Speedy Hire Plc

(“Speedy Hire”, “the Company” or “the Group”)

18 June 2025

Audited results for the year ended 31 March 2025

Speedy Hire Plc, the UK and Ireland’s leading provider of tools, specialist equipment and services, announces its audited results for the year ended 31 March 2025.

Commenting on the results Dan Evans, Chief Executive, said:

“Despite the macro-economic challenges, we have remained committed to, and in parts accelerated, the implementation of our Velocity strategy during its ‘Enable’ phase, which is setting the foundation for growth opportunities for the benefit of our customers and people, whilst maintaining shareholder returns. Our transformation is key to our business, ensuring service excellence, innovation and ease of transacting for our customers, from an efficient and systems driven operating model.

We are focused on what we can control, and we will continue to manage our cost base and balance our investment decisions through the economic cycle. We are well positioned to capitalise on end market recovery.

We anticipate seeing the benefit from a promising pipeline of growth opportunities with new and existing customers, alongside increased commitment and clarity on government spending. The Board is confident of achieving its full year expectations.”

Financial Highlights

	Year ended 31 March 2025 (£m)	**Year ended 31 March 2024 (£m)**	Change
Revenue	**416.6**	421.5	*(1.2)%*
Adjusted EBITDA[1]	**97.1**	96.8	*0.3%*
Adjusted profit before tax[1]	**8.7**	14.7	*£(6.0)m*
Adjusted earnings per share (pence)[2]	**1.41**	2.35	*(0.94)p*
Operating profit	**13.4**	14.9	*£(1.5)m*
(Loss)/profit before tax	**(1.5)**	5.1	*£(6.6)m*
Basic (loss)/earnings per share (pence)[2]	**(0.24)**	0.59	*(0.83)p*
Underlying operating cash flow[6]	**91.8**	100.2	*£(8.4)m*
Free cash flow[3]	**0.8**	23.5	*£(22.7)m*
Net debt[4]	**113.1**	101.3	*£11.8m*
Dividend per share	**2.60**	2.60	-

- Revenue of £416.6m (FY2024: £421.5m)
  - Revenue (excluding fuel) increased by 1.3% to £386.4m
  - Hire up 0.6% and Services (excluding fuel) up 4.5% versus FY2024
  - Lloyds British, our testing, inspection and certification business, achieved growth of 5.8%
  - Challenging market conditions with delays in government spending impacting major infrastructure projects, although we are taking market share[7]
  - Hire revenue with our National customers traded flat, with growth in our Regional customers
  - Growth in Trade and Retail, albeit slower than anticipated after securing new relationships
- Adjusted EBITDA[1] grew marginally year on year with a slight margin improvement to 23.3% (FY2024: 23.0%), reflecting increased gross margin and disciplined cost control
- Adjusted PBT[1] declined to £8.7m (FY2024: £14.7m), impacted by higher interest costs and a lower contribution of £1.0m (FY2024: £2.9m) from our Kazakhstan joint venture, as contracts completed. Reported loss before tax of £1.5m (FY2024: £5.1m profit)
- Adjusted EPS[2] was 1.41pps (FY2024: 2.35pps)

- Underlying operating cash flow[6] was £91.8m, representing 94.5% conversion from EBITDA (FY2024: £100.2m, 103.5%)
- Free cash flow[3] remains a key performance indicator for the Group, with the year on year decrease reflecting lower underlying cash flow and investment in our hire fleet to support contract growth (up £8.7m versus FY2024), and investment in transformation
- Net debt[4] at £113.1m (FY2024: £101.3m), leverage[5] of 1.9x
  - After the year end, the Group refinanced its borrowings, securing new facilities of £225m
- Updated capital allocation policy to align with the Group's growth ambitions, balancing investment and sustainable returns, adopting a target leverage[5] range of 1.0 – 2.0x
- Proposed final dividend of 1.80pps, resulting in full year dividend of 2.60pps (FY2024: 2.60pps)

Velocity update

- We remain committed to delivering on our ambitious growth strategy, continuing to invest in our hire fleet and the transformation of our business, positioning the Group for growth
- Continued to win and extend several multi-year contracts and maintain a promising pipeline
- During FY2025 we have continued to develop our digital capabilities to support our commitment to providing excellent customer service
  - System led logistics has been trialled and is being rolled out across the business in FY2026
  - Continued work with PEAK AI to drive operational efficiency and inform pricing and asset holding decisions
- Maintained our position as an industry leader in ESG and continued to invest in the sustainability of our hire fleet and operations
- Launch of a new specialist business during FY2026; Temporary Site Solutions ("TSS")

Enquiries:

Speedy Hire Plc **Tel: 01942 720 000**

Dan Evans, Chief Executive
Paul Rayner, Chief Financial Officer

Teneo **Tel: 020 7427 5494**

Jo Blackshaw
Giles Kernick

Analyst and investor presentations

Dan Evans, CEO, and Paul Rayner, CFO, will host a presentation and Q&A for analysts today at 9.30am at Peel Hunt LLP, 100 Liverpool St, London EC2M 2AT. For further information please contact SpeedyHire@teneo.com

Management will also be hosting an Investor Presentation and Q&A with Equity Development. The online event will be hosted by Dan Evans, CEO, and Paul Rayner, CFO, and will begin at 11.30am on Wednesday 25th June. The registration link to sign up for the webinar is: https://www.equitydevelopment.co.uk/news-and-events/speedyhire-investor-presentation-25june2025

Notes:

Explanatory notes:
The Group believes that the non-GAAP performance measures presented in this announcement provide valuable additional information for readers. Further details can be found in notes 6, 8 and 12.
[1] See note 8.
[2] See note 6.
[3] Free cash flow: Net cash flow before movement in borrowings, merger and acquisition activity and returns to shareholders.
[4] See note 12. This metric excludes lease liabilities.
[5] Leverage: Net debt[4] to EBITDA[1]. This metric excludes the impact of IFRS 16.
[6] Underlying operating cash flow: Cash generated from operations before changes in hire fleet and non-underlying items.
[7] Source: ONS, Construction Products Association

Inside Information: This announcement contains inside information.

Forward looking statements: The information in this release is based on management information. This report includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date of this report.

Notes to Editors: Founded in 1977, Speedy Hire is the UK's leading provider of tools and equipment hire services to a wide range of customers in the construction, infrastructure, industrial, and support services markets, as well as to local trade, and retail. The Group provides complementary support services through the provision of training, asset management and compliance services. Speedy is certified nationally to ISO50001, ISO9001, ISO14001, ISO17020*, ISO27001 and ISO45001. The Group operates from 135 Service Centres and on-site locations across the UK and Ireland and through a joint venture in Kazakhstan. *Lloyds British National Contracts only.

Chairman's statement

Overview

The results we are reporting today are against a backdrop of continuingly challenging markets affected by macro-economic factors and government policy decisions. These challenges only serve to underpin the Board's commitment to our Velocity transformation strategy which is approaching the end its 'Enable' phase. We are well positioned to capitalise on end markets recovery and our progress to date, including the continuing investment in innovative, market leading sustainable products has allowed the business to win a number of multi-year contracts which will positively impact performance going forward. The recently announced refinancing of debt facilities provides the flexibility and financial resources to support this investment.

Results

Group revenue decreased by 1.2% to £416.6m (FY2024: £421.5m), impacted by the challenging markets and slower than anticipated expansion of Trade and Retail. This resulted in lower adjusted profit before tax[1] of £8.7m (FY2024: £14.7m) due to high operational gearing and the continued investment in people and transformation, which is providing a strong base for future growth. The Group's market leading customer service proposition led to a number of new contract wins and extensions during the year, including a core hire and solutions contract with Amey which has mobilised fully in the final months of FY2025. These wins reflect the impact of the transformation strategy in enhancing the service proposition. The Trade and Retail proposition was moved onto a more digitally focussed model in FY2024 and has continued to develop on a profitable basis, having secured significant new trading relationships where we anticipate increased revenues through FY2026 and beyond.

The Group continues to operate internationally through a joint venture in Kazakhstan. The share of profits decreased to £1.0m (FY2024: £2.9m) following the completion of sizeable contracts which had generated strong returns over the years. We anticipate this having an ongoing impact into FY2026 but our engagement with our joint venture partner indicates good contract opportunities which give an encouraging outlook for future years in this geography.

We have invested £57.5m (FY2024: £42.5m) in our hire fleet during the year to deliver on the new contract wins and the pipeline of opportunities. Around c.70% of this investment has been in sustainable products to meet the demands of our customers. The scale of this investment allows the business to obtain good commercial terms from manufacturers and maintains a fleet age profile which allows flexibility to manage investment needs through the economic cycle.

Funding

After the year end the Group refinanced its borrowings, replacing its existing £180m asset based lending facility, which was due to expire in July 2026. The new facilities of £225m, comprising a £150m revolving credit facility ("RCF") and a £75m private placement term loan, provide the Group with greater flexibility to support its growth strategy.

Capital allocation and dividend

The Board has taken the opportunity to review the capital allocation policy to ensure that it supports our strategic objectives. Our disciplined approach to capital allocation is intended to maintain a balance between the need for investment in the business and sustainable returns to shareholders. It is intended to fund the investment required in the business through the cycle using debt facilities. The Board has decided to operate within a target leverage[5] range of between 1.0x and 2.0x over the business cycle, but may move outside this where circumstances warrant, for example if a significant new contract win meant a short-term need for additional investment in hire equipment. The age profile of the fleet and the ability to manage the timing of investment has proven in the past the ability to flex capital expenditure in line with the economic cycle.

The Board also recognises the need for value creation and sustainable returns for shareholders. The business has demonstrated strong underlying operating cash flow[6] historically and this supported the maintenance of the dividend last year. While in FY2025 the Group's free cash flow[3] has been impacted by the additional fleet investment for new contract wins, and the costs of the transformation programme, underlying operating cash flow[6] remains strong and the Board is confident in the business' prospects for the future. In light of this the Board has decided to maintain the dividend for FY2025 at the same level as last year and set a new policy where it will target to grow the dividend from this base in line with future earnings growth.

As a result, the Board is recommending payment of a final dividend of 1.80 pence per share bringing the total dividend to 2.60 pence per share.

Board and people

Rob Barclay will step down as a Non-Executive Director at the AGM, having joined the Board in 2015. During his time on the Board, Rob has chaired the Remuneration and Sustainability Committees and has undertaken the role of Designated People Director. On behalf of the Board, I would like to thank Rob for his commitment and contribution to the Board throughout his tenure and wish him well for the future. It has been decided that we will not recruit a replacement at this stage and maintain a smaller Board ahead of further steps to refresh the Board in the normal course. It is expected that David Garman will step down from the Board later in 2026 and, in anticipation of this change, Rhian Bartlett will assume the role of Senior Independent Director following the AGM this year.

On behalf of the Board and personally, I would like to take this opportunity to thank each and every one of my colleagues for their continuing commitment and dedication to supporting the business.

Future

In spite of challenging end markets we have continued to invest in our transformation programme and our new fleet and have been rewarded with a number of significant multi-year contract wins which will impact FY2026 and beyond. We have ambitious targets for future growth under our Velocity Strategy and expect to generate returns from the investment made over the last two years as markets recover. We have a business model that remains resilient through the cycle and look forward with confidence to the year ahead.

David Shearer

Chairman

Results

I present our results for the financial year ended 31 March 2025, that demonstrate a resilient performance as we continue to execute our transformative growth strategy, Velocity, despite navigating the widely reported challenging market conditions across the UK, Ireland and internationally.

Revenue declined by 1.2% to £416.6m (FY2024: £421.5m). Adjusted EBITDA[1] was £97.1m (FY2024: £96.8m). Adjusted earnings per share[2] were 1.41 pence (FY2024: 2.35 pence). Profit before tax after non-underlying items decreased to a loss of £1.5m (FY2024: £5.1m profit).

In the UK and Ireland, year-on-year hire revenue from our National customers remained flat, with rate increases offsetting some volume decline. Overall hire revenue increased by 0.6% year on year, driven by increased and recovering revenues from our Regional customers, with Trade and Retail also demonstrating an improved performance, albeit behind our initial expectations.

Services revenue excluding fuel increased by 4.5% year on year. Our Training services and Customer Solutions division – which provides site management and rehire services – performed well, with marginal increases in revenue and our Lloyds British business providing testing, inspection and certification services, demonstrated a revenue increase of 5.8% year-on-year. Fuel revenues declined by 24.9%, as pass-through revenues were impacted by the effect of a decrease in wholesale fuel prices, however margins were maintained. This resulted in an overall reduction in services revenue of 2.8%.

During the year we have continued to monitor our pricing model and have implemented price increases to offset inflationary cost pressures on both overheads and new equipment purchases. This has included a focus on our AI workstreams and its ability to improve price and margin in various areas of the business. Our pricing strategy ensures we can continue to provide customers the very best value for the high-quality innovative products they demand, enabling the successful completion of their projects.

Itemised asset utilisation increased to 53.9% (FY2024: 52.4%), reflecting the targeted investment in the Group's hire fleet to support our strong pipeline of opportunities and contract wins.

Our joint venture in Kazakhstan has experienced a significant downturn in performance due to the conclusion of major contracts. We anticipate this having an ongoing impact into FY2026, however, there are opportunities which give confidence for future growth for following years.

Market overview

Whilst the macro-economic environment has remained challenging during the year, with delays in government spending across a number of key sectors and projects, there are positive growth opportunities for the Group as we go into FY2026 and beyond, with a promising pipeline of new and existing customers who should benefit from increased government and private sector spending on infrastructure and construction projects.

National customers

We serve thousands of customers in the UK and Ireland, including a significant number of the UK's 100 largest contractors[1a], with our National customers collectively accounting for 47% of our revenue, secured on medium to long term major projects in infrastructure, construction and energy markets. These include investment in gas, hydrogen, and utility network infrastructure, nuclear new build and decommissioning work, major highways projects, as well as continued investment in HS2 and the planned TransPennine Rail Upgrade announced in March 2025. Our Tier 1 customers servicing these multi-billion pound investments continue to demand sustainable solutions that we provide through innovative products and specialist expertise.

During the year we extended and secured several new, multi-year contracts with National customers and maintain a promising pipeline into FY2026. We have also completed the mobilisation of our contract with Amey announced in the prior year, which is trading in line with our expectations.

Regional customers

We serve Regional customers through our Regional Account Management team located across the UK and Ireland, who serve customers operating in a diverse range of sectors. Many of these customers continue to be impacted negatively by the challenging economic environment, however signs of recovery have been seen in FY2025 following increased volume sales in this customer segment.

Trade and Retail

We serve thousands of Trade and Retail customers through our national network of Service Centres, by phone, online through our click and collect service, and through trading partnerships. Our partnership with B&Q, which enables customers to hire our products seamlessly as part of their wider transaction at the B&Q tills, as well as online through B&Q's website diy.com and tradepoint.co.uk, is performing satisfactorily and with positive momentum. Additionally, during the year we entered into a new fulfilment agreement with another leading UK brand in the Trade space, building on our existing portfolio. This will enable us to capitalise on future opportunities presented by this valuable market segment.

In line with our Velocity growth strategy, we will continue to target our sales and business development efforts on the areas of greatest opportunity for growth, focusing on infrastructure and utilities, power and energy, built environment and defence.

Strategy review

During FY2023 we developed and launched Velocity, a five-year strategy designed to deliver sustainable growth through increasing revenue and improving margins, along with a clear focus on measurable medium and long-term growth and performance objectives. The strategy is underpinned by our transformation plan which has progressed significantly during the year, through advancing foundational improvements across customer experience, innovation, technology, operational efficiency, sustainability and our People First approach. Our transformation progress is forming the bedrock for the Group to take advantage of the pipeline of opportunities and enabling us to deliver accelerated sustainable growth in the medium term.

FY2026 sees the launch of a new specialist business, Temporary Site Solutions ("TSS"). Building on the focus of growth of specialist products and services as one of our Velocity growth engines, we are pleased to launch this new business having listened to what our customers would like to see additionally provided by Speedy Hire. Reporting through our existing hire structure, the business will focus on growth in products such as fencing, traffic control and site security, ground protection and temporary road and trackway. We will be optimising the full service to deliver, manage and install these solutions for our customers, ensuring growth of service revenue for Speedy Hire.

Customer experience and innovation

As part of our aim to transform how we do business and become the easiest business to deal with for customers, during the year we have been developing a new website platform powered by Optimizely; one of the world's leading AI Content Management System provider. The new platform, which will launch during FY2026, will revolutionise our digital offering and aim to drive significant percentage increases in online revenue. In advance of this, during FY2025 we published new non-transactional sections on the new website platform including our Investor hub, ESG hub, and Careers hub, whilst simultaneously running our existing transactional site as we manage a seamless full switch-over.

Our innovative products and services are utilised on thousands of sites across the UK, including major government projects within rail, water, clean energy (including nuclear), defence, highways, aviation and housebuilding. We also service trade professionals and retail DIY, supporting the prosperity of business and enabling projects large and small for people across the UK and Ireland.

During FY2025 we introduced a new lighting solution designed specifically for the rail market. The lighting solution was launched at an innovative event delivered in-house, providing an immersive customer experience featuring hands-on product demonstrations. The event brought together suppliers, industry leaders, buyers, and decision-makers from across the rail industry, reinforcing our reputation for being a conduit for innovation within this valuable infrastructure community and leading to direct orders of the lighting solution from some of our largest customers.

In the prior year, we acquired sustainable power solutions specialist, Green Power Hire Limited to supply Battery Storage Units to the UK rental market, and entered into a Joint Venture with AFC Energy plc to provide hydrogen power generation to our customers. During FY2025 we have mobilised these products onto customer sites, enabling them to achieve both financial and environmental savings compared to alternative systems available, signalling the growing demand for zero emission power solutions.

Technology and operational efficiency

Our transformation programme is leveraging technology and data to drive simplicity and efficiency to support sustainable profitable growth. We continue to work with our strategic partner PeakAI, focusing on a range of AI driven initiatives to drive operational efficiency including, amongst other areas, inventory forecasting to ensure we minimise product downtime and maximise product utilisation and availability, along with pricing optimisation and simplicity.

During the year we successfully trialled a new system-led approach to our logistical operations using the logistics management system Openfleet. This system optimises our product distribution route planning across our engineering and Service Centre network, reducing unplanned mileage, transport costs, effort and waste as well as our carbon footprint. Furthermore, it will provide greater visibility and enhance tracking to our customers. During FY2026 we are rolling out the technology across the business by integrating Openfleet into our existing systems and processes.

We implemented Power BI into the business; an advanced intelligence and data visualisation tool developed by Microsoft. It connects various data sources, transforming and cleaning data, to create interactive visualisations and reports that enable management to easily analyse data and make well-informed business decisions that include optimisation of our assets and logistics. This means we can make all of the data, key to demonstrating our performance to customers, available in one place. We are also using Power BI to provide our customers with a validated carbon reporting tool to help them make the right carbon choices when it comes to asset selection. The tool displays a carbon dashboard that quantifies and reports the carbon emissions for both hire equipment and transport. These innovations in technology and service continue to differentiate and add value to our customer proposition.

Within our Lloyds British business that provides specialist test, inspection and certification ("TIC") services, we launched a new system; Motion Kinetic. The system enables us to streamline our inspection procedures more efficiently, generating TIC reports, improve data accuracy, and automate renewal testing alerts. This ensures that our engineers can take advantage of opportunities to retain and grow our customer base in the TIC marketplace, whilst resulting in a better and safer customer experience.

Sustainability

We are recognised as a UK leading business in commercially sustainable solutions, resulting in multiple awards and ESG ratings, including obtaining ISS ESG Prime Status and the EcoVadis Platinum award, placing us in the top 1% of companies globally for sustainability. In addition, we achieved an A- CDP rating which places us in the Leadership band for carbon disclosures and have been named as a Financial Times European Climate Leader for the third year running. Our target is to become a net zero business by 2040, ten years ahead of the UK Government's target, and we are making significant progress against this ambitious plan.

As at the end of FY2025 our scope 1 and 2 carbon emissions in the UK and Ireland have been reduced by 50% from the baseline of 24,266 tonnes in FY2020. This reduction has been achieved through the continued procurement and organic generation of renewable energy, investment into a greener property network, a more efficient electric and hybrid vehicle fleet and the use of HVO fuel in our larger vehicles.

In FY2025, we increased the number of electric vehicles ("EVs") in our fleet to 311 electric vehicles, 225 electric vans and 9 HGV trucks, representing 21% of our total commercial fleet. To further enhance the efficiency of our fleet, we have installed solar panels on our commercial EVs to power ancillary equipment and extend vehicle range.

Within our property network we have continued to retrofit our existing Service Centres, collaborating with our landlords, whilst ensuring new locations are designed for a low-carbon economy. Our approach includes the installation of intelligent building management systems, on-site energy generation and efficient lighting, heating and cooling systems. During the year we reduced the number of Service Centres through the acceleration of our planned consolidation strategy. In the process, we opened new sustainable centres in Ashford, Birmingham, and at Sellafield, the latter being strategically located to support the opportunities presented in the nuclear energy sector. The energy management systems featured in these sites both optimise energy consumption and generate clean energy.

We have a target to ensure that eco products account for 70% of our itemised equipment fleet by 2027. To achieve this, we actively procure more commercially sustainable assets that our customers demand including those with solar, hybrid, electric and hydrogen technology. In FY2025, 53% of our itemised assets in our core hire portfolio were eco and 56% of core hire revenue was generated from eco products, compared to 51% and 55% respectively in FY2024.

During the year we were proud to partner with The Royal Society for the Prevention of Accidents (RoSPA) in publishing the 'Safer Lives, Stronger Nation' report. The report identifies that preventable accidents causing injury and deaths in the UK are on the rise, and that over the last decade accidents have cost the UK £12 billion annually, including £6 billion in NHS medical care and £5.9 billion in lost working days. The report calls for the UK Government to create a National Accident Prevention Strategy – a first for the UK, the launch of which I was proud to support in the Houses of Parliament in September 2024, which brought together policymakers, experts, and advocates, all united in the call for urgent action.

People First

We are transforming our business and our customers' experience by putting our people first whilst aiming to become an employer of choice, with the ambition of becoming a Sunday Times Best Place to Work business.

Our People First approach underpins our Velocity growth strategy; keeping our colleagues engaged in transformation, introducing new skills, development programmes and creating inclusive working environments. During the year, we have continuously been upskilling our existing colleagues and attracting new talent with new skills in areas such as digital, data science and IT systems.

We ensure our colleagues are at the heart of everything we do, by living our values every day. During the year we sustained our overall people engagement score, which is two points ahead of the benchmark, and invested in more apprenticeships and professional training for new and existing colleagues. As a by-product of the work involved to achieve this progress, we were delighted to have received the Investors In People Award for investment in apprentices, whilst also being recognised by The Inspiring Workplaces Group as a Top 50 Inspiring Workplace in the UK and Ireland.

We have also completed the roll out of our Speedy Work Life Balance initiative, with 85% of eligible colleagues choosing to participate; offering them choices and flexibility in how they structure their time whilst ensuring the right balance to continue to deliver outstanding customer service.

I would like to take this opportunity to thank all our colleagues for their continued hard work and dedication to the business, whilst continuing to deliver a first-class service to our customers.

Outlook

Despite the macro-economic challenges, we have remained committed to, and in parts accelerated, the implementation of our Velocity strategy during its 'Enable' phase, which is setting the foundation for growth opportunities for the benefit of our customers and people, whilst maintaining shareholder returns. Our transformation is key to our business, ensuring service excellence, innovation and ease of transacting for our customers, from an efficient and systems driven operating model.

We are focused on what we can control, and we will continue to manage our cost base and balance our investment decisions through the economic cycle. We are well positioned to capitalise on end market recovery.

We anticipate seeing the benefit from a promising pipeline of growth opportunities with new and existing customers, alongside increased commitment and clarity on government spending. The Board is confident of achieving its full year expectations.

Dan Evans

Chief Executive

[1a] - Source - Glenigan Limited: Top 100 contractors by value of award for the period from April 2024 to March 2025.

Chief Financial Officer's Review

Group financial performance

Total revenue for the year ended 31 March 2025 decreased by 1.2% to £416.6m (FY2024: £421.5m), impacted by a fall in fuel revenues, which were £30.1m (FY2024: £40.1m). Revenue (excluding fuel) increased by 1.3% to £386.4m. Hire rates were increased across our National customers and maintained with our Regional customers, as we stimulate growth in what is a highly competitive marketplace.

Gross profit was £236.1m (FY2024: £230.0m), an increase of 2.7%. Gross margin improved to 56.7% (FY2024: 54.6%), benefitting from increased hire rates, a fall in the proportion of lower margin fuel revenue and a slight decrease in hire fleet depreciation.

The share of profit from the joint venture in Kazakhstan decreased to £1.0m (FY2024: £2.9m).

Adjusted EBITDA[1] was consistent with FY2024 at £97.1m, with a slight increase in adjusted EBITDA[1] margin to 23.3%, however adjusted profit before taxation[1] decreased to £8.7m (FY2024: £14.7m), impacted by higher interest costs and lower contribution from our Kazakhstan joint venture. The Group's profits continue to be impacted by the effects of operational gearing from limited hire revenue growth.

The Group incurred non-underlying items before taxation of £9.6m (FY2024: £9.0m), further detail of which is given below.

After taxation, amortisation and non-underlying items, the Group made a loss of £1.1m, compared to a profit of £2.7m in FY2024.

Revenue and margin analysis

The Group generates revenue through two categories, Hire and Services.

Revenue and margin by type	**Year ended 31 March 2025 £m**	Year ended 31 March 2024 £m	Change %
Hire:			
Revenue	**255.0**	253.6	*0.6%*
Cost of sales	**(49.7)**	(54.6)	
Gross profit	**205.3**	199.0	*3.2%*
Gross margin	*80.5%*	*78.5%*	

Revenue and margin by type	**Year ended 31 March 2025 £m**	Year ended 31 March 2024 £m	Change %
Services:			
Revenue	**158.0**	162.5	*(2.8)%*
Cost of sales	**(126.7)**	(130.9)	
Gross profit	**31.3**	31.6	*(0.9)%*
Gross margin	*19.8%*	*19.4%*	

Hire revenue increased by 0.6% compared to FY2024, reflecting recovery across our Regional customers and growth in Trade and Retail, albeit, slower than originally anticipated. Revenue from our National customers was flat year on year, with rate increases offsetting volume decline.

During the year we secured and mobilised significant new, multi-year customer agreements and have made the necessary investments in our hire fleet to support these contracts. We have maintained our commitment to pricing discipline and the contract wins and extensions are a demonstration of Speedy Hire's overall customer proposition. These contracts, along with a substantial pipeline of opportunity, give confidence of growth in FY2026.

Our services business has performed well during the year, although its pass-through fuel revenue continues to be impacted by the decrease in wholesale prices, combined with some softening in volume sales. Overall services revenues decreased by 2.8% in the year. Excluding fuel, services revenues increased by 4.5%, driven by growth in Customer Solutions and Lloyds British, our testing, inspection and certification business.

Gross margin increased from 54.6% to 56.7%, primarily resulting from rate improvements, slightly lower depreciation in hire and a lower overall proportion of fuel sales. Hire margin increased to 80.5% (FY2024: 78.5%) and Services margin was maintained at 19.8% (FY2024: 19.4%).

Utilisation of itemised assets was 53.9% (FY2024: 52.4%), an increase of 1.5pp on FY2024.

Overheads

The overheads (excluding non-underlying items) disclosed in the Income Statement can be further analysed as follows:

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m	Change %
Distribution and administrative costs	**210.5**	202.9	3.8%
Amortisation – acquired intangibles	**(0.6)**	(0.6)	-
Underlying Overheads	**209.9**	202.3	3.8%

We have maintained our focus on disciplined cost management, balanced against the need to invest in the business to drive growth as part of our Velocity strategy. Underlying overheads increased by £7.6m (3.8%) year on year and this was almost wholly attributable to investment in our people (c.£5m), represented by an average pay increase of 5%. This was partially offset by lower utility costs in the year, driven by lower pricing and usage improvement and the savings realised from operational and management restructuring activities undertaken in FY2024.

We have continued to improve our overdue debt position in the year, which has resulted in a reduction in the impairment of trade receivables to £2.6m (FY2024: £3.2m).

Closing headcount is broadly flat year on year, however, average headcount was 2.2% lower due to restructuring activities undertaken in the prior year.

	2025	2024	Change %
Headcount at year end	3,307	3,293	*0.4%*
Average headcount during the year	3,335	3,409	*(2.2)%*

Non-underlying items

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Transformation costs	**6.6**	3.2
Other professional and support costs	**1.8**	1.9
Restructuring	**1.2**	3.9
Total	**9.6**	9.0

We have continued to invest in progressing the Group's Velocity strategy. As documented in the prior year, this programme continues to represent a significant, incremental cost to the business during its 'Enable' phase, which is entering its final year in FY2026. The anticipated cost (including costs incurred in FY2024 and FY2025) of this phase is between £20m and £22m, with £15m to £17m expected to be non-underlying. Consistent with FY2024, the majority of costs in the year related to people and consultancy costs.

During the second half, the Group incurred professional and other support fees, primarily in respect of the re-financing of its borrowing facilities. These fees are not appropriate to capitalise against the new facilities and do not represent an ongoing, underlying cost to the business due to the infrequency of refinancing activities and the quantum of the costs incurred.

Following the autumn budget, in which increases to national insurance and the national living wage were announced, a decision was taken to accelerate 'Future State' restructuring plans that form part of the operational model changes in the Velocity strategy. The restructuring has resulted in the closure of 8 depots, with a resulting reduction in headcount. Similarly, these costs do not represent an underlying cost to the business.

Further detail on non-underlying items can be found in note 3.

Interest and banking facilities

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Interest on borrowings	**9.5**	7.7
Interest on lease liabilities	**6.4**	5.0
Total	**15.9**	12.7

The Group's finance costs increased to £15.9m (FY2024: £12.7m) reflecting higher average gross borrowings following the necessary investment in our hire fleet to support contract wins, and the impact of increased interest rates on borrowings and the extension of significant leases in the year.

Borrowings during the year were priced based on SONIA plus a variable margin, while any unutilised commitment was charged at 35% of the applicable margin. During the year, the margin payable on the outstanding debt fluctuated between 1.75% and 2.35% dependent on the weighting of the asset base on which borrowings are based between receivables and plant and machinery. The effective average margin in the period was 2.14% (FY2024: 1.92%).

The Group's financing facilities include quarterly leverage[5] and fixed charge cover covenant tests. The Group maintained headroom against the financial covenants throughout the year.

During the year, the Group also utilised interest rate hedges to manage fluctuations in SONIA. The fair value of these hedges was a liability of £0.1m at 31 March 2025 (FY2024: £0.4m asset). The hedges have varying maturity dates, notional amounts and rates and provide the Group with mitigation against interest rate rises. As of 31 March 2025, 35% of the Group's net debt is hedged with a weighted average hedge rate of 4.46%.

After the year end the Group refinanced its borrowings, with new facilities of £225m comprising a £150m revolving credit facility ("RCF") and a £75m private placement term loan. The refinancing replaced the £180m asset based lending facility. 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. The revolving credit facility is priced based on SONIA plus a variable margin, while any unutilised commitment is charged at 35% of the applicable margin. The price on the private placement term loan is fixed for the duration of the facility. This new debt structure will provide the Group with the platform and flexibility with which to support its commitment to long-term, sustainable growth.

Taxation

The Group seeks to protect its reputation as a responsible taxpayer and adopts an appropriate attitude to arranging its tax affairs, aiming to ensure effective, sustainable and active management of tax matters in support of business performance.

The tax charge for the year was a credit of £0.4m (FY2024: £2.4m charge), with an effective tax rate of 26.7% (FY2024: 47.1%). Adjusting for the impact of non-underlying items, the effective tax rate for FY2025 was 24.1% (FY2024: 26.5%).

Shares and earnings per share

At 31 March 2025, 516,983,637 Speedy Hire Plc ordinary shares were outstanding (FY2024: 516,983,637), of which 55,141,657 were held in Treasury (FY2024: 55,146,281), with 1,329,911 held in the Employee Benefit Trust (FY2024: 4,106,820).

Adjusted earnings per share[2] was 1.41 pence (FY2024: 2.35 pence). Basic earnings per share[2] was (0.24) pence (FY2024: 0.59 pence).

Balance sheet

Hire fleet additions in the year were £57.5m (FY2024: £42.5m), necessary in supporting major contract wins and strategic growth engines. Of our investment in hire fleet, 71% related to carbon efficient eco products (FY2024: 63%). Expenditure on non-hire property, plant and equipment of £5.7m (FY2024: £9.0m) represents continued investment in our properties and IT capabilities. Total capital expenditure in FY2025 was £63.2m (FY2024: £51.5m).

Total proceeds from disposal of hire equipment were £13.2m (FY2024: £16.1m). This was driven primarily by a one-off auction undertaken in the second half, to dispose of older, underutilised equipment no longer forming part of the Group's strategic direction.

In FY2026, the Group expects to invest in its hire fleet at a similar level to FY2025 to continue to support growth ambitions.

Net property, plant and equipment (excluding IFRS 16 right of use assets) was £243.3m as at 31 March 2025 (FY2024: £233.1m), of which equipment for hire represents 91.4% (FY2024: 90.3%).

Intangible assets decreased marginally to £38.4m (FY2024: £39.7m), primarily due to amortisation, offset by continuing IT development expenditure, relating to transformation activities.

Right of use assets of £104.2m (FY2024: £97.3m) and corresponding lease liabilities of £105.9m (FY2024: £97.6m) have increased due to extensions on strategically important property leases and new vehicle leases to support the move to a lower carbon fleet, which were offset in part by depot closures and consolidations.

Gross trade receivables increased marginally to £97.9m at 31 March 2025 (FY2024: £97.3m), however the level of overdue debts has reduced reflecting focus on working capital. Trade receivables more than 31 days overdue have reduced 23.3% from FY2024. Bad debt and credit note provisions were £2.9m as at 31 March 2025 (FY2024: £3.4m), equivalent to 3.0% of gross trade receivables (FY2024: 3.5%). In setting the provisions the Directors have given specific consideration to the impact of macro-economic uncertainties. Whilst the Group has not experienced a significant worsening of debt collections or debt write-offs to 31 March 2025, there remain some indications of continued economic vulnerability and risk of insolvencies and therefore we continue to monitor the situation closely.

Debtor days as at 31 March 2025 were 66 days (FY2024: 64 days, HY2025: 68 days). Trade payables as at 31 March 2025 were £54.1m (FY2024: £44.9m). Creditor days were 61 days (FY2024: 40 days, HY2025: 69 days), the result of us collaborating with suppliers to align our working capital cycle.

Cash flow and net debt

Underlying operating cash flow[6] for the year was £91.8m (FY2024: £100.2m), representing 94.5% (FY2024: 103.5%) conversion from EBITDA. Free cash flow[3] is a key metric for the Group and in the year was £0.8m (FY2024: £23.5m), the result of necessary hire fleet investment to support contract growth and transformation costs.

Net debt[4] increased by £11.8m from £101.3m at the beginning of the year to £113.1m at 31 March 2025, due to increased hire fleet capital investment and transformation costs. As a result, leverage[5] increased to 1.9 times (FY2024: 1.5 times). This follows the continued investment in the hire fleet and returns to shareholders during the year. Total net debt, including lease liabilities, was £219.0m (FY2024: £198.9m), resulting in post IFRS 16 leverage of 2.3 times (FY2024: 2.1 times).

The Group retained substantial headroom within its committed bank facility throughout the year, with cash and undrawn facility availability of £42.0m as at 31 March 2025 (FY2024: £56.7m).

Capital allocation policy

The Board has reviewed the capital allocation policy to ensure that it meets our strategic objectives. We have developed a clear capital allocation approach to ensure a balance between investment in the business for long term sustainable success and the creation of returns to shareholders.

Our disciplined approach to capital allocation through the business cycle will reflect the following objectives:

- Aim to use debt funding to support investment in capital equipment. The business is currently well invested with a fleet age profile at the younger end of our peer group in the market. This allows flexibility to manage debt levels through any downturn in the economic cycle by reducing capital investment and allowing the fleet age profile to lengthen, leading to a reduction in debt without impacting our ability to meet the service needs of customers. This flexibility was evidenced during the pandemic in FY2021.

  In view of the ability to use this lever, a decision has been taken to manage core debt levels within a target range of 1.0 to 2.0 times EBITDA through the cycle. We will permit debt levels to move outside these parameters in circumstances where we have specific short term investment requirements for new growth opportunities ahead of earnings being generated. Our recently announced replacement debt facilities offer the flexibility to support this approach;

- We will aim to provide regular returns to shareholders through the economic cycle by way of annual dividends. The Board will look to maintain the dividend during any downturn in the cycle given the ability to manage cash generation and target to grow dividends from the current base in line with earnings growth;

- In the event of major strategic projects or opportunities such as acquisitions we will make a specific assessment of the funding requirement and structure of financing at that time;
- In the event of significant excess capital, the Board will look at the appropriate way to enhance returns to shareholders.

The Board continues to believe that a strong balance sheet through the cycle will allow the Group to take full advantage of opportunities that arise.

Dividend

The Board has proposed a final dividend for FY2025 of 1.80 pence per share (FY2024: 1.80 pence per share) to be paid on 19 September 2025 to shareholders on the register on 8 August 2025.

The cash cost of this dividend is expected to be c.£8.3m. This takes the total dividend for FY2025 to 2.60 pence per share (FY2024: 2.60 pence per share), following an interim dividend of 0.80 pence per share (FY2024: 0.80 pence per share).

A Dividend Reinvestment Plan ("DRIP") is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at http://www.shareview.co.uk/info/drip

Paul Rayner

Chief Financial Officer

Consolidated Income Statement

for the year ended 31 March 2025

		Year ended 31 March 2025			Year ended 31 March 2024		
		Underlying performance	**Non-underlying items[1]**	**Total**	Underlying performance	Non-underlying items[1]	Total
	Note	**£m**	**£m**	**£m**	£m	£m	£m
Revenue	*2*	**416.6**	**-**	**416.6**	421.5	-	421.5
Cost of sales		**(180.5)**	**-**	**(180.5)**	(191.5)	-	(191.5)
Gross profit		**236.1**	**-**	**236.1**	230.0	-	230.0
Distribution and administrative costs		**(210.5)**	**(9.6)**	**(220.1)**	(202.9)	(9.0)	(211.9)
Impairment losses on trade receivables		**(2.6)**	**-**	**(2.6)**	(3.2)	-	(3.2)
Operating profit/(loss)		**23.0**	**(9.6)**	**13.4**	23.9	(9.0)	14.9
Share of results of joint venture		**1.0**	**-**	**1.0**	2.9	-	2.9
Profit/(loss) from operations		**24.0**	**(9.6)**	**14.4**	26.8	(9.0)	17.8
Finance costs	*4*	**(15.9)**	**-**	**(15.9)**	(12.7)	-	(12.7)
Profit/(loss) before taxation		**8.1**	**(9.6)**	**(1.5)**	14.1	(9.0)	5.1
Taxation	*5*	**(2.0)**	**2.4**	**0.4**	(4.3)	1.9	(2.4)
Profit/(loss) for the financial year		**6.1**	**(7.2)**	**(1.1)**	9.8	(7.1)	2.7
Earnings per share							
- Basic (pence)	*6*			**(0.24)**			0.59
- Diluted (pence)	*6*			**(0.24)**			0.58

Non-GAAP performance measures			
Adjusted EBITDA	*8*	**97.1**	96.8
Adjusted operating profit	*8*	**26.8**	27.5
Adjusted profit before tax	*8*	**8.7**	14.7
Adjusted earnings per share (pence)	*6*	**1.41**	2.35

[1] Detail on non-underlying items is provided in note 3.

All activities in each period presented related to continuing operations.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2025

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
(Loss)/profit for the financial year	**(1.1)**	2.7
Other comprehensive (expense)/income that may be reclassified subsequently to the Income Statement:		
- Effective portion of change in fair value of cash flow hedges	**(0.6)**	(0.1)
- Exchange difference on translation of foreign operations	**(0.7)**	(0.2)
- Tax on items	**0.1**	-
Other comprehensive expense	**(1.2)**	(0.3)
Total comprehensive (expense)/income for the financial year	**(2.3)**	2.4

Consolidated Balance Sheet

as at 31 March 2025

	Note	**31 March 2025 £m**	31 March 2024 £m
ASSETS			
Non-current assets			
Intangible assets	*9*	**38.4**	39.7
Investment in joint ventures		**5.7**	8.8
Property, plant and equipment			
Land and buildings	*10*	**15.0**	14.5
Hire equipment	*10*	**222.4**	210.6
Other	*10*	**5.9**	8.0
Right of use assets	*11*	**104.2**	97.3
		391.6	378.9
Current assets			
Inventories		**11.2**	11.8
Trade and other receivables		**105.2**	102.3
Cash and cash equivalents	*12*	**2.1**	4.0
Current tax asset		**2.9**	2.7
Derivative financial assets		**-**	0.5
		121.4	121.3
Total assets		**513.0**	500.2
LIABILITIES			
Current liabilities			
Bank overdraft	*12*	**-**	(1.2)
Borrowings	*12*	**(2.3)**	-
Lease liabilities	*13*	**(25.0)**	(22.1)
Trade and other payables		**(106.9)**	(96.4)
Derivative financial liabilities		**(0.1)**	(0.1)
Provisions	*14*	**(6.1)**	(8.8)
		(140.4)	(128.6)
Non-current liabilities			
Borrowings	*12*	**(112.9)**	(104.1)
Lease liabilities	*13*	**(80.9)**	(75.5)
Provisions	*14*	**(8.0)**	(7.6)
Deferred tax liability		**(8.6)**	(8.7)
		(210.4)	(195.9)
Total liabilities		**(350.8)**	(324.5)
Net assets		**162.2**	175.7
EQUITY			
Share capital	*15*	**25.8**	25.8
Share premium		**1.9**	1.9
Capital redemption reserve		**0.7**	0.7
Merger reserve		**1.0**	1.0
Hedging reserve		**(0.4)**	0.2
Translation reserve		**(2.2)**	(1.5)
Retained earnings		**135.4**	147.6
Total equity		**162.2**	175.7

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Hedging reserve £m	Translation reserve £m	Retained Earnings £m	Total equity £m
At 1 April 2023		25.8	1.9	0.7	1.0	0.3	(1.3)	156.2	184.6
Profit for the year		-	-	-	-	-	-	2.7	2.7
Other comprehensive expense		-	-	-	-	(0.1)	(0.2)	-	(0.3)
Total comprehensive (expense)/income		-	-	-	-	(0.1)	(0.2)	2.7	2.4
Dividends	*7*	-	-	-	-	-	-	(11.8)	(11.8)
Equity-settled share-based payments		-	-	-	-	-	-	0.5	0.5
At 31 March 2024		25.8	1.9	0.7	1.0	0.2	(1.5)	147.6	175.7
Loss for the year		-	-	-	-	-	-	(1.1)	(1.1)
Other comprehensive (expense)/income		-	-	-	-	(0.6)	(0.7)	0.1	(1.2)
Total comprehensive expense		-	-	-	-	(0.6)	(0.7)	(1.0)	(2.3)
Dividends	*7*	-	-	-	-	-	-	(11.8)	(11.8)
Equity-settled share-based payments		-	-	-	-	-	-	0.6	0.6
At 31 March 2025		**25.8**	**1.9**	**0.7**	**1.0**	**(0.4)**	**(2.2)**	**135.4**	**162.2**

Consolidated Cash Flow Statement

for the year ended 31 March 2025

	Note	**Year ended 31 March 2025 £m**	Year ended 31 March 2024 £m
Cash generated from operating activities			
(Loss)/profit before tax		**(1.5)**	5.1
Net finance costs	*4*	**15.9**	12.7
Amortisation	*9*	**3.8**	3.6
Depreciation	*10,11*	**67.6**	66.9
Non-underlying items	*3*	**9.6**	9.0
Share of profit from joint venture		**(1.0)**	(2.9)
Loss on planned disposals of hire equipment		**2.7**	2.4
(Profit)/loss on other disposals of hire equipment		**(1.2)**	0.2
Loss on disposal of non-hire equipment		**0.6**	-
Decrease in inventories		**0.7**	0.9
(Increase)/decrease in trade and other receivables		**(2.5)**	5.6
Decrease in trade and other payables*		**(1.2)**	(4.6)
(Decrease)/increase in provisions	*14*	**(2.3)**	0.8
Equity-settled share-based payments		**0.6**	0.5
Cash generated from operations before changes in hire fleet and non-underlying items*		**91.8**	100.2
Cash flow relating to changes in hire fleet:			
Purchase of hire equipment		**(50.0)**	(41.3)
Proceeds from planned sale of hire equipment		**3.6**	5.4
Proceeds from customer loss/damage of hire equipment		**9.6**	10.7
Cash outflow from changes in hire fleet		**(36.8)**	(25.2)
Cash flow relating to non-underlying items:			
Non-underlying items	*3*	**(9.6)**	(9.0)
Increase in non-underlying payables		**3.2**	3.0
Cash outflow from non-underlying items		**(6.4)**	(6.0)
Cash generated from operations		**48.6**	69.0
Interest paid		**(15.8)**	(12.7)
Tax received/(paid)		**0.6**	(3.7)
Net cash flow from operating activities		**33.4**	52.6
Cash flow used in investing activities			
Purchase of non-hire property, plant and equipment		**(5.7)**	(9.0)
Capital expenditure on IT development		**(2.5)**	(1.9)
Acquisition of business		**-**	(20.2)
Proceeds from sale of non-hire property, plant and equipment		**-**	3.0
Investment in joint venture (Speedy Hydrogen Solutions)		**(0.6)**	-
Dividends from joint venture[1]		**4.2**	3.9
Net cash flow used in investing activities		**(4.6)**	(24.2)
Net cash flow before financing activities		**28.8**	28.4
Cash flow from financing activities			
Payments for the principal element of leases		**(28.6)**	(26.0)
Drawdown of loans		**534.7**	574.3
Repayment of loans		**(526.1)**	(561.9)
Proceeds received under a payables finance arrangement		**7.2**	-
Repayments under a payables finance arrangement		**(4.9)**	-
Dividends paid	*7*	**(11.8)**	(11.8)
Net cash flow used in financing activities		**(29.5)**	(25.4)
(Decrease)/increase in cash and cash equivalents		**(0.7)**	3.0

Net cash at the start of the financial year	*12*	**2.8**	(0.2)
Net cash at the end of the financial year	*12*	**2.1**	2.8
Analysis of cash and cash equivalents			
Cash	*12*	**2.1**	4.0
Bank overdraft	*12*	**-**	(1.2)
		2.1	2.8

[1] Relates wholly to the joint venture in Kazakhstan.

* FY2024 restated to separately show the cash flow relating to non-underlying items.

1 Accounting policies

Speedy Hire Plc is a public limited company listed on the London Stock Exchange, incorporated and domiciled in the United Kingdom. The consolidated Financial Statements of the Company for the year ended 31 March 2025 comprise the Company and its subsidiaries (together referred to as the 'Group').

The financial information set out in this final results announcement does not constitute the Group's statutory accounts for the year ended 31 March 2025 or 31 March 2024 but is derived from those accounts. Statutory accounts for Speedy Hire Plc for the year ended 31 March 2024 have been delivered to the Registrar of Companies, and those for the year ended 31 March 2025 will be delivered in due course. The Group's auditor has reported on the accounts for 31 March 2025; their report was (i) qualified due to a limitation of scope in respect of comparative opening property, plant and equipment balances, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

A copy of the full accounts will be available on the Group's corporate website once published. Additional copies will be available on request from Speedy Hire Plc, 16 The Parks, Newton-le-Willows, Merseyside, WA12 0JQ.

The final results have been prepared on the basis of the accounting policies set out in the Group's annual report and accounts for the year ended 31 March 2025 which, unless otherwise stated, have been applied consistently to all periods presented in these consolidated Financial Statements.

Going concern

The Directors consider the going concern basis of preparation for the Group and Company to be appropriate for the following reasons.

At the year end, the Group had a £180m asset based finance facility, due to terminate in July 2026. Cash and facility headroom as at 31 March 2025 was £42.0m (2024: £56.7m), based on the Group's eligible hire equipment and trade receivables.

After the year end, the Group entered into a £150m revolving credit facility in place through to April 2028, with uncommitted extension options for a further two years, and a £75m private placement term loan due to expire in April 2032. There are no prior scheduled repayments. Under these facilities, the Group also has an additional uncommitted accordion of £50m which remains in place through to April 2028. Headroom at the year end would be improved under the new facilities secured in April 2025.

The Group meets its day-to-day working capital requirements through operating cash flows, supplemented as necessary by borrowings. The Directors have prepared a going concern assessment covering at least 12 months from the date on which the Financial Statements were authorised for issue, which confirms that the Group is capable of continuing to operate within its existing loan facilities and can meet the covenant requirements set out within the facilities. The key assumptions on which the projections are based include an assessment of the impact of current and future market conditions on projected revenues and an assessment of the net capital investment required to support those expected level of revenues.

The Board has considered severe but plausible downside scenarios to the base case, which result in reduced levels of revenue, representing marginal revenue growth, whilst also maintaining a similar cost base. Mitigations applied in these downturn scenarios include a reduction in planned capital expenditure and restrictions on significant overhead growth. Despite the significant impact of the assumptions applied in these scenarios, the Group maintains sufficient headroom against its available facilities and covenant requirements.

Whilst the Directors consider that there is a degree of subjectivity involved in their assumptions, on the basis of the above the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Financial Statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

2 Segmental analysis

The segmental disclosure presented in the Financial Statements has been determined based on the way in which performance is assessed, assets are monitored and resources allocated, and hence reflects the format of reports reviewed by the 'chief operating decision-maker'. The Group's reportable segments are Hire and Services, which form the UK and Ireland ('UK&I') business.

The Hire segment relates to hire of the Group's core fleet of owned products, covering a range of product lines in categories such as small tools, access, power and battery storage, lifting, survey, powered access, welding and plant machinery. The Services segment predominantly relates to the re-hire of an extensive range of specialist equipment through partnerships with the industry's leading suppliers, referred to as Customer Solutions. This segment also includes fuel and energy sales and management, training, product sales, and test, inspection and certification services.

An element of the Group's costs are incurred at a corporate level and consequently cannot be analysed by segment. These costs, together with net corporate borrowings and taxation, are not directly attributable to the activities of the operating segments and consequently are presented under Corporate items. The remaining unallocated net assets comprise principally working capital balances held by the support services function.

For the year ended 31 March 2025 / As at 31 March 2025

	Hire excluding disposals	Services	UK and Ireland[1]	Corporate items	Total
	£m	£m	£m	£m	£m
Revenue	**255.0**	**158.0**	**416.6**	**-**	**416.6**
Cost of sales	**(49.7)**	**(126.7)**	**(180.5)**	**-**	**(180.5)**
Gross Profit	**205.3**	**31.3**	**236.1**	**-**	**236.1**
Segment result:					
Adjusted EBITDA[2]			**101.0**	**(3.9)**	**97.1**
Depreciation[3]			**(67.3)**	**(0.3)**	**(67.6)**
Loss on planned disposals of hire equipment			**(2.7)**	**-**	**(2.7)**
Operating profit/(loss) before amortisation and non-underlying items			**31.0**	**(4.2)**	**26.8**
Amortisation[3]			**(0.6)**	**(3.2)**	**(3.8)**
Non-underlying items			**(8.0)**	**(1.6)**	**(9.6)**
Operating profit/(loss)			**22.4**	**(9.0)**	**13.4**
Share of results of joint venture			**-**	**1.0**	**1.0**
Profit/(loss) from operations			**22.4**	**(8.0)**	**14.4**
Finance costs					**(15.9)**
Loss before tax					**(1.5)**
Taxation					**0.4**
Loss for the financial year					**(1.1)**
Intangible assets[3]			**28.7**	**9.7**	**38.4**
Investment in joint ventures			**0.6**	**5.1**	**5.7**
Land and buildings			**15.0**	**-**	**15.0**
Hire equipment			**222.4**	**-**	**222.4**
Non-hire equipment			**5.9**	**-**	**5.9**
Right of use assets			**104.2**	**-**	**104.2**
Taxation assets			**-**	**2.9**	**2.9**
Current assets			**111.5**	**4.9**	**116.4**
Cash			**-**	**2.1**	**2.1**
Total assets			**488.3**	**24.7**	**513.0**
Lease liabilities			**(105.9)**	**-**	**(105.9)**
Other liabilities			**(117.3)**	**(3.8)**	**(121.1)**
Borrowings			**-**	**(115.2)**	**(115.2)**
Taxation liabilities			**-**	**(8.6)**	**(8.6)**
Total liabilities			**(223.2)**	**(127.6)**	**(350.8)**

[1] UK and Ireland also includes revenue and costs relating to the disposal of hire assets.

[2] See note 8.

[3] Intangible assets in Corporate items relate to the Group's ERP system, amortisation is charged to the UK and Ireland segment as this is fundamental to the trading operations of the Group. Depreciation in Corporate items relates to computers and is recharged from the UK and Ireland based on proportional usage.

For the year ended 31 March 2024 / As at 31 March 2024

	Hire excluding disposals £m	Services £m	UK and Ireland[1] £m	Corporate items £m	Total £m
Revenue	253.6	162.5	421.5	-	421.5
Cost of sales	(54.6)	(130.9)	(191.5)	-	(191.5)
Gross Profit	199.0	31.6	230.0	-	230.0
Segment result:					
Adjusted EBITDA[2]			99.5	(2.7)	96.8
Depreciation[3]			(66.5)	(0.4)	(66.9)
Loss on planned disposals of hire equipment			(2.4)	-	(2.4)
Operating profit/(loss) before amortisation and non-underlying items			30.6	(3.1)	27.5
Amortisation[3]			(0.6)	(3.0)	(3.6)
Non-underlying items			(9.0)	-	(9.0)
Operating profit/(loss)			21.0	(6.1)	14.9
Share of results of joint venture			-	2.9	2.9
Profit/(loss) from operations			21.0	(3.2)	17.8
Finance costs					(12.7)
Profit before tax					5.1
Taxation					(2.4)
Profit for the financial year					2.7
Intangible assets[3]			29.4	10.3	39.7
Investment in joint ventures			0.6	8.2	8.8
Land and buildings			15.1	-	15.1
Hire equipment			210.6	-	210.6
Non-hire equipment			7.4	-	7.4
Right of use assets			97.3	-	97.3
Taxation assets			-	2.7	2.7
Current assets			110.9	3.7	114.6
Cash			-	4.0	4.0
Total assets			471.3	28.9	500.2
Lease liabilities			(97.6)	-	(97.6)
Other liabilities			(109.3)	(4.8)	(114.1)
Borrowings			-	(104.1)	(104.1)
Taxation liabilities			-	(8.7)	(8.7)
Total liabilities			(206.9)	(117.6)	(324.5)

[1] UK and Ireland also includes revenue and costs relating to the disposal of hire assets.

[2] See note 8.

[3] Intangible assets in Corporate items relate to the Group's ERP system, amortisation is charged to the UK and Ireland segment as this is fundamental to the trading operations of the Group. Depreciation in Corporate items relates to computers and is recharged from the UK and Ireland based on proportional usage.

Geographical information

In presenting geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

	Year ended / As at 31 March 2025		Year ended / As at 31 March 2024	
	Revenue £m	**Non-current assets[1] £m**	Revenue £m	Non-current assets[1] £m
UK	**410.3**	**384.0**	414.2	370.1
Ireland	**6.3**	**7.6**	7.3	8.8
	416.6	**391.6**	421.5	378.9

[1] Non-current assets excluding financial instruments and deferred tax assets.

Revenue by type

Revenue is attributed to the following activities:

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Hire and related activities	**255.0**	253.6
Services	**158.0**	162.5
Disposals	**3.6**	5.4
	416.6	421.5

Major customers

No one customer represents more than 10% of revenue, reported profit or combined assets of the Group.

3 Non-underlying items

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Transformation costs	**6.6**	**3.2**
Other professional and support costs	**1.8**	**1.9**
Restructuring costs	**1.2**	**3.9**
	9.6	**9.0**

Transformation costs

Our Velocity strategy is split into two distinct phases through to 31 March 2028, being ‘Enabling Growth’ (years 1 to 3) and ‘Delivering Growth’ (years 1 to 5). The investment in implementing our Velocity strategy and executing our transformation programme represents a significant cost to the business and will continue to do so throughout the ‘Enabling’ phase to March 2026. The anticipated cost (including those incurred in FY2024 and FY2025) of this phase is between £20m and £22m, with £15m to £17m expected to be non-underlying, primarily relating to incremental people costs. The remainder of the costs either represent underlying costs to the business or are capital in nature.

Management will continue to monitor and reassess the above based on the phasing and delivery of the transformation programme.

Of the £6.6m non-underlying cost to the business in the year, £5.1m relates primarily to incremental people costs.

The roll out of Velocity process improvements and applications, and the increasing leverage of systems and data, has resulted in the redundancy of some employees in the year. Related costs of £1.5m have therefore been presented within non-underlying transformation costs.

Other professional and support costs

In FY2025, the Group engaged with external advisors regarding the refinancing of the Group. Whilst the Group has entered into the new arrangements post year end, replacing the asset based lending ('ABL') facility, related advisory services were provided, and work undertaken, in FY2025.

Legal and professional fees incurred as part of the refinancing cannot be attributed directly to the new facilities, as they – in part – relate to the settlement of the old facility. Hence these costs have been recorded through the Income Statement rather than being capitalised against the new facility.

The remaining fees capitalised in relation to the ABL facility have also been written off at 31 March 2025, given the refinancing was substantially complete as at 31 March 2025, with an expectation of completion soon after the year end.

Restructuring costs

Following the autumn budget, a decision was taken to accelerate 'Future State' restructuring plans that form part of the operational model changes in the Velocity strategy. The acceleration of the plan was, in part, to offset the announced increases in both the national minimum wage and employer national insurance contributions. Such restructuring has entailed the closure of 8 depots via an acceleration of the Future State programme, with a resulting reduction in headcount. Restructuring of this scale is not part of the ordinary course of business and hence has been presented within non-underlying items.

The net cash outflow from activities associated with non-underlying items during the year is £6.4m.

The following non-underlying items occurred in FY2024:

Transformation costs

Of the £3.2m non-underlying cost to the business in FY2024, £2.2m related primarily to incremental people costs, represented by 48 additional heads at 31 March 2024.

The commencement of the transformation programme also necessitated an assessment of the Group's existing digital capabilities, rendering some previously capitalised intangible assets as either obsolete or no longer viable as part of the Group's Velocity strategy. This resulted in a £1.0m write-off of intangible assets, representing the remainder of the non-underlying items relating to transformation.

Other Professional and support costs

In October 2023, the Group acquired Green Power Hire Limited ('GPH'), advancing the Group's sustainable offering to customers and evidencing the Velocity strategy in action. In addition to the acquisition of GPH, the Group also incurred costs in respect of the formation of Speedy Hydrogen Solutions, the joint venture with AFC Energy Plc. The costs incurred relate primarily to professional and other supporting fees, amounting to £1.4m in total.

An external review of the entire depot network was commissioned, to assess the condition of each site and the dilapidations that may be payable under the respective lease agreements. This was the first review of its kind undertaken by the Group, and it is not expected that a similar exercise of this scale will be required going forwards. Fees in relation to this review total £0.5m.

Restructuring costs

The Group incurred further, non-underlying, restructuring costs associated with moving towards its target operating model. At 31 March 2024, the Group had exited all B&Q concessions and our products and services are now available for digital hire in-store within every B&Q and Tradepoint as well as on the respective websites. In evolving our partnership with B&Q and moving to a more digitally focused model, the Group incurred £2.7m of losses.

The remainder of the restructuring costs included costs associated with depot optimisation and restructuring projects of £1.2m.

The net cash outflow in FY2024 from activities associated with non-underlying items was £6.0m.

4 Finance costs

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Interest on bank loans and overdrafts	**9.1**	7.4
Amortisation of issue costs	**0.4**	0.4
Total interest on borrowings	**9.5**	7.8
Interest on lease liabilities	**6.4**	5.0
Other finance income	**-**	(0.1)
Finance costs	**15.9**	12.7

5 Taxation

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Tax (credited)/charged in the Income Statement from continuing operations		
Current tax		
UK corporation tax on (loss)/profit at 25% (2024: 25%)	**(0.4)**	1.7
Adjustment in respect of prior years	**0.1**	(0.4)
Total current tax	**(0.3)**	1.3
Deferred tax		
UK deferred tax at 25% (2024: 25%)	**0.3**	1.0
Adjustment in respect of prior years	**(0.4)**	0.1
Total deferred tax	**(0.1)**	1.1
Total tax (credit)/charge from continuing operations	**(0.4)**	2.4
Tax (credited)/charged in other comprehensive income		
Deferred tax on effective portion of changes in fair value of cash flow hedges	**(0.1)**	-

The tax (credit)/charge in the Income Statement for the year of 26.7% (2024: 47.1%) is higher than the standard rate of corporation tax in the UK and is explained as follows:

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
(Loss)/profit before tax	**(1.5)**	5.1
Accounting (loss)/profit multiplied by the standard rate of corporation tax at 25%	**(0.4)**	1.3
Expenses not deductible for tax purposes	**0.4**	2.2
Share-based payments	**0.1**	-
Share of joint venture income already taxed	**(0.2)**	(0.8)
Adjustment in respect of prior years	**(0.3)**	(0.3)
Tax (credit)/charge for the year reported in the Income Statement	**(0.4)**	2.4

The adjusted effective tax rate of 24.1% (2024: 26.5% restated) is lower (2024: higher) than the standard rate of UK corporation tax of 25% (2024: 25%).

6 Earnings per share

The calculation of basic earnings per share is based on the loss for the financial year of £1.1m (2024: £2.7m profit) and the weighted average number of ordinary shares in issue, and is calculated as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Weighted average number of shares in issue (m)		
Number of shares at the beginning of the year	**457.7**	457.7
Movement in shares owned by the Employee Benefit Trust	**2.4**	-
Vested shares not yet exercised	**0.2**	2.7
Weighted average for the year – basic number of shares	**460.3**	460.4
Share options	**0.2**	3.9
Employee share scheme	**0.5**	-
Weighted average for the year – diluted number of shares	**461.0**	464.3

	Year ended 31 March 2025	Year ended 31 March 2024
Loss/(profit) (£m)		
(Loss)/profit for the year after tax – basic earnings	**(1.1)**	2.7
Intangible amortisation charge – acquired intangibles (after tax)	**0.4**	1.0
Non-underlying items (after tax)	**7.2**	7.1
Adjusted earnings	**6.5**	10.8
Earnings per share (pence)		
Basic earnings per share	**(0.24)**	0.59
Dilutive shares and options	**-**	(0.01)
Diluted earnings per share	**(0.24)**	0.58
Adjusted earnings per share	**1.41**	2.35
Dilutive shares and options	**-**	(0.02)
Adjusted diluted earnings per share	**1.41**	2.33

More detail on adjusted earnings is provided in note 8.

Total number of shares outstanding at 31 March 2025 amounted to 516,983,637 (2024: 516,983,637), including 55,141,657 (2024: 55,146,281) shares held in treasury and 1,329,911 (2024: 4,106,820) shares held in the Employee Benefit Trust and which are excluded in calculating basic earnings per share.

7 Dividends

The aggregate amount of dividend paid in the year comprises:

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
2023 final dividend (1.80 pence on 452.9m ordinary shares)	**-**	8.2
2024 interim dividend (0.80 pence on 453.5m ordinary shares)	**-**	3.6
2024 final dividend (1.80 pence on 454.7m ordinary shares)	**8.2**	-
2025 interim dividend (0.80 pence on 455.6m ordinary shares)	**3.6**	-
	11.8	11.8

Subsequent to the end of the year, and not included in the results for the year, the Directors recommended a final dividend of 1.80 pence (2024: 1.80 pence) per share, bringing the total amount payable in respect of the year ended 31 March 2025 to 2.60 pence (2024: 2.60 pence), to be paid on 19 September 2025 to shareholders on the register on 8 August 2025.

The Employee Benefit Trust, established to hold shares for the Performance Share Plan and other employee benefits, waived its right to the interim dividend. At 31 March 2025, the Trust held 1,329,911 ordinary shares (2024: 4,106,820).

8 Non-GAAP performance measures

The Group believes that the measures below provide valuable additional information for users of the Financial Statements in assessing the Group's performance by adjusting for the effect of non-underlying items and significant non-cash depreciation and amortisation. The Group uses these measures for planning, budgeting and reporting purposes and for its internal assessment of the operating performance of the individual divisions within the Group. The measures on a continuing basis are as follows.

	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
Operating profit	**13.4**	14.9
Add back: amortisation	**3.8**	3.6
Add back: non-underlying items	**9.6**	9.0
Adjusted operating profit (EBITA)	**26.8**	27.5
Add back: depreciation	**67.6**	66.9
Add back: loss on planned disposals of hire equipment	**2.7**	2.4
Adjusted EBITDA	**97.1**	96.8
(Loss)/profit before tax	**(1.5)**	5.1
Add back: amortisation of acquired intangibles	**0.6**	0.6
Add back: non-underlying items	**9.6**	9.0
Adjusted profit before tax	**8.7**	14.7
Return on capital employed (ROCE)		
Adjusted profit before tax	**8.7**	14.7
Finance costs	**15.9**	12.7
Profit before tax, interest, amortisation of acquired intangibles and non-underlying items[1]	**24.6**	27.4
Average gross capital employed[2]	**276.2**	277.0
ROCE	**8.9%**	9.9%

[1] Profit before tax, finance costs, amortisation of acquired intangibles and non-underlying items for the last 12 months.

[2] Average gross capital employed (where capital employed equals total equity and net debt) based on a two-point average for the last 12 months.

9 Intangible fixed assets

	Acquired				Internally generated	
	Goodwill £m	Customer lists £m	Brands £m	Total acquired intangibles £m	IT development £m	Total intangible assets £m
Cost						
At 1 April 2023	17.5	2.9	1.3	21.7	7.8	29.5
Transfer from property, plant and equipment	-	-	-	-	8.3	8.3
Additions	-	-	-	-	1.9	1.9
Acquisitions	9.9	1.0	-	10.9	-	10.9
At 31 March 2024	27.4	3.9	1.3	32.6	18.0	50.6
Additions	-	-	-	-	2.5	2.5
At 31 March 2025	**27.4**	**3.9**	**1.3**	**32.6**	**20.5**	**53.1**
Accumulated amortisation						
At 1 April 2023	-	1.7	0.9	2.6	1.9	4.5
Transfer from property, plant and equipment	-	-	-	-	2.8	2.8
Charged in year	-	0.4	0.2	0.6	3.0	3.6
At 31 March 2024	-	2.1	1.1	3.2	7.7	10.9
Charged in year	-	0.4	0.2	0.6	3.2	3.8
At 31 March 2025	**-**	**2.5**	**1.3**	**3.8**	**10.9**	**14.7**
Net book value						
At 31 March 2025	**27.4**	**1.4**	**-**	**28.8**	**9.6**	**38.4**
At 31 March 2024	27.4	1.8	0.2	29.4	10.3	39.7
At 31 March 2023	17.5	1.2	0.4	19.1	5.9	25.0

The remaining amortisation period of each category of intangible fixed asset is the following: Customer lists two to nine years (2024: three to ten years), Brands two years (2024: three years) and IT development three to four years (2024: four years).

Analysis of goodwill, customer lists, brands and IT development by cash-generating unit:

	Goodwill £m	Customer lists £m	Brands £m	IT development £m	Total £m
Allocated to					
Hire	**26.4**	**1.1**	**-**	**8.4**	**35.9**
Services	**1.0**	**0.3**	**-**	**1.2**	**2.5**
At 31 March 2025	**27.4**	**1.4**	**-**	**9.6**	**38.4**
Allocated to					
Hire	26.4	1.4	0.1	8.9	36.8
Services	1.0	0.4	0.1	1.4	2.9
At 31 March 2024	27.4	1.8	0.2	10.3	39.7

All goodwill has arisen from business combinations and has been allocated to the cash-generating unit (‘CGU’) expected to benefit from those business combinations. All intangible assets are held in the UK.

The Group tests goodwill for impairment annually, or more frequently if there are indications that goodwill might be impaired, and considers at each reporting date whether there are indicators that impairment may have occurred. Other assets are assessed at each reporting date for any indicators of impairment and tested if an indicator is identified. The Group's reportable CGUs comprise the UK&I Hire business (Hire) and UK&I Services business (Services), representing the lowest level within the Group at which the associated assets are monitored for management purposes.

The recoverable amounts of the assets allocated to the CGUs are determined by a value-in-use calculation. The value-in-use calculation uses cash flow projections based on five-year financial forecasts approved by the Board. The key assumptions for these forecasts are those regarding trading performance and discount rate, which management estimates based on past experience adjusted for current market trends and expectations of future changes in the market. To prepare the value-in-use calculation, the Group uses cash flow projections from the Board approved FY2026 budget, and a subsequent four-year period using the Group's strategic plan, together with a terminal value into perpetuity using long-term growth rates. The Group's budget and strategic plan assume average annual growth in adjusted operating profit of circa 30% to an average margin of 9.0% across the five-year forecast period, in line with our Velocity strategy. The Directors believe that the assumptions adopted in the cash flow forecasts are the most appropriate.

The resulting forecast cash flows are discounted back to present value, using an estimate of the Group's pre-tax weighted average cost of capital, adjusted for risk factors associated with the CGUs and market-specific risks.

The impairment model is prepared in nominal terms. The future cash flows are based on current price terms inflated into future values, using general inflation and any known cost or sales initiatives. The discount rate is calculated in nominal terms, using market and published rates.

The pre-tax discount rates and terminal growth rates applied are as follows:

	31 March 2025		31 March 2024	
	Pre-tax discount rate	**Terminal value growth rate**	Pre-tax discount rate	Terminal value growth rate
UK and Ireland Hire and Services	**12.6%**	**2.0%**	12.2%	2.0%

A single discount rate is applied to both CGUs as they operate in the same market, with access to the same shared Group financing facility, with no additional specific risks applicable to either CGU.

At 31 March 2025, the headroom between value-in-use and carrying value of related assets for the UK and Ireland was £261.8m (2024: £131.0m) – £165.7m for Hire (2024: £45.0m) and £96.1m for Services (2024: £86.0m).

Impairment calculations are sensitive to changes in key assumptions around trading performance and discount rate. An impairment may be identified if there is a significant change to these key assumptions, resulting from declining economic or market conditions and sustained underperformance of the Group.

Sensitivity analysis has been performed which represents a severe but plausible downside scenario, consistent with that applied in relation to going concern. This value-in-use modelling and impairment testing indicates that there is no reasonable possible change in these assumptions that could lead to an impairment of the Services CGU.

The sensitivity analysis performed in respect of the Hire CGU does not result in the need to recognise an impairment. However, a reasonably possible change in certain key assumptions would cause the carrying values of the Hire CGU to exceed its recoverable amount. The recoverable amount of the Hire CGU would equal the carrying amount if the annual average annual growth in adjusted operating profit falls below c.20% to an average margin of 5.6% over the five-year forecast period. The goodwill in the Hire CGU, of £26.4m, would be totally impaired if the average annual growth in adjusted operating profit falls below c.16% to an average margin of 5.3% over the forecast period.

The headroom in the Hire CGU is also sensitive to a change in discount rate, for example a 1% fall in discount rate would give rise to an increase in headroom of £55.1m. Conversely, the recoverable amount would equal the carrying amount if the discount rate increased by c.40% to 17.4%, from 12.6%.

Based on the analysis performed, reflecting the opportunities for growth in revenue, the Velocity strategy, mitigation opportunities and considering the relevant sensitivity analysis, the Directors believe that no impairment is required at the balance sheet date. The position will be reassessed at the next reporting date.

It is noted that the market capitalisation of the Group at 31 March 2025 was below the consolidated net asset position – one indicator that an impairment may exist. Based on the impairment test performed and discussed above, the Directors believe that no impairment is required in this regard.

10 Property, plant and equipment

	Land and buildings £m	Hire equipment £m	Other £m	Total £m
Cost				
At 1 April 2023	54.5	395.9	96.6	547.0
Transfer to Intangible Assets[1]	-	-	(8.3)	(8.3)
Foreign exchange	-	(0.5)	-	(0.5)
Acquisitions	-	11.8	-	11.8
Additions	6.7	42.5	2.3	51.5
Disposals	(3.0)	(35.9)	(62.4)	(101.3)
Transfers to inventory	-	(27.8)	-	(27.8)
At 31 March 2024	58.2	386.0	28.2	472.4
Foreign exchange	-	(0.5)	-	(0.5)
Additions	4.9	57.5	0.8	63.2
Disposals	(2.1)	(19.9)	(1.3)	(23.3)
Transfers to inventory	-	(21.6)	-	(21.6)
At 31 March 2025	**61.0**	**401.5**	**27.7**	**490.2**
Accumulated depreciation				
At 1 April 2023	40.6	188.0	80.7	309.3
Transfer to Intangible Assets[1]	-	-	(2.8)	(2.8)
Foreign exchange	-	(0.2)	-	(0.2)
Charged in year	4.4	32.6	3.5	40.5
Disposals	(1.3)	(24.5)	(61.2)	(87.0)
Transfers to inventory	-	(20.5)	-	(20.5)
At 31 March 2024	43.7	175.4	20.2	239.3
Foreign exchange	-	(0.4)	-	(0.4)
Charged in year	4.1	30.9	2.6	37.6
Disposals	(1.8)	(11.5)	(1.0)	(14.3)
Transfers to inventory	-	(15.3)	-	(15.3)
At 31 March 2025	**46.0**	**179.1**	**21.8**	**246.9**
Net book value				
At 31 March 2025	**15.0**	**222.4**	**5.9**	**243.3**
At 31 March 2024	14.5	210.6	8.0	233.1
At 31 March 2023	13.9	207.9	15.9	237.7

[1] At 31 March 2023, software with a net book value of £6.7m was included in other property, plant and equipment. This was transferred to Intangible Assets during the year ended 31 March 2024 to correct the classification.

The net book value of land and buildings is made up of improvements to short leasehold properties.

Of the £222.4m (2024: £210.6m) net book value of hire equipment, £25.7m (2024: £28.1m) relates to non-itemised assets.

The net book value of other – non-hire equipment – comprises, fixtures, fittings, office equipment and IT equipment.

At 31 March 2025, no indicators of impairment were identified in relation to property, plant and equipment (2024: none).

11 Right of use assets

	Land and buildings £m	Other £m	Total £m
Cost			
At 1 April 2023	145.3	64.8	210.1
Additions	9.0	13.0	22.0
Remeasurements	17.9	0.8	18.7
Disposals	(6.7)	(11.7)	(18.4)
At 31 March 2024	165.5	66.9	232.4
Additions	2.1	19.3	21.4
Remeasurements	13.1	3.2	16.3
Disposals	(5.4)	(10.1)	(15.5)
At 31 March 2025	**175.3**	**79.3**	**254.6**
Accumulated depreciation			
At 1 April 2023	100.3	26.6	126.9
Charged in year	12.6	13.8	26.4
Disposals	(6.6)	(11.6)	(18.2)
At 31 March 2024	106.3	28.8	135.1
Charged in year	14.2	15.8	30.0
Disposals	(4.9)	(9.8)	(14.7)
At 31 March 2025	**115.6**	**34.8**	**150.4**
Net book value			
At 31 March 2025	**59.7**	**44.5**	**104.2**
At 31 March 2024	59.2	38.1	97.3
At 31 March 2023	45.0	38.2	83.2

Land and buildings leases comprise depots and associated ancillary leases such as car parks and yards.

Other leases consist of cars, lorries, vans and forklifts.

Included within disposals for the year ended 31 March 2025 is £0.4m (2024: £0.1m) relating to impairment of property leases presented within non-underlying items.

12 Borrowings

	31 March 2025 £m	31 March 2024 £m
Current borrowings		
Bank overdraft	**-**	1.2
Payables financing	**2.3**	-
Lease liabilities	**25.0**	22.1
	27.3	23.3
Non-current borrowings		
Maturing between one and five years		
- Asset based finance facility	**112.9**	104.1
- Lease liabilities	**80.9**	75.5
Total non-current borrowings	**193.8**	179.6
Total borrowings	**221.1**	202.9
Less: cash	**(2.1)**	(4.0)
Exclude lease liabilities	**(105.9)**	(97.6)
Net debt[1]	**113.1**	101.3

[1] Key performance indicator - excluding lease liabilities.

Reconciliation of financing liabilities and net debt

	1 April 2024 £m	Non-cash movement £m	Cash flow £m	**31 March 2025 £m**
Bank borrowings	(104.1)	(0.2)	(8.6)	**(112.9)**
Payables financing	-	-	(2.3)	**(2.3)**
Lease liabilities	(97.6)	26.7	(35.0)	**(105.9)**
Liabilities arising from financing activities	(201.7)	26.5	(45.9)	**(221.1)**
Cash and cash equivalents	4.0	-	(1.9)	**2.1**
Bank overdraft	(1.2)	-	1.2	**-**
Net debt	(198.9)	26.5	(46.6)	**(219.0)**

Bank borrowings

At the year end, the Group had a £180m asset based finance facility sub divided into:

(a) A secured overdraft facility, which secured by cross guarantees and debentures the bank deposits and overdrafts of the Company and certain subsidiary companies up to a maximum of £5m.

(b) An asset based finance facility of up to £175m, based on the Group's itemised hire equipment and trade receivables balance. The cash and undrawn availability of this facility as at 31 March 2025 was £42.0m (2024: £56.7m), based on the Group's eligible hire equipment and trade receivables.

The facility was for £180m, reduced to the extent that any ancillary facilities were provided, and was repayable in July 2026, with no prior scheduled repayment requirements. An additional uncommitted accordion of £220m was also in place.

Interest on the facility was calculated by reference to SONIA (previously LIBOR) applicable to the period drawn, plus a margin of 175 to 235 basis points, depending on leverage and on the components of the borrowing base. During the year, the effective margin was 2.14% (2024: 1.92%).

The facility was secured by fixed and floating charges over the Group's itemised hire fleet assets and trade receivables.

The facility had a Minimum Excess Availability covenant: At any time, 10 percent of the £180m facility ('Total Commitments').

Where availability fell below the Minimum Excess Availability, the financial covenants (below) were required to be tested. Covenants were not required to be tested where availability was above Minimum Excess Availability.

Leverage in respect of any Relevant Period shall be less than or equal to 3:1;

Fixed Charge Cover in respect of any Relevant Period shall be greater than or equal to 2.1:1

After the year end the Group refinanced its borrowings – see note 16.

Payables financing

The Group is also party to a payables finance arrangement whereby credit from a bank is used to settle supplier invoices, with the Group then settling its balance with the bank at a later date. Supplier invoices settled using the payables financing facility are settled on the same terms as comparable trade payables settled outside of the arrangement.

Under the arrangement, the Group obtains extended payment terms without affecting payments to suppliers and is able to direct the payments the bank makes on the Group's behalf. Joint and several liability is also in place under the facility. Given the substantially different terms the Group has with the bank under this arrangement, the supplier trade payable is derecognised once the liability is discharged upon payment, with a new financing liability instead recognised – representing the amount the Group owes to the bank – presented as a separate line item within current borrowings.

For the purpose of the cash flow statement, management considers that the bank settles the invoices as a payment agent on behalf of the Group. Any payment made by the bank is therefore presented as an operating cash outflow and a financing cash inflow. When the Group subsequently pays the amount outstanding to the bank, this is presented as a financing cash outflow. As a result, the amount of the payables financing facility utilised but not yet settled is included in the net debt reconciliation.

No significant non-cash changes arise as a result of this arrangement.

13 Lease liabilities

	Land and buildings £m	Other £m	Total £m
At 1 April 2023	45.2	40.9	86.1
Additions	9.0	13.0	22.0
Remeasurements	14.8	0.8	15.6
Repayments	(15.5)	(15.5)	(31.0)
Unwinding of discount rate	2.5	2.5	5.0
Terminations	(0.1)	-	(0.1)
At 31 March 2024	55.9	41.7	97.6
Additions	2.1	19.3	21.4
Remeasurements	13.1	3.2	16.3
Repayments	(16.8)	(18.2)	(35.0)
Unwinding of discount rate	3.2	3.2	6.4
Terminations	(0.8)	-	(0.8)
At 31 March 2025	**56.7**	**49.2**	**105.9**

Included within terminations for the year ended 31 March 2025 is £0.4m (2024: £0.1m) relating to terminations of property leases presented within non-underlying items.

Amounts payable for lease liabilities (discounted at the incremental borrowing rate of each lease) fall due as follows:

	31 March 2025 £m	31 March 2024 £m
Payable within one year	**25.0**	22.1
Payable in more than one year	**80.9**	75.5
At 31 March	**105.9**	97.6

14 Provisions

	Dilapidations £m
At 1 April 2023	15.6
Additional provision recognised	2.1
Provision utilised in the year	(1.3)
At 31 March 2024	16.4
New provision created	0.5
Provision utilised in the year	(2.8)
At 31 March 2025	**14.1**

Of the £14.1m provision at 31 March 2025 (2024: £16.4m), £6.1m (2024: £8.8m) is due within one year and £8.0m (2024: £7.6m) is due after one year.

The dilapidations provision relates to amounts payable to restore leased premises to their original condition upon the Group's exit of the lease for the site and other committed costs. Dilapidations may not be settled for some months following the Group's exit of the lease and are calculated based on estimated expenditure required to settle the landlord's claim at current market rates. The total liability is discounted to current values.

The provision recognised is based on management's best estimate of likely settlement and sits within a range of possible outcomes. The calculated provision equates to an expected settlement of £6.47 per square foot (2024: £7.24). If this were to change by £1 per square foot, a £2.2m movement (2024: £2.1m) in the provision would result.

15 Share capital

	31 March 2025		31 March 2024	
	Number m	**Amount £m**	Number m	Amount £m
Authorised, allotted, called-up and fully paid				
Opening balance (ordinary shares of 5 pence each)	**517.0**	**25.8**	517.0	25.8
Exercise of Sharesave Scheme options	**-**	**-**	-	-
Total	**517.0**	**25.8**	517.0	25.8

During the year, 4,624 ordinary shares of 5 pence were transferred from treasury on exercise of options under the Speedy Hire Sharesave Scheme (2024: nil).

An Employee Benefits Trust was established in 2004 ('the Trust'). The Trust holds shares issued by the Company in connection with the Performance Share Plan. No shares were acquired by the Trust during the year (2024: nil) and 2,731,148 (2024: 101,393, restated to record additional share transfers of 45,761) shares were transferred during the year, the vast majority being the exercise of options by former employees. At 31 March 2025, the Trust held 1,329,911 (2024: 4,106,820) shares.

16 Post balance sheet events

After the year end the Group refinanced its borrowings with new facilities of £225m comprising a:

- £150m revolving credit facility ('RCF') with a three year maturity, with options to extend up to a further two years.
- £75m private placement term loan with a seven year maturity.

The RCF is priced based on SONIA plus a variable margin, while any unutilised commitment is charged at 35% of the applicable margin. The price on the private placement term loan is fixed for the duration of the facility.

These facilities replace the Group's existing £180m asset based lending facility which was due to expire in July 2026. The ABL facility balance of £112.9m at 31 March 2025 was repaid in full on 24 April 2025 and the new facilities simultaneously entered into.

Consistent with the Group's previous financing arrangements, the new facilities include quarterly leverage and fixed charge cover covenant tests.

This new debt structure will provide the Group with greater flexibility to support its growth strategy.

The responsibility statement below has been prepared in connection with the Group's full annual report for the year ended 31 March 2025. Certain parts of that report are not included within this announcement.

Directors' Responsibilities Statement

We confirm that to the best of our knowledge:

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

The names and functions of the Directors of the Company are:

Name	Function
David Shearer	Chairman
Dan Evans	Chief Executive
Paul Rayner	Chief Financial Officer
David Garman	Senior Independent Director
Rob Barclay	Non-Executive Director
Rhian Bartlett	Non-Executive Director
Shatish Dasani	Non-Executive Director
Carol Kavanagh	Non-Executive Director

Principal risks and uncertainties

The business strategy in place and the nature of the industry in which we operate expose the Group to a number of risks. As part of the risk management framework in place, the Board considers on an ongoing basis the nature, likelihood and potential impact of each of the significant risks it is willing to accept in achieving its strategic objectives.

The Board has delegated to the Audit & Risk Committee responsibility for reviewing the effectiveness of the Group's internal controls, including the systems established to identify, assess, manage and monitor risks. These systems, which ensure that risk is managed at the appropriate level within the business, can only mitigate risk rather than eliminate it completely.

Direct ownership of risk management within the Group lies with the senior management teams. Each individual is responsible for maintaining a risk register for their area of the business and is required to update this on a regular basis. The key items are consolidated into a Group risk register which has been used by the Board to carry out a robust assessment of the principal risks.

The principal risks and mitigating controls in place are summarised below.

Controllable Risks

Vehicle or Health and Safety Incident	
Description and potential impact	**Mitigation**
Failure to maintain high safety standards could lead to the risk of serious injury, legal action or reputational damage. Speedy Hire operates in many industries such as construction, utilities and infrastructure. The business also commands a large fleet of vehicles.	Health and Safety is fundamental to the Company's values. Speedy Hire continues to challenge current ways of thinking to improve risk exposure in its operations and improve safety performance. An open reporting culture is fostered with colleagues encouraged to report anything that they consider to be unsafe. Monthly communications to all colleagues highlight examples of successfully addressed issues or where there are lessons to be learned. Speedy Hire has in place robust health and safety policies and procedures and is recognised for its industry leading health and safety compliance. Training is provided to all colleagues with managers expected to champion safety awareness within Speedy Hire's culture. We maintain systems that enable us to hold appropriate industry recognised accreditations, and this is supported by a specialist software platform for managing data and reporting in relation to Health, Safety and Environment. We have one of the most modern fleets of delivery vehicles in the sector which encompass all the latest safety standards and beyond to ensure colleagues, customers and members of the public are safe when interacting with our fleet.
Key actions undertaken in FY2025	
Workplace transport risk assessments have been undertaken to identify risks and strengthen preventative controls. Safety Culture training has been provided for senior leaders and operational managers throughout the year. Project has been undertaken to utilise digital platforms to communicate safety guidance and information.	

Significant IT outage or Disaster Recovery event	
Description and potential impact	**Mitigation**
A significant IT outage or IT Disaster Recovery event which results in significant downtime of the business resulting in reputational damage, lost business and lost employee hours.	Speedy Hire has critical incident plans in place for all its sites. This is supported by a documented plan to establish a crisis management team when events occur that interrupt business. This includes detailed plans for all critical trading sites and head office support. These plans are regularly tested by management and any advisory actions raised implemented on a timely basis. In addition to this insurance cover is reviewed at regular intervals to ensure appropriate coverage in the event of a business continuity issue. Preventative controls, including back-up and recovery procedures, are in place for key IT systems. Changes to Speedy Hire's systems are considered as part of wider change management programmes and implemented in phases wherever possible.
Key actions undertaken in FY2025	
Key controls in this area are well established and as such ongoing monitoring and updates are undertaken to ensure that the controls are maintained.	

Cyber attack	
Description and potential impact	**Mitigation**
A cyber attack which results in a threat actor gaining unauthorised access to data or systems resulting in significant downtime, loss of Company commercial information or personal data which could result in disruption of the business, fines, legal or regulatory action, and reputational damage and/or loss of public confidence.	Speedy Hire remains vigilant with regards to cyber security, with stringent policies surrounding security, user access, and change control put in place. Mandatory training for employees to raise awareness of cyber security has been established and completion rates for this are monitored. An established Cyber Security Governance Committee, including Board members, meets quarterly to monitor our control framework and reports on a routine basis to the Audit & Risk Committee. Speedy Hire's IT systems are protected against internal and external unauthorised access. These protections are tested regularly by an independent provider. All mobile devices have access restrictions and, where appropriate, data encryption is applied.
Key actions undertaken in FY2025	
Cyber Essentials Plus accreditation renewal achieved. ISO27001 accreditation transitioned to 2022 standard. Strengthened IT related controls relating to USB storage, network access and bring your own device requirements. Application whitelisting and ring fencing established on corporate end points. Secure code development testing using enhanced software tooling has been established.	

Velocity does not deliver on expected benefits	
Description and potential impact	**Mitigation**
Velocity does not deliver the level of cost saving and benefit expected by the business and shareholders resulting in a fall in share price and loss of expected benefit and outlay by the business.	A business plan for the transformation programme has been completed and approved by the Board. Each pillar of the transformation plan has an Executive Team sponsor and ongoing monitoring of activity and progress. KPI tracking is in place for each initiative. Financial business cases are done at programme level and individual project level. These are updated monthly to track cost and benefit realisation. These are shared with the Executive Team on a monthly basis.
Key actions undertaken in FY2025	
Overall strategy themes are broken down into individual action plans and regular monitoring established. Additional resources identified to support change management with additional training provided to employees.	

Funding arrangements	
Description and potential impact	**Mitigation**
Funding arrangements in place are not sufficient, agreements break down or funds are not available on a timely basis resulting in a lack of available funds for ongoing business arrangements or arising opportunities.	The Board has an established Treasury Policy regarding the nature, amount and maturity of committed funding facilities that should be in place to support Speedy Hire's activities. We have a defined capital allocation policy. This ensures that Speedy Hire's capital requirements, forecast, actual financial performance, and potential sources of finance are reviewed at Board level on a regular basis in order that its requirements can be managed within appropriate levels of spare capacity. Compliance with financial covenants is monitored by the Board on regularly and formally reported on a quarterly basis under the new financing arrangements. Subsequent to the year end, the Group secured new financing facilities of £225m, represented by a £150m revolving credit facility ("RCF") and a £75m private placement term loan. The RCF is in place through to April 2028, with uncommitted extension options for a further two years. The private placement term loan is in place through to April 2032.
Key actions undertaken in FY2025	
Additional controls and approval procedures for 'out of the ordinary' and unbudgeted spend have been reviewed and strengthened.	

Climate Change	
Description and potential impact	**Mitigation**
Climate-related risks may materialise and cause a wide range of adverse impacts to Speedy Hire over the short, medium and long term. The severity of any impact would vary depending on the climate scenario and a range of local and macro factors.	Speedy Hire regularly identifies its most material climate-related responsibilities and challenges in order to target investment and drive effective mitigation. Governance is led by the Board, which receives regular reports on the most material climate risks and opportunities, the action taken, and the progress made. Environment and Social Governance (ESG) policies and procedures are in place regarding the need to adhere to local laws and regulations. As part of this, carbon emissions are monitored, reported and where possible mitigated by decarbonisation actions. In addition, procurement policies determine Speedy Hire's strategic direction for the latest available emissions management and fuel efficiency from our purchases. To do this Speedy Hire collaborates with key suppliers to develop and pilot new technologies. Speedy Hire also has a plan in place to transition to lower carbon vehicles and properties. This information is found on the Speedy Hire Net Zero Roadmap. We review all climate change-related risks and opportunities, annually, holding discussions with key stakeholders across the business to identify mitigation measures and management responses. Further details in relation to sustainability and climate change are detailed in the Taskforce for Climate-Related Financial Disclosures ('TCFD') section of the Annual Report and Accounts.
Key actions undertaken in FY2025	
Governance Arrangements for ESG have been established with regular committee meetings being held during the year. Additional processes and controls have been put in place to ensure our Scope 1, 2 and 3 emissions data is accurately reported. Sustainability workshops have been held to further knowledge and understating across the Company.	

Future of energy generation	
Description and potential impact	**Mitigation**
An inability to effectively diversify into alternative fuels and energy sources impacts Speedy Hire's ability to sufficiently evolve our core service provisions to move with future developments. This may result in the loss of key product lines and impact Speedy Hire's ability to continue to grow which impacts investor confidence.	Speedy Hire looks to champion new energy sources and offer assets with diversified fuel and power provisions. Investment is being made into assets utilising alternative fuel sources and consideration is given to emerging markets and technologies. We track market trends and emerging technologies to be aware of fuel alternatives. Regular customer engagement ensures we align with sustainability priorities and highlight the carbon and cost benefits of eco-products. Our Investment Committee's roadmap priorities low-carbon technologies, sustainable fuels, and the phased divestment of carbon-intensive products. Collaboration with key suppliers also drives innovation, ensuring we deliver low-carbon solutions that meet customer expectations while supporting sustainability and long-term growth. To quantify the risk to revenue in the inability to move to alternate fuel sources for products, our TCFD modelling now includes a quantitative disclosure methodology. We now track our top ten customers appetite for alternative product fuel sources in two categories (tower lights and generators). Through the tracking of their SBT's, net zero targets in scope 1, we have identified within these two product discount groups what procurement strategy Speedy must align to and over what timeline Speedy Hire will see the largest demand in these alternative fuel sources.
Key actions undertaken in FY2025	
Opportunities identified for further use of HVO fuel. Continued to strengthen relationships through key suppliers and partnerships to invest in new technologies.	

Competitor risk - loss of market share	
Description and potential impact	**Mitigation**
Loss of significant contracts or market share to competitors resulting in reduced revenues and loss of investor confidence which may affect share price.	Speedy Hire monitors its competitive position closely, to ensure that it can offer customers the best solutions. Speedy Hire provides a broad product offering supplemented by our rehire division. Market share is monitored, and our activity measured against that of our competition allowing us to adapt in line with market changes. The performance of major accounts is monitored against forecasts, strength of client future order books and individual requirements with a view to ensuring that the opportunities for Speedy Hire are maximised.
Key actions undertaken in FY2025	
Continued monitoring of key products, customers and competitors. Continued implementation of Transformation projects to continue to improve our service offering.	

Loss of a major Speedy Hire site	
Description and potential impact	**Mitigation**
A major site (e.g. RSC+ or NSC) is not operational for a significant period of time resulting in loss of revenue, equipment and/or reputation.	Speedy Hire recognises the importance of robust operational resilience capabilities and has established Business Continuity Plans and processes which have been tested and are reviewed on an ongoing basis. For key operational sites impact assessments are undertaken and have been completed on NSCs and our Head Office. To assess our resilience, incident scenario testing has been undertaken with third parties to ascertain readiness and the robust nature of our plans. The findings of these reviews have been used to further develop our response plans. A crisis management team is in place with testing of crisis management response reviewed through workshops.
Key actions undertaken in FY2025	
Training delivered to depot and regional managers for key and high-risk locations.	

Loss of talent	
Description and potential impact	**Mitigation**
Speedy Hire aims to ensure the appropriate talent is in place to support the existing and future growth of the business. Failure to attract, develop and retain the necessary high-performing colleagues could adversely impact financial performance and achieving the business' future strategies and objectives.	There is a People Strategy in place which is being delivered through our People First programme. This programme is informed by workforce planning and includes: the skills framework; career pathways and development of our workforce to meet future skills requirements; focus on reinforcing our leadership capability; enhancements to our ability to attract talent; investment in early careers; engagement and reward strategies to improve retention; and building better career development opportunities and support for our employees. This includes targets to improve our diversity, equity and inclusivity (including ability) which are designed to attract individuals with the best talent from across the population. Speedy Hire provides well-structured and competitive reward and benefit packages that ensure our ability to attract and retain employees. Talent and succession planning aims to identify high performers with potential within Speedy Hire and is formally reviewed on an annual basis by the Nomination Committee, focusing on both short and long-term successors for the key roles within Speedy Hire. We actively consider promotion opportunities in preference to external hiring where possible. We also have a number of wellbeing initiatives provided by internal and external partners to ensure we offer appropriate support to all colleagues.
Key actions undertaken in FY2025	

Continuous Performance Management Framework developed. Skills frameworks and new career pathways rollout started. Change Leadership Programme completed with the senior leadership team. 'Managing your Team Through Change' training for managers and team leaders has been rolled out across Speedy Hire. Introduction of Women in Leadership Apprenticeships providing development to empower our female colleagues across Speedy Hire and Leadership Pathway Apprenticeships for the development of aspiring middle and senior managers. 24-month core skills development programme for graduates across Speedy Hire.

Uncontrollable Risks

Market and economic conditions	
Description and potential impact	**Mitigation**
Serious downturn in economic and market conditions significantly impacts the volume of sales, ongoing business and orders resulting in a contraction of the market and lower revenues.	Speedy Hire assesses any changes in private sector spending as part of its wider market analysis. The impact on Speedy Hire of any such change is assessed as part of the ongoing financial and operational budgeting and forecasting process. Our strategy is to develop a differentiated proposition in our chosen markets and to ensure that we are well positioned with clients and contractors. The Board oversees the importance of strategic clarity and alignment, which is seen as essential for the setting and execution of priorities, including resource allocation. We have disciplined cost control measures, taking decisive action during the year where required whilst ensuring we adequately invest in our transformation strategy and monitor implementation.

Government policy	
Description and potential impact	**Mitigation**
Changes in government policy negatively impact Speedy Hire's business, personnel and operations resulting in increased costs and reduced margins. The Government cancels major schemes, e.g. HS2 which impact confidence of investors and shareholders resulting in Speedy Hire not achieving growth targets or aspects of the Velocity strategy, and reduction in share price.	Speedy Hire assesses changes in Government policy and spending as part of its wider market analysis. The impact on Speedy Hire of any such change is assessed as part of the ongoing financial and operational budgeting and forecasting process.

Viability Statement

The Group operates an annual planning process which includes a multi-year strategic plan and a one year financial budget. These plans, and risks to their achievement, are reviewed by the Board as part of its strategy review and budget approval processes. The Board has evaluated the Group's current position and outlook and has considered the impact of the principal risks to the Group's business model, performance, solvency and liquidity as set out above.

The Directors have determined that three years is an appropriate period over which to assess the Viability Statement. Whilst the strategic plan is based on detailed action plans developed by the Group with specific initiatives and accountabilities, there is inherently less certainty in the projections beyond year three in the plan. The Group secured new financing facilities of £225m after the year end, represented by a £150m revolving credit facility ('RCF') and a £75m private placement term loan. The RCF is in place through to April 2028, with uncommitted extension options for a further two years, and the private placement term loan is in place through to April 2032. The strategic plan assumes the facility will be extended to meet the Group's investment strategies.

In making this statement, the Directors have considered the resilience of the Group, its current position, the principal risks facing the business in distressed but reasonable scenarios and the effectiveness of any mitigating actions. Scenario analysis has been performed which considers a manifestation of the principal risks that could directly impact the Group's trading performance including, but not limited to, Market and economic conditions and Velocity not delivering expected benefits.

The analysis assumes a significant reduction in revenue growth versus that included in the strategic plan, while maintaining a similar cost base. The Group is able to respond to downturns in trading and take mitigating actions to preserve liquidity and profitability throughout the viability period. Mitigations applied in the scenario analysis include a reduction in planned capital expenditure and restrictions on significant overhead growth. In more severe scenarios, the Group is able to take further capital and cost saving measures to preserve its financial position.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to March 2028.

The going concern statement and further information can be found in note 1 of the Financial Statements.