

22 January 2026

Buy

Ticker HDD:AIM

Speciality Chemicals

Shares in issue (m) 78.7

Next results H1 May

Price 16.8p

Target price 30.0p

Upside 79%

Enterprise value £14.8m

Net cash/(debt) £0.8m

Other EV adjustments -£2.4m

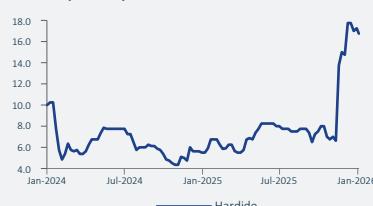
Market cap £13.2m

What's changed? From To

Adjusted EPS 1.5 n/c

Target price U/R 30.0

Share price performance



%	1M	3M	12M
Actual	13.6	126.4	204.5

Company description

A provider of advanced coatings for internal and external surfaces

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Hardide*

FY25 results in line – strong 1Q confirms FY26 forecasts

FY25 results were in line, showing strong revenue momentum and drop through to profit, generating its first PBT for many years. Positive trading momentum has continued into FY26, with 1Q trading seeing a 40% increase, ahead of expectations, benefitting from the recent energy sector order win. It generated a strong cash performance, with year-end cash of £0.8m since boosted by strong 1Q trading to £1.2m on 31 December 2025. We make no change to recently upgraded FY26E forecasts, introducing a 30p TP (FY26E P/E of 20.4x) and a Buy rating, with an attractive investment case offering significant upside.

— **Results highlights:** Revenues increased 27.5% to £6.03m (versus our forecast of £6.0m), driven by an increase in recurring aerospace work and ongoing development and production work in the energy sector. Gross profit increased 51.8% to £3.5m, with gross margins rising 9 ppts, reflecting drop-through effects from higher capacity utilisation. Adj EBITDA of £1.0m generated an EBITDA margin of 17% (versus our forecast of 11.4%) saw a material improvement from breakeven last year, boosted by higher throughput and tightly controlled operating costs. Adj PBT improved to £0.13m, versus an adjusted loss of £0.94m. Adj EPS of 0.23p, in contrast to a LPS of 1.3p. Cash balances increased by £0.1m to £0.8m, with net debt (including IFRS16 leases) reduced by £0.5m to £1.6m.

— **1Q trading ahead of expectations.** Strong 4Q momentum has continued into 1Q with revenue rising to £1.8m, almost a 40% YoY increase, ahead of earlier expectations, boosted by order intake of £1.75m from a major N American energy customer. Quarterly operating margins have risen to double-digit levels. The cash balance has risen further to £1.2m on 31 December 2025.

— **Operations:** Aerospace revenues increased 90% to £1.8m, (being 30% of group sales) gaining from the initial tooling and development work for its major European aircraft manufacturer, with production volumes expected to start in FY26. Energy sector revenues rose by 47% to £2.8m (generating 47% of group sales) significantly boosted by two new customers in N America and the Middle East, with significant scope to grow should these trials be successful. The Industrial Engineering sector declined by 26% to £1.4m (23% of group sales), reflecting more subdued economic conditions as a customer reduced volumes after destocking last year, while other work was more stable.

— **Forecasts:** We recently upgraded forecasts for the new orders win announced in December. We make no further change to FY26 forecasts and anticipate introducing FY27 forecasts at the interim stage.

— **Valuation:** The business has staged a significant turnaround based on management action and increasing commercial momentum. This places the group firmly into profit and cash generation, which we believe is a sustainable trend. The shares have seen a significant lift off previous low levels, but we believe this is the start of a more significant rerating, with our forecasts indicating the shares currently looking good value on a P/E of just 11.4x for FY26E with an attractive FCF yield of 13.0%. As revenues and profits build, we see strong scope for the shares to outperform. We introduce a price target of 30p, which would imply a FY26E EV/EBITDA of 11.8x and P/E of 20.4x. This offers substantial upside, highlighting a strong investment case and our Buy rating.

Key estimates	2022A				
	Sep	Sep	Sep	Sep	Sep
Revenue £m	5.0	5.5	4.7	6.0	8.0
Adj EBITDA £m	-1.0	-0.1	0.0	1.0	2.0
Adj EBIT £m	-2.2	-1.0	-0.8	0.3	1.3
Adj PBT £m	-2.3	-1.1	-0.9	0.1	1.1
Adj EPS p	-3.9	-1.8	-1.3	0.23	1.5
DPS p	0.00	0.00	0.00	0.00	0.00

Key valuation metrics					
EV/sales	x	2.9	2.7	3.1	2.4
EV/EBIT (adj)	x	-6.8	-15.3	-18.7	56.8
P/E (adj)	x	-4.3	-9.4	-12.9	74.1
Dividend yield %	%	0.0%	0.0%	0.0%	0.0%
Free cash yield %	%	-10.0%	0.4%	-3.7%	4.5%
					12.8%

FY25 results in line – strong 1Q confirms FY26 forecasts

Income statement		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Sales	£m	5.5	4.7	6.0	8.0
Gross profit	£m	2.6	2.3	3.5	4.6
EBITDA (adjusted)	£m	-0.1	0.0	1.0	2.0
EBIT (adjusted)	£m	-1.0	-0.8	0.3	1.3
Associates/other	£m	0.0	0.0	0.0	0.0
Net interest	£m	-0.2	-0.2	-0.1	-0.2
PBT (adjusted)	£m	-1.1	-0.9	0.1	1.1
Total adjustments	£m	-0.1	-0.4	0.0	0.0
PBT (reported)	£m	-1.2	-1.3	0.1	1.1
Tax charge	£m	0.1	0.0	0.1	0.0
Minorities/Disc ops	£m	0.0	0.0	0.0	0.0
Earnings (reported)	£m	-1.1	-1.3	0.2	1.2
Earnings (adjusted)	£m	-1.0	-0.9	0.2	1.2
EPS (basic)	p	-1.9	-1.9	0.23	1.5
EPS (adjusted, fully diluted)	p	-1.8	-1.3	0.23	1.5
DPS	p	0.00	0.00	0.00	0.00

Growth analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Sales growth	%	9.7%	-14.0%	27.5%	32.7%
EBITDA growth	%	89.6%	132.3%	n/m	95.9%
EBIT growth	%	55.4%	17.8%	132.9%	400.0%
PBT growth	%	50.8%	16.0%	113.2%	812.0%
EPS growth	%	54.6%	27.0%	117.4%	551.7%
DPS growth	%	n/m	n/m	n/m	n/m

Profitability analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Gross margin	%	47.5%	48.1%	57.3%	57.1%
EBITDA margin	%	-1.8%	0.7%	16.9%	25.0%
EBIT margin	%	-17.5%	-16.7%	4.3%	16.3%
PBT margin	%	-20.4%	-20.0%	2.1%	14.3%
Net margin	%	-19.1%	-19.5%	3.0%	14.5%

Valuation analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
EV/EBITDA (adjusted)	x	-149.1	461.1	14.5	7.4
EV/EBIT (adjusted)	x	-15.3	-18.7	56.8	11.4
P/E (adjusted)	x	-9.4	-12.9	74.1	11.4

Cash flow		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
EBITDA (adjusted)	£m	-0.1	0.0	1.0	2.0
Net change in working capital	£m	0.4	0.1	-0.3	0.1
Other operating items	£m	-0.1	-0.4	0.0	0.0
Cash flow from op. activities	£m	0.2	-0.3	0.7	2.1
Cash interest	£m	-0.2	-0.2	-0.1	-0.2
Cash tax	£m	0.2	0.0	0.1	0.0
Capex	£m	-0.1	-0.1	-0.1	-0.3
Other items	£m				
Free cash flow	£m	0.1	-0.5	0.6	1.7
Acquisitions / disposals	£m	0.0	0.0	0.0	0.0
Dividends	£m	0.0	0.0	0.0	0.0
Shares issued	£m	0.0	0.7	0.0	0.0
Other	£m	0.4	-0.2	-0.3	-0.2
Net change in cash flow	£m	0.4	0.0	0.3	1.5
Opening net cash (debt)	£m	-0.4	-0.0	-0.0	0.3
Closing net cash (debt)	£m	-0.0	-0.0	0.3	1.8

Cash flow analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Cash conv'n (op cash / adj EBITDA) %		n/m	n/m	73.3%	104.0%
Cash conv'n (FCF / adj EBITDA) %		-56.6%	n/m	58.2%	84.5%
U/lying FCF	£m	-0.7	-1.2	-0.1	1.2
Cash quality (u/l FCF / adj earn) %		66.4%	135.2%	-55.1%	106.9%
Investment rate (capex / depn)	x	0.1	0.1	0.1	0.4
Interest cash cover	x	1.0	n/a	5.5	13.0
Dividend cash cover	x	n/m	n/a	n/m	n/m

Working capital analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Net working capital / sales %		1.1%	7.4%	5.7%	3.3%
Net working capital / sales days		4	27	21	12
Inventory (days)		16	13	10	9
Receivables (days)		49	76	85	63
Payables (days)		61	61	75	60

Balance sheet		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Tangible fixed assets	£m	4.6	4.0	3.5	3.3
Goodwill & other intangibles	£m	0.0	0.0	0.0	0.0
Other non current assets	£m	1.7	1.5	1.4	1.2
Net working capital	£m	0.1	0.4	0.3	0.3
Other assets	£m	0.3	0.4	0.3	0.3
Other liabilities	£m	-2.4	-2.6	-2.0	-1.8
Gross cash & cash equivs	£m	0.7	0.7	0.8	2.1
Capital employed	£m	5.1	4.4	4.4	5.3
Gross debt	£m	0.8	0.7	0.5	0.3
Net pension liability	£m	0.0	0.0	0.0	0.0
Shareholders equity	£m	4.3	3.7	3.9	5.0
Minorities	£m	0.0	0.0	0.0	0.0
Capital employed	£m	5.1	4.4	4.4	5.3

Leverage analysis		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Net bank debt / equity %		0.5%	0.4%	net cash	net cash
Net bank debt / EBITDA x		n/a	0.4	net cash	net cash
Liabilities / capital employed %		15.1%	16.3%	11.0%	5.2%
Capital efficiency & intrinsic value		2023A	2024A	2025A	2026E
Year end:		Sep	Sep	Sep	Sep
Adjusted return on equity %		-24.4%	-25.2%	4.6%	23.0%
RoCE (EBIT basis, pre-tax) %		-19.0%	-18.1%	6.0%	24.5%
RoCE (u/lying FCF basis) %		-13.8%	-28.5%	-2.2%	23.3%
NAV per share p		7.3	4.7	4.9	6.4
NTA per share p		7.3	4.7	4.9	6.4

Strong 1Q trading and new orders drive momentum

Strategy shows traction and significant growth opportunity

The group continues to focus on developing additional customer applications for its unique surface coating solution, with a more targeted approach on near-term and repeat revenues by providing Hardide coatings as a service as well as customer-specified coatings solutions. The strategy is bearing fruit, and efforts to increase market penetration of the Energy, Industrial and Aerospace markets continue.

In the medium term, the group has significant available capacity (with scope to generate revenues of c£10-12m), at its well-invested facilities in the UK and US, with low near-term capex needs. It strategically aims to at least double revenues from 2024 levels to £10m and beyond. This will activate significant operational leverage delivering material margin and profit uplift and generate sustainable positive cash generation.

New contract win shows good momentum

In December, we upgraded forecasts on the announcement that the Company had gained additional orders worth £1.75m. This additional order flow has been won with a major North American customer in the Energy sector. This is expected to benefit revenues in the company's first half of FY26, with potential for follow-on orders for FY27 to be serviced from its Martinsville facility in the US. This resulted in a conservative upgrade in our revenue forecast by £1.0m and adj EBITDA by £0.5m.

Strong 1Q trading seen

Strong 4Q trading momentum has continued into 1Q, with quarterly revenues up almost 40% on the prior year to £1.8m. Ongoing momentum is encouraging, boosted by new orders in the Energy sector. This has resulted in double-digit operating margins. 1Q trading has been stronger than originally anticipated, which has also driven a positive cash performance, increasing the cash balance from £0.8m on 30 September to £1.2m on 31 December 2025 and also reflecting the normalisation of year-end working capital (with trade receivables converted to cash).

No change to forecasts: Outlook for positive sustainable profit and cashflow generation

The outlook remains upbeat, pointing to accelerating momentum gained from an increase in recurring aerospace and one-off development work in the energy sector with the anticipation of increased adoption of its unique surface coating technology.

Management remains confident of prospects, despite global uncertainties, as focus remains on delivering its medium-term objectives, boosted by recent new customer orders.

Having recently upgraded FY26 forecasts for the additional orders announced in December, we make no further change to our forecasts. We anticipate introducing FY27 forecasts at the group's Interim stage.

FY25 results in line – strong 1Q confirms FY26 forecasts

FY25 results analysis

Results were in line with the Company's FY trading update in October. Full-year results saw a material improvement in both revenue momentum as well as operational efficiency, together resulting in the first pre-tax profit generated for a number of years.

The actions taken on generating quick cycle revenues via its enhanced product range are bearing fruit, although the acceleration in these revenues is not quite at the pace originally anticipated. Revenue growth came from a mix of growth from recurring Aerospace programmes coupled with a material one-off development project in the Energy sector, which boosted 4Q trading, while the overall level of recurring work remains broadly flat.

Increased throughput has reflected in strong drop-through to gross profits, with an 11 ppt increase in gross margins. This was mainly a reflection of efficiencies of higher capacity utilisation. Management actions have continued to deliver operational efficiencies as well cashflow improvements, and the control of overhead costs should result in significant profit growth.

The improved trading position resulted in cash generation, which increased gross cash balances to £0.8m, but with the paydown in borrowings it resulted in a £0.5m reduction in net debt to £1.6m (including IFRS16 leases). Low capex and working capital needs means the group should now be in a sustainable trajectory of positive cash generation. Cash generation has continued benefitting from strong 1Q trading increasing the cash balance to £1.2m on 31 December 2025 and is expected to continue to increase through the remainder of FY26.

Highlights

12 months to 30 September (£m)

- Revenues grew by 27.5% to £6.03m (versus our forecast of £6.0m) propelled by Aerospace work on recurring programmes and development projects in the Energy sector.
- Gross profit increased 51.8% to £3.5m, with a strong drop through to profit as a modest 5% increase in cost of goods sold resulted in gross margins increasing by 11 ppts to 57.3%.
- Adj EBITDA at £1.0m (versus forecast of £1.0m profit) shows a material improvement versus breakeven in FY24, with overhead cost increases contained to 8.5%.
- After depreciation and amortisation charges of £0.76m (versus £0.82m previously) Adj EBIT at £0.26m was also greatly improved versus the prior year loss of £0.8m.
- Adj pre-tax profit of £0.13m (in line with our forecast profit of £0.1m) versus a prior year loss of £1.34m was the first positive performance for several years.
- Adj EPS at 0.23p, compares with LPS of 1.3p in FY24.
- There were no one-off adjusting items in the year, versus a charge of £0.4m last year.
- Reported PBT was £0.13m versus a loss of £1.34m last year.
- Basic EPS was 0.23p, compared with a LPS of 1.86p.
- Cash equivalents of £0.8m saw an increase of £0.15m in the year, with net debt reduced by £0.53m to £1.57m (in line with our forecast of £1.6m).

Figure 1: Results in context

		Six-month results				FY results		Momentum		
		1H 24	2H24	1H25	2H25	FY24	FY25	1H 25	2H25	FY25
Revenue	£m	2.1	2.6	2.8	3.2	4.7	6.0	32%	24%	27%
Gross profit	£m	0.9	1.4	1.5	2.0	2.3	3.5	73%	39%	52%
Gross margin	%	41.0%	53.9%	53.5%	60.6%	48.1%	57.3%			
Adj opex	£m	-1.4	-0.9	-1.1	-1.3	-2.2	-2.4	-18%	48%	9%
Adj EBITDA	£m	-0.5	0.5	0.39	0.63	0.0	1.0	-181%	23%	3091%
EBITDA margin	%	-22.8%	19.7%	13.9%	19.5%	0.7%	16.9%			
Adj EBIT	£m	-0.9	0.1	0.0	0.3	-0.8	0.3	-101%	180%	-133%
EBIT margin	%	-41.7%	3.5%	0.2%	7.9%	-16.7%	4.3%			
Adj PBT	£m	-1.0	0.0	-0.1	0.2	-0.9	0.1	-93%	1362%	-113%
Adj EPS	p	-1.6	0.3	-0.1	0.3	-1.3	0.2	-95%	15%	-117%
Dividend	p	0.0	0.0	0.0	0.0	0.0	0.0			
Net op cashflow	£m	-0.4	0.0	0.5	0.1	-0.4	0.7	-223%	800%	-257%
Gross cash	£m	0.7	0.7	1.0	0.8	0.7	0.8	36%	18%	18%
Net debt (inc IFRS16 leases)	£m	-2.1	-2.1	0.4	-1.6	-2.1	-1.6	-119%	-25%	-25%

Source: Company data

FY25 results in line – strong 1Q confirms FY26 forecasts

Operational review

Figure 2: Geographic trading

	Revenue			EBITA			Margin	
	2025	2024	% delta	2025	2024	% delta	2025	2024
FY results to 30 Sept								
UK	4.58	3.13	46%	0.59	-0.44	-234%	13%	-14%
US	1.45	1.60	-9%	0.34	0.30	14%	23%	18%
Corporate				-0.67	-1.04	-36%		
	6.03	4.73	27%	0.26	-1.19	-122%	4%	-25%

Source: Company data

Management is evolving the operational structure of the business, with substantial growth opportunities anticipated in North America, where the Martinsville facility is now increasingly developing its own direct new business capabilities, rather than operating as a satellite of the UK operation. Investment in the year has focused on providing Martinsville operational capabilities that mirror the UK to harmonise the business offering. While customers bear transport costs, offering more locally serviced coatings activity improves competitiveness (and also avoids tariffs) and reduces lead times.

Figure 3: End-market revenue performance

	Revenue			Proportion	
	2025	2024	Growth	2025	2024
Energy	2.8	1.9	49%	47%	40%
Industrial	1.4	1.9	-26%	23%	40%
Aerospace	1.8	0.9	90%	30%	20%
Revenue	6.0	4.7	27%	100%	100%

Source: Company data

Energy (47% of sales)

The Energy sector provided 49% revenue growth, or an increase of £0.9m, generated by new business wins in the period.

Market traction continues to be strong, with customer interest focused on replacing boronising and nitriding as a surface treatment to increase the longevity of sleeves used in directional drilling operations.

The growth in the year is particularly associated with two new customers based in North America and the Middle East running development trials. This resulted in an increase in momentum in 4Q, which has continued into the current year. There is strong scope for additional material revenue prospects for the group should these development trials and initial production orders be successful.

There was also some underlying recovery in volumes from an established customer, with a return in volumes following a destocking period in the prior year and also modest growth from another significant customer.

The group has recently received a modest £0.26m repeat order for application in the industrial gas turbine blade market, which is expected to benefit 1H of FY26.

Industrial (23% of sales)

The Industrial sector saw a £0.5m reduction in revenue reflecting more subdued economic conditions reflecting one customer continuing to reduce volumes after last year's destocking. Elsewhere, recurring demand was broadly stable.

The business continues to develop its market share in its enhanced products range, with focus on the market for replacement and spare copper nozzles for thermal spraying equipment. This area has seen revenue growth in the year, although take up was not quite at the pace that was originally anticipated.

Aerospace (30% of sales)

The Aerospace sector has seen a step forward in growth, with revenues almost doubling and now representing 30% of annual revenue.

Additional work with a major European aircraft manufacturer to coat parts for freight aircraft was announced in December 2024, with FY25 seeing a materially greater contribution, based on initial tooling and

FY25 results in line – strong 1Q confirms FY26 forecasts

development work. Production volumes are scheduled to start in FY26, with customer expected build rates indicating revenues in the range of c£8m over the 10-year contract span.

The existing contract won in 2023 with the same customer has continued to show growth while also providing a stable base of volume demand over a number of years.

New business development continues to focus on gaining additional production work in both civil and military applications, with technical trials and accreditations achieved with a number of blue-chip customers.

Cash flow & finances

The improvement in trading has generated a turnaround in cash performance. FY26 generated a £1.0m improvement in EBITDA, from breakeven last year.

Working capital was higher than normal reflecting the increased trade in 4Q. Net working capital increased by £0.3m, mostly from a £0.355m increase in trade receivables (which has now normalised and converted into the December cash balance). This resulted in net cash generated by operations of £0.75m compared with a prior year outflow of £0.3m. The business gained a tax credit of £50k with net interest costs of £0.14m. This resulted in net cash from operating activities of £0.66m in contrast to a cash outflow of £0.4m previously.

Investing activities remained at a low level of just £69k, similar to last year, in comparison with a depreciation & amortisation charge of £0.76m. The investment was mostly at Martinsville in order to harmonise operational capabilities with those offered in the UK. This resulted in £0.6m of free cashflow, prior to financing moves.

In the year the group continued to pay down its debt, with a £0.2m reduction in loans and £0.2m of principal lease debt repayments. This resulted in a £0.15m increase in cash and cash equivalents.

The group's financial position is seeing a turnaround. Gross cash therefore increased to £0.8m, with loans reduced to £0.48m, giving a net cash position £0.35m, versus being cash neutral in the prior year. IFRS16 lease debt has reduced from £2.1m to £1.9m, giving a net debt position of £1.6m, a £0.5m improvement in the year.

As mentioned, strong trading has further improved finances, with the cash balance on 31 December 2025 increasing to £1.2m.

Valuation

The shares have seen a significant uplift from very low levels, with the perception starting to realise the seismic shift from being loss making and cash consuming to profitable and cash generative, with a strategy to double revenues from underutilised and well-invested facilities.

The profit drop through is expected to be substantial, with high gross margins (historically achieving mid 60% levels) and operating costs well controlled, with mid-teens EBITDA margins already generated in 1Q. It has attractive cashflow characteristics, with low working capital needs with minimal inventory required. With the improvement in cash generation, we anticipate capex in the next furnace (still some way off given unutilised capacity) should be internally funded.

The shares currently look compelling value: with its unique IP in a valuable surface coatings solution offering significant applications in a broad range of end markets, there is scope to grow well beyond its current strategy of doubling revenues.

Figure 4: Valuation using rolling EVs based on current and target prices

		Current price	Target price
		2026E	2026E
Share price	p	16.5	30.0
Issued share capital	m	78.7	78.7
Mkt cap (full dil)	£m	13.0	23.6
Net cash/(debt)	£m	1.8	1.8
Other EV adjustment	£m	-1.7	-1.7
Rolling EV	£m	12.9	23.5
EV/Sales	x	1.6	2.9
EV/EBITDA	x	6.4	11.7
EV/EBIT	x	10	18.1
P/E	x	11.2	20.4

Source: Cavendish estimates

With the fundamental improvement in commercial traction and move into profit, we introduce a target price of 30p (previously under review), which would indicate a FY26E EV/EBITDA of 11.7x and P/E of 20.4x, which we do not consider to be stretched at this point of development. As investors gain greater confidence in the sustainability of profit growth and cash generation, we consider the shares have considerable scope to outperform. This under writes our Buy rating.

FY25 results in line – strong 1Q confirms FY26 forecasts

Figure 5: Company overview**Company activities & operations**

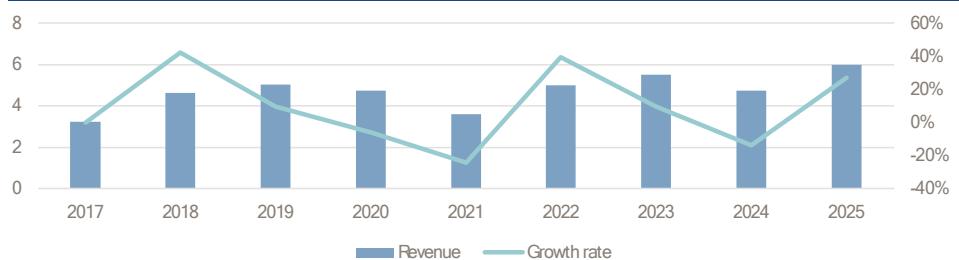
Hardide has developed a specialist range of advanced Chemical Vapour Deposition coating technologies using tungsten carbide/tungsten metal matrix composites coatings. These have exceptional characteristics including enhanced wear, abrasion and corrosion resistance with toughness and ductility.

Divisions	% of sales
Energy	47%
Industrial	23%
Aerospace	30%

Name	Description
Andrew Magson	Non-Executive Chairman
Matt Hamblin	Chief Executive Officer
Simon Hallam	Finance Director
Dr Yuri Zhuk	Technical Director
Dr Bryan Allcock	Non-Executive Director
Andrew Boyce	Non-Executive Director

Major shareholders	
A Boyce & Assocs	12.8%
Hargreave Hale AIM VCT	7.5%
A Badenoch Assocs	7.1%
Interactive Investor	5.2%
Amati Global Investors	5.0%
P Evershed	4.8%
Unicorn AM	4.1%
Marlborough Nanocap Growth Fund	4.6%

Other information	
Company HQ	Bicester, UK
Company website	www.hardide.com

Revenue growth rate**Significant acquisitions**

Source: Company data

FY25 results in line – strong 1Q confirms FY26 forecasts

Investment risk

Investing in shares presents risks and opportunities. The past is not necessarily a guide to the future performance of an investment. The value of investments and the income derived from them may fall as well as rise and investors may not get back the amount invested. Some investments discussed in this publication may have a high level of volatility. High volatility investments may experience sudden and large falls in their value which may cause losses. The information on future performance in this communication is an illustration and is not a reliable guide to actual future performance.

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Recommendations definitions

Definition of research recommendations

Expected absolute returns

BUY is an expected return greater than 10%

HOLD is an expected return -10% - +10%

SELL is an expected return less than -10%

UNDER REVIEW: recommendation and/or forecasts are under review pending further clarity as to the company's financial and/or operational position

CORP: denotes corporate client of Cavendish Securities plc, Cavendish Capital Markets Limited and Cavendish Corporate Finance LLP

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Distribution of investment recommendations as per 22/01/2026

	Corporate client no.	Corporate client %	Total no.	Total %
Buy	36	29.5%	77	46.7%
Hold	0	0.0%	1	0.6%
Sell	0	0.0%	0	0.0%
Under Review	1	0.8%	2	1.2%
Corp	83	68.0%	85	51.5%

Temporary movements by stocks across the boundaries of these categories due to share price volatility will not necessarily trigger a recommendation change. All recommendations are based on 12-month time horizon unless otherwise stated.

Recommendation history

Company	Disclosures	Date	Rec	Price	Target price
Hardide	2,6,8,9,10,11	21 January 26	Buy	16.8p	30.0p

Source: Cavendish

A list of all the recommendations produced/issued by the relevant Sales Person / Research Analyst on any financial instrument or issuer disseminated during the preceding 12 months is available upon request free of charge. Please contact the appropriate Cavendish analyst or your Cavendish contact on 020 7220 0500.

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