

**Hargreaves Services plc**  
("Hargreaves", the "Company", or the "Group")

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

**Hargreaves Services plc** (AIM: HSP), a diversified group delivering services to the industrial and property sectors, announces its preliminary results for the year ended 31 May 2025, a year which delivered significant double-digit revenue and EBITDA growth, a return to profitability for HRMS, and an increase in the proposed final dividend to 18.5p.

The Group has delivered a strong performance in Services and experienced a significant improvement in the HRMS joint venture. Despite the decrease in profits reported in Hargreaves Land, largely as a result of an exceptionally strong prior year, revenue increased following higher sales activity within the Group's largest project, Blindwells. With a strong order book in Services and promising long-term opportunities ahead, the Group is well-positioned to sustain its positive momentum. Backed by a robust, debt-free balance sheet and a clear focus on realising and delivering value to shareholders, the Group remains in a strong strategic position.

**KEY FINANCIAL RESULTS**

<b>Year ended 31 May 2025</b>	<b>2025</b>	<b>2024</b>	
Revenue	<b>£264.4m</b>	£211.1m	+25.2%
EBITDA*	<b>£33.7m</b>	£26.1m	+29.1%
Underlying Profit Before Tax ("UPBT")*	<b>£17.6m</b>	£16.9m	+4.1%
Share of profit from HRMS (net of tax)	<b>£4.1m</b>	£1.3m	+215.4%
Profit Before Tax	<b>£17.5m</b>	£16.7m	+4.8%
Basic underlying EPS*	<b>45.2p</b>	38.2p	+18.3%
Basic EPS	<b>44.8p</b>	37.8p	+18.5%
Proposed Final Dividend	<b>18.5p</b>	18.0p	+2.8%
Cash and cash equivalents	<b>£23.3m</b>	£22.7m	+2.6%
Net Assets	<b>£194.2m</b>	£192.1m	+1.1%

**HIGHLIGHTS**

- UPBT up 4.1% to £17.6m (2024: £16.9m), with an increase following growth in services and improvement in profitability in HRMS, somewhat offset by a reduction in profit in Hargreaves Land
- EBITDA increased 29.1% to £33.7m (2024: £26.1m) due to improved profitability of the Services business
- Cash receipt from HRMS of £6.3m (2024: £7.8m)
- Services business holds a strong contract portfolio, growing to over 70 term and framework contracts following several new contract wins, providing visibility of 70% of next year's expected revenue
- Proposed final dividend of 18.5p (2024: 18.0p) taking the full year dividend to 37.0p (2024: 36.0p), representing an increase of 2.8%

\* The basis of Underlying profit before tax, EBITDA and basic underlying EPS is set out in Note 5.

**Commenting on the preliminary results, Group Chair Roger McDowell said:** 'I am pleased to be able to report another strong set of results for the Group with substantial growth in both revenue and profits. Whilst Services has been a standout performer in terms of growth, this year has also seen a significant improvement in the performance of HRMS. The completions at Blindwells continue to demonstrate the value within the portfolio.

"Looking ahead, Hargreaves Services is well-positioned to capitalise on its strong pipeline of opportunities within the infrastructure sector. The Services business has already secured over 70% of its budgeted revenue for the upcoming year, showcasing its resilience and strength in key areas such as clean energy, water, and infrastructure projects. With further prospects emerging in these sectors, the Group continues to demonstrate its capacity to adapt and thrive amidst evolving market conditions, ensuring sustainable growth and delivering continued value to shareholders."

### **Analyst briefing**

A briefing open to analysts will take place today, Wednesday 30 July 2025 at 9:30 am BST. To register and for more details please contact Walbrook PR on [hargreavesservices@walbrookpr.com](mailto:hargreavesservices@walbrookpr.com).

### **Investor presentation**

Gordon Banham, Group Chief Executive, Simon Hicks, Chief Operating Officer and Stephen Craigen, Chief Financial Officer, will provide a live presentation on the Company's preliminary results via the Investor Meet Company platform today, Wednesday 30 July 2025, at 4.30 pm BST.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9.00 am the day before the meeting or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free [here](#).

### **For further details:**

#### **Hargreaves Services**

Gordon Banham, Chief Executive  
Stephen Craigen, Chief Financial Officer  
Simon Hicks, Chief Operating Officer

[www.hsgplc.co.uk](http://www.hsgplc.co.uk)

Tel: 0191 373 4485

#### **Walbrook PR (Financial PR & IR)**

Paul McManus, Lianne Applegarth,  
Joe Walker

Tel: 020 7933 8780 or [hargreavesservices@walbrookpr.com](mailto:hargreavesservices@walbrookpr.com)

Mob: 07980 541 893 / 07584 391 303  
07407 020 470

#### **Singer Capital Markets (Nomad and Corporate Broker)**

Phil Davies / Sam Butcher / Sara Hale

Tel: 020 7496 3000

#### **Cavendish Capital Markets Ltd (Joint Corporate Broker)**

Katy Birkin / Hamish Waller - Corporate Finance  
Jasper Berry / Tim Redfern - Sales / ECM

Tel: 020 7220 0500



**Hargreaves**

**Essential services for  
industry & infrastructure**

[HSGPLC.CO.UK >>](http://HSGPLC.CO.UK)

### **About Hargreaves Services plc ([www.hsgplc.co.uk](http://www.hsgplc.co.uk))**

Hargreaves Services plc is a diversified group delivering services to the environmental, infrastructure and property sectors, supporting key industries within the UK and South East Asia. The Company's three business segments are Services, Hargreaves Land and an investment in a German joint venture, Hargreaves Raw Materials Services GmbH ("HRMS"). Services provides critical support to many core industries including Connectivity, Clean Energy, Environmental and Infrastructure through the provision of materials handling, mechanical and electrical contracting services, logistics and major earthworks. Hargreaves Land is focused on the sustainable development of brownfield sites for both residential and commercial purposes. HRMS trades in specialist commodity markets and owns DK Recycling und Roheisen GmbH ("DK"), a specialist recycler of steel waste material. Hargreaves is headquartered in County Durham and has operational centres across the UK, as well as in Hong Kong and a joint venture in Duisburg, Germany.

## Roger McDowell, Group Chair

### Introduction

I am pleased to be able to report another strong set of results for the Group with substantial growth in both revenue and profits. Whilst Services has been a standout performer in terms of growth, this year has also seen a significant improvement in the performance of HRMS. The profit from Hargreaves Land has been lower than the prior period although it should be noted that was off the back of a record year in 2024.

We remain steadfast in our commitment to delivering value to shareholders through the following well established strategic targets:

- Services - Securing and retaining high quality, robust term service and framework contract positions in areas of core competence within the infrastructure supply chain.
- Hargreaves Land - Transitioning to a capital-light model through the managed realisation of the Blindwells site near Edinburgh and the Groups renewable energy land assets.
- HRMS - Focused on cash realisation by an annual return to the Group, whilst exploring longer term realisation potential.

### Results and Progress update

Group revenue has increased by 25.2% to £264.4m (2024: £211.1m) due to a substantial increase in earthmoving activities on major infrastructure projects. This has resulted in a 4.1% increase in Underlying Profit Before Tax ("UPBT")\* to £17.6m (2024: £16.9m). This growth in UPBT, driven by Services and HRMS, has been somewhat softened by a return to lower profit levels within Hargreaves Land following a record prior year.

Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA")\* for the Group has improved significantly to £33.7m (2024: £26.1m) reflecting the strong cash generation within the business. Basic earnings per share increased to 44.8p (2024: 37.8p) reflecting the improved profitability of the Group.

### *Services delivery and outlook*

This year has seen substantial progress in securing additional opportunities as the business has capitalised on the momentum it has built over the last few years. We continue to support some of the most high-profile infrastructure works in the UK, such as HS2 and Sizewell C Nuclear Station, where our presence continues to grow. Additionally, we have been successful in growing our presence within the UK water and energy sector with recent partnerships signed up with Yorkshire Water, Northumbria Water and M Group.

The business holds a contract book of over 70 term and framework contracts, which provide excellent revenue and margin visibility for the coming years. It is this visibility that has allowed us to raise our expectations for this business in our most recent trading update, for the second time in the last twelve months.

### *Land realisations*

Hargreaves Land has made progress at Blindwells with two plot sales completing in the year generating proceeds of £13.8m. Much of this has needed to be reinvested to support the ultimate unwind of the site, it is a strong reminder of the desirability of the site and an indication that markets are beginning to open up again. The Group's near-term renewable energy land assets have again been independently valued at between £27m and £29m (2024: £27m-£29m) based on a Market Value at Commissioning of Development\*\*, it remains the objective of the Group to realise these assets in an orderly fashion.

### *HRMS performance*

The result from HRMS has been significantly improved as many of the initiatives around solid fuel pricing and renegotiated gate fees have taken effect within the steel waste recycling operation. Furthermore, trading activity has remained stable despite the challenging German marketplace. The Group received £6.3m in cash from the joint venture during the year.

### **Board changes**

We are pleased to welcome Simon Hicks as our new Chief Operating Officer, bringing a wealth of experience and expertise to further strengthen our leadership team. His appointment on 1 June 2025 marks the start of

an exciting new chapter for our Group as we continue to drive growth and innovation across our diverse sectors. At the same time, we extend our deepest gratitude to David Anderson, who stepped down on 31 May 2025, for his outstanding service and dedication during his tenure. David's contribution has been instrumental in shaping the success and resilience of Hargreaves Land, and we wish him the very best in his future endeavours.

#### **Cash and leasing debt**

On 31 May 2025 the Group held cash of £23.3m (2024: £22.7m). The business is cash generative, predominantly through the activities in Services and the receipt of HRMS dividends. The Group's debt relates solely to leasing debt and hire purchase arrangements for the acquisition of fixed assets. At the year end the balance of the debt was £32.8m (2024: £34.2m), the reduction reflects the net effect of new leases entered into during the year, leases terminated early and lease repayments.

#### **Dividend**

The Group paid an interim dividend of 18.5p (2024: 18.0p) in April 2025, reflecting the Group's stated aim of delivering a progressive dividend for shareholders.

The business has continued to trade well in the second half of the year and the Board is recommending a final dividend of 18.5p (2024: 18.0p) taking the full year dividend to 37.0p (2024: 36.0p), representing an increase of 2.8%.

If approved at the Annual General Meeting, the final dividend of 18.5p will be paid on 3 November 2025 to all shareholders on the register at the close of business on 26 September 2025. The shares will become ex-dividend on 25 September 2025.

#### **Environmental, Social and Governance ("ESG")**

The Group has continued its momentum and advanced its strategy in relation to ESG. Key highlights for the year include the achievement of PAS 2080 accreditation, demonstrating our commitment to carbon reduction within our Earthworks operations. Secondly the Group achieved a Gold rating from the Supply Chain Sustainability School, advancing from a Silver rating. The Group aims to identify new ways to add value to our services provided through increasingly sustainability-focused operations that benefit all stakeholders.

#### **Outlook**

Looking ahead, Hargreaves Services is well-positioned to capitalise on its strong pipeline of opportunities within the infrastructure sector. The Services business has already secured over 70% of its budgeted revenue for the upcoming year, showcasing its resilience and strength in key areas such as clean energy, water, and infrastructure projects. With further prospects emerging in these sectors, the Group continues to demonstrate its capacity to adapt and thrive amidst evolving market conditions, ensuring sustainable growth and delivering continued value to shareholders. Despite challenges faced by HRMS, the notable improvement in the second half of the year, gives us confidence in an improved contribution for the current financial year. We plan to continue the realisation of value from our renewable energy land assets.

The Group maintains a robust, debt free balance sheet, providing a solid foundation for growth, whilst giving optionality as we look to realise value through targeted asset disposals over the coming years.

The Group's ongoing success is thanks to the expertise, commitment, and dedication of everyone at Hargreaves. I extend my sincere gratitude to all my colleagues.

**Roger McDowell**  
**Group Chair**  
**30 July 2025**

\* The basis of Underlying Profit Before Tax and EBITDA are set out in Note 5.

\*\* **Market Value at Commissioning of Development** - represents the price at which the portfolio would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.

#### **Chief Executive's Review**

**Gordon Banham, Group Chief Executive**

## CHIEF EXECUTIVE'S REVIEW

£'m	Services	Hargreaves Land	HRMS	Unallocated	Total
<b>Revenue (2025)</b>	<b>244.3</b>	<b>20.1</b>	-	-	<b>264.4</b>
<i>Revenue (2024)</i>	204.1	7.0	-	-	211.1
<b>Underlying Profit/(Loss) before Tax* (2025)</b>	<b>15.9</b>	<b>2.3</b>	<b>4.1</b>	<b>(4.7)</b>	<b>17.6</b>
<i>Underlying Profit/(Loss) before Tax* (2024)</i>	11.4	8.2	1.3	(4.0)	16.9

\* The basis of Underlying Profit Before Tax is set out in Note 5.

### Services

The Group has delivered a strong performance within the Services business, reporting a fourth consecutive year of growth with a compound annual growth rate of 32.9% in UPBT since 2021. Revenue increased to £244.3m, an improvement of 19.7% against the comparative period (2024: £204.1m). This growth has been driven by an increase in earthmoving activity on major infrastructure projects as well as growth in Hong Kong and Logistics operations. The HS2 contract remains the largest individual contract within the Group with revenue of £54.9m (2024: £48.3m) representing 22.5% of total Services revenue (2024: 23.7%).

Services delivered an UPBT of £15.9m compared to £11.4m in 2024, a growth of 39.5%. Whilst much of this improved result is due to additional volume, as evidenced by the increased revenue, the underlying net margin has also increased to 6.5% (2024: 5.6%). This improved margin demonstrates the continued focus on high quality contracts in areas where the Group's core competencies and high standards are valued.

#### *Growing pipeline*

The Services business, with a new point of leadership under Simon Hicks, remains focused on identifying, securing, delivering and retaining robust term and framework contracts to high quality counterparties in our areas of expertise. The year ended 31 May 2025 has been another successful period in adding quality to our pipeline.

This included a new contract with energy recovery group Enfinium providing day to day operations at the Skelton Grange energy recovery facility. Furthermore, we have secured a position with Thalia Waste Management providing maintenance and outage support services for the Milton Keynes station. Both contracts are with new clients to the Group, demonstrating the ability of the Group to take existing expertise into new environments.

In addition to the term and framework positions, the Group has seen success in smaller scale engineering works in the water and infrastructure sector with projects secured for M Group and Cemex delivering results in the year.

Whilst we are committed to pursuing new opportunities, it is important that we deliver a high-quality service which is valued by our clients. This is evidenced by our propensity to hold long term relationships with our customers, in the current year alone we have renewed long term agreements with the likes of Phillips 66, CF Fertilisers, Suez, FCC Environment and Peel NRE.

Taking a longer-term view, the recent Government announcements and positive statements regarding UK infrastructure spending provide opportunity for growth for the Services business. Lower Thames Crossing, the reservoir building programme and the plans for Heathrow and Luton airports are exciting long-term prospects for the Group.

The Services Group holds an increasingly strong contract portfolio which has grown to over 70 term and framework contracts, many of which contain escalation clauses to insulate the Group from inflationary pressures, providing the business with visibility of over 70% of budgeted revenue heading into the new financial year. This provides a stable base from which to explore further growth opportunities.

We note the recent announcement from Tungsten West plc ("TW") regarding the revised development plan to recommence mining at the tungsten mine in Hemerdon, Devon. The Group remains party to an exclusive long-term Mining Services Contract with TW, which will commence should the project move to production. A

further £1.0m instalment was received in June 2025, leaving a further £3.0m to be received over the next three years.

### **Hargreaves Land**

Hargreaves Land has delivered an UPBT of £2.3m (2024: £8.2m) reflecting a number of successful completions at Blindwells. The prior year included material asset disposals at Westfield and Maltby raising combined proceeds of £12.5m and contributed to a record profit for the business unit.

Revenue for Hargreaves Land of £20.1m (2024: £7.0m) is substantially higher than the prior year due to the increase in sales activity within Blindwells, which is the Group's largest project. This is combined with the fact that prior year disposals were of investment properties, which did not count to the prior year revenue figure.

Pleasingly, we have seen more movement at Blindwells with two material sales completing in the period. Firstly, we completed the sale of a 10-acre plot to Avant Homes for proceeds of £9.25m, which were received in the year. Linked to this sale, there is a further 10-acre plot contracted for unconditional completion with Avant Homes for proceeds of £9.25m, due for completion in early 2026 calendar year. Further to this, the business also completed the sale of a 7-acre plot for Places for People delivering proceeds of £4.55m.

The Blindwells project continues to deliver a long-term regular profit stream for Hargreaves Land, the site is now home to over 350 families and has approximately 80 acres remaining to sell in Phase 1. Once Phase 1 is completed there is a second phase of over 135 acres for which a further planning allocation for up to an additional 1,500 homes is being progressed. Progress continues at the Group's other multi-phase development sites, including Unity where contracts have been exchanged for the sale of two roadside development plots to McDonalds and Starbucks for consideration of £1.2m.

Momentum within the housing market is growing, particularly at a strategic land level, but full recovery remains hampered by persistently high build costs and above average interest rates, which have limited the demand side of the equation. Supply side pressures remain and several Local Authorities, including the Scottish Government have declared 'Housing Emergencies' as they seek to tackle a lack of supply. The downward trajectory of lending rates over the last 12 months could bring some well needed liquidity back to the markets.

Retail and commercial demand, particularly from occupiers, remains cautious as economic uncertainties are limiting confidence and expansion planning. Quality locations across all sectors are more resilient to these challenges and we remain focused on prime opportunities when they present themselves. Investors are still adjusting to above average interest rates which have caused a reset in property valuations in general. Yields for commercial stock are now stabilising and further reductions in the base rate could promote more confidence over the next 12 months.

### *Pipeline*

The pipeline of schemes within Hargreaves Land represents a key indicator of the ability of the Group to deliver value in the long-term as the business moves to a capital light model. The team have continued their success in signing up high-quality projects with several new schemes secured in the financial year just ended. Presently the pipeline consists of 24 schemes with over 10,000 residential plots at various stages through the planning and development cycle.

<b>Pipeline Summary</b>	<b>Number of sites</b>	<b>Residential plots</b>	<b>Acres</b>
<b>Residential (planning allocated)</b>	4	5,043	698
<b>Residential (pre-allocation)</b>	2	2,100	179
<b>Residential (planning promotion)</b>	18	3,184	450
	<b>24</b>	<b>10,327</b>	<b>1,327</b>

### *Renewable energy land assets*

The renewable energy land asset portfolio remains a key source of value creation for the Group in the coming

years. The portfolio consists of 11 schemes on land owned by the Group. These schemes are a mixture of wind farms, battery energy storage and solar farms with a combined generation capacity of 1,148 MW. These assets have been independently valued by Jones Lang Lasalle at between £27.1m and £29.2m (2024: £27.0m - £28.8m), which reconfirmed the value inherent in these assets. The Group remains committed to realising the value from these assets through disposal, with the first tranche brought to market in the financial year just ended.

In addition to the well-established schemes, the Group has line of sight on a further six longer-term opportunities which are not currently included within the independent valuation with a total output of 861 MW.

#### **HRMS**

The Group's share of post-tax profits from HRMS was £4.1m (2024: £1.3m), representing a significant turnaround in performance compared to the previous financial year.

The trading side of the joint venture has continued to perform well and has navigated the recent German economic recession admirably, maintaining good volumes and solid margins. The recent announcements from the USA regarding tariffs have had no real impact on the trading business. The business has traded volumes of 755kt compared to 746kt in the prior year delivering a local PBT of £10.2m (2024: £10.0m).

The real driver for the improvement in the performance of the joint venture is the steel waste recycling facility at DK. The operation takes in approximately 500kt of waste dust from the steel industry and produces pig iron and zinc for sale. The business made a substantial loss of £7.4m in the prior year as it was impacted by low pig iron and zinc pricing as well as high coke costs (a key input fuel).

In the past year, DK made a loss of £1.4m, marking a substantial improvement of £6.0m compared to the previous year's performance. This impressive growth was primarily driven by three key factors. First, procuring low-cost fuels for the blast furnace significantly reduced operational expenses. Second, successfully renegotiating waste dust gate fee contracts led to a meaningful reduction in the cost of materials. Lastly, favourable zinc pricing in the market considerably increased revenue from the zinc output. These strategic actions collectively contributed to a substantial improvement in the business performance, showcasing DK's effective management and adaptability in a competitive industry.

Looking forward, we anticipate an improvement in pig iron pricing in the coming year to drive DK back into delivering a profit above the current close to breakeven result.

During the year, HRMS made a cash return to the Group of £6.3m (2024: £7.8m) reflecting the commitment from local management to continue to return funds to the Group. The distribution from HRMS is funded from the ongoing trading activities and it not dependent on the performance of DK.

#### **Summary**

The Group has delivered strong performance in Services and experienced a significant improvement in the HRMS joint venture. Despite the decrease in profits report in Hargreaves Land, largely as a result of an exceptionally strong prior year, revenue increased following higher sales activity within the Group's largest project, Blindwells. With a strong order book in Services and promising long-term opportunities ahead, I firmly believe the Group is well-positioned to sustain its positive momentum.

**Gordon Banham**  
**Group Chief Executive**  
**30 July 2025**

and Other Comprehensive Income  
for the year ended 31 May 2025

	Note	2025 £'000	2024 £'000
<b>Revenue</b>		<b>264,436</b>	211,146
Cost of sales		(209,582)	(167,763)
<b>Gross profit</b>		<b>54,854</b>	43,383
Other operating income		829	6,404
Administrative expenses		(40,297)	(33,920)
<b>Operating profit</b>		<b>15,386</b>	15,867
Analysed as:			
Operating profit (before amortisation charges)		15,577	16,058
Amortisation of intangible assets		(191)	(191)
<b>Operating profit</b>		<b>15,386</b>	15,867
Finance income		2,013	2,078
Finance expense		(3,956)	(2,802)
Share of profit in joint ventures (net of tax)		4,013	1,533
<b>Profit before tax</b>		<b>17,456</b>	16,676
Taxation	3	(2,716)	(4,458)
<b>Profit for the year</b>		<b>14,740</b>	12,218
<b>Other comprehensive income/(expense)</b>			
Items that will not be reclassified to profit or loss			
Loss in defined benefit pension schemes		(45)	(12,377)
Tax recognised on items that will not be reclassified to profit or loss	3	11	3,094
Items that are or may be reclassified subsequently to profit or loss			
Foreign exchange translation differences		(1,733)	(569)
Share of other comprehensive income of joint ventures, (net of tax)		840	167
Other comprehensive expense for the year, net of tax		(927)	(9,685)
<b>Total comprehensive income for the year</b>		<b>13,813</b>	2,533
<b>Profit/(loss) attributable to:</b>			
Equity holders of the Company		14,754	12,278
Non-controlling interest		(14)	(60)
<b>Profit for the year</b>		<b>14,740</b>	12,218
<b>Total comprehensive income/(expense) attributable to:</b>			
Equity holders of the Company		13,827	2,593
Non-controlling interest		(14)	(60)
<b>Total comprehensive income for the year</b>		<b>13,813</b>	2,533
Basic earnings per share (pence)	4	<b>44.81</b>	37.78
Diluted earnings per share (pence)	4	<b>44.07</b>	37.00

Non-GAAP Measures

Basic underlying earnings per share (pence)*	4	<b>45.24</b>	38.22
Diluted underlying earnings per share (pence)*	4	<b>44.50</b>	37.43

\* The basis of Underlying earnings per share is set out in Note 5

**Group Balance Sheet  
at 31 May 2025**

	Group	
	2025	2024
	£'000	£'000
<b>Non-current assets</b>		
Property, plant and equipment	<b>10,209</b>	9,415
Right-of-use assets	<b>43,971</b>	40,675
Investment property	<b>15,218</b>	14,829
Intangible assets including goodwill	<b>5,857</b>	6,048
Investments in joint ventures	<b>59,848</b>	61,988
Trade and other receivables	-	4,000
Deferred tax assets	<b>12,124</b>	11,323
Retirement benefit surplus	<b>641</b>	1,259
	<b>147,868</b>	149,537
<b>Current assets</b>		
Inventories	<b>47,519</b>	49,325
Trade and other receivables	<b>84,870</b>	70,905
Income Tax Asset	<b>2,499</b>	-
Contract assets	<b>10,041</b>	6,425
Cash and cash equivalents	<b>23,304</b>	22,700
	<b>168,233</b>	149,355
<b>Total assets</b>	<b>316,101</b>	298,892
<b>Non-current liabilities</b>		
Other interest-bearing loans and borrowings	<b>(17,579)</b>	(15,884)
Retirement benefit obligations	<b>(2,889)</b>	(2,979)
Provisions	<b>(22,026)</b>	(15,290)
Deferred tax liabilities	<b>(4,353)</b>	-
	<b>(46,847)</b>	(34,153)
<b>Current liabilities</b>		
Other interest-bearing loans and borrowings	<b>(15,204)</b>	(18,270)
Trade and other payables	<b>(45,811)</b>	(48,383)
Provisions	<b>(14,040)</b>	(4,524)
Income tax liability	-	(1,466)
	<b>(75,055)</b>	(72,643)
<b>Total liabilities</b>	<b>(121,902)</b>	(106,796)
<b>Net assets</b>	<b>194,199</b>	192,096
<b>Equity attributable to equity holders of the Parent</b>		
Share capital	<b>3,314</b>	3,314
Share premium	<b>74,005</b>	73,990
Other reserves	<b>211</b>	211
Translation reserve	<b>(2,991)</b>	(1,258)

Merger reserve		1,022	1,022
Hedging reserve		318	318
Capital redemption reserve		1,530	1,530
Share-based payment reserve		3,029	2,730
Retained earnings		114,046	110,510
		194,484	192,367
<b>Non-controlling interest</b>		<b>(285)</b>	<b>(271)</b>
<b>Total equity</b>		<b>194,199</b>	<b>192,096</b>

**Group Statement of Changes in Equity  
for year ended 31 May 2025**

Group	Share capital £'000	Share premium £'000	Translation reserve £'000	Hedging reserve £'000	Other reserves £'000	Capital redemption reserve £'000	Merger reserve £'000	Share-based payment reserve £'000	Retained earnings £'000	Total Parent equity £'000	Non-controlling interest £'000	Total equity £'000
At 1 June 2023	3,314	73,972	(689)	318	211	1,530	1,022	2,388	119,136	201,202	(211)	200,991
<b>Total comprehensive income/(expense) for the year</b>												
Profit/(loss) for the year	-	-	-	-	-	-	-	-	12,278	12,278	(60)	12,218
Other comprehensive expense	-	-	(569)	-	-	-	-	-	(9,116)	(9,685)	-	(9,685)
<b>Total comprehensive (expense)/income for the year</b>	-	-	(569)	-	-	-	-	-	3,162	2,593	(60)	2,533
<b>Transactions with owners recorded directly in equity</b>												
Issue of shares	-	18	-	-	-	-	-	-	-	18	-	18
Equity-settled share-based payment transactions	-	-	-	-	-	-	-	342	-	342	-	342
Dividends paid	-	-	-	-	-	-	-	-	(11,788)	(11,788)	-	(11,788)
<b>Total contributions by and distributions to owners</b>	-	18	-	-	-	-	-	342	(11,788)	(11,428)	-	(11,428)
<b>At 31 May 2024 and 1 June 2024</b>	<b>3,314</b>	<b>73,990</b>	<b>(1,258)</b>	<b>318</b>	<b>211</b>	<b>1,530</b>	<b>1,022</b>	<b>2,730</b>	<b>110,510</b>	<b>192,367</b>	<b>(271)</b>	<b>192,096</b>
<b>Total comprehensive income/(expense) for the year</b>												
Profit/(Loss) for the year	-	-	-	-	-	-	-	-	14,754	14,754	(14)	14,740
Other comprehensive (expense)/income	-	-	(1,733)	-	-	-	-	-	806	(927)	-	(927)
<b>Total comprehensive (expense)/income for the year</b>	-	-	(1,733)	-	-	-	-	-	15,560	13,827	(14)	13,813
<b>Transactions with owners recorded directly in equity</b>												
Issue of shares	-	15	-	-	-	-	-	-	-	15	-	15
Equity-settled share-based payment transactions	-	-	-	-	-	-	-	299	-	299	-	299
Dividends paid	-	-	-	-	-	-	-	-	(12,024)	(12,024)	-	(12,024)
<b>Total contributions by and distributions to owners</b>	-	15	-	-	-	-	-	299	(12,024)	(11,710)	-	(11,710)
<b>At 31 May 2025</b>	<b>3,314</b>	<b>74,005</b>	<b>(2,991)</b>	<b>318</b>	<b>211</b>	<b>1,530</b>	<b>1,022</b>	<b>3,029</b>	<b>114,046</b>	<b>194,484</b>	<b>(285)</b>	<b>194,199</b>

**Group Cash Flow Statement  
for year ended 31 May 2025**

	Group	
	2025	2024
	£'000	£'000
<b>Cash flows from operating activities</b>		
Profit for the year	14,740	12,218
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	18,775	16,212
Amortisation of intangible assets	191	191
Net finance expense	1,943	724
Share of profit in joint ventures (net of tax)	(4,013)	(1,533)
Profit on sale of property, plant and equipment, investment property and right-of-use assets	(629)	(6,204)
Equity-settled share-based payment expenses	299	342
Income tax expense	3	2,716
Contributions to defined benefit pension schemes	(276)	(5,427)
Translation of investments	(361)	(217)
	33,385	20,764
Change in inventories	2,467	(10,024)
Change in trade and other receivables	(16,975)	1,777
Change in trade and other payables	(1,683)	5,358
Change in provisions and employee benefits	16,253	5,226
	33,447	23,101
Interest received	1,891	2,078
Interest paid	(3,075)	(2,548)
Income tax paid	(2,960)	(37)
<b>Net cash inflow from operating activities</b>	<b>29,303</b>	<b>22,594</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	775	219
Proceeds from sale of investment property	-	7,879
Proceeds from sale of right of use assets	257	115
Acquisition of property, plant and equipment	(3,406)	(2,254)
Acquisition of investment property	(389)	(1,040)
Acquisition of right of use assets	(83)	-
Payment for acquisition of subsidiaries	(661)	(500)
Dividend received from joint ventures	6,267	7,800
Increase in loans due from joint ventures	(1,573)	(683)
Repayment of loan/(loan to) pension scheme in relation to buy-in	4,000	(4,000)
<b>Net cash inflow from investing activities</b>	<b>5,187</b>	<b>7,536</b>
<b>Cash flows from financing activities</b>		
Principal elements of lease payments	(21,648)	(17,425)
Dividends paid	(12,024)	(11,788)
<b>Net cash outflow from financing activities</b>	<b>(33,672)</b>	<b>(29,213)</b>
Net increase in cash and cash equivalents	818	917
Cash and cash equivalents at 1 June	22,700	21,859
Effect of exchange rate fluctuations on cash held	(214)	(76)
<b>Cash and cash equivalents at 31 May</b>	<b>23,304</b>	<b>22,700</b>

## Notes

### 1 Basis of preparation and status of financial information

The financial information set out above has been prepared and approved by the Directors in accordance with the recognition and measurement criteria of international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial information set out above does not constitute the Group's statutory accounts for the years ended 31 May 2025 or 31 May 2024. Statutory accounts for 2024 have been delivered to the Registrar of Companies, and those for 2025 will be delivered in due course.

The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor 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 accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

#### Going Concern

The Group's financing is not dependent on bank borrowings. However, the Group has access to a £12m invoice discounting facility, which is currently undrawn and will remain in place at this level until 31 October 2026. Notwithstanding that, a rigorous review of cash flow forecasts including testing for a range of challenging downside sensitivities has been undertaken. Mitigating strategies to these sensitivities considered by the Board exclude any remedies which are not entirely within the Group's control. As a result, and after making appropriate enquiries including reviewing budgets and strategic plans, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Board continues to adopt the going concern basis in preparing the Annual Report and Accounts.

These results were approved by the Board of Directors on 30 July 2025.

#### 2 Segmental Information

The following analysis by industry segment is presented in accordance with IFRS 8 on the basis of those segments whose operating results are regularly reviewed by the Board of Directors (the Chief Operating Decision Maker as defined by IFRS 8) to assess performance and make strategic decisions about allocation of resources.

The sectors distinguished as operating segments are Services, Hargreaves Land, Unallocated and HRMS.

- **Services:** Provides materials handling, mechanical and electrical engineering, land restoration, logistics and bulk earthworks into the energy, environmental, infrastructure and industrial sectors.
- **Hargreaves Land:** The development and realisation of value from the land portfolio including rental income from investment properties and the share of profit of the Unity joint venture.
- **Unallocated:** The corporate overhead contains the central functions that are not devolved to the individual business units.
- **Hargreaves Raw Materials Services ("HRMS"):** The Group's share of its German joint venture, which includes Hargreaves Services Europe Limited which is the parent company of HRMS and DK.

These segments are combinations of subsidiaries and joint ventures. They have separate management teams and provide different products and services. The four operating segments are also reportable segments.

The segment results, as reported to the Board of Directors, are calculated under the principles of IFRS. Performance is measured on the basis of underlying profit/(loss) before tax, which is reconciled to profit/(loss) before tax in the tables below:

	Services	Hargreaves Land	Unallocated	HRMS	Total
	2025	2025	2025	2025	2025
	£'000	£'000	£'000	£'000	£'000
<b>Revenue</b>					
Total revenue	247,688	20,078	-	-	267,766
Intra-segment revenue	(3,330)	-	-	-	(3,330)
<b>Revenue from external customers</b>	<b>244,358</b>	<b>20,078</b>	<b>-</b>	<b>-</b>	<b>264,436</b>
 <b>Operating profit/(loss) (before amortisation)</b>					
Share of (loss)/profit in joint ventures (net of tax)	-	(143)	-	4,156	4,013
Net finance (expense)/income	(2,508)	515	50	-	(1,943)
Amortisation charge	(191)	-	-	-	(191)
<b>Profit/(loss) before taxation</b>	<b>15,694</b>	<b>2,303</b>	<b>(4,697)</b>	<b>4,156</b>	<b>17,456</b>
Taxation	(3,430)	(183)	897	-	(2,716)
<b>Profit/(loss) after taxation</b>	<b>12,264</b>	<b>2,120</b>	<b>(3,800)</b>	<b>4,156</b>	<b>14,740</b>
<b>Depreciation charge</b>	<b>18,396</b>	<b>141</b>	<b>238</b>	<b>-</b>	<b>18,775</b>
<b>Capital expenditure</b>	<b>22,775</b>	<b>411</b>	<b>474</b>	<b>-</b>	<b>23,660</b>
 <b>Net assets/(liabilities)</b>					
Segment assets	115,303	80,979	59,971	-	256,253
Segment liabilities	(107,482)	(3,774)	(10,646)	-	(121,902)
<b>Segment net assets</b>	<b>7,821</b>	<b>77,205</b>	<b>49,325</b>	<b>-</b>	<b>134,351</b>
Joint ventures	-	5,764	-	54,084	59,848
<b>Total net assets</b>	<b>7,821</b>	<b>82,969</b>	<b>49,325</b>	<b>54,084</b>	<b>194,199</b>

Unallocated net assets of £49.3m include cash and cash equivalents of £23.3m, net deferred tax and corporation tax assets of £10.3m, amounts due from joint ventures of £16.8m, a net pension liability of £2.2m, tangible fixed assets of £1.7m and other corporate items (£0.6m liability).

	Services	Hargreaves Land	Unallocated	HRMS	Total
	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000
 <b>Revenue</b>					
Total revenue	206,857	7,036	-	-	213,893
Intra-segment revenue	(2,747)	-	-	-	(2,747)
<b>Revenue from external customers</b>	<b>204,110</b>	<b>7,036</b>	<b>-</b>	<b>-</b>	<b>211,146</b>
 <b>Operating profit/(loss) (before amortisation)</b>					
Share of profit in joint ventures (net of tax)	-	250	-	1,283	1,533
Net finance (expense)/income	(2,293)	207	1,362	-	(724)
Amortisation charge	(191)	-	-	-	(191)
<b>Profit/(loss) before taxation</b>	<b>11,181</b>	<b>8,151</b>	<b>(3,939)</b>	<b>1,283</b>	<b>16,676</b>

Taxation	(£,000)	(1,004)	10	-	(4,458)
Profit/(loss) after taxation	8,417	6,447	(3,929)	1,283	12,218
Depreciation charge	15,905	129	178	-	16,212
Capital expenditure	16,884	1,096	202	-	18,182
Net assets/(liabilities)					
Segment assets	100,368	78,832	57,704	-	236,904
Segment liabilities	(95,327)	(5,389)	(6,080)	-	(106,796)
Segment net assets	5,041	73,443	51,624	-	130,108
Joint ventures	-	5,942	-	56,046	61,988
Total net assets	5,041	79,385	51,624	56,046	192,096

Unallocated net assets of £51.6m include cash and cash equivalents of £22.7m, deferred tax asset of £11.3m, amounts due from joint ventures of £17.0m, a net pension liability of £1.7m and other corporate items (£2.3m asset).

### 3 Taxation

#### Recognised in the Statement of Profit and Loss

		2025 £000	2024 £000
<b>Current tax</b>			
Current year		255	1,344
Adjustments for prior years		(1,102)	7
Current tax expense		(847)	1,351
<b>Deferred tax</b>			
Origination and reversal of temporary timing differences		2,561	2,267
Adjustments for prior years		1,002	840
Deferred tax expense		3,563	3,107
Tax expense in Income Statement (excluding share of tax of equity accounted investees)		2,716	4,458

The deferred tax adjustment in respect of prior years of £1,002,000 (2024: £840,000) relates to the treatment of losses assumed to be unused in the previous year, which were ultimately utilised.

#### Recognised in Other Comprehensive Income

		2025 £000	2024 £000
<b>Deferred tax credit</b>			
Remeasurements of defined benefit pension schemes		11	3,094
		11	3,094

#### Reconciliation of Effective Tax Rate

		2025 £000	2024 £000
Profit for the year		14,740	12,218
Total tax expense		2,716	4,458
Profit before taxation		17,456	16,676
Tax using the UK corporation tax rate of 25.00% (2024: 25.00%)		4,364	4,169
Effect of tax rates in foreign jurisdictions		(245)	(249)
Tax effect of joint ventures		(1,311)	(321)
Changes in unrecognised tax losses		20	(49)
Non-deductible expenses		80	224
Other temporary trading differences		(92)	(163)
Adjustment in respect of previous periods		(100)	847
Effective total tax expense		2,716	4,458

#### Factors That May Affect Future Current and Total Tax Charges

There are no known changes planned for the rate of UK corporate tax. The deferred tax balances at 31 May 2025 and 31 May 2024 have been calculated based on the rate substantively enacted at the balance sheet date of 25%.

### 4 Earnings per Share

The calculation of earnings per share ("EPS") is based on the profit for the year attributable to equity holders and on the weighted average number of shares in issue and ranking for dividend in the year.

	Earnings £'000	EPS Pence	DEPS Pence	Earnings £'000	EPS Pence	DEPS Pence
Underlying earnings per share	<b>14,883</b>	<b>45.24</b>	<b>44.50</b>	12,361	38.22	37.43
Amortisation (net of tax)	(143)	(0.43)	(0.43)	(143)	(0.44)	(0.43)
Basic earnings per share	<b>14,740</b>	<b>44.81</b>	<b>44.07</b>	12,218	37.78	37.00
Weighted average number of shares (000's)	<b>32,898</b>	<b>33,444</b>			32,345	33,021

The calculation of weighted average number of shares includes the effect of own shares held of 136,444 (2024: 332,401).

The calculation of diluted earnings per share ("DEPS") is based on the profit for the year and the weighted average number of ordinary shares in issue in the year. The potentially dilutive effect of the share options outstanding (effect on weighted average number of shares) is 546,014 (2024: 676,305); effect on basic earnings per ordinary share in the current year is 0.74p (2024: 0.78p). Effect on underlying earnings per ordinary share is 0.74p (2024: 0.79p).

## 5 Alternative Performance Measures Glossary

This report provides alternative performance measures ("APMs"), which are not defined or specified under the requirements of International Financial Reporting Standards. The Board believes that these APMs provide readers with important additional information on the business.

Alternative Performance Measure	Definition and Purpose	
Underlying profit before tax ("UPBT")	Represents the profit before tax prior to amortisation of intangible assets, and, in accordance with International Accounting Standards, includes the Group's share of the post-tax profit of its German joint venture. This measure is consistent with how the business measures performance and is reported to the Board.	
	2025 £'000	2024 £'000
<b>Profit before tax</b>	<b>17,456</b>	16,676
Amortisation of intangible assets	191	191
<b>Underlying Profit before Tax</b>	<b>17,647</b>	16,867
Basic underlying earnings per share	Profit attributable to the equity holders of the Company prior to amortisation of intangible assets after tax divided by the weighted average number of ordinary shares during the financial year adjusted for the effects of any potentially dilutive options. See Note 4.	
EBITDA	EBITDA is defined as profit before tax prior to charges for depreciation, amortisation and interest and excludes the share of profit from joint ventures and gains and losses on the sale of fixed assets and investment property.	
	2025 £'000	2024 £'000
<b>Profit before tax</b>	<b>17,456</b>	16,676
Depreciation	18,775	16,212
Amortisation of intangible assets	191	191
Net finance expense	1,943	724
Share of profit in joint ventures (net of tax)	(4,013)	(1,533)
Profit on sale of fixed assets and investment property	(629)	(6,204)
<b>EBITDA</b>	<b>33,723</b>	26,066

## 6 Posting of Report & Accounts

The Group confirms that the annual report and accounts for the year ended 31 May 2025 will be posted to shareholders as soon as practicable and a copy will be made available on the Group's website:

[www.hsglc.co.uk](http://www.hsglc.co.uk)

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR RLMRTMTATBMA