

Aggregates giant Breedon planning move from AIM to main stock market as sales hit £1.4bn

Management at Breedon Group have said they plan to move it from the AIM stock exchange to the Main Market to better reflect its “scale and heritage”.

The announcement comes as new figures show the [Leicestershire-based construction materials giant](#) hit revenues of £1.4 billion last year, up 13 per cent on 2021. Pre-tax profits were up a fifth at £136 million.

Cement sales in particular had a record year, up 22 per cent with margins also up, helped by resilient markets and prices getting stronger. Shares in the business were up around 4 per cent today at 77.6p.

Despite the UK economy looking uncertain –<https://www.business-live.co.uk/manufacturing/aggregates-giant-breedon-says-business-24600551>

– the business said UK Infrastructure and industrial construction were expected to grow in 2023, underpinned by big ongoing projects.

The company’s directors said moving Breedon’s ordinary shares to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange would further enhance its corporate profile and recognition.

It would also allow index tracker funds and a broader group of international institutional investors to put money into the group. However, management said there are no plans to raise

funds in connection with the admission.

The business has grown exponentially since its 2010 launch. Back then it owned around 180 million tonnes of mineral reserves and resources and operated 29 quarries in Great Britain.

Today it has a billion tonnes of mineral reserves and resources and operate more than 300 sites across the UK and Ireland. It employs around 3,700 people.

Non-executive chairman Amit Bhatia said: "Being a member of AIM has served us well. For over a decade the AIM market provided us with access to diverse and engaged investors, within a supportive community that understands the needs of entrepreneurial businesses such as Breedon and we thank them wholeheartedly for their support.

"As an established business, with a track record for growth and value creation, we believe the Main Market now offers the appropriate listing for a company of our scale and heritage and, subject to the required approvals, look forward to our future as a member of the Official List."

As part of admission, the directors intend to establish a new holding company called New Breedon and undertake a share consolidation to reduce the absolute number of shares in issue.

A general meeting will be called to approve the plans in due course.

Chief executive Rob Wood said: "2022 was another record year. Each division progressed and we made meaningful headway on our growth strategy, expanding organically, acquiring strategically important assets, and moving our sustainability agenda forward.

"We grew sustainably through replenishing and optimising our

mineral assets, investing in our colleague's safety and wellbeing, and reducing our carbon footprint while maintaining a secure financial position. We have a mineral pipeline in excess of 100 million tonnes, we achieved the highest substitution of fossil fuels at our cement plants in our history, and we invested for growth while still reducing our leverage.

"In recent years our local and entrepreneurial operating model has been tried and tested, keeping our people safe while growing high-quality earnings, and maintaining a strong balance sheet.

"Despite the uncertain economic and geopolitical landscape, 2023 has begun positively and we are in a strong position. We will continue to supply essential materials to growing end-markets, and we remain confident in our ability to deliver."

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