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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.**

For immediate release

6 October 2025

**Speedy Hire plc**

**("Speedy", "the Company" or "the Group")**

**Commercial agreement with ProService and investment in ProService Building Services Marketplace plc**

Speedy, the UK's leading tools and equipment hire services company, is pleased to announce that its subsidiary Speedy Asset Services ("**SASL**") has signed a comprehensive commercial hire and services supply agreement with HSS ProService Limited ("**ProService**"), a UK building services marketplace and wholly owned subsidiary of HSS Hire Group plc (to be re-named ProService Building Services Marketplace plc, subject to approval by its shareholders) ("**ProService plc**"), (the "**Commercial Agreement**"). In addition, ProService plc subsidiary HSS Service Group Limited ("**HSS**") has agreed the transfer of certain assets to SASL. ProService plc has also agreed the issue to Speedy of 79,368,711 of its shares, representing approximately 9.99% of the post subscription issued share capital of ProService plc (together the "**Transaction**"). The Transaction is subject to customary closing conditions, further details of which are set out below.

The total consideration payable by Speedy under the Transaction is £35 million, to be funded through Speedy's existing resources. The Commercial Agreement, which has an initial five year term, with a unilateral option for SASL to extend that period to eight years, is expected to be significantly accretive to Speedy's earnings and group operating margin in the first full financial year. Speedy anticipates a full payback of the consideration from operating cash flow<sup>1</sup> in two to three years, excluding any potential cash return from its interest in ProService plc.

**Dan Evans, CEO of Speedy, commented:**

*"This is a transformational agreement for Speedy, made possible by the progress of the Group under our Velocity growth strategy. It will provide Speedy customers with greater choice and an enhanced service, while providing ProService customers the ability to indirectly access our national network, larger equipment fleet and faster delivery capability. The agreement is expected to be significantly accretive to earnings and operating margin in the first full year post agreement, and gives Speedy a material opportunity for growth in the medium and longer term. Subject to consultation, we are pleased to be able to propose around 300 jobs to new Speedy employees, who we will welcome to the business following the conclusion of formal processes."*

**Highlights**

- SASL will have a right of first refusal to supply ProService with all its core hire equipment required by ProService to supply its customers, estimated to be worth £50 million to £55 million revenue per annum;
- SASL through its Lloyds British business, will also have a right of first refusal to supply ProService with test, inspection and certification services to be offered by ProService as a new service to its customers;
- SASL will acquire all HSS core equipment on hire to ProService customers upon completion, with SASL benefiting from revenues on hire of that equipment to ProService for onward hire to ProService's customers;
- SASL will acquire, via lease assignment, three HSS service centres to enhance Speedy's network;
- ProService will act as fulfilment provider for all SASL requirements for its customers for the supply of rehire items and certain resale items, and in relation to the provision of industry-related training;
- The issue to Speedy of 9.99% of the post subscription issued share capital of ProService plc (the "**Subscription Shares**");
- The Commercial Agreement is expected to be significantly accretive to earnings and group operating margin in the first full financial year;
- Cash consideration of £35 million to be funded from Speedy's existing resources;
- Speedy anticipates a full payback of the consideration from operating cash flow in two to three years excluding any potential cash return from its interest in ProService plc;
- The Group's strong operating cashflow is expected to support meaningful deleveraging over the next 12-24 months, supported by a planned reduction in dividend payments for a period up to the end of FY2028, with an anticipated total dividend of 1.00 pence per share for FY2026 and to grow this by at least 5% per annum for each of FY2027 and FY2028 before reinstating it to historic levels;
- The Commercial Agreement is aligned fully with Speedy's Velocity strategy and the ability to secure such an agreement is due to the transformation of the Speedy business which has taken place during the 'Enable' phase of the growth strategy; and
- Speedy reiterates its five-year financial targets announced at the Capital Markets Day in July 2023.

**Further details of the Commercial Agreement**

ProService is a UK building services marketplace providing its customers with a new way to hire and buy a large range of equipment, building materials, site consumables and services. The Commercial Agreement will enhance the Speedy service proposition we provide to all customers.

The Transaction is expected to result in gross assets of £35 million to be held on Speedy's balance sheet subject to confirmation at completion and to be published in the FY2026 Annual Report. SASL will secure expected annualised revenues from the hire of these assets to ProService of circa £50m to £55m, with the underlying customers comprising a mix of national, regional and trade and retail customers.

SASL will take on three service centres from HSS (two in London; one in Derby) to complement its existing network. Additionally, under the Commercial Agreement, SASL is proposing to provide roles to around 300 HSS employees.

Additionally, under the Commercial Agreement, Speedy is proposing to provide rates to around 600 new employees, following a formal consultation process, to support the increase in activity and a seamless introduction of these arrangements for customers.

The Commercial Agreement is expected to be significantly accretive to earnings in the first full financial year post agreement, and to give Speedy a material opportunity for growth in the medium and longer term. The Commercial Agreement is also expected to significantly enhance group operating margin in the first full year post agreement estimated to be between +160bp and +180bp.

The Commercial Agreement is aligned fully with Speedy's Velocity strategy and the ability to secure such an agreement is due to the transformation of the Speedy business which has taken place during the 'Enable' phase of the growth strategy and in particular the investment in our systems and digital capabilities. The Commercial Agreement provides further strong evidence of the potential of the Group under Velocity, and delivers a step-change in scale and early progress in the second 'Deliver' phase of the growth strategy. Accordingly, Speedy reiterates its five-year Velocity strategy financial targets set in July 2023, which are:

- Revenues of c.£650m
- Increasing EBITDA<sup>2</sup> margins to c.28%
- Maintaining net debt to EBITDA<sup>2</sup> in the range of 1.0-2.0x<sup>3</sup>

Subject to the satisfaction of the relevant conditions, the Transaction is expected to complete by 31 December 2025.

## Financing

The total cash consideration of £35 million will be funded from Speedy's existing resources, as strengthened by the recent refinancing. In line with the flexibility in Speedy's capital allocation policy set out with its full year results on 18 June 2025, to support the Group's strategic objectives and maintain a balance between investment in the business and sustainable shareholder returns, Speedy will move marginally outside of its target leverage<sup>4</sup> range of between 1.0x and 2.0x net debt/EBITDA in the short term. We anticipate leverage of c2.1x at the end of March 2026. The Group's strong operating cashflow is expected to support meaningful deleveraging in the next 12-24 months to the middle of the target range, supported by a planned reduction in dividend payments for a period up to the end of FY2028. Speedy understands the importance of dividend payments to its shareholders and intends to pay a total dividend in respect of FY2026 of 1.00 pence per share and to grow this by at least 5% per annum for each of FY2027 and FY2028, which represents a yield in line with that of the FTSE All Share Index based on the current market price. Speedy then intends to increase dividend payments back to historical levels in line with expected earnings at that point.

## Notes:

- 1 - Operating cash flow: cash generated from operations before changes in hire fleet and non-underlying items
- 2 - This metric excludes the impact of IFRS 16
- 3 - As set out in updated capital allocation policy at FY2025 results on 18 June 2025
- 4 - Leverage: Net debt<sup>2</sup> to EBITDA<sup>2</sup>

## Analyst presentation

Dan Evans, CEO, and Paul Rayner, CFO, will host a virtual presentation and Q&A for analysts today at 8:00am. For further information, please contact [SpeedyHire@teneo.com](mailto:SpeedyHire@teneo.com).

## Enquiries:

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## Further Information

## UK Listing Rules

The Transaction, because of the amount of consideration payable by the Group in respect of it relative to Speedy, constitutes a 'significant transaction' for the purposes of the UK Listing Rules made by the Financial Conduct Authority (the "FCA") for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended), which came into effect on 29 July 2024 (the "UKLRs"), and is therefore notifiable in accordance with UKLR 7.3.1R and 7.3.2R. In accordance with the UKLRs, the Transaction is not subject to Speedy shareholder approval.

## Speedy Board's views on the Transaction

Considering all the information that is outlined above, the board of directors of Speedy believes that the Transaction is in the best interests of Speedy shareholders as a whole, offering scale, growth, diversification of revenues and is expected to be significantly accretive to earnings per share and group operating margin from the first full financial year.

## Risks to Speedy as a result of the Transaction

### The Transaction will increase the Group's financial leverage

The consideration for the Transaction is being funded from the Group's existing debt facilities and will increase the

the consideration for the transaction is being funded from the Group's existing debt facilities and will increase the Group's overall indebtedness and financial leverage, based on current forecasts. Upon completion this will result in financial leverage being marginally outside the Group's target range of 1.0-2.0x. The Group's strong operating cashflow is expected to support meaningful deleveraging in the next 12-24 months, supported by a planned reduction in dividend payments for a period up to the end of FY28. The Company's leverage and rate of de-leveraging could be impacted by market and economic conditions impacting these cashflows and also by decisions taken by the Company in regard to levels of investment to support its growth strategy and further specific growth opportunities as they arise.

#### Successful execution by ProService of its business model and the value of Speedy's interest in ProService plc

ProService is developing an innovative UK-based building services marketplace and the success of the Commercial Agreement over its term, and the value of Speedy's interest in ProService plc, will be dependent in large part on the successful execution by ProService of its business plan. The value of Speedy's interest in ProService plc could also be impacted by general equity market conditions. Speedy has undertaken careful due diligence on the assets being transferred to SASL, which will all be actively under hire at completion, the quality of the underlying customers of ProService and the likely levels of demand for hire and related services under the Commercial Agreement.

#### Market and economic conditions

A serious downturn in economic and market conditions would significantly impact the volume of sales, ongoing business and orders resulting in a contraction of the market and lower revenues. This could impact the expected level of revenues and profits to be generated from the Commercial Agreement with ProService. Speedy's strategy is to develop a differentiated proposition in its chosen markets and to ensure that it is well positioned with clients and contractors. The Company has disciplined cost control measures, taking decisive action where required whilst ensuring it adequately invests in its transformation strategy.

#### CMA clearance

There is a risk that the CMA will open an investigation into the Transaction, in which case it may not complete.

#### Employees

There is a risk of employment-related claims as a result of the proposals under the Commercial Agreement. These risks will be managed via effective and thorough consultation with employees about the proposals.

### **Appendix I**

#### **SIGNIFICANT CHANGE, LEGAL AND ARBITRATION PROCEEDINGS AND RELATED PARTY TRANSACTIONS**

##### **1. Significant change**

#### Speedy

There has been no significant change in the financial performance or financial position of Speedy since 31 March 2025, the last period for which financial information for Speedy was published.

##### **2. Legal and arbitration proceedings**

#### Speedy

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Speedy is aware) during the period covering the 12 months preceding the date of this announcement which may have, or have had in the recent past, significant effects on the financial position or profitability of Speedy or the Group.

#### Assets to be acquired under the asset purchase agreement between HSS and SASL (the "HSS APA")

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Speedy is aware) during the period covering the 12 months preceding the date of this announcement which may have, or have had in the recent past, significant effects on the assets to be acquired under the HSS APA.

### **Appendix II**

#### **MATERIAL CONTRACTS**

## Part A

### Material Contracts of the Group

No contracts have been entered into by the Group (not being contracts entered into in the ordinary course of business): (i) within the period of two years immediately preceding the date of this announcement that are, or may be, material to the Group; or (ii) that contain any provisions under which any member of the Group has any obligation or entitlement that is, or may be, material to the Group, save as disclosed below.

On 10 October 2023, Speedy acquired Green Power Hire Limited, the details of which were contained in its announcement of that acquisition.

### Section 1

The Transaction comprises the Commercial Agreement, the transfer of certain assets to SASL pursuant to the HSS APA, the transfer of certain assets by SASL pursuant to the asset purchase agreement between SASL and HSS Training Limited ("HSS Training") (the "**Training APA**") and the issue to Speedy of 79,368,711 shares in ProService plc, representing approximately 9.99% of the post subscription issued share capital of ProService plc, pursuant to an equity subscription agreement (the "**ESA**").

A summary of the principal terms of the Commercial Agreement is set out in the main body of this announcement.

### Completion and closing conditions

The Commercial Agreement, the ESA, the HSS APA and the Training APA are subject to customary closing conditions, including a CMA process, the restoration of trading on AIM of the ordinary shares of HSS Hire Group plc, completion of a consultation process with affected HSS employees, the passing of resolutions approving the allotment of and disapplication of pre-emption rights in respect of the Subscription Shares at a general meeting of ProService plc and admission of the Subscription Shares to trading on AIM (the market of that name operated by London Stock Exchange plc (the "**London Stock Exchange**")) becoming effective in accordance with the AIM Rules for Companies published by the London Stock Exchange ("**Admission**") on or before 31 December 2025 (or such later date as may be agreed between ProService plc and the Company) and are expected to complete by that date.

### Principal terms of the ESA

Under the ESA, which is between (1) ProService plc, (2) Speedy, (3) Canaccord Genuity Limited and (4) Singer Capital Markets Limited, Speedy will subscribe for 79,368,711 ordinary shares of £0.01 each in the capital of ProService plc (the "**Subscription Shares**").

The ESA contains warranties usual to a transaction of this nature given by ProService plc to Speedy and by Speedy to ProService plc.

Under the terms of the ESA, Speedy has agreed that it will not transfer the Subscription Shares for a period of 18 months following Admission (the "**Lock-in Period**"), subject to customary exceptions. Speedy has further agreed that it will not, during the period of 6 months from the end of the Lock-in Period, (save for certain excepted matters) transfer any of the Subscription Shares through any broker other than ProService plc's broker.

### Principal terms of the HSS APA

Under the HSS APA, which is between HSS and SASL, HSS will transfer to SASL the following assets (subject to the receipt of relevant agreements and consents): core equipment currently hired out by HSS to ProService (which ProService currently sub-hires to its customers); certain vehicles currently leased by HSS; the underlying contracts where HSS is either the lessor (in respect of the equipment hired to ProService) or lessee (in respect of the leased vehicles); and the leases relating to three service centres currently occupied by HSS.

On completion (subject to receipt of the relevant agreements and consents), the transferring assets will (as applicable) be delivered by HSS to SASL, remain at a transferring depot if already located there, or remain with the end user (that is, ProService sub-hire customer) in the case of transferring equipment.

Subject to consultation, SASL anticipates that the employment contracts of the HSS employees who are employed at the three service centre sites will transfer to SASL under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

### Principal terms of the Training APA

Under the Training APA, HSS Training will (subject to receipt of superior landlord's consent under the occupational lease) take an assignment of the lease of a training centre occupied by SASL and the transferring vehicles which are the subject of the Training APA will be deemed to have been delivered by SASL to HSS Training by remaining at that training centre.

It is not anticipated that any employment contracts will transfer from SASL to HSS Training under the Training APA. The relevant employment contracts instead will, subject to consultation, transfer under the Commercial Agreement with the training services which ProService will provide to SASL.

## Section 2

In April 2025, Speedy refinanced its borrowings, replacing its existing £180m asset-based lending facility, which was due to expire in July 2026, with new facilities of £225m. These facilities comprised a £150m revolving credit facility ("RCF") and a £75m private placement term loan. The RCF has a three year maturity with options to extend up to a further two years and the private placement term loan has a seven year maturity.

## Part B

### Material Contracts of the assets to be acquired under the HSS APA

Not applicable

### Important Information:

This announcement contains inside information for the purposes of the Market Abuse Regulation (Regulation (EU) No. 596/2014) as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018. This announcement is issued on behalf of the Group by Neil Hunt (Company Secretary).

This announcement is not intended to, and does not, constitute, or form part of, any offer to sell or issue or any solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities or a solicitation of any vote or approval in any jurisdiction.

This announcement may contain, or may be deemed to contain, "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

No statement in this announcement is intended to be a profit forecast or estimate, and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

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