



Interim Results 2025 and Agriculture Strategy Update

7 May 2025

David White, Chief Executive Officer

Gavin Manson, Chief Financial Officer

Joshua Hoopes, Chief Executive Officer, Global Agriculture

Harry Leighton, Head of Finance, UK Agriculture

Agenda

- Overview
- Financial Review: H1 2025 Results
- Agriculture Strategy Update
- Outlook and Summary

Overview

Strategic repositioning towards pure-play specialist agriculture supplement business

Unlocking value for shareholders

- Successful disposal of Engineering Division for £75m, post period end
- Tender Offer process to return up to £70m to shareholders expected to conclude in early July (subject to shareholder approval)
- Corporate simplification delivering sustainable cost reductions across the Group

Transformation to Specialist Agriculture business

- New, clear growth strategy focused on value creation
- Demonstrating clear momentum as global specialists in feed supplements for pasture-based livestock and building leading market positions in targeted segments

Leadership change to support new strategic direction

- Group CEO David White will step down with effect from 30 June 2025 and Josh Hoopes, currently CEO Global Agriculture, will be appointed CEO

Well placed to achieve significant profitable growth and drive shareholder returns

Engineering disposal and return of capital

Engineering disposal

- Completed the disposal of the larger part of the Engineering division for £75m enterprise value on 22 April 2025, post period end
- Ongoing process to realise value for the remaining part of its Engineering Division, Chirton Engineering

Return of capital

- A Tender Offer process to return up to £70m to shareholders will be initiated in the second half of May and is expected to conclude in early July (subject to shareholder approval)
- Interim Dividend of 1.2p per share to be paid prior to conclusion of the Tender Offer

Financial Review: HY2025 Results



Continuing Operations

	FY25 £m	FY24 £m	Change %
Revenue: UK Agriculture	27.6	24.0	+15.0%
US Agriculture	23.0	23.3	-1.3%
Total	50.6	47.3	+7.0%
Adjusted EBIT: UK	3.0	1.7	+76.5%
US	2.6	2.1	+23.8%
JV profits	1.4	1.4	-
Central	(1.1)	(1.6)	-31.3%
Total	5.9	3.6	+63.9%
Adjusted EPS (p)	5.1	3.5	+45.7
Basic EPS (p)	6.5	1.9	+242.1

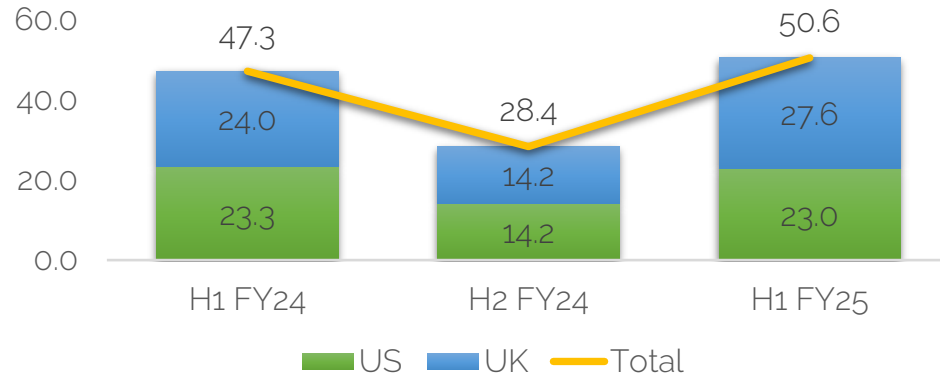
Agriculture momentum building:

YOY variance (%)		FY24 H1	FY24 H2	FY25 H1
Volume	UK	+11	+13	+13
	US	-18	-9	+3

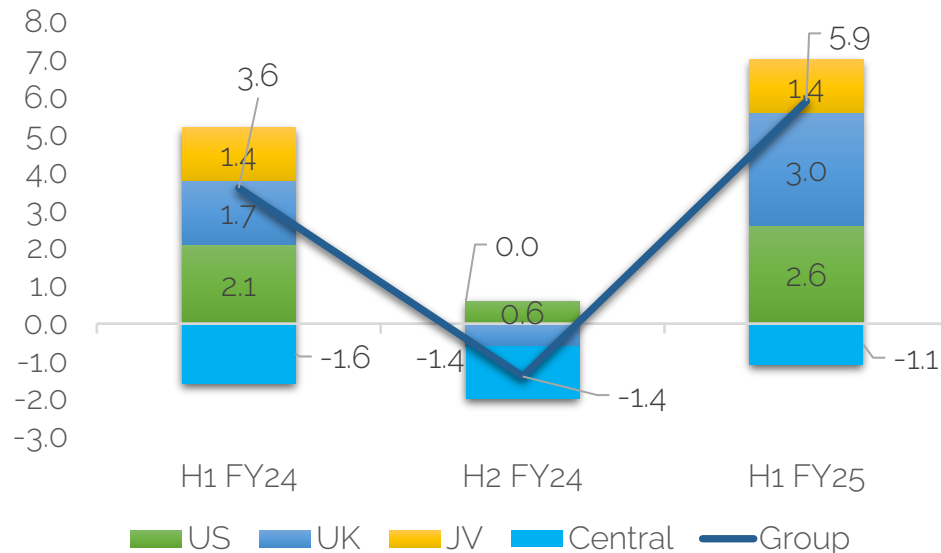
- UK economy driven feed blocks recovery more advanced than US
- UK is a mature market where opportunity is for margin optimisation and share gains. Benefits of management integration and commercial focus
- US revenue +1.5% YOY at constant exchange rates
- US has geographical opportunity in states not currently active in context of cyclical recovery in next 12-24 months. Southern states continue to be drought impacted whilst northern climatic conditions are good
- JVs performing in line with FY24 with growth expected in US as benefits of additional production line are delivered
- Central costs reductions to continue post Engineering sale

Summary Financials – Continuing Operations

Revenue (£m)



Adjusted Operating Profit (£m)

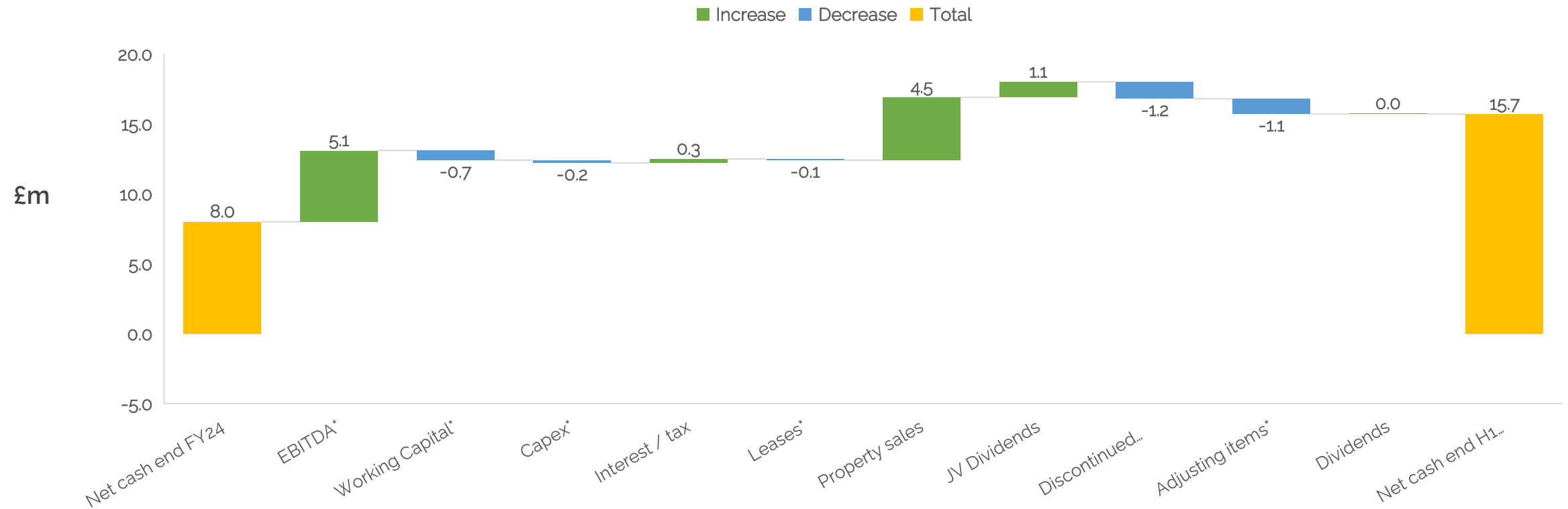


Progress in seasonal business

- H1 FY25 Revenues up 7% on H1 FY24
- H1 FY25 Adjusted Operating Profit up £2.3m on H1 FY24
- H2 FY24 Adjusted Operating Profit was loss of £1.4m vs profit of £3.6m in H1 FY24
- Trading improvements expected to continue in H2 FY25 – but seasonality remains
- Central costs reductions influenced by timing of Engineering disposal

Net Cash/(Debt) Movement

Movement in net cash/(debt) (excluding leases)



Key points

- Main bank facility in place until December 2026 – facility £6m, process to extend commencing shortly
- Post period end:
 - Property disposal receipts £2.5m
 - Final Dividend FY24: £2.7m
 - Pension escrow payment £4.5m

*in respect of continuing operations only

Balance Sheet

Statutory Disclosure

	28 / 2 / 25	31 / 8 / 24	
	£m	Restated £m	Change
Fixed assets	20.9	21.3	-1.9%
Net working capital	11.3	10.6	-6.6%
Assets/liabilities held for resale/deferred consideration	54.3	53.9	+0.7%
Assets employed	86.5	85.8	+0.8%
Pension surplus	0.8	1.8	-55.6%
Net cash / (debt) (excluding leases)	15.7	8.0	+96.3%
Lease liabilities	(0.6)	(0.7)	-14.3%
Net assets	102.4	94.9	+7.9%

*Note: £3.4m net debt reflected within Assets/liabilities held for sale

- Net assets held for sale in FY25 & FY24 relate to 'discontinued activities':
 - Engineering Division (FY24 and FY25)
 - Properties (FY24 and FY25)
 - Afgritech (FY24)
- Pension surplus reduced by actuarial assumptions
- Simpler Balance Sheet after disposal of assets held for sale

Adjusting Items

- Restructuring costs reflect Head Office and New Zealand (continuing) and Afgritech (discontinued)
- Final US ERP implementation costs
- Pension scheme de-risking fees
- Property sales: investment properties and former Head Office

£'m	Continuing	Discontinued	Total
Cash Items			
Restructuring costs and costs to sell assets held for sale	0.9	0.4	1.3
ERP Implementation	0.1	-	0.1
Pension de-risking	0.2	-	0.2
Profit on property sale	(2.9)	0.3	(2.6)
Total	(1.7)	0.7	(1.0)

Cost efficiencies

- Progress in simplification and right-sizing of Group operations in line with focus on value generation
- Completed the sale of eight investment / non-core properties for £7m in year to date
- Completed the de-risking of its defined benefit pension scheme through a policy buy-in in January 2025
- Ongoing focus on central cost reduction through the rightsizing of central functions:
 - H1 adjusted central costs £1.1m vs H1 FY24: £1.6m
 - Engineering disposal allows further savings to be implemented

Global Agriculture Strategy Update



● Who we are...

“A global specialist
of feed supplements for cattle,
horses, sheep and goats.”

● Our mission...

“To deliver research-based products
that **optimise livestock performance**
and **profitability**...
...enabling farms to produce **safe, healthy,**
and **sustainable food.**”



● What makes us different and enables growth...

- **Global specialist** in livestock supplements for grazing-based customers
- **Strategically located** operations with local sales execution
- Patented, **research-backed** product portfolio



● A Clear and Focused Strategy to Deliver Value



1 Improve operating margin across Global Agriculture portfolio

2 Deliver profitable commercial growth in the core business

3 Expand into new extensive, grazing based growth geographies

“Drive shareholder returns and growth by leveraging our **feed supplement expertise** as a **global specialist** for extensive, grazing based food systems.”

● H1 Delivery Made Across Each Strategic Pillar

1

Improve operating margin across Global Agriculture portfolio

- **Proposed closure of Animax site** announced with plans to move to outsourced bolus supplier
- **Sharper raw material procurement** delivering year on year margin growth
- **Poteau capital investment** in progress (automation and efficiency gains expected FY26)

2

Deliver profitable commercial growth in the core business

- **H1 market share gains** made in UK and Belle Fourche geography (Poteau remains under development)
- **Reinvigorated marketing strategy readied** for core block business Crystalyx® (UK) and Smartlic® (US)
- **New bolus product** (Tracesure Advance®) launch planned for autumn 2025

3

Expand into **new** extensive, grazing based **growth geographies**

- **New distribution model into New Zealand** delivering as planned
- Ongoing assessment of **expansion opportunities in growing Southern Hemisphere markets**
- **New Flaxlic® research** completed with South Dakota State University, US, and presented to The Brazilian Society of Embryo Technology (SBTE) in Sao Paulo, Brazil

Outlook and Summary

- Post Engineering Division disposal, Group performance will be more seasonal with typically lower second-half trading activity across northern hemisphere agriculture markets
- Trading conditions in the US remain challenging, largely due to climate-related challenges, with the anticipated recovery in US herd size now expected beyond H2 2025, which will impact performance in FY26
- Clear strategic priority to deliver increased market share and margin enhancements through disciplined commercial execution, supported by further central cost savings driven by Engineering disposal

Q&A





Appendix

Full Global Agriculture Strategy



Delivering today,
building our future

Who we are...

“A global specialist
of feed supplements for cattle,
horses, sheep and goats.”

- Multinational manufacturing across **3 different countries**
- Over **20 countries** sold to globally
- **5 market leading product brands:**
Crystalyx®, Smartlic®, Feed in a Drum®,
Horslyx® and Tracesure®
- Led by **global leadership team** with
agricultural depth
- Listed on the **London Stock Exchange** since **1972**



Our manufacturing sites ●

● Our mission...

“To deliver research-based products that **optimise livestock performance** and **profitability**...
...enabling farms to produce **safe, healthy,**
and **sustainable food.**”



● What makes us different and enables growth...

- **Global specialist** in livestock supplements for grazing-based customers[®]
- **Strategically located** operations with local sales execution
- Patented, **research-backed** product portfolio



What we do...

“ Manufacture and sell
research proven supplements
delivered through block, bolus
and bagged mineral formats.”

1 Feed
licks
.....

The **core
product** for
our business.

Making up
90% of our
revenue.

2 Bagged
minerals
.....

3 Boluses
.....



Why farmers purchase our products...

“Because forages aren't enough, **Crystalyx nutrition solutions** help **maximise** your herd's potential and your **profits**.”

- Our products **improve the health, performance**, and **fertility** of livestock.
- We **boost microbial activity** in the rumen which enhances feed digestibility.
- Product nutrients are delivered as a **highly palatable** low moisture feed lick that self-moderate intake.
- They can be **used in all-weather, all-season, all conditions** both in the barn and in the field.

Crystalyx vs competitor



Crystalyx feed licks have been shown to be consumed by animals far **more consistently** than competitors' products.



Why our products are different...

Our **research backed** products deliver farmers **supplements they can trust** and deliver a **minimum 2:1 return on investment**.

global results
from **independent**
university trials

“Our products, produce **astounding results** with forage fed livestock **throughout the world.**”

- 42.2% **increase** in dairy heifer daily **liveweight gain**.
- 24% **improvement** in **bull fertility**.
- 59.5% **increased milk yield** in dairy cattle **experiencing heat stress**.
- 12% **improvement** in **lambling percentage**.
- 41.7% **increase** in daily **liveweight gain** when fed to housed calves.
- 208% **increase** in **colostrum IgG** in dairy cows.
- 100% **pregnancy rates** in replacement heifers.



● Our strategy...



1 Improve operating margin across Global Agriculture portfolio

2 Deliver profitable commercial growth in the core business

3 Expand into new extensive, grazing based growth geographies



“Drive shareholder returns and growth by leveraging our feed supplement expertise as a global specialist for extensive, grazing based food systems.”

1 Improve operating margin across Global Agriculture portfolio

- **Portfolio shift** away from low margin, commodity-based products
 - Recent closure and disposal of Afgritech (New York, USA based rumen bypass business)
- Introduce **operational excellence** programme
 - Integrated UK operations leadership across three sites
 - Oklahoma USA site leadership change
- Execute **cost improvement** plan
 - Group procurement established
 - Animax commissioned automated bolus machines



2 Deliver profitable commercial growth in the core business

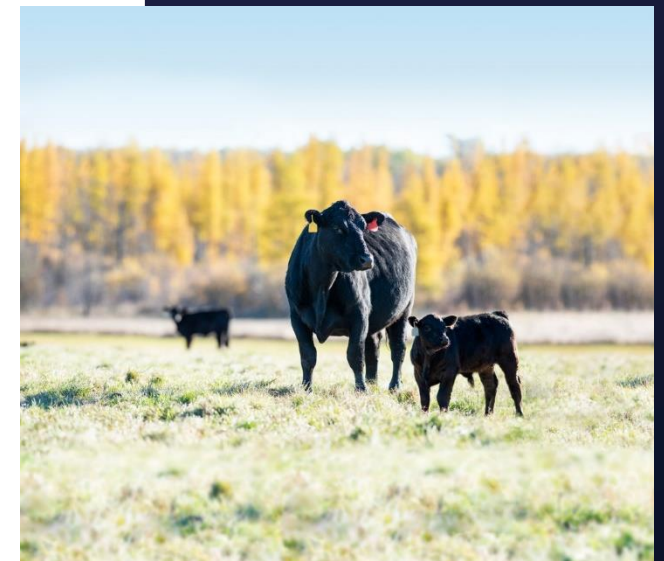
- Focus on **driving branded, differentiated and patented products** within portfolio
 - Farm level marketing and demand generation investment initiated
 - Global NPD programme established
- Reinvigorated **commerciality and sales capability**
 - New UK commercial leadership with integrated sales team across all product ranges
 - Additional commercial resources applied to Poteau, Oklahoma site territories
- Plus, expected **improvement in underlying market conditions**



3 Expand into **new** extensive, grazing based **growth geographies**

- **New distribution partner** and model established for New Zealand market
 - Volume growth expected
 - Cost reduction in progress
- Explore **opportunities for targeted investment** into new, specially selected, high potential markets
- Leverage **global product portfolio** and intellectual property

“The OECD has forecast beef consumption will increase to 76Mt between 2020 and 2029, while the FAO predicts global protein availability from beef will rise 8% in the 10 years to 2031.”



● H1 Delivery Made Across Each Strategic Pillar

1

Improve operating margin across Global Agriculture portfolio

- **Proposed closure of Animax site** announced with plans to move to outsourced bolus supplier
- **Sharper raw material procurement** delivering year on year margin growth
- **Poteau capital investment** in progress (automation and efficiency gains expected FY26)

2

Deliver profitable commercial growth in the core business

- **H1 market share gains** made in UK and Belle Fourche geography (Poteau remains under development)
- **Reinvigorated marketing strategy readied** for core block business Crystalyx[®] (UK) and Smartlic[®] (USA)
- **New bolus product** (Tracesure Advance[®]) launch planned for autumn 2025

3

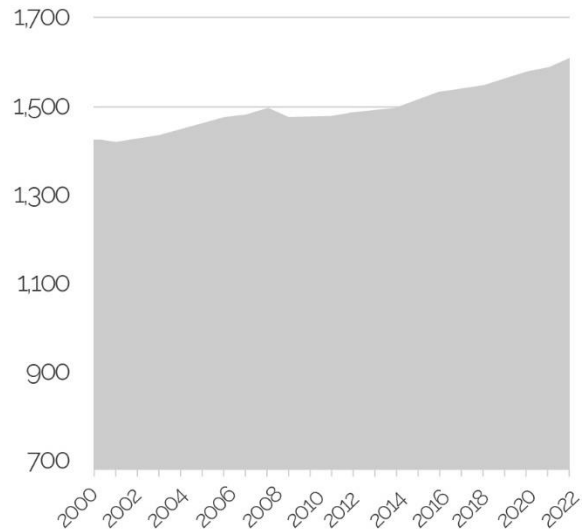
Expand into **new** extensive, grazing based **growth geographies**

- **New distribution model into New Zealand** delivering as planned
- Ongoing assessment of **expansion opportunities in growing Southern Hemisphere markets**
- **New Flaxlic[®] research** completed with South Dakota State University, US, and presented to The Brazilian Society of Embryo Technology (SBTE) in Sao Paulo, Brazil

Industry growth and future demand...

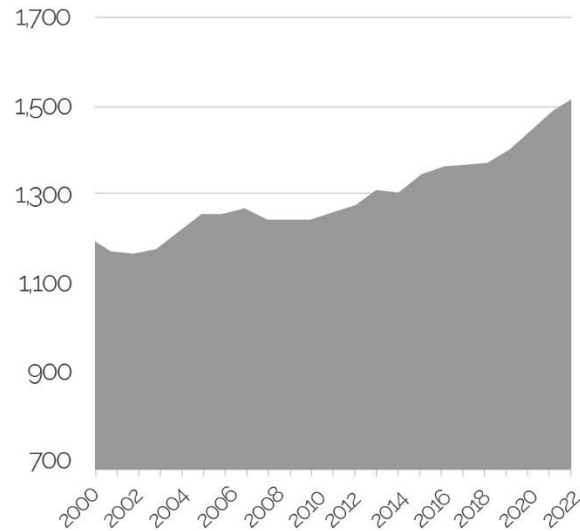
Increasing demand for animal protein due to global **population growth** and **rising affluence**

Global **Cattle** Stocks (millions)



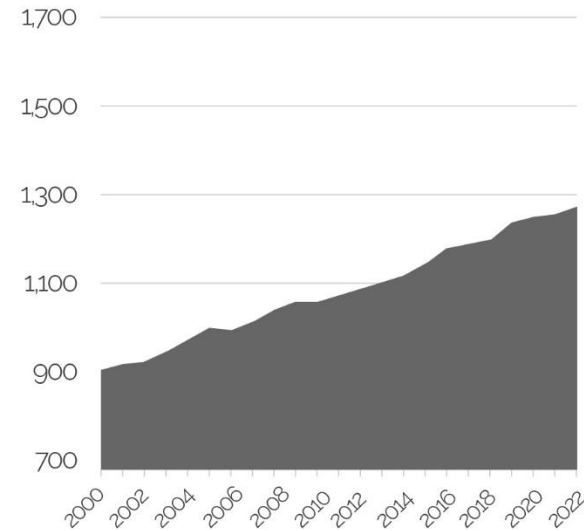
	Growth	CAGR
5 Years	4%	0.81%
10 Years	8%	0.76%
20 Years	12%	0.57%

Global **Sheep** Stocks (millions)



	Growth	CAGR
5 Years	10%	2.01%
10 Years	16%	1.47%
20 Years	29%	1.27%

Global **Goats** Stocks (millions)

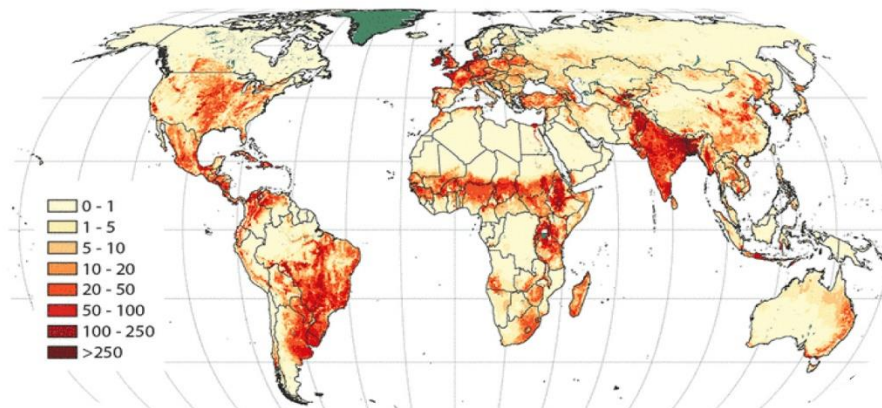


	Growth	CAGR
5 Years	6%	1.24%
10 Years	15%	1.45%
20 Years	35%	1.50%

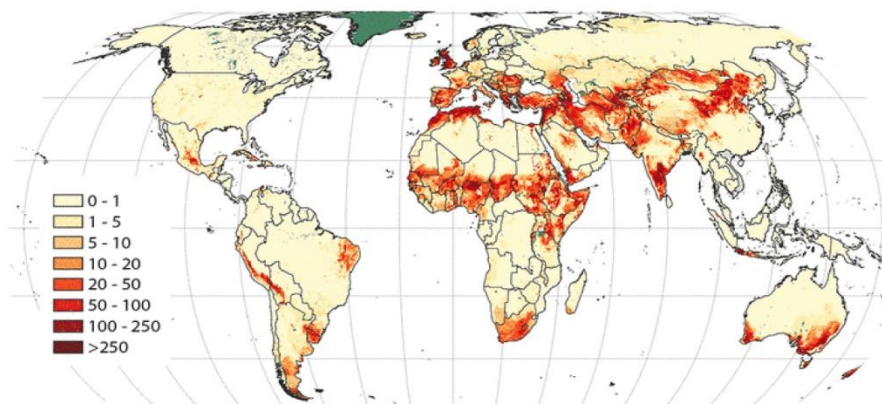


Continued...

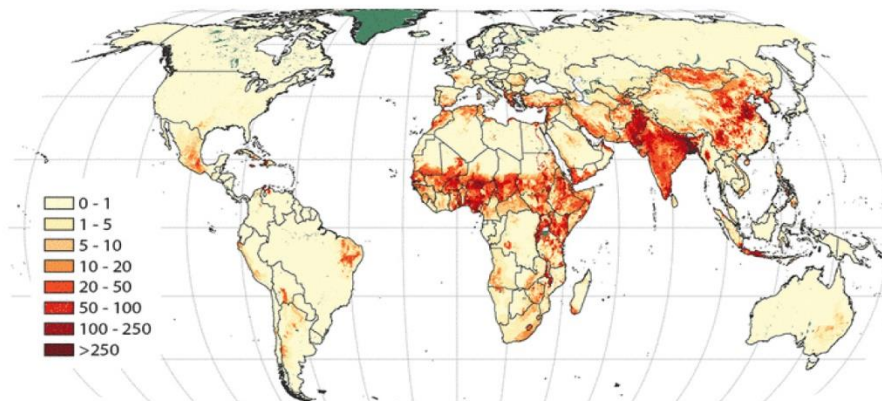
Cattle Stocks
(millions per sq km)



Sheep Stocks
(millions per sq km)



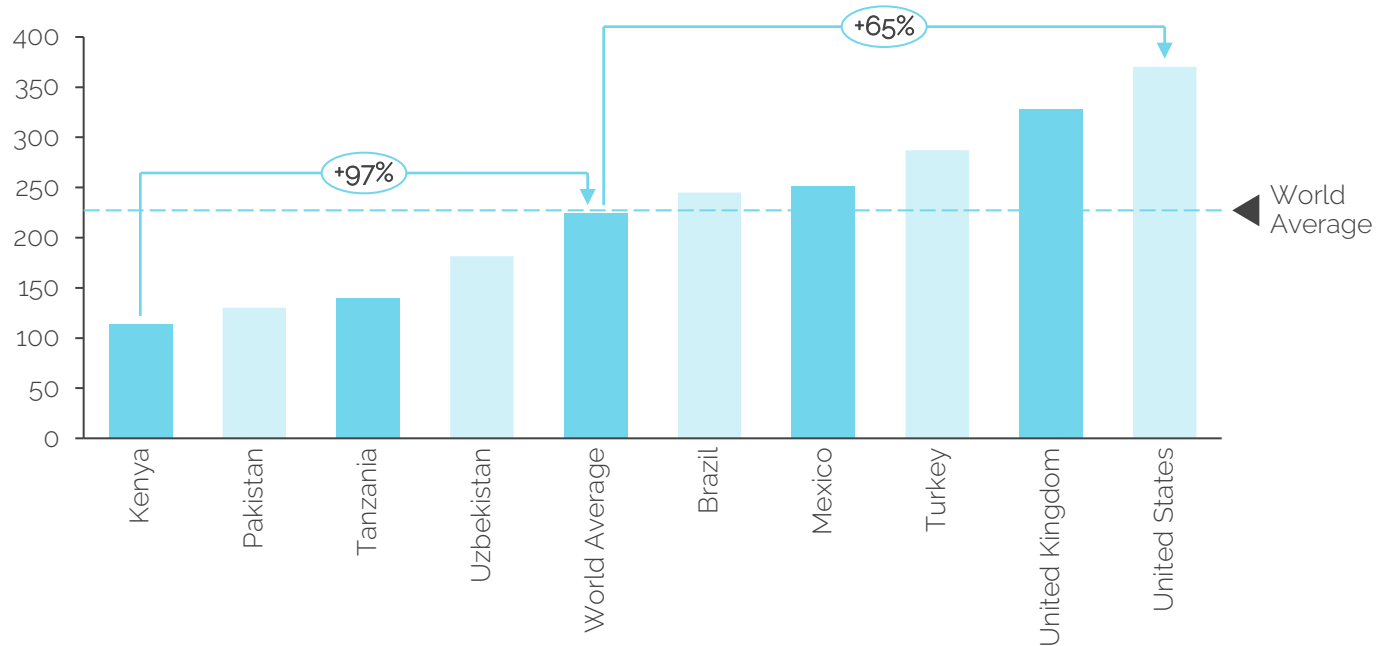
Goat Stocks
(millions per sq km)



Continued...

Strategic use of supplements can improve **productivity**, rural livelihoods and food security.

Global Cattle Meat Yields (Kg per animal)



Source: faostat.fao.org





“Carr’s Group is **well-positioned for growth** with strong product offerings, strategic market presence, and a **clear focus on delivering shareholder value.**”

Delivering today,
building our future



Carr's Group plc

Telephone: +44 (0) 1228 554600

Email: david.white@carrsgroup.com or gavin.manson@carrsgroup.com or joshua.hoopes@carrsgroup.com

Warwick Mill Business Centre, Warwick Bridge, Carlisle, Cumbria, CA4 8RR

www.carrsgroup.com

Alternatively contact

Hudson Sadler

Telephone: +44 (0) 20 7796 4133

Email: carrs@hudsonsandler.com

25 Charterhouse Square, London, EC1M 6AE