and joint ventures. Underlying EBITDA margin is calculated by dividing Underlying EBITDA by revenue.

4 Segmental analysis (continued)

Disaggregation of revenue from contracts with customers

Analysis of revenue by major products and service lines by segment

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Sale of goods			
Great Britain	**384.4**	397.6	797.9
Ireland	**50.8**	51.5	106.9
United States	**69.6**	53.0	132.5
Cement	**150.2**	156.9	309.2
Eliminations	**(45.2)**	(48.9)	(96.2)
	609.8	610.1	1,250.3
Surfacing			
Great Britain	**96.3**	94.8	199.5
Ireland	**52.2**	59.7	126.5
United States	**57.6**	-	-
	206.1	154.5	326.0
Total	**815.9**	764.6	1,576.3

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

	30 June 2025		30 June 2024 Restated*		31 December 2024	
	Total assets £m	**Total liabilities £m**	Total assets £m	Total liabilities £m	Total assets £m	Total liabilities £m
Great Britain	**958.8**	**(243.8)**	981.6	(255.8)	940.7	(233.8)
Ireland	**303.1**	**(44.4)**	298.2	(44.1)	269.4	(38.1)
United States	**480.0**	**(50.4)**	292.4	(34.0)	303.5	(32.7)
Cement	**586.6**	**(66.2)**	542.8	(66.2)	567.0	(75.9)
Central administration	**5.6**	**(28.5)**	4.8	(31.4)	3.0	(24.5)
Total operations	**2,334.1**	**(433.3)**	2,119.8	(431.5)	2,083.6	(405.0)
Current tax	**-**	**(4.6)**	-	(0.4)	1.5	-
Deferred tax	**-**	**(98.7)**	-	(94.9)	-	(104.2)
Net Debt	**20.8**	**(668.9)**	30.3	(502.6)	28.9	(434.2)
Total Group	**2,354.9**	**(1,205.5)**	2,150.1	(1,029.4)	2,114.0	(943.4)
Net assets		**1,149.4**		1,120.7		1,170.6

*Restated for review of prior year acquisition accounting during the IFRS 3 hindsight period. See note 14 for further details.

4 Segmental analysis (continued)

Geographic location of non-current assets

	30 June 2025 £m	Restated* 30 June 2024 £m	Restated** 31 December 2024 £m
United Kingdom	**1,104.7**	1,095.0	1,116.5
Republic of Ireland	**335.1**	311.8	313.8
United States	**397.5**	242.0	256.6
	1,837.3	1,648.8	1,686.9

*Restated for review of prior year acquisition accounting during the IFRS 3 hindsight period. See note 14 for further details.

**We have restated the divisional breakdown of the geographic location of non-current assets for the year ended 31 December 2024. The impact is that non-current assets in the Republic of Ireland have reduced by £48.5m and United Kingdom assets have increased by the same amount.

5 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.

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Included in operating expenses:			
Acquisition-related expenses (note 11)	**5.0**	9.0	10.2
(Gain)/loss on disposal of property	**(1.4)**	-	0.1
Redundancy, reorganisation and other costs	**1.4**	-	1.3

Amortisation of acquired intangible assets	9.0	5.7	12.5
Total non-underlying items (before interest and tax)	14.0	14.7	24.1
Non-underlying interest	-	-	1.3
Non-underlying taxation	(2.8)	(1.3)	(3.6)
Total non-underlying items (after interest and tax)	11.2	13.4	21.8

6 Operating expenses

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Costs of raw materials purchased	172.2	152.4	306.8
Employee costs	141.6	119.8	246.6
Depreciation and mineral depletion	54.4	48.0	99.7
Gain on sale of plant and equipment	(0.5)	(1.3)	(1.8)
Other operating expenses	387.6	375.6	754.8
Underlying operating expenses	755.3	694.5	1,406.1
Non-underlying operating expenses	14.0	14.7	24.1
Operating expenses	769.3	709.2	1,430.2

7 Taxation

The underlying tax charge at the effective rate for the six months ended 30 June 2025 is 20.9%.

8 Interest-bearing loans and borrowings

Net Debt

	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
Cash and cash equivalents	20.8	30.3	28.9
Current borrowings	(8.1)	(8.4)	(8.7)
Non-current borrowings	(660.8)	(494.2)	(425.5)
Net Debt (including IFRS 16 lease liabilities)	(648.1)	(472.3)	(405.3)
IFRS 16 lease liabilities	47.0	49.8	48.7
Net Debt (excluding IFRS 16 lease liabilities)	(601.1)	(422.5)	(356.6)

Analysis of borrowings between current and non-current

	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
IFRS 16 lease liabilities	8.1	8.4	8.7
Current borrowings	8.1	8.4	8.7
Bank and USPP debt	621.9	452.8	385.5
IFRS 16 lease liabilities	38.9	41.4	40.0
Non-current borrowings	660.8	494.2	425.5

Facilities

The Group's borrowing facilities at 30 June 2025 comprised a £400m multi-currency RCF and a £329m USPP.

Interest on the RCF was 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 1.6% and 1.8%.

8 Interest-bearing loans and borrowings *(continued)*

Shortly after the period end, we extended the tenure on our RCF by 12 months to July 2029.

The USPP comprises c.£250m of loan notes issued in 2021, and £79m issued in 2025. These provide long-term financing at low fixed interest rates with an average fixed coupon rate of between 2% and 4%. Repayment dates range between 2028 and 2036.

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 period.

9 Earnings per share

	30 June 2025 pence	30 June 2024 pence	31 December 2024 pence
Adjusted Underlying Basic EPS	**11.2**	13.9	34.4
Statutory Basic EPS	**8.0**	10.0	28.1
Adjusted Underlying Diluted EPS	**11.2**	13.9	34.3
Statutory Diluted EPS	**8.0**	10.0	28.0

Adjusted Underlying EPS metrics are calculated based on Underlying profit for the period attributable to Breedon Group shareholders, as extracted from the condensed consolidated income statement, divided by the relevant number of the weighted average shares in issue in the period.

Statutory EPS metrics are based on the profit for the period attributable to Breedon Group shareholders, as extracted from the condensed consolidated income statement, divided by the relevant number of the weighted average shares in issue in the period.

Weighted average shares in issue

	30 June 2025 millions	30 June 2024 millions	31 December 2024 millions
Basic weighted average shares in issue	**345.2**	341.9	342.8
Diluted weighted average shares in issue	**345.4**	342.2	343.7

10 Related party transactions

The Group has continued to supply services and materials to, and purchased services and materials from, its associate and joint ventures on an arms length basis. The nature of these related party transactions is consistent with those disclosed in the Annual Report for the year ended 31 December 2024.

11 Acquisitions

Acquisition of Lionmark

On 5 March 2025 the Group acquired Lionmark, a construction materials and surfacing business headquartered in St Louis, Missouri. Consideration payable comprised US 202.6m in cash and US 13.2m through the issue of newly created shares in Breedon Group plc.

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	114.0
Property, plant and equipment	40.7
Investments	0.7
Inventories	4.6
Trade and other receivables	9.6
Cash and cash equivalents	2.7
Trade and other payables	(8.0)
Provisions	(0.3)
Borrowings	(17.1)

Borrowings	[illegible]
Deferred tax	(0.3)
Total acquired net assets	**146.6**
Cash consideration	159.5
Equity consideration	10.4
Total consideration payable	**169.9**
Goodwill arising	**23.3**

Consideration

Equity consideration comprises 2,146,402 ordinary shares issued to the vendor, valued based on the market price of those shares at the date of acquisition.

Fair value adjustments

The provisional fair values stated are inclusive of adjustments to:

- recognise intangible assets, including the value of acquired customer relationships, customer order book and non-compete agreements. The value of these assets were assessed with the support of a third party corporate specialist;
- 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.

11 Acquisitions (continued)

Other current year acquisitions

The directors consider the remaining acquisitions completed in the period to be individually immaterial, but material in aggregate.

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

	Provisional fair value on acquisition £m
Intangible assets	0.5
Property, plant and equipment	5.6
Inventories	0.1
Trade and other receivable	0.7
Cash and cash equivalents	0.2
Trade and other payables	(2.3)
Borrowings	(4.1)
Deferred tax liabilities	(0.3)
Total acquired net assets	**0.4**
Cash consideration	2.4
Deferred consideration	2.6
Total consideration payable	**5.0**
Goodwill arising	**4.6**

Fair value adjustments

There were no material fair value adjustments. The goodwill arising represents expected synergies, the potential for future growth, and the skills of the existing workforce. Goodwill is not deductible for tax purposes.

11 Acquisitions *(continued)*

Impact of current year acquisitions

Income statement

During the period, the combined acquisitions contributed revenues of £58.6m, Underlying EBITDA of £5.9m and profit before tax of £3.4m to the Group. If these acquisitions had occurred on 1 January 2025, the results of the Group for the six months ended 30 June 2025 would have shown revenue of £823.9m, Underlying EBITDA of £109.1m and profit before tax of £27.5m.

Acquisition costs

The Group incurred acquisition-related costs of £5.0m in the period, primarily relating to external professional fees. These have been presented as non-underlying operating expenses (note 5).

Cash flow

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

	£m
Consideration - cash	162.0
Cash and cash equivalents acquired	(2.9)
Net cash consideration shown in the condensed consolidated statement of cash flows	**159.1**

12 Share capital

	millions
Issued ordinary shares	
31 December 2023	339.7
Exercise of savings-related share options	0.4
Vesting of Performance Share Plan awards	0.3
Issued on acquisition of BMC	3.2
30 June 2024	343.6
Exercise of savings-related share options	0.1
31 December 2024	343.7
Exercise of savings-related share options	**0.2**
Vesting of Performance Share Plan awards	**0.5**
Issued on acquisition of Lionmark (note 11)	**2.1**
30 June 2025	**346.5**

13 Reconciliation to non-GAAP measures

A number of non-GAAP performance measures are used throughout this Interim Report and these Interim Financial Statements. This note provides a reconciliation from these alternative performance measures to the most directly related statutory measures.

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.

Free cash flow

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Net cash from operating activities	**10.8**	22.0	201.7
Net cash used in investing activities	**(202.4)**	(201.5)	(296.2)
Cash impact of major capital projects*	**2.5**	3.6	23.4
Acquisition of businesses	**159.1**	160.9	173.6
Cash impact of non-underlying items	**5.0**	9.0	11.6
Free cash flow	**(25.0)**	(6.0)	114.1

Free cash flow	[illegible]	[illegible]	[illegible]

* Major capital projects undertaken in the relevant period include the ARM and primary crusher projects at Hope and the solar farm at Kinnegad. For consistency of presentation, net capital expenditure in the prior period has been adjusted to exclude the impact of major capital projects.

Return on invested capital

	Twelve months ended 30 June 2025 £m	Twelve months ended 30 June 2024 £m	Year ended 31 December 2024 £m
H2 2023 Underlying EBIT		85.7	-
H1 2024 Underlying EBIT		71.6	71.6
H2 2024 Underlying EBIT	**102.1**	-	102.1
H1 2025 Underlying EBIT	**62.7**	-	-
LTM Underlying EBIT	**164.8**	157.3	173.7
Underlying effective tax rate	**20.9%**	22.4%	21.7%
Taxation at the Group's underlying effective rate	**(34.4)**	(35.2)	(37.7)
Underlying earnings before interest	**130.4**	122.1	136.0
Net assets	**1,149.4**	1,120.7	1,170.6
Net Debt (note 8)	**648.1**	472.3	405.3
Invested capital	**1,797.5**	1,593.0	1,575.9
Average invested capital[1]	**1,695.3**	1,436.8	1,428.3
Adjustment for timing of significant acquisition[2]	**(31.7)**	(41.7)	83.3
Adjusted average invested capital	**1,663.6**	1,395.1	1,511.6
Return on invested capital[3]	**7.8%**	8.8%	9.0%

1 Average invested capital is calculated by taking the average of the opening invested capital at the start of the period and the closing invested capital at the reporting date. Opening invested capital at 30 June 2023 was £1,280.5m and at 1 January 2024 was £1,280.6m.

2 In the current period, an 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 Lionmark which completed on 5 March 2025 (see note 11). In the periods ended 30 June and 31 December 2024, this adjustment relates to the acquisition of BMC which completed on 6 March 2024.

3 Return on invested capital is calculated as Underlying earnings before interest for the previous twelve months, divided by Adjusted average invested capital for the period.

13 Reconciliation to non-GAAP measures *(continued)*

Covenant Leverage

	Twelve months ended 30 June 2025 £m	Twelve months ended 30 June 2024 £m	Year ended 31 December 2024 £m
As reported			
H2 2023 Underlying EBITDA	**-**	130.0	-
H1 2024 Underlying EBITDA	**-**	118.1	118.1
H2 2024 Underlying EBITDA	**151.8**	-	151.8
H1 2025 Underlying EBITDA	**115.0**	-	-
LTM Underlying EBITDA	**266.8**	248.1	269.9
Impact of IFRS 16	**(10.7)**	(10.8)	(11.0)
Pro-forma adjustments for acquisitions	**14.9**	22.1	-
Underlying EBITDA for covenants	**271.0**	259.4	258.9
Net Debt (excluding IFRS 16 lease liabilities)	**601.1**	422.5	356.6
Covenant Leverage	**2.2x**	1.6x	1.4x

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 debt. 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.

14 Restatement of 30 June 2024 Condensed Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position at 30 June 2024 has been restated for the following:

1) Finalisation of provisional fair values of the assets and liabilities recognised in respect of the BMC

acquisition in 2024, following a review during the IFRS 3 hindsight period which was completed in the second half of 2024.

2) Classification of £12.2m from the Share Premium Account to the Merger Reserve.

Both changes were disclosed in the Company's Consolidated Financial Statements for the year ended 31 December 2024, which were audited.

The change does not impact the Consolidated Income Statement or the Consolidated Statement of Cash Flows. The changes made impact the following areas of the Condensed Consolidated Statement of Financial Position:

14 Restatement of 30 June 2024 Condensed Consolidated Statement of Financial Position *(continued)*

	30 June 2024 Previously reported £m	30 June 2024 Adjustments £m	30 June 2024 Restated £m
Non-current assets			
Property, plant and equipment	896.8	0.6	897.4
Right-of-use assets	47.2	-	47.2
Intangible assets	681.9	5.6	687.5
Investment in associate and joint ventures	15.6	-	15.6
Trade and other receivables	1.1	-	1.1
Total non-current assets	1,642.6	6.2	1,648.8
Current assets			
Inventories	126.7	(0.7)	126.0
Trade and other receivables	344.5	0.5	345.0
Current tax receivable	-	-	-
Cash and cash equivalents	30.3	-	30.3
Total current assets	501.5	(0.2)	501.3
Total assets	2,144.1	6.0	2,150.1
Current liabilities			
Interest-bearing loans and borrowings	(8.4)	-	(8.4)
Trade and other payables	(330.3)	17.5	(312.8)
Current tax payable	(0.4)	-	(0.4)
Provisions	(10.1)	(19.0)	(29.1)
Total current liabilities	(349.2)	(1.5)	(350.7)
Non-current liabilities			
Interest-bearing loans and borrowings	(494.2)	-	(494.2)
Provisions	(89.6)	-	(89.6)
Deferred tax liabilities	(90.4)	(4.5)	(94.9)
Total non-current liabilities	(674.2)	(4.5)	(678.7)
Total liabilities	(1,023.4)	(6.0)	(1,029.4)
Net assets	1,120.7	-	1,120.7
Equity attributable to Breedon Group shareholders			
Share capital	3.4	-	3.4
Share premium	13.8	(12.2)	1.6
Hedging reserve	(1.0)	-	(1.0)
Translation reserve	(9.4)	-	(9.4)
Merger reserve	80.5	12.2	92.7
Retained earnings	1,033.1	-	1,033.1
Total equity attributable to Breedon Group shareholders	1,120.4	-	1,120.4
Non-controlling interests	0.3	-	0.3
Total equity	1,120.7	-	1,120.7

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
CEM II	CEM II 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 principally 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
FEED	Front-end engineering and design
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
LFL	Like-for-like
Like-for-like	Like-for-like reflects reported values adjusted for the impact of acquisitions, disposals and material currency fluctuations. Currency fluctuations are calculated on a constant currency basis by applying the average exchange rate for the prior period to the current year local currency amount
Lionmark	Lionmark Construction Companies LLC
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
SONIA	Sterling Overnight Index Average
UK	United Kingdom (GB and NI)
Underlying	Underlying results are stated before acquisition-related expenses, property gains and losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fees (where applicable) and related tax items. References to an Underlying profit measure throughout this announcement are defined on this basis.
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

Exchange rates	H1 2025		H1 2024		2024	
	Period-end	Average	Period-end	Average	Period-end	Average
Sterling/Euro	1.17	1.19	1.18	1.17	1.21	1.18
Sterling/US dollar	1.37	1.30	1.26	1.26	1.26	1.29

END

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