Everyday cleaning products,
expertly made

McBride plc

Annual Report and Accounts 2025

Contents

Strategic Report

Our Highlights	1
McBride At A Glance	2
Chairman's Statement	3
Our Markets	4
Our Business Model	5
Our Strategy	7
CEO's Report	11
Our Divisions	14
CFO's Report	19
Our Key Performance Indicators	22
Our Stakeholders	23
Sustainability	27
Climate-Related Financial Disclosures	40
Non-Financial and Sustainability Information Statement	51
Our Principal Risks and Uncertainties	53
Going Concern and Viability Statement	58

Governance Report

Chairman's Introduction to Governance Report	59
Our Board	60
Compliance with the UK Corporate Governance Code 2018	61
Corporate Governance Statement	62
Nomination Committee Report	68
Audit and Risk Committee Report	73
Remuneration Committee Report	80
Directors' Report	100
Statement of Directors' Responsibilities	104

Financial Statements

Independent Auditors' Report	105
Consolidated Financial Statements	111
Notes to the Consolidated Financial Statements	116
Company Financial Statements	164
Notes to the Company Financial Statements	166
Group Five-Year Summary	173

Additional Information

Shareholder Information	174
Registered Office and Advisers	176

Please note, throughout this report McBride plc is referred to variously as 'McBride', the 'Company', or the 'Group'.

Visit us online:

www.mcbride.co.uk

As part of our ongoing commitment to sustainability, we have taken a 'digital-first' approach, printing only a small number of copies of this Annual Report and Accounts on 100% recycled paper.

Financial highlights

Revenue
£926.5m
(2024: £934.8m)

Adjusted EBITDA[1]
£85.8m
(2024: £87.1m)

Adjusted operating profit[1]
£66.1m
(2024: £67.1m)

Operating profit
£60.2m
(2024: £64.3m)

Adjusted profit before tax[1]
£54.9m
(2024: £53.1m)

Profit before tax
£49.0m
(2024: £46.5m)

Adjusted return on capital employed (ROCE)[1]
33.0%
(2024: 33.5%)

Net debt/adjusted EBITDA[1]
1.2x
(2024: 1.5x)

Free cash flow[1]
£93.9m
(2024: £81.7m)

Liquidity
£141.4m
(2024: £98.3m)

Strategic highlights

Total volume growth
4.3%
(2024: 5.7%)

Private label volume growth
1.4%
(2024: 7.2%)

Laundry detergent volume growth
2.9%
(2024: 7.0%)

Private label household market share
35.5%
(2024: 35.4%)

Contract manufacturing revenue
13.6% of Group
(2024: 12.4%)

Transformation programme
Maturing

Carbon emissions intensity[2]
7.6% reduction
(2024: 14.8% increase)

Renewable energy
56.9%
(2024: 54.9%)

(1) Further details on APMs can be found in note 30 to the consolidated financial statements on pages 160 to 163.

(2) Further details can be found on pages 27 to 33.

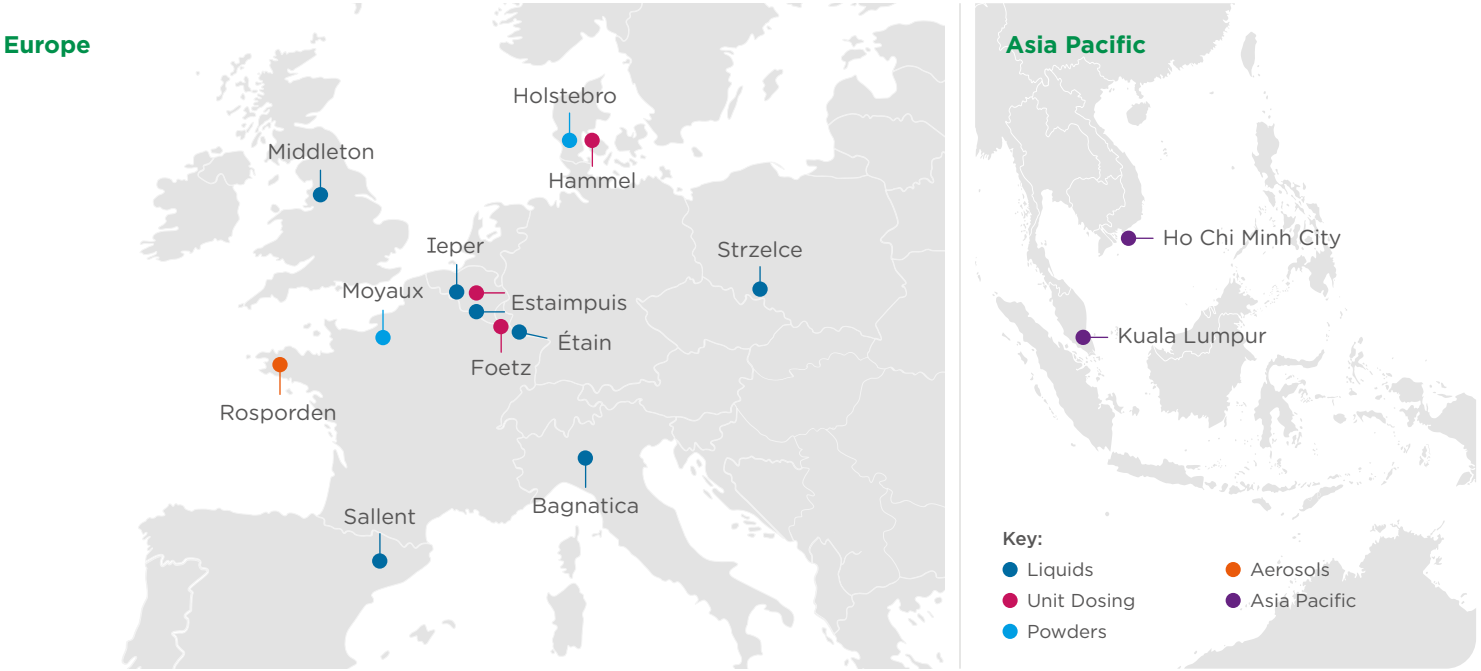
Alternative performance measures

This report includes alternative performance measures (APMs) that are presented in addition to the standard International Financial Reporting Standards (IFRS) metrics. The APMs[1] used are: adjusted operating profit; adjusted EBITDA; adjusted profit before tax; adjusted profit for the year; adjusted EPS; free cash flow; cash conversion %; adjusted ROCE; liquidity; net debt; net debt cover ratio; and interest cover ratio.

Our manufacturing locations

With trading roots dating back to 1927, McBride boasts a strong heritage. As the leading European manufacturer and supplier of private label and contract manufactured products for the domestic household and professional cleaning and hygiene markets, McBride offers end-to-end development and manufacturing capabilities to a wide range of customers in Europe and the Asia-Pacific region.

Watch corporate video online



Group sales by division

See more about our divisions on pages 14 to 18

78%
of revenue from top five European economies

>90%
of top European retailers supplied

>1bn
units sold

3,664
colleagues globally[1]

(1) Includes employees, third-party contractors, consultants and agency workers.

Chairman's Statement

McBride continued to make significant headway in delivering its strategic objectives, underpinned by disciplined execution and a clear focus on long-term growth.

Jeff Nodland
Chairman

Dear shareholder

I am pleased to present McBride's Annual Report for the year ended 30 June 2025, marking another year of solid progress and strong all-round performance. Building on the momentum of 2023 and 2024, the Group continued to advance both strategically and operationally. As detailed in this Report, our achievements over the year reflect another robust financial performance, further improvements across many areas of business activity and a deep commitment to sustainability and our people.

Strategic and operational progress

Throughout the year, McBride continued to make significant headway in delivering its strategic objectives, underpinned by disciplined execution and a clear focus on long-term growth.

Our Transformation programme remains firmly on track, with operational efficiencies and commercial agility supporting strong margin management and stronger customer satisfaction. Notably, contract manufacturing volumes surged by 48.9%, reflecting the successful onboarding of several major new customer partnerships.

We continue to benefit from the growing consumer preference for high-quality, value-driven private label products. Our strategy – to be the leading value producer of everyday cleaning products – has proven both resilient and effective, allowing us to capitalise on scale, product expertise and a well-segmented customer proposition.

Sustainability

Sustainability is a core pillar of our business strategy. Our climate transition is guided by science-based targets for Scope 1, 2 and 3 emissions. To deliver against these targets, we are actively engaging with suppliers to reduce emissions across our value chain, while driving innovation in product development to lower environmental impact.

We made significant strides in reducing greenhouse gas emissions and waste to landfill, and in 2025 we exceeded our green electricity target, with 56.9% of our energy now sourced from renewable sources, well ahead of our 30% target for 2025. We also set an ambitious new target to achieve 100% renewable electricity procurement by 2033. Our PET packaging now contains over 70% recycled content, demonstrating our commitment to sustainable design whilst progressing with lightweight plastic innovation.

Governance

Strong governance is fundamental to McBride's long-term success. Our Board continues to uphold the highest standards of oversight, risk management and ethical conduct. During the year, we strengthened our governance framework by updating key policies on anti-slavery, whistleblowing and responsible sourcing, reinforcing our commitment to transparency and accountability across all operations.

We are proud of the diversity and experience of our Board. With a designated Non-Executive Director responsible for employee engagement, we continue to prioritise inclusive leadership and ensure that the voices of all stakeholders are represented at the highest level.

Our people

None of our achievements would be possible without the dedication and talent of our colleagues. I extend my heartfelt thanks to every member of the McBride team for their hard work, resilience and passion.

We continue to invest in our people, through targeted development programmes, wellbeing initiatives and our 'McBride Cares' Employee Assistance Programme. Our 'McBride Gives' volunteering scheme has seen teams across Europe engage in meaningful community work, strengthening both our social impact and company culture.

We are also proud to champion inclusion, belonging and fairness through tailored leadership workshops and ongoing open dialogue across all levels of the organisation.

As we look ahead, McBride is well positioned to continue delivering sustainable growth and long-term value. Our focus remains firmly on executing our strategy, deepening customer relationships and advancing our environmental and social commitments.

On behalf of the Board, I would like to thank our shareholders, customers, suppliers and colleagues for their continued trust and support.

Jeff Nodland
Chairman

Our Markets

Raw materials

Raw material costs have seen slight upward cost pressure in the past year, with heightened geopolitical tensions creating volatility in many global commodities.

Our approach

We have worked hard to smooth input costs through effective sourcing strategies and continue to take a cost-conscious approach, using innovative solutions to help mitigate inflationary pressures. Our divisions are maintaining their focus on compaction and concentration of formulations to preserve margins.

Sustainability

Our customers, consumers and employees continue to place a high level of importance on the sustainability of our manufactured products.

Our approach

Reducing environmental impact is a core component of our corporate strategy. We have validated science-based targets for our full supply chain and a dedicated sustainability team leading our climate action plan. Our product development teams have a full understanding of the carbon footprint of their products and continue to re-design products to reduce their impact on the environment. We are using the data we collect to have informed discussions with our customers, not only to consider the cost and technical performance, but also the environmental performance. Our product development teams continue to promote and design products that can be reused and drive further formulation compaction across all divisions. We have worked hard this year to meet our recently-validated science-based targets. We continue to collaborate actively with our customers, suppliers and employees to educate and drive meaningful actions that further minimise our environmental impact.

Regulation

The regulatory landscape is rapidly evolving, driven by the EU and UK's Net Zero policies and the simplification of regulation driven by the EU's Omnibus proposals. Whilst some of these changes provide opportunities for both innovation as well as regulatory relief, they also present uncertainty in the regulatory landscape. Our close focus on our regulatory landscape helps to mitigate these risks.

Our approach

Regulatory compliance is a cornerstone of our full-service offering to customers. We strongly endorse legislative initiatives that advance consumer and environmental safety and sustainability. In this context, we welcome the EU and UK efforts to both drive the legislative agenda forward and streamline the regulatory frameworks within which we operate, increasing the drive towards sustainability in our sector and driving competitiveness. We remain committed to substantial investment in our operations and the continuous enhancement of our product portfolio, ensuring full alignment with, and often exceeding, applicable legal and regulatory standards.

Sales channels

Although inflation has begun to stabilise from the peaks of recent years, cost-of-living pressures continue to affect many consumers. In response, retailers are focusing on value-for-money strategies to secure shopper spend in an increasingly competitive grocery market. Private label ranges remain well positioned as high-quality alternatives to branded products, while brands are responding with sharper pricing, promotional offers and larger pack formats to drive longer-term loyalty and basket spend.

Our approach

We continue to collaborate closely with our retail partners and customers to deliver market-relevant and channel-specific recommendations. Through ongoing innovation and product development, we provide solutions that meet consumer expectations on price, range and performance, ensuring consistently high-quality cleaning products across all formats.

Consumers

While consumers continue to expect high-quality products at competitive prices to meet their everyday needs, they are increasingly guided by values when choosing household cleaning and personal care items. Their decisions reflect a thoughtful balance of practicality, environmental responsibility and health-consciousness.

Our approach

Leveraging our product development expertise and deep market insight, our divisions deliver award-winning solutions that combine high quality with exceptional value. This ensures consumers can maintain clean, hygienic living spaces, even amid ongoing financial pressures. We continue to innovate with sustainability in mind, for example, developing new ranges designed to perform effectively in low-temperature and quick-wash cycles, helping reduce energy consumption without compromising performance.

Brand owners

Household cleaning and personal care brand owners often choose to outsource manufacturing to private label suppliers, such as McBride. This may be driven by limited in-house capacity, the need for specialised technologies, a desire to accelerate innovation, or strategic efforts to streamline their operational footprint.

Our approach

Our expertise, scale and reputation for manufacturing high-quality products make us a trusted partner for major brand owners seeking innovation or strategic outsourcing. These partnerships unlock significant growth opportunities, enhance margin stability and drive operational efficiencies through improved asset utilisation.

Our purpose

Everyday value cleaning products so every home can be clean and hygienic.

Our vision

McBride will cement its position as the leading European manufacturer and supplier of private label and contract manufactured everyday value cleaning products, through focused and sustainable divisional strategies.

Our guiding principles

- Focused growth
- Effective execution
- Proud of our identity

Our values

- Always committed
- Giving and taking accountability
- Working together
- Aspire to be the best

See more on pages 34 to 38

What sets us apart

Four pillars underpin our strategy:

Market standing

- Wide market coverage/knowledge from pan-European operations
- Reduced risk from customer diversification
- Scale advantages; largest volume player
- Blue-chip reputation

Operational excellence

- Manufacturing excellence
- Supply chain co-ordination and capabilities

Sustainability

- Innovation: specialisation and focus
- Sustainable product expertise: formulation and packaging

Talent

- Experienced management and dedicated employees

How we do it

Customer focus

We focus on providing our customers with a compelling overall offer, balancing their priorities for price, service and quality.

R&D expertise

We continually innovate to ensure we provide the best products that meet the changing needs of our customers, including continuous investment in innovation and sustainability.

Distribution efficiency

Our logistics team are continuously improving our logistics network to deliver our customers' orders anywhere, on time, and in the most sustainable way.

Production process

Our extensive network of manufacturing facilities offers unrivalled capacity and capability to both retail customers and private label brands.

How we do it continued

Customer focus

We sell to retailers and branders their finished products, as well as a small number of McBride brands.

The Group has well-established market positions in all major European economies and supplies its products to a wide range of customers, including virtually all of Europe's leading retailers.

R&D expertise

Best-in-class expertise and know-how in:

- Formulation
- Prototyping
- Sourcing
- Manufacturing
- Packaging

Production process

We are end-to-end producers:

From:
- Resins
- Base chemicals
- Packaging

To:
- Shelf-ready finished products

Our in-house processes:
- Blow/injection moulding
- Liquid and powder mixing
- Bottle filling
- Capsule forming and filling
- Tablet pressing
- Powder filling

Distribution efficiency

Consolidating the customer requirements via:

McBride warehouse network

into

Customer distribution hubs

Who we create value for

Our workforce

With our values-based culture, we are committed to creating the best possible working environment where our employees feel included, engaged and that they can achieve their full potential.

Our customers

We follow a 'customer focus' approach, building strong, collaborative customer relationships to drive high customer service levels and develop and manufacture innovative new products.

Our suppliers

We believe that our suppliers should have the opportunity to benefit from their relationship with us. Effective supplier relationships allow us to make high-quality everyday value cleaning products.

Our shareholders

We work to deliver long-term sustainable growth of the Group, to provide enhanced shareholder value through our financial performance and focus on long-term value creation.

Our communities

We acknowledge our responsibility to actively engage with and support the local communities where we live and work, extending beyond merely providing employment.

Winning in a growing market

Our strategy remains unchanged: to be the leading value producer of everyday cleaning products, leveraging scale and unrivalled product expertise to deliver a segmented product and customer proposition with a cost-aware sustainability agenda.

The implementation of the Compass operating model has delivered divisional focus, specialism and accountability, underpinned by shared services that deliver economies of scale for the Group. Our divisional structure supports our ambition to expand our position as the leading value label producer of everyday cleaning products and being the preferred partner for our customers.

We achieve this ambition in several ways. We grow and win across all laundry categories. We lead with the largest retailers in the top five economies, growing disproportionately with the discounters. We shall expand our number one status in the UK, France and Italy to Germany and Spain, as well as grow in contract manufacturing, which we are targeting to increase to a 25% share of the Group's revenue.

These targets will be met as we strengthen our customer centricity, from joint value creation to service and quality excellence, and as we maintain the most competitive product portfolio in the sector. Our Transformation initiatives are driving excellence in core activities, generating £50 million in benefits over the five years to 2028, while our focused, accountable and expert divisional teams lead a cost-aware, innovation-led sustainability agenda.

Our strategy and targets are clear

- Drive private label market share
- Focus on key growth opportunities:
  - Laundry
  - Germany
  - Spain
- Increase contract manufacturing share of revenue to 25%
- Deliver Transformation programme, enhancing excellence in core activities
- Explore additional value opportunities including 'Core Plus' and 'Buy and Build' ambitions

Our Transformation programme

Operating Systems Excellence

- Deployment of SAP S/4HANA Enterprise Resource Planning platform across Europe
- Target first deployment in the UK in the autumn of 2025

Commercial Excellence

- Sales and marketing training and development
- Commercial processes, new tools and insights

Service Excellence

- Reliable, high quality and timely service
- Demand planning, supply chain planning and inventory optimisation
- Logistics network evolution

HR Digital Excellence

- Modernisation of core HR platform
- Digitisation of payroll operations

Contract Manufacturing Excellence

- Thought leadership in packaging and product innovation
- Moving from 'fast follower' to 'innovation leader'

Operational Excellence

- Production process re-engineering
- Aligning overheads to volume growth

McBride operating model

We support divisional success by leveraging the scale of the Group through effective central teams for purchasing, talent management and other shared services.

One McBride

McBride Liquids
McBride Aerosols
McBride Unit Dosing
McBride Asia Pacific
McBride Powders

Shared services

- Divisional strategies and Group strategy
- Building on initial three-year phase
- Focus and accountability
- Responsiveness
- Scale benefits from shared services
- People empowered and engaged
- Customer interface

One McBride

Five divisions

Each division has specialist teams embedded in their markets, bringing a unique level of knowledge and expertise.

Our model means divisions can target different opportunities, initiatives, challenges and improvement options; all reinforcing the need for varying strategies for the different parts of this business.

Hence, the Group continues to be managed as a series of portfolio businesses, each with its own identity, strategy, operating model and role within the Group.

Separate, focused and accountable divisional teams strengthen our leading market position and improve speed and agility in all our activities.

See more online

McBride Liquids

Our market

- All categories supplied in liquid form
- Regional business
- Innovation focus driven by sustainability
- Private label share gain

Compass priorities

1. Simplified portfolio, increasing competitiveness
2. Lower cost
3. Enhanced customer proposition
4. Focused growth

Compass next phase

- Product sustainability to drive value growth
- Generate value at competitive price
- Build valuable customer relationships

Cost leadership

See more online

McBride Unit Dosing

Our market

- Convenient and sustainable format
- European business
- High pace of innovation

Compass priorities

1. Become specialist supplier
2. Be embedded in the industry
3. Accelerate efficient innovation
4. Invest behind right asset base
5. Be more cost competitive

Compass next phase

- Lead as the specialist supplier
- Be ever closer to customers and suppliers
- High-paced innovation – sustainable and compact
- 'FleXellence' – ability to produce a diverse portfolio while achieving operational efficiencies

Product leadership

See more online

McBride Powders

Our market

- Declining market overall in Europe
- Private label gaining share over brands
- Germany and UK still heavy powder users
- Surplus industry capacity

Compass priorities

1. Low cost
2. Asset utilisation
3. Technical capability upgrade
4. Targeted market opportunities

Compass next phase

- Be the clear low-cost leader
- Improved utilisation for cost and capacity
- Continued technical capability upgrade, sustainability-led
- Targeted geography and channel opportunities

Cost leadership

See more online

McBride Aerosols

Our market

- A growing market
- Strong manufacturers in key markets
- Sustainability a top priority

Compass priorities

1. Expand horizons beyond France
2. Build on operational excellence
3. Capitalise on innovation and eco credentials

Compass next phase

- Innovation remains key
- Collaborate with customers to grow market reach
- Expand into new territories
- Invest in additional capacity and capabilities

Product leadership

See more online

McBride Asia Pacific

Our market

- The fastest growing economy worldwide
- Growing middle class prioritising health and wellness
- Increased awareness of environmental issues
- Fragmented, localised supply base

Compass priorities

1. Invest in flexible manufacturing capacity
2. Develop household and regional format capability
3. R&D drive behind sustainability
4. Wider relationships for new growth
5. Keen cost focus

Compass next phase

- Leveraging capacity
- Developing relationships for contract manufacturing
- Lead through innovation and superior service
- Target further cost efficiencies
- Extend regional reach for private label

Cost and value leadership

See more online

"SAP is more than a systems upgrade – it is a Group-wide cultural change. It will allow us to standardise key processes, improve how we manage and utilise data, and make faster, more joined-up decisions. Ultimately, it is about building a stronger foundation for the future, so we can continue to grow, prosper and serve our customers even better."

Mark Strickland
CFO and Programme Sponsor

"Leading this programme has genuinely been a privilege. What stood out most is the energy, commitment and resilience shown by teams right across McBride. This is not just an IT upgrade – it is a major business change, being made real by our people. As we get closer to go-live, our priority is making sure everyone feels supported, ready and confident, which we believe will help us truly embed the change and unlock the full value of what we set out to achieve."

Paul Boardman
Programme Director

Case study

Stepping up with SAP S/4HANA: Investing in the future to serve our customers better

A major business transformation

This year, we took significant steps forward on one of the most ambitious business change programmes in our history: moving from legacy systems to a modern core business platform based on SAP S/4HANA. With our first go-live in the UK planned for later this calendar year, we are putting in place a powerful new system that will help us work more simply, consistently and efficiently across all areas of the business.

Built by our people, for our business

From day one, this programme has been a shared effort across the Group. We brought in colleagues from every function, site and market, to act as subject matter experts and help to shape how the system should work. Their insight has been vital in designing processes that not only deliver consistency and control but also respect the different needs and cultures across our business.

It has been a real team effort and a great example of our values in action. We have seen people demonstrating McBride's core values by:

- working together across countries, divisions and functions;
- taking accountability for designing the right solution;
- aspiring to be the best by challenging old ways of working and moving towards industry best practice; and
- staying committed through every phase of the programme.

This collective approach has created a solution that reflects the reality of how we operate and where we are heading.

Benefits for our customers

As well as improving how we work internally, SAP S/4HANA will deliver clear benefits for our customers by enabling:

- better visibility across the supply chain;
- quicker, more accurate responses;
- smoother, more reliable order and invoicing processes; and
- a more consistent and joined-up service.

We are confident that this will help us continue to meet the evolving needs of our customers with greater speed and precision.

Supporting our people through the change

Alongside the technical work, we are making sure our colleagues, suppliers and customers are informed, engaged and ready for what is to come.

Training, communications and hands-on support are all key parts of our approach, helping everyone to understand what is changing and why, and making sure they feel confident and prepared as we move towards go-live.

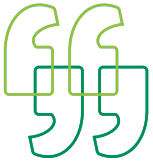
Looking ahead

There is still work to do but the progress made so far gives us real confidence. With our UK go-live just around the corner, and more deployments to follow next year, we know the key to long-term success is keeping up the great collaboration that has been at the heart of this programme.

This is a system for the future, built by our people, aligned with our values, and designed to help us deliver even better for our customers.

These results demonstrate the strength of our core activities and normalised financial situation, positioning us well for continued growth and investment.

Chris Smith
Chief Executive Officer



Overall business performance

McBride has delivered another year of strong operational and financial performance and has now posted five consecutive half years operating at these materially improved profit levels, marking a sustained recovery from the challenges faced three to four years ago. The Group has successfully restored operational stability, strengthened its overall financial position, and now has the flexibility to invest for growth, efficiency and long-term stability.

This progress was underpinned by continued improvements across many aspects of business activity, including health and safety, customer service levels and quality, alongside the efficiencies delivered through the Transformation programme. Particularly pleasing is the continued progress towards the Group's strategic imperative of a safe working environment, with the lost time incident frequency rate almost halving in the year. Customer service levels stepped up to new recent highs, delivering increased volumes and supporting further opportunities for strategic partnerships with key customers.

The Group made further progress in its strategic markets and geographies, driven by strengthening customer partnerships. Total sales volumes grew 4.3% year on year, with private label volumes up 1.4% and contract manufacturing volumes substantially up by 48.9%. The latter reflects the full-year impact of a new significant long-term contract manufacturing agreement, which launched in the fourth quarter of the previous financial year, along with two new multi-year contracts secured with large FMCG clients in the first half of this year.

McBride further strengthened its position in its core strategic focus areas of Germany and laundry. It reinforced its commitment to Germany by opening a new office in Bonn, and delivered growth in laundry detergents despite a fierce competitive backdrop from both branded offers and other private label producers.

The Group built on the significant improvement in financial performance achieved in recent years, delivering a further underlying increase on a constant currency basis in adjusted operating profit[1] to £66.1 million (2024: £65.6m[2]), driven by a combination of strong price and margin management, improved operational performance and disciplined cost control.

Private label demand remains strong with overall market share holding at current, all-time high levels. Promotional activity from branded competitors was particularly elevated during the year, impacting private label volumes, although this eased towards the end of the financial year, while retailers increased their emphasis on value for consumers in light of ongoing cost-of-living pressures.

Revenue	2025 £m	2024 £m	Reported change	Constant currency change[2]
Liquids	**529.6**	532.8	(0.6)%	0.9%
Unit Dosing	**228.9**	233.6	(2.0)%	(0.3)%
Powders	**85.5**	92.8	(7.9)%	(6.0)%
Aerosols	**58.9**	50.9	15.7%	18.3%
Asia Pacific	**23.6**	24.7	(4.5)%	(5.6)%
Group	**926.5**	934.8	(0.9)%	0.7%

Adjusted operating profit/(loss)[1]	2025 £m	2024 £m	Reported change £m	Constant currency change £m[2]
Liquids	**41.0**	45.6	(4.6)	(3.8)
Unit Dosing	**22.5**	19.4	3.1	3.4
Powders	**6.8**	6.0	0.8	1.0
Aerosols	**3.1**	2.1	1.0	1.1
Asia Pacific	**1.1**	1.4	(0.3)	(0.3)
Corporate	**(8.4)**	(7.4)	(1.0)	(0.9)
Group	**66.1**	67.1	(1.0)	0.5

(1) Please refer to APM in note 30.
(2) Comparatives translated at financial year 2025 exchange rates.

Overall business performance
continued

Input costs for materials increased marginally in certain categories, in particular for natural-based products, while materials costs in general remained stable. Inflation in labour and services remains elevated, adding cost pressures to both overheads and direct labour. The Group is working closely with its customers to ensure it retains its competitive position by identifying opportunities for cost reduction and efficiency. The ability to maintain service levels and quality while managing costs has been a critical differentiator, and McBride remains focused on protecting margins through disciplined pricing, product engineering, operational efficiency and supply chain agility.

The Group's financial position was further strengthened by a £26.3 million reduction in net debt to £105.2 million at 30 June 2025 (2024: £131.5m). As a result, it has beaten its target of net debt/adjusted EBITDA below 1.5x, closing the year at 1.2x. This represents a significant milestone in McBride's journey to restore financial resilience and flexibility.

Key to this important development was the successful refinancing of the Group's debt facilities in November 2024, completed with significantly improved terms. The new, long-term, financing facilities reflect the confidence of McBride's banking partners in its strategy and performance, enhancing the Group's ability to support the 'Core Plus' and 'Buy and Build' strategic ambitions, whilst continuing to strengthen the operational platform and normalise capital allocation options. As a result of this, and the solid trading performance, the Board is reinstating the annual dividend, recommending a final dividend of 3.0 pence per share for the year ended 30 June 2025, subject to approval by shareholders at the Company's 2025 AGM.

Strategic progress

McBride's Transformation agenda continued to progress well and remains on track to deliver £50 million net benefits over the five years to 2028. This year saw the deployment of the Commercial Excellence programme, while the Service Excellence and SAP S/4HANA programmes continued at pace. The programmes in delivery provided a net benefit of £5.0 million during the year, while customer service levels improved dramatically, with several of our factories increasing output to record levels. These operational gains were instrumental in supporting our customers and enhancing our reputation as a reliable partner.

The Group made important progress on the SAP S/4HANA ERP system upgrade programme. Final user acceptance testing launched in August 2025 and the first wave of the programme is expected to go live in the autumn of 2025, subject to the results of this final user testing. This will mark a major step forward in McBride's digital transformation journey. The programme will support better data analytics, standardised processes, improved planning and enhanced customer service across the Group.

Execution of the 'Core Plus' expansion plans commenced, with a significant capital investment approval for expanding UK operations. This marks the start of a broader programme to expand capacity, improve efficiency and support future growth, as outlined at the Capital Markets Day in March 2024.

Sustainability

McBride built on its sustainability agenda over the year, notably through its commitment to the Science Based Targets initiative (SBTi) as part of a wider environmental strategy. The Group made great progress towards its 2025 targets, set in 2019, and will now replace them with the new SBTi targets. The team is working closely with ClimatePartner® to advance our carbon reduction efforts by tracking progress and providing quality metrics and insight. These efforts are embedded across all divisions and support the Group's long-term climate objectives, and it is encouraging to see the progress made in reducing carbon emissions for the last year, with an absolute reduction of 3.1% and an intensity level reduction of 7.6%.

Current trading and outlook

McBride enters the 2026 financial year from a position of strength. The Group has now delivered five consecutive half years at these profit levels, and its financial and operational foundations are stable.

Demand for private label products continues to be strong, growing in the last twelve months overall, with private label market share holding at the most recent all-time high levels. McBride expects to achieve volume growth in the coming period as a result of successful contract wins, both for private label and contract manufacturing.

The inflationary backdrop continues to shape retailer behaviour, with many seeking value-led propositions and cost-reduction initiatives. McBride is well positioned to respond to these dynamics, leveraging its scale, efficiency and customer partnerships to deliver competitively priced and high-quality products.

McBride's focus on excellence, supported by the Transformation programme, will secure its ability to deliver sustainable growth and long-term value for customers, shareholders and wider stakeholders.

Chris Smith
Chief Executive Officer

16 September 2025

Case study

Promoting a culture of safety through leadership visibility

At McBride, health and safety is not just a compliance requirement, it is a central part of the Company's culture and values. As part of ongoing efforts to raise awareness and drive engagement across all levels of the business, members of the executive team, including those in non-operational roles such as Finance and HR, actively participate in safety walks.

These site visits are carried out across offices and manufacturing facilities, and are designed to promote best practice, identify opportunities for improvement, and demonstrate leadership commitment to a safe working environment.

One recent safety walk took place at the Middleton site in the UK. Chief Financial Officer Mark Strickland joined Global Health & Safety Lead Jerry Boardman and other colleagues on the factory floor to observe maintenance work on one of the operating lines.

The focus was assessing adherence to procedures, ensuring safe access to machinery and encouraging open dialogue around safety practices. Only minor suggestions were noted, whilst the overall safety performance and general site commitment to safety was warmly praised.

Beyond the practical assessments, these safety walks have the added benefit of increasing leadership visibility and accessibility. By spending time in different sites and departments, the executive team reinforce the message that safety is everyone's responsibility. It is through these types of consistent engagement and positive recognition of safe behaviours, that McBride continues to strengthen its health and safety culture across all areas of the business.

McBride Liquids

We strengthened our business in many different areas and made good progress against our strategic targets.

Peter Ingelse
Managing Director
Liquids

Performance review

The Liquids division delivered revenue of £529.6 million (2024: £532.8m), representing a 0.9% increase on a constant currency basis[1]. Adjusted operating profit was £41.0 million (2024: £45.6m), resulting in an adjusted operating profit margin of 7.7% (2024: 8.6%). Adjusted ROCE[2] increased to 40.5% (2024: 37.8%).

Sales volumes rose 3.5%, driven primarily by the successful onboarding of a major new long-term contract manufacturing agreement. Private label volumes remained broadly flat, as gains from new contracts were offset by the impact of branded promotions, which affected private label market share in the second half of the year.

Adjusted operating profit declined due to an increased mix in favour of lower-value products, small rises in raw material costs in certain categories and continued inflationary pressure in labour and services. These challenges were partially offset by Transformation initiatives, cost reduction efforts and operational efficiency improvements.

Regionally, the division delivered improved performance in Germany and France, with slightly weaker performance in the UK as a result of lower volumes.

Italy had a challenging year, mostly as a result of suboptimal customer service levels in the prior year and certain contract losses, with a more positive outcome for this region expected in the coming year.

The division maintained a sharp focus on safety, achieving a 60% year-on-year reduction in accidents as all teams advanced their zero lost time incident strategies. Customer service and quality levels also saw significant improvements over the past twelve months.

Innovation remained a key priority, with initiatives particularly focused on building a sustainable innovative product portfolio. Product launches were targeted at reducing CO_2e emissions through material reformulation, increased concentration of products and the development of alternatives to plastic packaging. Additionally, the division undertook capital investment in automation, specifically the implementation of mixed case packing lines, which was completed in the second half of the year and is expected to deliver further benefits in 2026.

(1) Comparatives translated at financial year 2025 exchange rates.
(2) Please refer to APM in note 30.

See more online

Revenue
£529.6m
(2024: £532.8m)

Adjusted operating profit[2]
£41.0m
(2024: £45.6m)

Adjusted ROCE[2]
40.5%
(2024: 37.8%)

Units sold
803.6m

McBride Unit Dosing

We achieved profit growth through better customer service and efficiency improvements.

Lennard Markestein
Managing Director
Unit Dosing

Performance review

The Unit Dosing division delivered revenue of £228.9 million (2024: £233.6m), representing a (0.3)% decline on a constant currency basis[1]. Adjusted operating profit increased to £22.5 million (2024: £19.4m), with the adjusted operating margin increasing to 9.8% (2024: 8.3%). Adjusted ROCE[2] increased to 35.4% (2024: 32.8%).

The division successfully expanded its margin through operational efficiencies supported by the Transformation programme, tight control of overhead costs and significantly improved customer service. In addition, the division achieved improvements in safety performance over the year.

Despite a 5.0% contraction in the broader Unit Dosing market, largely due to declining branded product volumes, the division outperformed the sector. The division's overall volumes grew by 0.9% in terms of number of packs, while there was growth of 2.4% in individual dose formats, reflecting a steady market shift towards larger pack sizes. Volumes rose 7.3% in contract manufacturing, mostly driven by successful new product launches, with private label volumes broadly flat.

The division continued to invest in the capabilities that matter most to its customers. New capacity expansions, commissioned primarily in the latter half of the year, strengthened the operational platform and positioned the business for sustained growth in the years ahead.

In addition to expanding production capabilities, the division sustained strong momentum in its innovation agenda, with a continued focus on enhancing sustainability across products, raw materials and packaging. Significant efforts were made to optimise product weight and efficiency, ensuring that performance remains in line with the high standards expected by customers.

Unit Dosing launched two major contract manufacturing agreements in 2025, further expanding its capabilities and product portfolio in this key growth area. These partnerships reflect a strategic shift towards innovation-led growth, sustainability and leadership in dishwash, reinforced by McBride's long-term Transformation agenda.

(1) Comparatives translated at financial year 2025 exchange rates.
(2) Please refer to APM in note 30.

See more online

Revenue
£228.9m
(2024: £233.6m)

Adjusted operating profit[2]
£22.5m
(2024: £19.4m)

Adjusted ROCE[2]
35.4%
(2024: 32.8%)

Total doses sold
5.0bn

McBride Powders

We have built on contract wins from the prior year whilst managing our cost base.

Marielle Claudon
Managing Director
Powders

Performance review

The Powders division delivered revenue of £85.5 million (2024: £92.8m), representing a (6.0)% decline on a constant currency basis[1]. Adjusted operating profit increased to £6.8 million (2024: £6.0m), resulting in an adjusted operating profit margin of 8.0% (2024: 6.5%) and an adjusted ROCE[2] of 30.0% (2024: 21.5%).

Following a strong year of business wins in 2024, the division shifted focus to improving operational delivery in 2025. Revenue decreased due to delays in contract launches, changes in product mix and a decline in UK demand. Despite these challenges, the division maintained resilience through cost control, operational efficiency and margin management.

Sales volumes decreased by 4.4% year on year, impacted by delayed product launches and certain contracts ending. Private label volumes declined by 4.6% while contract manufacturing volumes, which now make up c.30% of the division's total volumes, decreased by 5.0%.

The division continued innovating, focusing on sustainable formulations and packaging, especially for the German retail market, and compact formats. Strategic initiatives drove operational changes to enhance sustainability, including Overall Equipment Effectiveness (OEE) monitoring to boost capacity, investments to cut energy use and emissions, and mono-material packaging to support recycling.

Aligned with the strategic priorities set in 2021, the division continued delivering award-winning products, driven by R&D in compaction and sustainability. Operational excellence remained a focus, improving efficiency and customer service as the division secured new customer wins and extended its private label presence into new markets.

(1) Comparatives translated at financial year 2025 exchange rates.
(2) Please refer to APM in note 30.

See more online

Revenue
£85.5m
(2024: £92.8m)

Adjusted operating profit[2]
£6.8m
(2024: £6.0m)

Adjusted ROCE[2]
30.0%
(2024: 21.5%)

Tonnes produced
64,628

McBride Aerosols

Significant contract wins supported revenue and profit growth.

Marc Marot
Business Unit Director Aerosols

Performance review

Revenue grew to £58.9 million (2024: £50.9m), an 18.3% increase on a constant currency basis[1], generating an adjusted operating profit of £3.1 million (2024: £2.1m) and an adjusted operating profit margin of 5.3% (2024: 4.1%). Adjusted ROCE[2] increased to 23.1% (2024: 17.7%).

The division's performance was primarily driven by significant contract wins aligned with the division's targeted geographical expansion strategy. Revenue growth was led by private label contracts, with sales volumes increasing 26.2% and the division maintaining strong positions in France and Portugal while achieving significant growth in Germany. Gains were also made in contract manufacturing, with sales volumes growing 18.3%.

Revenue in Aerosols continued to be predominantly private label-based, reflecting its capability to produce niche products, while contract manufacturing remained a stable and moderately growing part of the portfolio.

Innovation remained a key focus, with the successful rollout of sustainable packaging solutions such as tin-plate cans and cardboard caps. The division further advanced cleaner formulations and continued efforts to reduce its environmental impact, particularly in the use of virgin plastic.

Strategically, Aerosols made major capital investments to expand both filling and mixing capacity in personal care. The division also broadened its product range to strengthen category leadership and enhance relevance in the market, particularly in insecticides and air fresheners.

(1) Comparatives translated at financial year 2025 exchange rates.
(2) Please refer to APM in note 30.

See more online

Revenue
£58.9m
(2024: £50.9m)

Adjusted operating profit[2]
£3.1m
(2024: £2.1m)

Adjusted ROCE[2]
23.1%
(2024: 17.7%)

Units produced
85.6m

McBride Asia Pacific

Despite a challenging year, the division is winning new ground in personal care and household categories, paving the way for strong growth in 2026.

Teong Dee Ong
Business Unit Director
Asia Pacific

Performance review

The Asia Pacific division delivered revenue of £23.6 million (2024: £24.7m), representing a (5.6)% decline on a constant currency basis[1]. Adjusted operating profit was £1.1 million (2024: £1.4m), resulting in an adjusted operating profit margin of 4.7% (2024: 5.7%) and an adjusted ROCE[2] of 15.1% (2024: 15.9%).

Performance was impacted by delays to contract launches in Australia, subdued private label demand in Malaysia and Vietnam, and adverse foreign exchange effects. Despite these challenges, the division effectively managed costs to mitigate the impact on margins.

Sales volumes grew 6.3%, driven by a significant rise in contract manufacturing volumes in Vietnam, and new product launches in the second half of the year. Private label sales in Malaysia declined slightly due to reduced demand and a key customer's strategic exit from the segment.

The division gained traction in Australia's private label market, especially in personal care and, more recently, in household categories. Pricing remained highly sensitive across the region, with intensified competition as more players shifted focus to Asia amid rising geopolitical tensions, adding pressure on margins.

Sustainability efforts continued in collaboration with customers, focusing on greener packaging and more natural formulations.

(1) Comparatives translated at financial year 2025 exchange rates.
(2) Please refer to APM in note 30.

See more online

Revenue
£23.6m
(2024: £24.7m)

Adjusted operating profit[2]
£1.1m
(2024: £1.4m)

Adjusted ROCE[2]
15.1%
(2024: 15.9%)

Litres produced
25.1m

Our strong balance sheet provides a great platform for future expansion.

Mark Strickland
Chief Financial Officer

Group results

Adjusted operating profit[1] decreased by £1.0 million to £66.1 million (2024: £67.1m) but increased by £0.5 million at constant exchange rates[2]. Operating profit of £60.2 million was lower than the prior year (2024: £64.3m). The Group reported adjusted EBITDA[1] of £85.8 million (2024: £87.1m), which had increased by £0.4 million at constant exchange rates and resulted in an adjusted EBITDA margin[1] of 9.3%, in line with the prior year.

The underlying increase in adjusted operating profit[1] on a constant currency basis was achieved through a combination of price and margin management, enhanced operational performance and tight cost control.

Adjusted profit before taxation[1] increased 3.4% to £54.9 million (2024: £53.1m). Reported profit before taxation was £49.0 million (2024: £46.5m).

Exceptional items

Exceptional items of £4.0 million were recorded during the year (2024: £4.6m). The charge comprised the following:

- £0.4 million costs relating to the re-evaluation of the environmental remediation provision;
- £1.5 million employee severance costs in relation to organisational changes aimed at enhancing long-term operational efficiency and capability in line with the Group's strategy; and
- £2.1 million costs relating to a Group-wide strategic review of growth options.

Finance costs

At £11.2 million, adjusted finance costs[3] were £2.8 million lower than the prior year (2024: £14.0m), driven by decreases in overall market interest rates and from the lower levels of debt within the Group. Total finance costs of £11.2 million (2024: £17.8m) included exceptional finance costs of £nil (2024: £3.8m).

Taxation

The tax charge on adjusted profit before tax[1] for the year was £17.3 million (2024: £14.8m) and the effective tax rate was 32% (2024: 28%).

The Group operates across a number of jurisdictions and tax risk can arise in relation to the pricing of cross-border transactions. Associated provisions for uncertain tax positions were reduced in the year, mainly due to expiries in the statute of limitations.

Earnings per share

On an adjusted basis, diluted earnings per share[1] was 21.1 pence (2024: 21.7p). Total adjusted basic earnings per share[1] decreased to 22.1 pence (2024: 22.2p), with basic earnings per share at 19.5 pence (2024: 19.3p).

Payments to shareholders

As a result of the refinancing of the revolving credit facility (RCF), the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs. The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025, subject to approval by shareholders at the Company's 2025 AGM. If approved, the recommended final dividend will be paid as a cash dividend on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. The ordinary shares will be marked as ex-dividend on 30 October 2025.

(1) Please refer to APMs in note 30.
(2) Comparatives translated at financial year 2025 exchange rates.
(3) Please refer to note 8 for reconciliation to total finance costs.

Cash flow and balance sheet

	2025 £m	2024 £m
Adjusted EBITDA[1]	**85.8**	87.1
Working capital excluding provisions and pensions	**13.7**	(4.6)
Share-based payments	**1.6**	1.6
Loss on disposal of property, plant and equipment	**0.4**	1.4
(Reversal of impairment)/impairment of fixed assets	**(0.6)**	0.2
Pension deficit reduction contributions	**(7.0)**	(4.0)
Free cash flow[1]	**93.9**	81.7
Exceptional items	**(3.2)**	(1.0)
Interest on borrowings and lease liabilities less interest receivable	**(7.9)**	(10.9)
Refinancing costs paid	**(1.8)**	(5.5)
Tax paid	**(17.9)**	(5.1)
Net cash generated from operating activities	**63.1**	59.2
Net capital expenditure[2]	**(30.4)**	(19.6)
Repayment of lease liabilities	**(4.2)**	(4.5)
Debt financing activities	**(2.2)**	(25.9)
Settlement of derivatives	**0.4**	1.1
Free cash flow to equity[3]	**26.7**	10.3
Purchase of own shares	**(2.4)**	(2.8)
Net increase in cash and cash equivalents	**24.3**	7.5

Free cash flow[1] was £93.9 million (2024: £81.7m) in the year to 30 June 2025, mostly attributable to the strong performance in adjusted EBITDA[1] and a focus on achieving significantly improved working capital inflows.

Refinancing costs of £1.8 million (2024: £5.5m) reflected the renegotiation of the Group's RCF during the year. The significant increase in tax paid to £17.9 million (2024: £5.1m) resulted from the return to taxable profit across the tax jurisdictions in which the Group operates.

During the year, net capital expenditure[2] was £30.4 million (2024: £19.6m) in cash terms. The Group continues to prioritise capital expenditure to support divisional growth objectives and the SAP S/4HANA programme.

The Group's net assets increased to £94.3 million (2024: £63.4m). Gearing[4] decreased to 53.3% (2024: 66.0%) as net debt levels decreased by £26.3 million. Adjusted ROCE[1] of 33.0% was slightly below the prior year (2024: 33.5%), impacted by marginally reduced profit levels coupled with significant increases in capital expenditure, particularly relating to the SAP S/4HANA programme, which is expected to go live in the coming months.

Bank facilities and net debt[1]

Net debt at 30 June 2025 was £26.3 million lower than the prior year end at £105.2 million (2024: £131.5m).

During the year, the Group renegotiated its €175 million multi-currency, sustainability-linked RCF, increasing the facility to €200 million and securing a four-year term to November 2028, with an option to extend by up to two years. Additionally, an uncommitted €75 million accordion feature, available in previous agreements, has been reinstated. The overall facility has reverted to more traditional covenant requirements, and ensures that the Group continues to have significant levels of liquidity headroom and funds for expansion.

At 30 June 2025, liquidity[1], which is no longer a covenant requirement of the RCF agreement, was £141.4 million (2024: £98.3m).

At 30 June 2025, the net debt cover ratio[1] under the RCF funding arrangements was 0.4x (2024: 0.8x) and the interest cover ratio[1] was 8.5x (2024: 6.8x). The amount undrawn on the facility was £107.2 million (2024: £82.9m). Under the new RCF agreement, net debt cover and interest cover covenants testing restarted with effect from 31 December 2024.

The RCF, which is aligned with the Loan Market Association's 'Sustainability Linked Loan Principles', now incorporates two sustainability performance targets which are central to McBride's commitment to maintaining a responsible business and contributing actively to a more sustainable future:

1. Greenhouse gas emissions (GHGs): the percentage reduction in Scope 1 and Scope 2 greenhouse gas emissions of the Group, including emissions from consumption of gas, electricity and oil and other direct emissions such as refrigerants and vehicle fleets as against the baseline. During the year, the Group achieved a reduction of 42.9% (2024: 35.8%), surpassing the loan agreement target of 40.21% by 30 June 2025.
2. Supplier engagement: percentage of GHG emissions attributed to suppliers of the Group, for purchased goods and services with a science-based target that has been validated by the Science Based Targets initiative or otherwise assessed by a third party. During the year, engagement equivalent to 21.6% (2024: 16.2%) was achieved, exceeding the loan agreement target of 20.0%.

Successful achievement of both annual targets results in a reduction of 0.05% of the margin of the facility.

At 30 June 2025, the Group had a number of facilities whereby it could borrow against certain of its trade receivables. In the UK, the Group had a £20 million facility, committed until May 2026. In Spain, France and Belgium, the Group had an unlimited facility committed until May 2026. In Germany and Denmark, the Group had a €45 million facility, committed until May 2026. In Italy, the Group had a €23 million facility, committed until April 2028. The Group can borrow from the provider of the relevant facility up to the lower of the facility limit and the value of the respective receivables.

(1) Please refer to APMs in note 30.
(2) Net capital expenditure is capital expenditure less proceeds from sale of fixed assets.
(3) Free cash flow to equity excludes cash flows relating to transactions with shareholders.
(4) Gearing represents net debt divided by the average of opening and closing capital, being total equity plus net debt.

Pensions

In the UK, the Group operates a defined benefit pension scheme, which is closed to new members and to future accrual.

At 30 June 2025, the Group recognised a deficit in the scheme of £23.0 million (2024: £27.5m). The decrease in deficit is due to deficit reduction contributions paid by the Group, an increase in discount rate placing a lower value on the liabilities, and lower-than-expected inflation. These were offset to some extent by interest on the deficit, a decrease in asset values mostly due to liability-matching assets that the Fund invests in, and allowance for the 31 March 2024 triennial valuation, which is the difference between the estimated and actual experience in the Fund over the inter-valuation period.

Following the triennial valuation as at 31 March 2024, McBride and the Trustee agreed a new deficit reduction plan based on the scheme funding deficit of £32.3 million. A total amount of £7.0 million was paid in the year ended 30 June 2025, being a £5.3 million annual deficit reduction contribution, plus a £1.7 million 'one-off' payment for the removal of the Trustee's dividend matching mechanism. It was agreed that, from 1 July 2025, £5.7 million per annum is payable until 30 June 2028 and, from 1 July 2028, deficit reduction contributions revert to the previous agreement of 1 October 2024, with £4.0 million payable per annum, plus up to £1.7 million per annum in conditional profit-related contributions, which are determined as follows:

- If adjusted operating profit exceeds £35.0 million, additional annual deficit contributions of £1.7 million will be due over the following year.
- If adjusted operating profit is below £30.0 million then no profit-related contributions will be due the following year.
- If adjusted operating profit is between £30.0 million and £35.0 million, a proportion of the £1.7 million contribution will be due the following year, with incremental increases of £0.34 million of additional contributions for each whole £1.0 million of adjusted operating profit in excess of £30.0 million.

As previously disclosed in the Annual Report and Accounts 2024, the NTL vs Virgin Media case could have implications for the Company. Following the Court of Appeal upholding the 2023 High Court ruling on 25 July 2024, the Trustee initiated the process of investigating any potential impact for the Fund.

In June 2025, the Department for Work and Pensions (DWP) confirmed that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. Further detail on the approach and process for this retrospective confirmation is expected to follow in due course.

The Company is therefore disclosing this issue as a potential contingent liability at 30 June 2025 and will review again based on the findings of the detailed investigation and further legislation updates.

Following the DWP's announcement, the Group and the Trustee do not expect the Virgin Media ruling to give rise to any additional liabilities.

The Group has other post-employment benefit obligations outside the UK that amounted to £1.9 million (2024: £1.9m).

Mark Strickland
Chief Financial Officer

Case study

Commercial Excellence: driving customer value and operational efficiency

Commercial Excellence has focused on two key dimensions in 2025, being the optimisation of processes, tools and metrics, and the development of people through skills enhancement, including targeted learning and development initiatives. The objective was to deliver and capture customer value, whilst effectively managing internal complexity through best-in-class solutions. Customer focus remained front and centre through streamlining customer interfaces, improving responsiveness, fostering proactivity and prioritising activities that directly contributed to sales performance.

The harmonisation of commercial functions across regions and divisions enabled us to systematically identify development needs. Throughout 2025, we provided tailored training opportunities aligned with individual requirements.

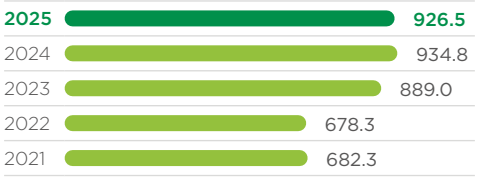
To ensure long-term sustainability, we established a Commercial Learning Academy, offering courses designed to foster growth and agility. This now serves as a resource for onboarding and continuous development.

We also successfully developed and implemented a unified, proactive and co-ordinated tender management process, resulting in a measurable improvement in tender success rates. This initiative was complemented by a new value-based pricing strategy that leverages McBride's pricing power to enhance profitability. Standardisation of account management processes and tools significantly improved internal collaboration and accelerated our speed to customer, reinforcing our commitment to Commercial Excellence.

In addition, various initiatives within the Commercial Excellence framework enabled us to target the right customers, optimise resource allocation and prioritise investments effectively. These efforts have contributed to increased revenue and profitability in several regions, whilst ensuring sustained performance across others.

Our Key Performance Indicators

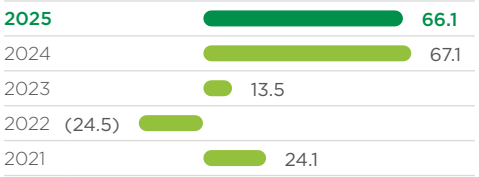
Revenue (£m)



Why we measure: A key performance indicator of the relevance of our portfolio to our customers and consumers.

How we have performed: Despite volume growth of 4.3%, revenue decreased by 0.9%, with an adverse impact from changes in product mix.

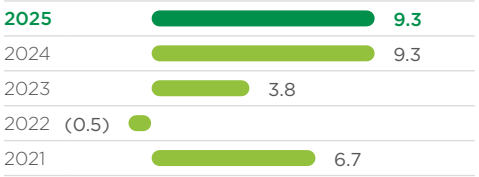
Adjusted operating profit[1] (£m)



Why we measure: Adjusted operating profit[1] is the main indicator of underlying operational performance.

How we have performed: Despite a slight decline in revenue, the Group maintained strong levels of adjusted operating profit[1] through a focus on cost control and margin management.

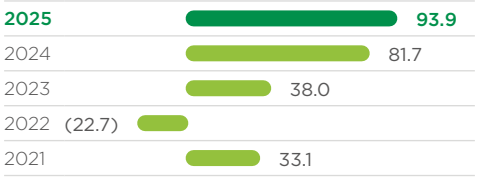
Adjusted EBITDA[1] margin (%)



Why we measure: We measure adjusted EBITDA[1] margin to get a good view of the underlying profitability of the Group.

How we have performed: The Group's profitability is consistent with the prior year, supported by volume growth and a focus on cost control and margin management.

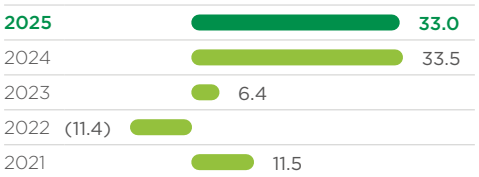
Free cash flow[1] (£m)



Why we measure: Free cash flow[1] is an important indicator of our overall operational performance as it reflects the cash we generate from operations.

How we have performed: Free cash flow[1] remained strong, with the improvement on the prior year driven by a focus on working capital management.

Adjusted ROCE[1] (%)



Why we measure: Adjusted ROCE[1] serves as an indicator of how efficiently we generate returns from the capital invested in the business.

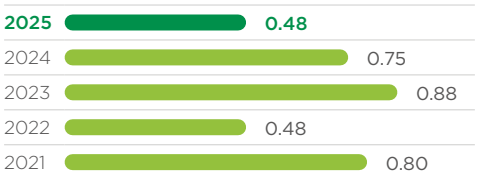
How we have performed: Adjusted ROCE[1] remains in line with the prior year, reflecting the strong profitability achieved by the Group for a second year running.

Transformation benefits (£m)

Why we measure: Net profit benefit achieved from the Transformation programmes will play a key role in delivering the long-term, sustainable profit growth of the Group.

How we have performed: All Transformation programmes are now fully mobilised. Benefits are being realised as we progress towards embedding these initiatives into underlying processes.

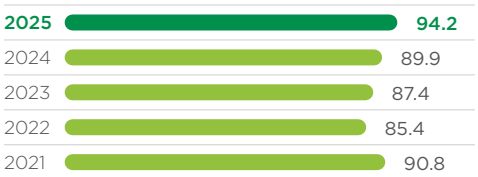
Lost time incident frequency rate (#)



Why we measure: Ensuring that all our colleagues return home safe and healthy at the end of every working day is the primary objective of the Group.

How we have performed: Our lost time frequency rate decreased in 2025 for the second consecutive year, in line with key objectives focused on our H&S Governance Framework, zero loss journey maps and leading indicators.

Customer service level (CSL) (%)



Why we measure: Consistently delivering a high CSL underpins our customer-focus approach.

How we have performed: Our CSL improved significantly in 2025, reflecting focused improvements in supply chain planning, coupled with increased resilience and agility in production operations. This was reinforced by strengthened partnerships with warehousing and transport logistics providers.

Link to strategy: Market standing | Operational excellence | Sustainability | Talent

(1) Please refer to APM in note 30.

Section 172(1) statement

How we engage and foster strong relationships with some of our key stakeholders

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006 (the '2006 Act'). The Board considers it has acted in good faith and made decisions which promote the long-term success of the Company for the benefit of its shareholders and its people. In doing so, it considered the interests of stakeholders impacted by the business as well as its legal duties. It acknowledges that, as it works towards securing the Group's success and sustainability and delivering on our strategy, it needs to build and maintain successful relationships with a wide range of stakeholders within an interconnected society. The Board has identified five key stakeholder groups and recognises that it must ensure that the perspectives, insights and opinions of stakeholders are understood and considered when key decisions are being made. Equally, not all decisions will result in a positive outcome for all stakeholders; however, the Board recognises that its decisions should nonetheless be justifiable in themselves.

Factors taken into account in the Board's decision making included:

- likely consequences of any decisions in the long term;
- the interests and wellbeing of our people, including health and safety risks;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct;
- the compliance and financial risks to the Company and our stakeholders; and
- the need to act fairly between shareholders of the Company.

Examples of how the Board had oversight of stakeholder matters and had regard for these matters and the potential impact on stakeholders when making decisions, are set out below.

Our workforce

Why significant

We remain dedicated to fostering a supportive and dynamic work environment that empowers our 3,664 colleagues[1] across 14 countries to achieve their full potential.

How we engage

The Board believes we can ultimately differentiate our business through our colleagues, so it is important to us that we create a culture where our people can be themselves and fulfil their potential. By focusing on inclusion and diversity, we can make better business decisions, informed by diverse perspectives. Our culture comes to life through our three core values ('working together', 'aspiring to be the best' and 'always committed'), which remain unchanged. These values underpin our purpose and have become a vital part of our culture.

We are committed to providing an open and inclusive culture, where colleagues have the opportunity to progress and where they are supported in their development.

2025 highlights

- Employee Voice surveys, including the launch of our diversity, equity and inclusion (DEI) survey in December 2024, which has provided valuable information on how our colleagues feel whilst identifying areas that need addressing.
- Evaluated the results of the DEI survey to create an inclusion, belonging and fairness strategy.
- Our Group-wide volunteering initiative, McBride Gives, supporting local charities that align with our purpose, has continued to be embedded across all locations this year.
- Continued to provide career development options, empowering our colleagues to fulfil their potential and their professional ambitions.
- Regular communications and town halls fostering transparency, engagement and a sense of belonging.
- Board member engagement with our European Works Council (EWC) throughout the year to ensure that the Board is well informed about perspectives, concerns and the ideas of the workforce.

Outcomes and impact of key decisions

Our continued commitment to creating an attractive, diverse, equitable and inclusive environment, where our colleagues feel they belong and that their safety and wellbeing matters, is fundamental to the delivery of our strategic priorities.

(1) Includes employees, third-party contractors, consultants and agency workers as at 30 June 2025.

Section 172(1) statement continued

Our customers

Why significant

Good relationships with our customers are the fundamental bedrock of our business. Under our divisional structure, a core ambition is to provide focused and specialist insight to help our customers with the optimal portfolio proposition that best suits their businesses.

How we engage

We aim to deliver industry-leading value, service and quality for our customers. Our specialist commercial and technical teams, supported by central teams such as logistics and purchasing, look to drive long-lasting, trusted relationships with our customers, ultimately providing a compelling range of value products. Reacting quickly and effectively to changing requirements is increasingly a core competence in our customer proposition.

2025 highlights

The strong momentum in the private label market at the end of 2024 carried on into 2025 as consumers continued to move towards private label goods as a result of the enduring inflationary pressures. The business environment became more challenging in the second half of the year, with a private label share growth slowdown and price pressure resulting from retailers seeking to keep prices down, increased branders' promotional activity and additional capacity in the market.

Despite the tougher backdrop, total sales volumes increased by 4.3% year on year, with certain divisions expanding their geographical sales footprint.

Instrumental in this success was our renewed focus on quality, as well as the delivery of Service Excellence for customers, one of our key Transformation programmes. We regularly monitor customer service levels and have seen an improvement in the performance of each of the divisions over the course of the year.

In the second half of the year, our customers were looking for support to strengthen their private label offerings and grow their sales volumes and market shares. With our comprehensive services, we were able to deliver added-value solutions to customers, strengthening our relationships with them.

Outcomes and impact of key decisions

Our ability to react quickly and effectively to evolving customer needs, to work together with our customers and to further improve our offering and service to our customers has enabled us to better serve them.

Case study

Our logistics journey to best-in-class customer service level

In recent years, the European freight market has faced challenges due to surging demand following the pandemic and retiring truck drivers not being replaced, exacerbated by an exodus of drivers due to the conflict in Ukraine. Our Logistics function needed a reset to meet these challenges, in both warehouse and transport operations, in order to support our commitment to customer service. McBride achieved this in the following ways:

- Reorganising the Logistics function, from central management to locally aligned regional 'order to delivery' teams, and merging with the Customer Experience team to improve co-ordination and process flow.
- Moving from transactional hauliers to longer-term partnerships, backed by contractual service level agreements.
- Deploying a new Transport Management System (TMS), automating transport planning, execution and haulier payment, with live data visibility and actionable insights from the TMS enabling better analysis and agility in decision making.
- Conducting a warehouse network study to confirm optimal location and capacity for warehouses, with three new warehouses opened in the last three years.

Section 172(1) statement continued

Our suppliers

Why significant

Raw materials are responsible for a large proportion of our product costs. Price increases, delays or interruption in the supply of raw materials could have a significantly detrimental effect on both our operations and financial position.

How we engage

Our updated Supplier Code of Conduct, which is available on our website, sets out the standards of behaviour we expect from our suppliers. We strive to establish mutually beneficial relationships across our supplier base, encouraging them to match our high standards. Our centralised Group Purchasing function is committed to sourcing the Group's key materials and maintaining constructive and collaborative two-way communication across our supplier base. A due diligence exercise is carried out on new suppliers prior to engagement.

2025 highlights

Despite an elevated level of geopolitical tension and distorted global trade flows, supply availability remained strong throughout the financial year under review, with no key areas of disruption. Heightened tensions in the Middle East, the continuing Russia/Ukraine conflict and US-driven tariffs all contributed to inflation remaining at elevated levels. Key commodities for the Group remained volatile amidst the backdrop of the heightened geopolitical tensions, with oil fluctuating within a wide band, whilst 'naturals' (i.e. palm kernel oil and crude coconut oil derivatives) increased substantially throughout the period.

Outcomes and impact of key decisions

We continue to benefit from a strategic, centralised Group Purchasing function, with cost-effective supply reliability a key achievement. The Group also reaps the rewards of the market-leading market knowledge and insights that the Group Purchasing team are able to provide to the business regarding the complex commodities markets that our industry is reliant on.

Our shareholders

Why significant

A key objective of the Board is to create value for shareholders and deliver long-term, sustainable growth. By engaging with our shareholders, we ensure confidence and continued support from shareholders and alignment of interests.

How we engage

We place considerable importance on maintaining effective and balanced dialogue with all shareholders to discuss the Company's strategy and other associated objectives. The Chairman and Executive Directors proactively engage with both existing and potential shareholders. In addition, the Executive Directors deliver formal presentations of full-year and half-year results and attend meetings with analysts, brokers and fund managers to promote a better understanding of our business and our strategic plans.

The Board is kept informed of investors' views through the distribution and regular discussion of analysts' and brokers' briefings and through summaries of investor opinion feedback.

All Directors are available at the Annual General Meeting (AGM), either in person or virtually, to answer questions.

2025 highlights

During the year:

- We undertook our regular programme of engagement with shareholders, which included the financial reporting cycle comprising full-year and half-year results, trading statements and the AGM.
- Following engagement with shareholders, the Board put forward resolutions at the 2024 AGM in respect of Directors' authority to allot shares in McBride with a reduced authority to allot on both a non-pre-emptive and pre-emptive basis of 5%.
- The Board received updates from the Company's brokers.
- Shareholder feedback was provided to the Board by the Chairman, Chief Executive Officer and Chief Financial Officer following all meetings or conversations with shareholders.

Outcomes and impact of key decisions

Shareholder views consistently inform our strategic activities and the views of the Group's major shareholders continue to inform the actions of the Board as it implements its business strategy and Transformation programme. These will play a key role in supporting the long-term, sustainable growth that will enable the Board to deliver value for all of McBride's stakeholders.

Section 172(1) statement continued

Our communities

Why significant
We acknowledge our responsibility to actively engage with and support the local communities where we live and work, extending beyond merely providing employment.

How we engage
McBride proactively supports and encourages colleagues from all locations to unite in supporting local initiatives, organising product donations, raising funds for chosen charities and volunteering for local organisations. Examples are provided in the Sustainability report under 'Community and social vitality' on pages 36 to 37.

2025 highlights
Each of our McBride sites continues to support their local community through specific efforts such as:

- the continued embedding this year of the 'McBride Gives' volunteering scheme, encouraging colleagues across all locations to donate their time to local charities aligned to our purpose;
- donating products to a range of local organisations including schools, hospitals, aid organisations, churches, shelters and foundations in the countries in which we operate;
- supporting the children of McBride colleagues with educational grants;
- continuing to provide product donations to charitable organisations, such as In Kind Direct and Multibank, to support those in need; and
- providing local employment opportunities.

More information on this can be found in the Sustainability report under 'Community and social vitality' on pages 36 to 37, which highlights some of the charitable activities over the last financial year.

Outcomes and impact of key decisions
Helping and supporting local communities and improving the living conditions in the areas where we operate is a high priority of our Group.

At McBride, we strive to embed long-term environmental, social and governance sustainability principles into every facet of our divisional and overall business strategies. This report covers these three aspects of sustainability.

We are delighted to have our climate targets validated by the SBTi this year, which has been the driver of our strategic initiatives and the identification of our key enablers. 2025 has been a pivotal year in terms of progress towards our climate targets and engagement with our supply chain partners and customers. We have also invested additional resource into Carbon Literacy® and climate awareness for training our colleagues.

Helen Herd
Group Head
of Sustainability

Our impact on the environment

56.9%
Renewable energy

1.5%
Waste to landfill

1,852.4
CO_2e saving from operations (tonnes) (11.6% decrease)

72.1%
PCR weight of our PET packaging

Our approach

Environmental sustainability principles are reflected in all our divisional business strategies, with our approach grounded by a thorough analysis of the most relevant and significant sustainability issues within the context of our operations. We acknowledge that addressing climate change is critical to our ongoing market relevance and viability. We can make a difference through the design of the products we produce, how we operate and how we engage with our colleagues, suppliers and customers.

Recognising the strategic importance, our sustainability priorities are actively managed by a cross-functional Sustainability Committee, overseen directly by the CEO and reporting to the Board. At the heart of this Committee is the Group Head of Sustainability, who is responsible for driving the delivery of our science-based targets for climate action and working in close collaboration with our divisions, customers and supply chain partners.

Our plans are aligned with the Sustainable Development Goals adopted by all United Nations Member States in 2015 as part of the 2030 Agenda for Sustainable Development.

Our sustainability initiatives are:

- Operating sustainably
- Fit for the future products
- Responsible sourcing and supplier engagement

These three initiatives will underpin our climate transition over the next five to ten years.

Our impact on the environment continued

Measuring progress

In 2021, we first measured our corporate carbon footprint with an external partner, ClimatePartner®, to gain an understanding of our Scope 1, 2 and 3 emissions. This is measured externally following the GHG protocol and includes all manufacturing sites except Vietnam, which is excluded based on materiality. The hotspots identified in 2021 are still relevant today. These are Scope 3 emissions from our purchased goods, Scope 3 emissions from upstream and downstream transport, and Scope 1 and 2 operational emissions resulting from our energy mix and consumption. The highest percentage of emissions are in Scope 3, generated by our product portfolio of packaging and chemicals items. The largest percentage of this footprint is our chemical portfolio.

From 2024 to 2025, we achieved a 3.1% reduction in our corporate carbon footprint for Scope 1, 2 and 3 emissions. Scope 1 and 2 operational emissions have reduced by a further 11.1% this year, and these have reduced by 45.8% since 2021. This continued improvement can be attributed to the efforts of our site colleagues, who have worked hard to improve our energy efficiency through site-based activities and closer monitoring of electricity usage and waste in production.

For Scope 3 emissions, a 2.9% reduction came from our purchased goods. This reduction has been achieved through two workstreams:

1. Measuring the impact of our products to understand where the emission hotspots are and redesigning the products to reduce this impact. This has been achieved through formulation compaction and from moving more products from plastic packaging into lighter-weight alternatives, using more recycled content and investing in cardboard packaging solutions.
2. The emission reduction efforts of our suppliers.

The reduction of GHG emissions also reflects the efforts of our operational procurement and product development colleagues in McBride, when considering we have procured 1.2% more chemicals and packaging items and sold 4.9% more goods by weight this year.

The emissions intensity of purchased goods reduced by 4.2% this year and by 11.9% versus the 2021 baseline. The emissions intensity of products sold decreased by 7.6% in the year, with a 10.5% reduction since 2021.

This is our final year of dual reporting of old and new internal targets supporting our climate transition.

		% change from 2021 to 2025	% change from 2024 to 2025	2025	2024[1]	2021[1]
Emissions (tonnes CO_2e)	Scope 1	4.6%	(5.1)%	**8,665**	9,132	8,282
	Scope 2	(67.5)%	(18.3)%	**6,231**	7,630	19,190
	Total Scope 1 and 2	(45.8)%	(11.1)%	**14,896**	16,762	27,472
	Scope 3 excluding usage[2]	0.9%	(2.9)%	**1,058,379**	1,090,438	1,049,164
	Total all scopes not including usage	(0.3)%	(3.1)%	**1,073,275**	1,107,200	1,076,636
Intensity of products purchased	Weight of products bought (tonnes)	13.1%	1.2%	**461,012**	455,767	407,614
	Emissions intensity (tonnes CO_2e per tonne purchased) – all scopes	(11.9)%	(4.2)%	**2.33**	2.43	2.64
Intensity of products sold	Weight of products sold (tonnes)	11.4%	4.9%	**957,101**	912,323	859,448
	Emissions intensity (tonnes CO_2e per tonne sold) – all scopes	(10.5)%	(7.6)%	**1.12**	1.21	1.25

(1) Scope 3 and total emissions data has been restated to reflect the latest changes in SBTi calculation methodology and most recent updates in emission factors.

(2) Supply chain emissions only. McBride is exempt from calculating emissions associated with the use of the product.

Our impact on the environment continued

Measuring progress continued

2025 internal supporting targets – final reporting

The table below summarises our performance against the targets set in 2020. We have concluded the reporting of our performance versus the targets set in 2020 and, going forward, we will only report on our new science-based targets, with a continued focus on our operations, our products and our suppliers.

Operations

Target	2025 result	Status	Comments
15% improvement in eco-efficiency (measured in output volume per gigajoule of energy).	16.3%	Not met / In progress / On track / **Exceeded**	Target exceeded. In future, each site will be allocated a kWh/tonne energy efficiency target aligned to our SBTi Scope 1 and 2 targets.
Procure a minimum of 30% of energy used in our operations from renewable sources.	56.9%	Not met / In progress / On track / **Exceeded**	Target exceeded. Our ongoing target is to have 100% of our electricity coming from renewable sources.
Zero waste to landfill.	1.5%	Not met / In progress / **On track** / Exceeded	From 2021 to 2025, waste to landfill has been reduced by 67.8%. The remaining waste generated is only 1.5% of our total waste generated. Sites will continue to focus on reducing waste.

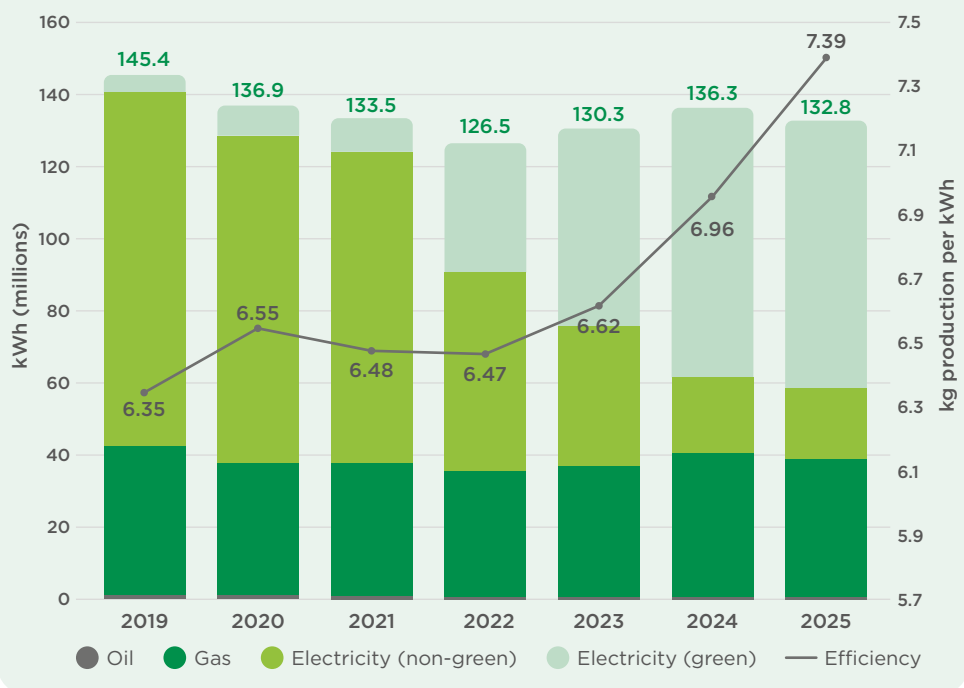
Product and design

Target	2025 result	Status	Comments
All paper and board sourced will be FSC® compliant.	97.2%	Not met / **In progress** / On track / Exceeded	Very close to target, we will continue to focus on the remaining 2.8% of FSC® non-sourced within our divisions.
All our packaging will be 100% fully recyclable, compostable or re-usable.	99.5%	Not met / **In progress** / On track / Exceeded	Very close to target. Going forward we will continue to focus on recyclability of our products following the local recyclability definitions for different countries.
On average, all our plastic packaging will contain at least 50% recycled content.	28.9%	Not met / **In progress** / On track / Exceeded	We will continue to work with our customers to drive more total PCR into the market. For PET packaging, we have reached a 72.1% PCR content in 2025.
We will exit all multi-layered flexible packaging.	58.2%	**Not met** / In progress / On track / Exceeded	Target not met. We will continue to collaborate with customers to move more mixed plastic laminate to mono-material.
We will remove all REACH-defined microplastics from our formulations.	Achieved	Not met / In progress / **On track** / Exceeded	We do not have any materials within our formula portfolio that are considered microplastics under REACH.

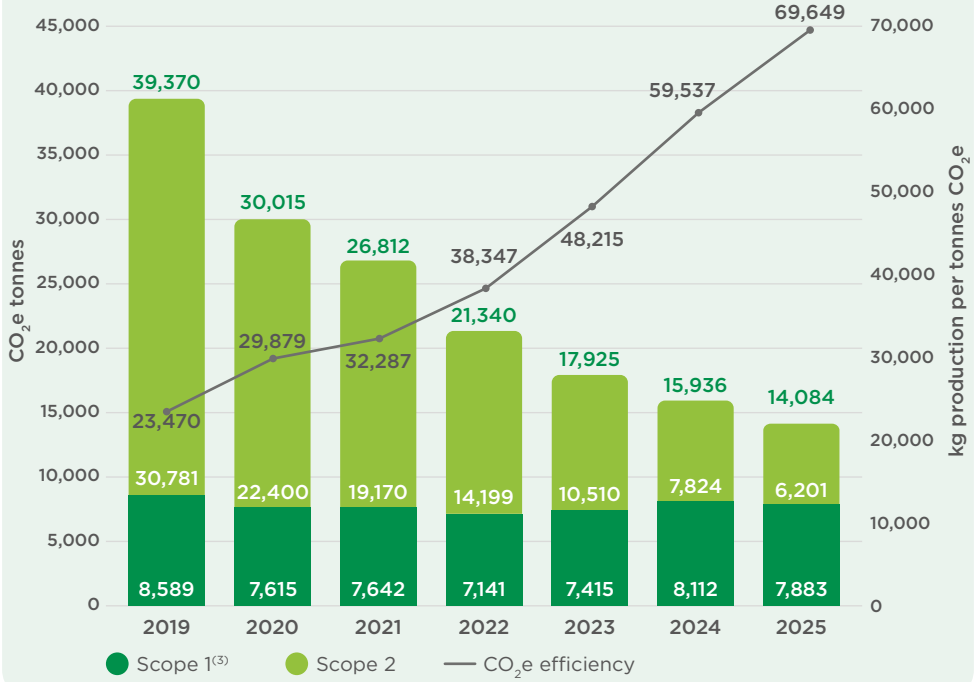
Our impact on the environment continued

Measuring progress continued

Total energy consumption[1]



Net Scope 1 and 2 CO_2e emissions (tonnes CO_2e)[2] for energy consumption



Although production tonnes across our operations increased by 3.4% in 2025, our absolute energy consumption (in kWh) decreased by 2.6%. During the year, energy efficiency improvements have resulted in us achieving 7.39 kg of product per kWh of energy, compared with 6.96 kg of product in 2024. The original target set in 2020 was to achieve a 15% improvement in energy efficiency by 2025.

We are pleased to report that, as of 2025, energy efficiency has improved by 16.3% versus the 2019 baseline.

In particular, there have been significant improvements at our sites in Poland, Spain and Belgium, with our site energy champions continuing to share best practices across all sites.

Most of our production sites are also starting to see the benefits of investing in software and sensors for monitoring electricity consumption.

Our investment in renewable electricity has continued in 2025 and, as a result, our overall energy mix from renewable sources has increased to 56.9% (2024: 54.9%), exceeding our 2025 target of 30%.

Increasing the proportion of electricity consumed from renewable sources and improving overall energy efficiency has positively impacted our GHG emissions, resulting in a reduction of 1,852.4 tonnes of CO_2e this year, representing a decrease of 11.6%.

(1) Total energy consumption for 2025 of 132.8 million kWh relates to 17.4 million kWh for the UK (13.1%) and 115.4 million kWh for the Rest of the World (86.9%).

(2) Total emissions for energy in 2025 of 14,084 tonnes relates to 594 tonnes for the UK (4.2%) and 13,490 tonnes for the Rest of the World (95.8%).

(3) Scope 1 emissions reported here include emissions from operational consumption of gas and oil and exclude other direct emissions such as those from refrigerants and vehicle fleets.

Our impact on the environment continued

New SBTi targets

In October 2024, McBride's science-based targets were validated by the SBTi, requiring the Company to focus on its operations, product development and supply chain. As a result, we have a new set of climate-related targets.

A summary of our current progress in relation to these new targets is shown in the following table.

Science-based targets

Target	2025 result	Status	Target year
Scope 1 and 2 emissions – 66.3% reduction versus 2021.	45.8%	Not met / **In progress** / On track / Exceeded	2033
Scope 3 emissions – 82.5% of our suppliers by emissions, covering goods and services, to have science-based targets.	On track	Not met / In progress / **On track** / Exceeded	2029

Additional targets

Target	2025 result	Status	Target year
Improvement in the Group's energy efficiency, with kWh per tonne of production decreasing from 153kWh/tonne in 2021 to 130kWh/tonne by 2033.	135.7	Not met / In progress / **On track** / Exceeded	2033
100% of the electricity used in our operations is from renewable sources.	80.5%	Not met / In progress / **On track** / Exceeded	2033
All polyethylene packaging for the Group's contact-sensitive products must contain a minimum of 10% PCR content.	0.8%	Not met / **In progress** / On track / Exceeded	2030
All plastic packaging used by the Group must contain a minimum of 35% PCR.	28.9%	Not met / In progress / **On track** / Exceeded	2030

Operating sustainably

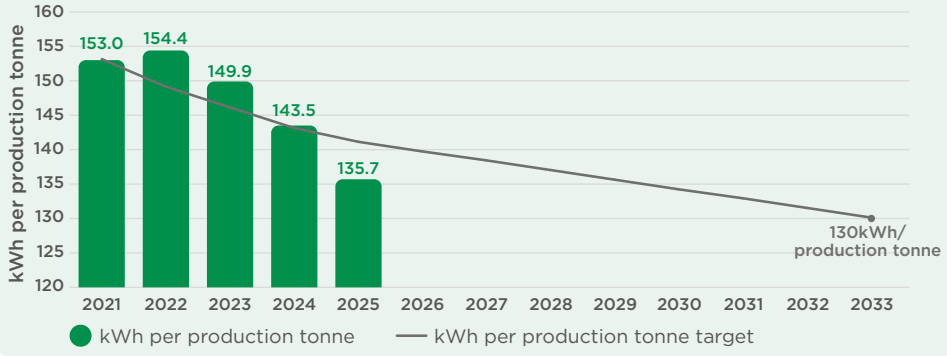
In 2025, the site energy champions established a practice group, meeting monthly to share their learnings on energy reduction initiatives. Eight of our production sites now have software and sensors to monitor electricity consumption, which is now driving a range of activities and yielding improvements in energy efficiency.

The charts on this page demonstrate our performance against the new energy efficiency and renewable electricity targets. We are pleased to report a 5.4% reduction in kWh per production tonne for 2025, moving us closer to our 2033 target. During the year, McBride has also increased the proportion of electricity from renewable sources, from 77.9% to 80.5%.

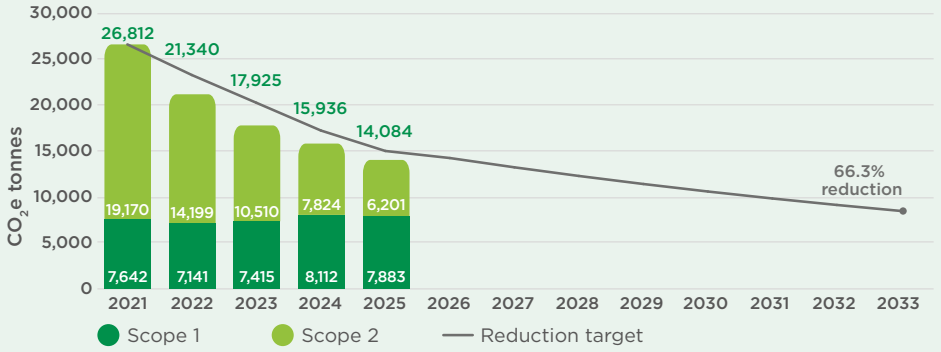
Both initiatives have supported the science-based target to reduce Scope 1 and 2 emissions. In 2025, we saw a reduction in our absolute Scope 1 and 2 emissions, achieving a 45.8% reduction since 2021, and on track for the 2033 target.

For operations, each site will focus on their 2026 energy efficiency and renewable electricity targets, and continue to share best practice with other sites. Each capital expenditure proposal will consider the environmental impact within the business case to help to prioritise projects that will have a positive effect on helping McBride achieve its sustainability targets.

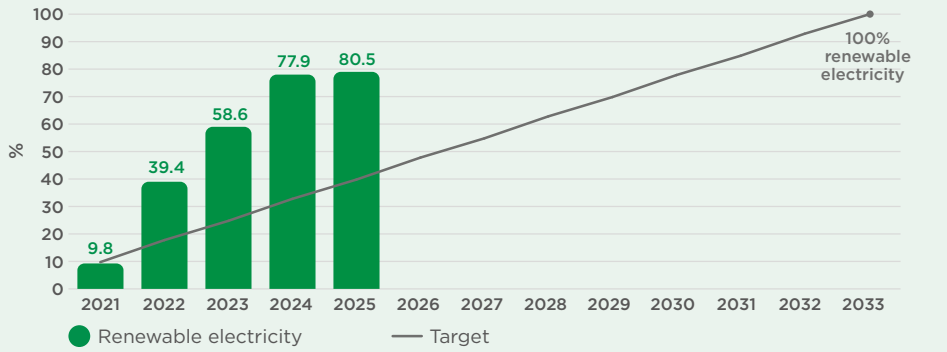
Energy efficiency



Scope 1 and 2 operational emissions



Renewable electricity



Fit for future products

This year we have focused on the measurement of the carbon footprint (CO_2e) of the products we sell to our customers. This has given clarity to our product development teams on where emissions are in different formulations and finished products. We have measured over 600 products this year, sharing the learnings with our customers and driving a number of product compaction projects, resulting in lower-carbon product offerings. This has been aided by an increase in primary data from our suppliers and ongoing customer engagement.

As mentioned on page 29, in addition to our new science-based targets, we have set other product-related targets aimed at increasing PCR content in polyethylene and plastic packaging across the Group.

In 2025, the proportion of PCR in contact-sensitive products using polyethylene packaging was 0.8%, versus the 2030 target of 10%, and the PCR content of our plastic packaging portfolio was 28.9%, versus the 2030 target of 35%.

The product development team will continue to use new product carbon footprint tools to support ongoing development, and products will be assessed, not only on cost and performance, but also carbon impact. This will continue to aid our teams to find sustainable solutions with the right balance in carbon reduction and maintaining a great cleaning solution.

Responsible sourcing and supplier engagement

During the last twelve months, we have engaged with 90 of our top chemical and packaging suppliers to understand their carbon maturity. We gained clarity in 2025 as to which suppliers have established climate targets, whether these are SBTi-validated or science-aligned targets, and also those suppliers which are in the infancy of this journey. We have also updated our Supplier Code of Conduct and incorporated more sustainability expectations into our Code. To ensure that we can continue to use many of the chemical and packaging items we use today, we will need to buy them with a lower carbon footprint in the years ahead.

We are now moving into the second wave of our supplier engagement programme and focusing on the suppliers who have yet to set targets and support them in their journey in measuring and reporting their Scope 1, 2 and 3 emissions.

Case study

Strzelce, Poland – energy reduction activities in 2025

The engineering team in Strzelce have been leading the way in energy-saving initiatives in 2025, having completed the installation of LED lighting, both internally and externally, and having invested in software and sensors in order to track 80% of the electricity used by the site, highlighting opportunities for reducing electricity consumption. The software enabled a range of engineering opportunities to reduce energy usage.

Furthermore, capital investment in the past two financial years has resulted in the site replacing old, energy-inefficient machinery with newer, energy-efficient alternatives.

The actions above have led to a year-on-year improvement of 16.5% in site energy efficiency.

Our people and communities

Over the past year, we have continued to place people at the heart of everything we do, championing diversity, equity and inclusion, and fostering a culture of health, safety and wellbeing. We have invested in future-ready skills, reflecting our deep commitment to being a responsible employer and a trusted community partner. Together, we are building a workplace and communities where everyone can thrive.

In this section, you will find highlights from across our locations, showcasing the impact of our initiatives throughout the year.

Inclusion, belonging and fairness

We are committed to fostering a workplace where every colleague feels valued, respected and empowered to thrive. In 2025, we created our inclusion, belonging and fairness strategy, a refreshed and intentional framework that builds on our previous DEI efforts. This strategy reflects our ambition to embed inclusive practices into the everyday experiences of all colleagues, across all roles, locations and levels of the organisation.

Our journey began with listening, with our internal DEI survey achieving a 76% response rate. The insights gathered highlighted both our progress and the areas where we must do more to ensure everyone feels heard, supported and included. In partnership with Global Diversity Practice, we conducted executive interviews, leadership workshops and country action planning sessions to translate feedback into meaningful, locally relevant strategies.

Each of our locations have developed tailored action plans grounded in three strategic pillars:

- **Belonging** – creating environments where colleagues feel welcomed and connected.
- **Inclusive Behaviours** – embedding inclusive mindsets and actions into daily interactions.
- **Fair Talent Practices** – ensuring equitable access to opportunities, development and recognition.

This bottom-up approach ensures that our inclusion, belonging and fairness strategy is not only aligned with our values but also shaped by the voices of our people. As we move into the next financial year, we remain committed to progressing these actions and making McBride a truly inclusive and great place to work.

We continue to report our gender pay gap statistics annually, both on the UK's government website and on our corporate website.

As of 30 June 2025, female representation on both the Board and Executive Committee stood at 33.3%. Our goals for Board diversity can be found on page 72.

Health, safety and wellbeing

At McBride, we take health, safety and wellbeing seriously. Our Group Health and Safety Lead reports directly to the CEO, underscoring our commitment. Dedicated health and safety professionals at local site levels across all countries ensure the delivery of Group policies and standards. They also implement initiatives, processes and procedures, fostering a culture of safety and accident prevention.

In 2025, we once again ensured zero work-related fatalities and our overall lost time incidents (LTI) frequency rate decreased for the second year in succession, from 0.75 to 0.48. We also achieved a 14% reduction in 'All Injuries' against a target of 10%.

To assess our performance, we use a mix of lagging and leading indicators. Lagging indicators are reactive and examine past performance e.g. LTIs, whereas leading indicators are more proactive and influence future performance. As such, we have continued to embed and develop a number of leading indicator tools throughout the Group to adopt a more proactive culture e.g. near miss reporting, training compliance, quick risk predictions, dynamic risk assessments, corrective actions, risk assessments, behavioural observation system and safety observational walks.

Our zero loss journey maps, developed from a comprehensive Health, Safety and Environment gap analysis in 2023, remained a key focus area in 2025 to guide the continual improvement of our health and safety management systems. These maps include a five-year overview plan, an annual master plan and a quarterly priority plan, ensuring site teams have clear strategies and priority objectives for continuous improvement. This has included the review and standardisation of 14 Group policies and standards that covered key elements of health and safety and the revision of our governance framework to ensure our goals were achievable and that we had a structure in place to meet future demands and expectations.

We continued our partnership with a major external company during 2025 to follow up on actions identified in our 2024 organisational culture survey. The survey explored individual and group values, attitudes, perceptions, competencies and behavioural patterns related to health and safety management.

As at 30 June 2025

33.3%	31.9%	33.3%	36.8%
(2/6) Female Directors	(15/47) Female senior leaders[1]	(2/6) Female Executive Committee members	(1,350/3,664) Female total global workforce[2]

(1) Includes senior female leaders that report directly to the Executive Committee.
(2) Includes employees, third-party contractors and agency workers.

Our people and communities continued

Health, safety and wellbeing continued

We held a series of health and safety workshops focused on leaders as a strategic first step in this process to enhance engagement and foster a culture of responsibility, accountability and compliance. The workshops encouraged everyone, from executives to frontline supervisors, to lead by example and take ownership of safety and health outcomes to reduce the risk of injuries and uphold our health and safety vision statement: 'Working together to ensure everyone returns home healthy and safe every day'.

The health, safety and wellbeing of our colleagues remains a top priority. In 2025, we took significant steps to enhance support across all our sites, guided by insights from our Employee Voice health and wellbeing survey, which achieved a 77% participation rate. This feedback informed targeted initiatives that address both physical and mental wellbeing.

We launched site-specific campaigns, such as Wellbeing Week at our Sallent site in Spain, which included hydration challenges, emotional wellbeing training and team-based physical activities. In Poland, our Strzelce site introduced a hydration awareness campaign following research showing that over 70% of colleagues were not drinking enough fluids during shifts. In Italy, colleagues participated in the Pigiama Run charity walk, promoting fitness and community engagement.

We promoted our 'McBride Cares' Employee Assistance Programme, which offers confidential round-the-clock support for colleagues and their families. Additionally, we offered self-paced wellbeing courses, covering topics such as mindfulness, emotional regulation and rest.

This year, we also continued to invest in the development of our people to ensure a safe, healthy and compliant working environment. At our Ieper site in Belgium, several colleagues achieved nationally-recognised qualifications that strengthen our capabilities in environmental stewardship and workplace safety.

We launched a Summer Safety campaign to address seasonal risks such as heat exposure, reduced staffing and increased temporary labour. The campaign encouraged all colleagues to follow the STOP, THINK, ACT approach before starting work, with a focus on hazard awareness, hydration and supervision of seasonal workers.

Site leaders were encouraged to increase shop floor visibility and reinforce safe behaviours through coaching and safety walks. Practical measures included providing cold water, shaded rest areas, and rotating job duties in high-heat environments.

In addition, our Executive Committee and Senior Leadership Team participated in a dedicated workshop focusing on the Power of Executives in Leading with Safety. DEKRA, a global leader in health and safety since 1925, provided insights into how leadership behaviours influence safety culture and performance. The session explored how senior leaders can shape organisational culture through decision-making, visibility and behavioural modelling.

These collective efforts reflect our ongoing commitment to building internal expertise and ensuring that health, safety and wellbeing remain central to our operations.

Skills for the future

We recognise that building a future-ready workforce is essential to our long-term success and sustainability. In 2025, we significantly expanded our investment in learning and development to equip colleagues with the skills, mindsets and tools needed to thrive in a rapidly evolving world of work.

Empowering growth through learning

Our flagship 'Let's Grow' development programmes continued to deliver impact across the Group, with:

- 4,379 training hours delivered, up from 2,153 hours in 2024;
- 172 colleagues participating across seven cohorts in our 'Investing in Me' and 'Learning 2 Lead' programmes, and one cohort in our 'Leading with IMPACT' programme; and
- multilingual delivery across English, French, Danish, Dutch and Catalan, ensuring accessibility and inclusion.

Digital learning for all

We expanded access to self-paced learning, including:

- over 1,000 bite-sized GoodHabitz courses;
- mandatory training on compliance and AI practices;
- the launch of GoodScan, a self-assessment tool available in all languages to help colleagues identify growth opportunities and personalised learning paths; and
- a new learning pathway designed to build core capabilities and support continuous professional development.

Future-focused talent initiatives

To further support skills for the future, we launched several strategic initiatives:

- digital coaching and external coaching for senior leaders;
- a centralised Learning Academy portal to streamline access to development opportunities;
- enhanced performance and talent processes, including refreshed individual development plans and manager training; and
- Grow Your Career sessions attended by over 400 colleagues, offering practical guidance on development tools and career planning.

Looking ahead

In 2026, we will continue to build on this momentum, with the launch of a new learning pathway for line managers, self-paced onboarding for blue-collar colleagues and much more, nurturing talent, fostering inclusion and preparing our people for future challenges and opportunities.

Employment and wealth generation

We are pleased to report a notable improvement in our staff turnover rate this year, which has decreased to c.3%, down from c.5% last year. This reduction reflects our continued focus on employee engagement, retention strategies and fostering a supportive workplace culture. Maintaining a stable and committed workforce remains a key priority, and this year's figures are a positive indicator of our progress.

We have maintained close collaboration with the European Works Council over the past year. Strengthening this partnership continues to be central to our approach, ensuring that employee voices are heard and valued across all countries in which we operate.

Our people and communities continued

Community and social vitality

At McBride, we recognise that our role extends beyond commercial success to include meaningful contributions to the communities in which we operate. Throughout 2025, our teams across Europe have actively engaged in initiatives that promote wellbeing, inclusion, education and environmental stewardship. These efforts reflect not only our values but also our belief that every action, big or small, can help drive positive change.

Italy – Walking together

In September 2024, colleagues from our site in Bagnatica participated in the Pigiama Run in Bergamo, a nationwide charity walk held under the patronage of LILT across 40 Italian cities. The event aimed to raise funds for children affected by cancer and support local institutions including the Angelo Custode Foundation and Casa Amoris Laetitia. With over 2,000 participants walking through the city in pyjamas, our participation not only contributed to fundraising efforts but also strengthened community bonds and awareness.

Poland – Inspiring the next generation and promoting wellbeing

Engineering job fair

In March 2025, we participated in the 31st edition of the Engineering Job and Entrepreneurship Fair at the Silesian University of Technology. The event provided a platform to engage with future engineering talent and promote career opportunities within the Group.

Children's safety poster competition

As part of our 'I Care for Safety' initiative, our Strzelce site hosted a poster competition for children, with the winning entry reflecting a strong interest in chemistry.

Hydration awareness campaign

To promote employee wellbeing, our Strzelce site launched a hydration campaign featuring educational sessions, hydration testing and the distribution of electrolyte supplements to production teams.

Denmark – Connecting with communities and supporting inclusion

Career fairs and outreach

Our Denmark team engaged with students and job seekers at career fairs across Struer, Silkeborg, Aarhus and Holstebro, providing information and access to employment opportunities.

Open factory days

Our Holstebro site hosted an Open Factory Day for employees and their families, featuring guided tours and interactive activities.

Support for Skovlund daycare facility

We sponsored prizes for a community lottery at Skovlund, a sheltered workshop and social centre for individuals with disabilities.

Belgium – Sustainability and social responsibility in action

Ieperfest contribution

We supported the 31st edition of Ieperfest by donating 300 empty bottles to promote sustainable practices.

Community donations

Surplus Easter chocolates were donated to De Lovie, cleaning products to VTI technical school, and expired medical supplies to a local animal shelter. Additional donations of bottles and caps supported environmental and accessibility initiatives in Ieper.

Youth engagement – YOUCA action day

On 17 October 2024, we welcomed two students as part of YOUCA Action Day, offering hands-on experience while supporting global youth development projects.

Family days at Ieper site

Over 150 visitors attended guided tours of our Ieper facility in March 2025, gaining insight into our operations and celebrating the contributions of our teams.

McBride Cares

Our people and communities continued

Community and social vitality continued

UK – Inspiring the next generation

As part of our community engagement efforts, one of our colleagues visited a local Polish Saturday school to introduce students to career pathways and the role of HR. The session included a video tour of our Polish factory and interactive activities with safety gear. The visit fostered interest in manufacturing and safety while strengthening ties with the local community.

Spain – Promoting inclusion through community engagement

Transéquia 2025

In preparation for the annual Transéquia event on 16 March, McBride encouraged employees to train together through walking, running or cycling. The initiative promoted physical activity and team spirit, with McBride providing T-shirts and covering registration fees.

Factory visits

McBride Sallent hosted visits from special employment centres and local secondary schools, offering educational tours and insights into industrial processes.

St. George's Day: a tradition of solidarity

In April 2025, we celebrated St. George's Day, a cherished Catalan tradition where books and roses are exchanged as symbols of love and culture. At our Sallent site, each employee received a solidarity rose, purchased from a special employment centre, reinforcing our support for inclusive employment and local initiatives.

Let's Clean Up Sallent Week

As part of a broader European initiative, McBride participated in 'Let's Clean Up Sallent Week', aimed at restoring public spaces and natural paths. Employees volunteered alongside individuals from vulnerable communities to help clean and revitalise areas in and around the town. This initiative reflects our ongoing commitment to environmental stewardship and social responsibility.

McBride volunteering scheme – 'McBride Gives'

As part of our ongoing commitment to social responsibility and community engagement, the Group-wide volunteering initiative, McBride Gives, has continued to be embedded across all locations this year. This programme offers every colleague one fully paid day per year to volunteer with a selected local charity.

The initiative focuses on supporting organisations that address poverty and provide essential living resources, closely aligning with our purpose of offering affordable cleaning products for all. By empowering our colleagues to give their time, we are not only reinforcing our values but also fostering a culture of compassion, engagement and shared purpose across our business.

Italy

At our Bagnatica site, the spirit of giving is brought to life through a partnership with Fondazione Opera Bonomelli, a remarkable local charity established in November 2024. The foundation supports individuals facing difficult circumstances such as job loss, homelessness, addiction or mental health challenges. By helping people to rediscover their strengths and rebuild their lives, the organisation fosters a sense of belonging and community. Its approach centres on recognising each person's unique potential and encouraging others to offer support and inclusion.

Over the course of a week, seven colleagues from our Bagnatica team volunteered with the charity, two of whom found the experience so rewarding they've continued volunteering regularly.

The experience left a deep impression on our colleagues, as shown in their heartfelt words:

- "Everything felt relaxed and informal. People came by for a coffee or stayed longer. It was warm, welcoming and truly human."
- "It was eye-opening and enriching. It made me think deeply about what daily life is like for those who rely on a place like Bonomelli."
- "Many guests are facing trauma, mental health struggles or difficult moments. I saw a powerful drive to rebuild – a strength I didn't expect. I'm truly grateful for the chance to be part of it."
- "At the end of the day, one guest quietly said, 'Thank you so much.' That simple gesture filled me with gratitude."

McBride Gives

Our people and communities continued

McBride volunteering scheme – 'McBride Gives' continued

UK

The UK team selected to support Mustard Tree, a charity dedicated to fighting poverty and working to prevent homelessness across Greater Manchester.

Mustard Tree opens doors for individuals and communities to thrive through hands-on support, life skills development and connections to employment. Their wide range of services includes food, furniture, clothing, education, training, one-to-one support, work placements, advocacy and creative clubs and classes.

Since the initiative launched in the final quarter of the financial year, 19 colleagues have volunteered their time and energy, making a tangible difference in the lives of others.

While we celebrate this incredible effort, our UK team is eager to build even stronger momentum around volunteering. The goal is to inspire wider participation across the UK, not only to benefit the charities we support, but to highlight the personal growth and team spirit volunteering offers our colleagues.

Poland

At the heart of Opole lies a sanctuary where kindness knows no bounds – Dom Nadziei, the House of Hope. Run by a dedicated group of volunteers and clergy, this haven provides warm meals, clean clothing and bathing facilities to those in need, offered always with dignity, respect and a welcoming spirit.

In a recent initiative, 21 colleagues from our Strzelce site dedicated their time. Their impact was heartfelt and far-reaching.

Looking ahead, the site plans to increase its support by volunteering twice a week in December, just in time to spread warmth and kindness during the festive season.

Luxembourg

Our team in Foetz have recently partnered with two local organisations:

- Spendchen is a local charity that collects and redistributes reuseable goods to those in need. The charity plays a vital role in meeting the urgent clothing needs of individuals and families living in poverty, ensuring that no usable item goes to waste.
- Banque Alimentaire Luxembourg is an organisation that co-ordinates food distribution efforts across the Grand Duchy. The organisation is part of a national network working closely with public authorities and partners to combat food insecurity and reduce food waste.

Through their involvement in these initiatives, our team in Luxembourg aims to support the power of collective action and the importance of giving back to the communities in which we live and work.

Belgium

Across our sites in Belgium, we have commenced a partnership with three local charities over the last financial year:

- Auxilia provides one-on-one educational support for children, young people and adults. They focus on empowering individuals in challenging circumstances by building motivation and self-confidence. Collaborative impact means that volunteers work closely with schools, facilities and community partners to help learners unlock their potential.
- Arc en Ciel, established in 2024, co-ordinates multiple annual collections of food, school supplies and toys for children from disadvantaged backgrounds. Our colleagues enthusiastically participate by sorting donations and preparing tailored parcels for each child. We have also contributed to their Homework Help initiative, working alongside local schools to assist children with their studies and provide engaging weekly activities.
- Banque Alimentaire du Hainaut, established in 2025, redistributes surplus food via approved charities to individuals facing economic hardship. With facilities in Mouscron and Froyennes near Tournai, the food bank plays a crucial role, especially early in the week and during school holidays when volunteer support is most needed.

So far, 14 colleagues have volunteered, with more opportunities for colleagues to get involved this coming financial year.

Spain

Our site in Sallent began collaborating with the Fundacio Ampans Partnership in May 2025, with 13 colleagues volunteering at this organisation to date. The organisation aims to address poverty, supporting individuals with intellectual disabilities and those in vulnerable situations, many of whom face economic hardship and social exclusion.

Governance

How we conduct ourselves

We believe robust corporate governance fosters sound and responsible decision making and strengthens accountability, transparency and fairness. As a public company, we consider that our governance processes are already well established. However, we recognise these processes need to be maintained and regularly reviewed to ensure we continue to govern our activities with financial integrity and in accordance with best practice.

Governance body quality

Our guide to how we have complied with each principle in the Code is set out on page 61. Our metrics on tenure, gender, nationality and Board members' relevant experience are set out on page 64. Our metrics on Board activity and attendance at Board and Committee meetings are set out on pages 63, 66, 67, 68, 73 and 97.

Stakeholder engagement

How we engage with our stakeholders is set out in our section 172(1) statement on pages 23 to 26 and in our Corporate Governance Statement on pages 62 to 67. Both the quality and frequency of our engagement with our key stakeholders are reviewed regularly by the Board. We are open and transparent in all our dealings with our stakeholders, which we consider as fundamental to our way of working. Monitored via our framework of key indicators and metrics, we strive to improve our customer experience, our impact on our communities, including our environmental and social impact, and the quality of engagement with all stakeholders.

Ethical behaviour

We are committed to conducting business with integrity and high standards of business ethics. Our Code of Ethics and Business Conduct, which was introduced this year in place of the Business Ethics Policy and can be found on our website, is a guide for our employees to promote the right behaviours and to help them make the right decisions. McBride's Code of Ethics and Business Conduct is updated and reviewed by the Board annually. It is promoted to all employees through internal communication channels and is highlighted to suppliers.

To ensure a constant minimum standard across the workforce on good business ethics, McBride has rolled out mandatory ethics and compliance training modules to all its colleagues in management and administrative roles. This includes modules on anti-bribery and corruption, conflicts of interest, data protection and whistleblowing.

Whilst McBride aims to reinforce a healthy culture at all levels of the organisation, it knows that sometimes things go wrong. McBride has an independent whistleblowing channel, as well as local internal channels, which employees can use to speak up against possible malpractice or wrongdoing by any employee, supplier, customer, competitor or contractor. The independent whistleblowing reporting line is designed to give colleagues and others a way, anonymously (if desired) and confidentially, without fear of detriment or retribution, to report suspected violations of our standards of conduct, policies, laws or regulations. The reporting line is available in all languages commonly used in our business.

Any reports received are evaluated by a representative from the Legal function to determine the appropriate action to address the issues raised.

If warranted, an investigation is undertaken to determine the validity of the issue reported and to identify appropriate action to address it.

Cyber security and data protection

With the advancement and widespread use of information and communication technologies, comes an increased cyber security threat. We regularly assess our corporate readiness against external cyber attacks and insider threats, and we implement Company-wide measures to protect data and preserve data privacy. In addition to complying with applicable data protection laws and regulations, we also implement cyber security and data protection measures to safeguard our assets and to protect our stakeholders' data.

Our policies and procedures focus on protecting our data from unauthorised disclosures, use or access. This includes monitoring mechanisms to prevent unauthorised intrusion into our network and identify vulnerabilities against potential cyber attacks. These risk-based cyber security measures help to ensure the integrity, confidentiality and availability of our data. Regardless of where the data resides, we apply appropriate safeguards to ensure a sustainable and robust corporate environment in the interest of our stakeholders. Compliance with our IT policies is required of anyone who has access to our networks.

We raise awareness about the importance of data protection and cyber security with our colleagues through training.

Risk and opportunity oversight

We are focused on continuous improvement to develop and enhance our control mechanisms to manage risks and maximise financial returns for our stakeholders. There is active engagement with management and leadership teams to identify and assess risks related to our strategies and business models. The experience of management and leadership teams helps to anticipate emerging and interrelated risks, in addition to facilitating effective risk control and mitigation mechanisms.

The Board is responsible for overseeing and monitoring the management of risks and opportunities. Our governance framework of committees and advisory forums provides updates and information to the Board to ensure it can make informed decisions. Details on the responsibilities of the Board and its Committees are set out in the schedule of matters reserved for the Board and Committee Terms of Reference, which are available on our website.

Our risk management framework and oversight of risk is set out in the Audit and Risk Committee Report on pages 77 to 79 and in the Principal Risks and Uncertainties section on pages 53 to 57. This is our fourth year of reporting our climate-related financial disclosures. Governance around climate-related risks and opportunities can be found on pages 40 to 41.

McBride has structured its climate disclosures according to the recommendations set out by the Task Force on Climate-Related Financial Disclosures (TCFD), in order to improve reporting of climate-related risks and opportunities (CROs) and support shareholders in making more informed long-term investment decisions.

According to the Financial Conduct Authority Listing Rule LR 9.8.6 R(8), reporting is on a 'comply or explain' basis.

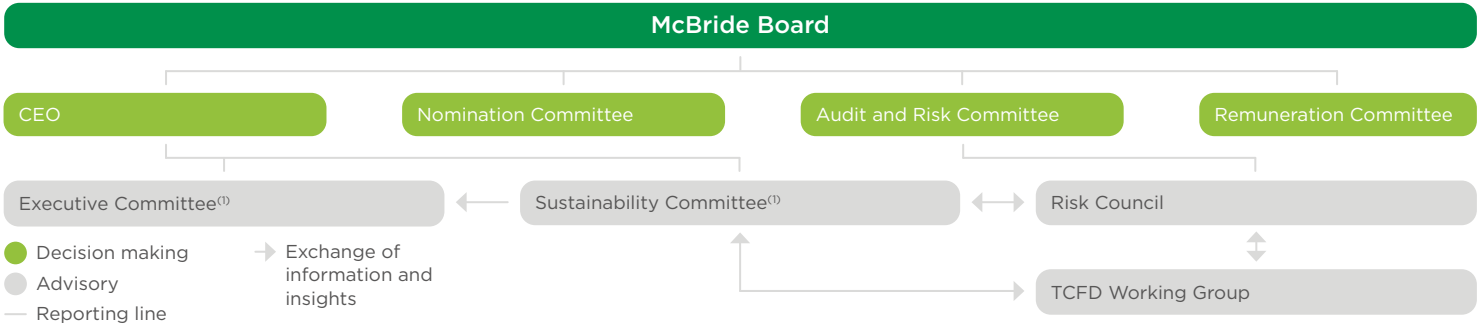
For the second consecutive year, McBride is reporting in line with the full set of TCFD recommendations and disclosures.

The Group has continued to assess the most relevant transition and physical climate risks over the course of this year. This has helped focus activity to create the greatest impact and capitalise on potential opportunities. The Group has also considered the TCFD's All Sector Guidance in determining the consistency statement above.

McBride will continue to work on the maturity of climate risk assessment in 2026 as required by emerging regulatory and reporting considerations, which are expected to evolve over the next one to two years.

Governance

TCFD governance structure



(1) The Executive Committee and Sustainability Committee, both led by the CEO, provide advice and input to the TCFD Working Group during the preparation of the TCFD disclosures.

Oversight of climate issues

The Board

- Is responsible for overseeing and monitoring the management of CROs and how McBride adapts its strategy to reflect these.
- Maintains knowledge and understanding of current and emerging legislative and regulatory developments pertaining to climate-related matters.
- Provides strategic guidance in respect of McBride's Sustainability programme.
- Endorses and reviews actions to address climate-related matters and climate-related reporting.

Nomination Committee

- Ensures the Board possesses the correct depth and balance of capabilities, including the ability to assess the impact of climate change through ongoing briefing sessions during the course of the year.
- Ensures Board appointments support McBride's long-term position, including with regard to climate issues.

Audit and Risk Committee

- Monitors climate-related risks and associated key risk indicators (KRIs) on an ongoing basis, as part of reports on principal Group-wide risks presented to it by the Risk Council.
- Appraises the integrity of McBride's climate-related financial reporting.
- Assesses the process used to develop McBride's TCFD-aligned disclosures.

Remuneration Committee

- Supports the future implementation of Board-approved policy on CROs, including climate factors and sustainability goals within performance-related pay for Executive Directors and senior management. See further details in the Remuneration Committee Report on pages 80 to 99.

Executive Committee

- Is responsible for the implementation of strategy and the management of financial risks, including those of meeting the Group's climate-related goals. This is done through the operational management of McBride's divisions and monitoring of performance in line with agreed plans.
- Receives information periodically from the Risk Council and Sustainability Committee on progress towards the Group's climate goals. This is done by reviewing regular reports by the Risk Council on climate-related risks and associated KRIs, and taking appropriate actions, as necessary.

Governance continued

Oversight of climate issues continued

Sustainability Committee

- Is responsible for the Group's overall Sustainability programme, with each Committee member responsible for monitoring key sustainability developments and implementing actions within their own business area.
- Continues to develop, review and monitor progress against Board-approved science-based targets and a focused roadmap of emissions reduction opportunities.
- Provides oversight to the Executive Committee on sustainability matters, through a broad multi-functional Committee led by the Group Head of Sustainability, collaborating with subject matter experts within McBride, as appropriate.

Risk Council

- Is responsible for review and oversight of the underlying activities, processes, risks and impacts surrounding our climate-related financial disclosures.
- Reports to the Audit and Risk Committee on McBride's principal risks, including CROs, and on the performance of the TCFD Working Group, including progress against the TCFD disclosure requirements.
- Provides updates to the Executive Committee and the Audit and Risk Committee on key climate-related risks on at least a twice-yearly basis.

TCFD Working Group

- Is responsible for identifying and considering CROs and their impact as they pertain to the organisation.
- Evaluates the resulting implications of, and responses to, key CROs, ensuring valuable input from stakeholders is incorporated into the process.
- Collaborates with the Sustainability Committee to ensure that the roadmap of emissions reduction opportunities is aligned with the TCFD recommendations.
- Reports to the Risk Council, operating on a collaborative basis with members from various divisions and departments, playing a pivotal role in shaping climate-related financial disclosures.
- Actively monitors and tracks the progress made towards climate-related targets, ensuring a comprehensive approach to address climate-related concerns.

External advice

McBride continues to engage expert external advisers to supplement the capabilities within the Company, assist in establishing reporting frameworks for Scope 1, 2 and 3 emissions, and aid in the process of setting and monitoring science-based targets for Scope 1, 2 and 3 emissions. External expertise has also been employed in the detailed analysis of physical CROs associated with the transition to a decarbonised economy, and the potential impact of specific physical risks to the McBride estate. Further details can be found on pages 41 to 46.

Strategy

Overview of scenario analysis

The distinctive nature of climate risks poses a challenge for standard risk assessment. This is because there is a high degree of certainty that some combination of climate risks will materialise, but the exact outcomes are dependent on short-term actions and are therefore still unclear.

Scenario analysis provides a flexible 'what if' framework that enables the exploration of potential economic outcomes and financial risks under a range of different future pathways. As such, qualitative scenario analysis was used to assess McBride's strategy against two contrasting climate scenarios: a +1.5°C low carbon world scenario and a +4°C hot house world scenario, in keeping with prior years.

Since 2022, McBride has worked closely with expert external advisers to address its CROs. In 2022, physical and transition CROs were identified and assessed via a workshop with a cross-section of internal stakeholders. The identified risks were rated in the context of McBride's Enterprise Risk Management (ERM) framework. Based on the findings, further detailed work was undertaken in 2023 to quantify six transition CROs which were perceived as posing more immediate short and medium-term risk. During 2024, McBride strengthened ongoing efforts to improve the quality and maturity of climate risk assessment and disclosure, with the objective of improving alignment with the TCFD and other related emerging regional disclosure frameworks and standards (e.g. IFRS S2). In 2025, a comprehensive top-up review was performed to ensure the CROs remain current and relevant in light of evolving climate impacts and regulatory developments.

Specifically, we have:

- reviewed CROs assessed previously to ensure they remain relevant and appropriately rated given evolving market conditions and regulatory developments;
- analysed residual risk for key transition CROs, assuming a low carbon world (1.5°C) scenario, reviewing underlying assumptions including carbon pricing forecasts, regulatory timelines and market dynamics, whilst maintaining the existing quantification framework; and
- conducted planned three-year physical risk assessment, expanding physical risk assessment and quantification across the Group's mainland European operations using the International Panel on Climate Change's (IPCC) scenarios, building on the assessment of two facilities in 2024 to provide site-level analysis of heat stress and water stress vulnerabilities and mitigation effectiveness for nine facilities in total.

Selection of climate scenarios

Scenarios were constructed by referencing a collection of published scenarios developed by widely used sources, including the IPCC, International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS). These sources are referenced in the table on page 42. The assumptions underpinning each of these scenarios, such as greenhouse gas emissions pathways, energy demand and policy responses, are detailed further on pages 59 and 60 of the 2022 Annual Report, supplementing the TCFD disclosures for 2025. In 2025, due to the UK Sustainability Reporting Standards (SRS) consultation and possible adoption, no formal review of climate scenarios was conducted. An update of climate scenarios will be done once UK SRS requirements are finalised, ensuring scenarios align with these new requirements.

Strategy continued

Selection of climate scenarios continued

Climate scenario	Temperature rise by 2100	Policy action	Informed by
Low carbon world scenario	Not likely to exceed +1.5°C by 2100	Aggressive mitigation to bring about a reduction in emissions	RCP 1.9[1] IEA NZ2050[2] NGFS NZ2050[3] SSP1[4]
Hot house world scenario	Likely to exceed +4°C by 2100	Minimal policy action taken	RCP 8.5[1] SSP5[4]

(1) Technical Summary, IPCC, 2018.
(2) World Energy Outlook 2021, IEA, 2021.
(3) NGFS Climate Scenarios, NGFS, 2021.
(4) The roads ahead: Narratives for shared socioeconomic pathways describing world futures in the 21st century, O'Neill, B et al, 2015.

Climate risks and opportunities

In 2025, a comprehensive review of the CROs identified as relevant in 2024 was conducted to refresh the understanding of risk exposure and assess any emerging risks. The physical risk assessment was also expanded to additional mainland European operations.

CROs are assessed over short-term (before 2027), medium-term (2027 to 2040) and long-term (post-2040) time horizons. The short-term time horizon was considered as the mid-point of time horizons used for business planning purposes, with the medium-term time horizon encompassing timelines for sustainability targets (including SBTi). The long-term time horizon was selected based on the longer-term timeframes involved with physical risks.

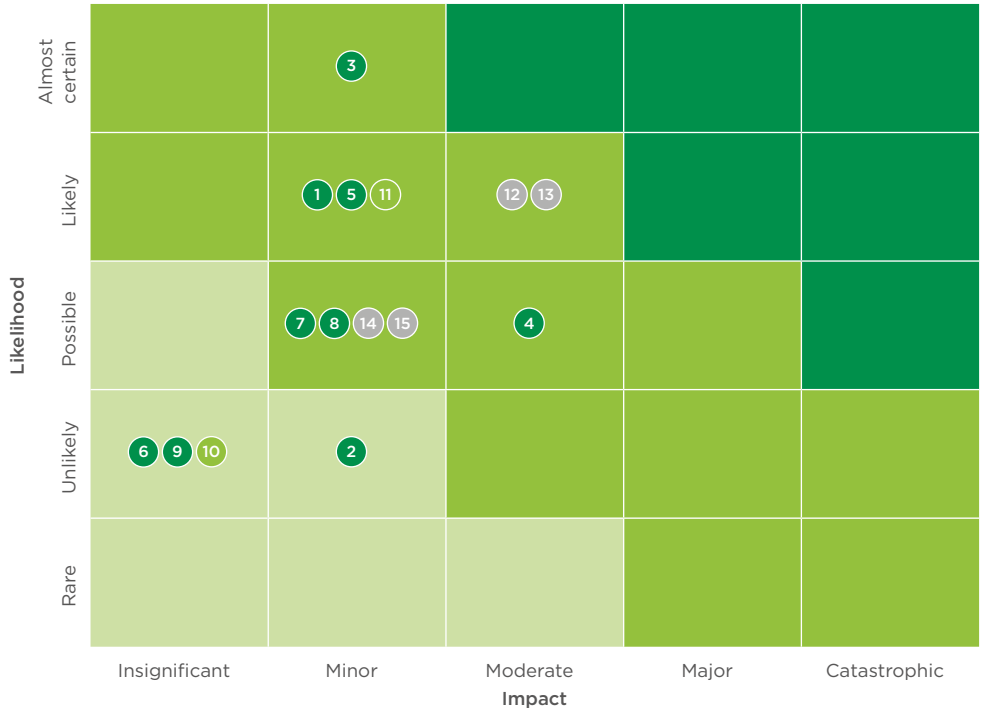
As part of the assessment, a structured scenario analysis methodology was employed to evaluate the likelihood of each risk impacting McBride, the size of the potential impact, and the most likely time horizon of impact, incorporating quantitative and qualitative data.

Quantification of selected transition risks performed in 2024 was not re-performed this year. However, the impact assumptions were reviewed for continued relevance and outputs of the quantification informed impact assessments. The financial impacts of the selected risks can be found in the 2024 climate-related financial disclosures.

The key results from this exercise are:

- all transition CROs identified in 2024 continue to be assessed as applicable to McBride's operations and/or supply chain in 2025, with updated likelihood and timeframe assessments based on recent market and regulatory developments;
- a new cost of energy risk was assessed in 2025, driven by potential energy price volatility during the transition to renewable sources; and
- the four physical risks assessed in 2024 remain applicable, with updated assessments reflecting expanded site-level analysis across the Group's mainland European operations.

These changes resulted in 15 CROs considered relevant for 2025 which are summarised in the chart opposite.



Note: Relative position of risks/opportunities within grid boxes does not reflect relative ranking (e.g. for 7, 8, 14 and 15).

Transition risks

1. Pricing of GHG emissions
2. Climate-related litigation
3. Mandates and regulation
4. Increased cost of raw materials
5. Change in consumer demands
6. Investment and finance risk
7. Substitution of existing tech to lower emission options
8. Emissions offset
9. Cost of energy

Transition opportunities

10. Development of new products or services through R&D and innovation
11. Use of more efficient production and distribution processes

Physical risks

12. Heat stress
13. Water stress
14. Floods
15. Windstorms

Key: Overall risk levels (impact x likelihood): Lower Medium Higher

Strategy continued

Climate risks and opportunities continued

The risk scores shown on page 42 reflect residual transition risks in a low carbon scenario and residual physical risks in a hot house scenario. McBride has updated its risk presentation this year from a timeframe x likelihood matrix to an impact x likelihood matrix, as this approach aligns with McBride's ERM framework and better reflects that risks are expected to impact McBride over multiple timeframes. Climate risks are reported using a consolidated three-level scale derived from McBride's impact x likelihood ERM matrix, grouping the risk levels into 'lower,' 'medium' and 'higher' categories based on overall net risk scores.

CROs with lower overall risk levels or longer-term impacts were de-prioritised for detailed disclosure this year, specifically:

- 2 6 These remain unlikely with minor or insignificant impact.
- 8 This is considered to be longer term due to the Net Zero target time horizon.
- 9 This was not deemed a major risk due to existing energy efficiency programmes at all manufacturing sites and procurement strategies that include energy price hedging for near-term stability.
- 14 15 These were assessed as impacting over a longer timeframe, with future flood and windstorm risk assessed as sufficiently mitigated through appropriate risk management strategies.

The following tables detail the impact of priority climate-related risks and opportunities on McBride's businesses and strategy.

Transition risks

1 Pricing of GHG emissions

Timeframe: Medium to long term

Inherent risk	2027	2040
Gross risk score	Lower	Medium

Residual risk	2027	2040
Net risk score	Lower	Medium

Description

Carbon taxes are expanding globally, with the EU and UK Emission Trading Systems (EU and UK ETS) already up and running. EU ETS carbon prices have stabilised in 2025 after volatility in 2024, with forecasts projecting substantial further increases by 2040. Carbon pricing could manifest as a range of policies such as environmental, and/or sector-wide taxes, which could increase operational costs.

Impact assumptions

Quantification conducted in 2023 assumed carbon prices based on IEA and NGFS forecasts, with emissions calculations incorporating McBride's SBTi-aligned targets for Scope 1 and 2 emissions by 2033, from a 2021 baseline. Risk scores have been adjusted downward from 2024 reflecting both McBride's enhanced emissions reduction target (66.3% by 2033) and more moderate near-term carbon price trajectories than previously projected.

Controls and mitigation

Renewable energy sourcing exceeded 50% in 2025, ahead of the original 30% target, with 100% targeted by 2035. SBTi-aligned targets are established for emissions reduction with electricity monitoring systems implemented at sites and energy efficiency targets integrated into site KPIs. The transition to an electric vehicle fleet is underway with company car policies in Belgium and the UK supporting decarbonisation objectives.

3 Mandates and regulation

Timeframe: Short to medium term

Inherent risk	2027	2040
Gross risk score	Medium	Higher

Residual risk	2027	2040
Net risk score	Medium	Medium

Description

Increased compliance/operational costs, reformulation costs and/or legal fines for non-compliance.

Impact assumptions

McBride likely remains in scope for the Corporate Sustainability Reporting Directive (CSRD) with delayed implementation, and faces the Corporate Sustainability Due Diligence Directive (CSDDD) and potentially UK SRS requirements. The EU's Chemical Strategy for Sustainability continues advancing substance restrictions affecting cleaning product formulations, while Digital Product Passport requirements under the Detergents Regulation may necessitate new data management systems. Extended Producer Responsibility implementation has progressed with documented packaging cost increases across European markets, and divergence between UK and EU regulatory frameworks creating dual compliance burdens for McBride's operations.

Controls and mitigation

Potential increased costs due to regulations are built into forecasts, including plastic tax increases and EU deforestation regulation (EUDR) material costs. Internal horizon scanning of regulations provides impact assessments to the business. Active engagement with industry groups like AISE enables regulatory monitoring and stakeholder engagement to stay ahead of emerging requirements.

Key: Gross and net risk and opportunity scores (impact x likelihood): Lower Medium Higher

Strategy continued

Transition risks continued

4 Increased cost of raw materials

Timeframe: Medium to long term

Inherent risk	2027	2040
Gross risk score	Medium	Higher

Residual risk	2027	2040
Net risk score	Lower	Medium

Description

Expanding carbon pricing mechanisms could impact chemical feedstocks, plastics, manufacturing processes and transport throughout McBride's supply chain. Future carbon costs may be embedded in supplier pricing, creating upward pressure on raw material costs. Costs could also increase due to increasing material scarcity.

Impact assumptions

Cost analysis assumed carbon prices based on IEA and NGFS forecasts applied to Scope 3 emissions estimates (focused on purchased goods and services), with levels assumed consistent through to 2040.

Controls and mitigation

Collaboration with suppliers and customers to manage cost risk and reduce emissions across the supply chain is ongoing. McBride has engaged with its top 70 suppliers by spend, representing over 80% of Scope 3 emissions, with each one assessed for carbon maturity to establish baseline maturity across key suppliers. Product reformulation is being explored for increased bio-based feedstocks and recycled packaging content, reducing exposure to carbon taxation in the supply chain.

5 Change in consumer demands

10 Development of new products or services through R&D and innovation

Timeframe: Short to long term

Inherent risk	2027	2040
Gross risk score	Higher	Higher
Gross opportunity score	Medium	Medium

Residual risk	2027	2040
Net risk score	Medium	Medium
Net opportunity score	Higher	Medium

Description

Retailers are increasingly prioritising sustainability criteria for products, driven by mandatory standards such as EU Ecolabel criteria and environmental impact labelling requirements for cleaning products. Retailers are using sustainability performance to inform product selection, shelf placement and promotional opportunities, creating risk of lost business for products unable to meet evolving environmental standards, but also opportunities for market share growth through sustainable product innovation.

Impact assumptions

McBride's divisions were consulted regarding the perceived risk to their products and services based on their technical expertise and experience in the markets. Each division provided an indication of financial impact range, which were consolidated for an enterprise risk level exposure.

Controls and mitigation

Divisions continue to innovate via R&D and work closely with retailers and branders to stay ahead of customer requirements. Key focus areas include reducing plastics, improving recyclability, increasing bio-based materials, and product compaction initiatives. Demand from customers for sustainable products remains steady, with each division implementing targeted sustainability measures appropriate to their specific product mix and market requirements.

7 Substitution of existing tech to lower emission options

11 Use of more efficient production and distribution processes

Timeframe: Short to medium term

Inherent risk	2027	2040
Gross risk score	Lower	Higher
Gross opportunity score	Lower	Lower

Residual risk	2027	2040
Net risk score	Lower	Medium
Net opportunity score	Lower	Lower

Description

The transition to a low carbon economy creates requirements for significant technological enhancement and substitution with regard to the implementation of different packaging, materials and technologies. The Packaging and Packaging Waste Regulation (PPWR) in the EU has introduced recycled content criteria for specific packaging, while some sustainable products face technical challenges requiring specialised machinery. Meanwhile, operational savings can be achieved through more efficient production and distribution processes, including reduced input material requirements and product compaction leading to more efficient distribution.

Impact assumptions

McBride's fixed asset register was reviewed and assumptions were built around the obsolescence risk to different technologies. Analysis from McBride's science-based target setting workstream on other technological initiatives, and insight from internal subject matter experts, informed potential cost ranges. These assumptions were validated this year, noting technology transitions represent significant medium-term capital expenditure considerations.

Controls and mitigation

Capital expenditure decisions consider energy efficiency and physical climate risk. Division-specific energy initiatives include solar panels in Asia Pacific, energy champions and energy management systems at sites, and optimising corrugated carton board usage. Product compaction initiatives are ongoing across the business to reduce transport and packaging requirements.

Key: Gross and net risk and opportunity scores (impact x likelihood): Lower | Medium | Higher

Strategy continued

Physical risks

12 Heat stress

Periods of time with sustained high temperatures in excess of 30°C.

Impact:

Minor | Moderate | High

Likelihood:

Unlikely | Possible | Likely

Business impact assessment

People:

- Reduced labour productivity/ineffective work performance.
- Fainting potential if exposed to temperatures over 35°C. Threat to life for the vulnerable.
- Increased employee absenteeism and sick leave during heat events.

Physical assets (operations and suppliers):

- Increased operating expenditure, energy consumption and carbon emissions due to increased cooling demand.
- Equipment failures (electrical cabinets, electronic components).
- Product quality impacts (microbiological contamination, label adhesion, chemical stability).
- Potential overloading of the power grid.
- Disruption in supply chains due to transportation delays, reduced productivity, or interruptions in the availability of goods and services.
- Higher chances of 'fire weather'.
- Reduction in arable land and good agricultural conditions resulting in higher costs of bio-based surfactants.

Risk response: adaptation/mitigation options

People:

- Limiting or modifying the duration of heat exposure time of workers through additional breaks, water stations and heat stress training.
- Reducing the metabolic component of the total heat load through automation.
- Medical evaluations for workers.

Physical assets (operations and suppliers):

- Review operating temperature tolerances for machinery.
- Review inefficiencies and improve five major types of engineering controls – general ventilation, cooling fans, air conditioning, reflective shields to redirect radiant heat, and insulation of hot surfaces to reduce heat stress.
- Facility infrastructure improvements including roof replacement with enhanced insulation at Sallent where Phase 1 roof improvements have delivered significant cooling benefits with further phases planned.
- Modernisation of heat-generating equipment.
- Introduce cooling and ventilation solutions e.g. installation of fans at operator workplaces.
- Maintain a good practice fire loss control maintenance and mitigation regime.
- Collaborate with suppliers, implementing real-time monitoring systems and fostering transparent communication to enhance supply chain resilience.

13 Water stress

Prolonged periods of time where water demand outstrips supply, leading to serious regional water scarcity.

Impact:

Minor | Moderate | High

Likelihood:

Unlikely | Possible | Likely

Business impact assessment

People:

- Impact on mental health.
- Worsens likelihood of heat stroke and threat to life.

Physical assets (operations and suppliers):

- Disruption to water-intensive manufacturing processes.
- Production capacity reduction for facilities dependent on water as a raw material.
- High water costs and tariffs.
- Water usage restrictions.
- Water quality deterioration affecting production processes and treatment of effluents.
- Regulatory compliance challenges with discharge permits and water treatment requirements.
- Increased costs or disruptions in supply of water-dependent raw materials such as bio-based surfactants.

Risk response: adaptation/mitigation options

People:

- Awareness campaigns to promote long-term adaptation.

Physical assets (operations and suppliers):

- Water system audits, efficiency improvements and leak detection programmes.
- Enhanced water storage capacity and alternative source development (deep aquifer access, groundwater well development, rainwater collection).
- Incentivise and encourage water saving by employees.
- Water recycling and reuse systems (CIP water reuse, closed-loop cooling).
- Formulation optimisation to reduce or eliminate water content.
- Engage with suppliers on water stress resilience and contingency planning.
- Diversify supplier base to mitigate risks associated with a single supplier's water-related disruptions.

Key: Gross and net risk and opportunity scores (impact x likelihood): Lower | Medium | Higher

Strategy continued

Resilience of McBride's strategy to climate risks

Low carbon world scenario

In a low carbon world (+1.5°C) scenario, McBride faces an overall medium residual climate risk exposure, which is lower than the overall gross risk scores, indicating that current and planned mitigations promote resilience of the strategy. The Company's risk profile is shaped by physical climate risks as well as transition risks and opportunities, with varying impacts across its operations and portfolio. Physical climate risks could pose challenges to McBride's operations, with heat stress being a primary concern. Climate extremes in 2024 demonstrated the potential for extreme weather events to disrupt operations, with Europe experiencing its warmest year on record and significant flooding events, including Storm Boris affecting Central Europe. Looking ahead, the frequency and severity of heatwaves and water stress events are expected to increase. McBride's expanded site-level physical risk assessment across mainland European operations has identified varying levels of potential water stress impacts. The assessment reviewed existing mitigations and identified opportunities for further adaptation measures where needed.

Transition risks also play a significant role in McBride's risk exposure:

- Pricing of greenhouse gas emissions, though mitigated by science-based targets.
- Increased raw material costs, partially offset by various Company actions, including enhanced supplier engagement and embedded costs.
- Mandates and regulations, though mitigated by internal processes and external engagement.
- Changing customer demands, presenting both risks and opportunities, especially in the Powders division.
- Technology substitution for more sustainable options and distribution processes, offering moderate risks but potential operational cost savings.

Over the short to medium term, McBride's transition risk exposure is evolving, with effective mitigation strategies and adaptation measures helping to reduce exposure in some areas, while regulatory and market pressures are expected to create new challenges in others. The Company also anticipates upside opportunities, such as adopting sustainable technologies and improving processes for operational efficiencies. To enhance its resilience, McBride is continuing to assess and adapt its operations across all sites.

Key actions have been incorporated into McBride's strategy, risks and opportunities, including:

1. Energy and emissions reduction:
   - Renewable energy acceleration: Renewable energy sourcing exceeded 50% in 2025, ahead of the original 30% target, with 100% targeted by 2035.
   - Process and formula optimisation: Targeted investments in blow-moulding efficiency and compaction initiatives across divisions to reduce emissions from manufacturing and distribution while delivering operational cost savings.
2. Sustainable packaging and innovation:
   - Material transition: McBride is committed to moving away from virgin materials like PET where feasible, aligning with consumer demands and regulatory pressures.
   - Innovation and collaboration: McBride is partnering with experts to develop packaging solutions that meet sustainability criteria, including increased use of bio-based materials.
3. Market adaptation and supply chain resilience:
   - Adaptation to demand shifts: McBride recognises the importance of staying ahead of market trends, including those related to sustainability, investing in technologies and production methods to meet these.
   - Supply chain engagement: 100% of top 70 suppliers covering 80% of emissions have been assessed for carbon maturity.
   - Regulatory preparedness: Internal horizon scanning and expert compliance support are in place to address evolving requirements including CSRD, CSDDD and advancing regulatory frameworks.

Hot house world scenario

Under a hot house world (+4°C) scenario, McBride's expanded physical risk assessment across mainland European operations provides enhanced understanding of exposure levels. Heat stress exposure is expected to increase in the medium and long term, with facilities experiencing between 2-26 days above 35°C annually by 2041-60 under IPCC scenarios. The Company's strategy remains moderately resilient, with site-level assessments identifying specific vulnerabilities and adaptation measures with varying mitigation effectiveness across different locations. Water stress exposure varies considerably across the portfolio, ranging from low-medium to extremely high stress levels by 2050. Heat stress exposure for warehouses and key suppliers will also likely increase by 2040-50.

This increased exposure is expected to result in higher operational costs, potential production disruptions, potential water supply constraints and quality issues, and possible increases in raw material costs. Heat stress impacts include equipment vulnerabilities and worker safety concerns requiring additional rest breaks and productivity adjustments. Water stress could impact production capacity at facilities dependent on water for manufacturing processes and product formulations, with potential cost increases from water pricing and supply reliability challenges. Additionally, river flood exposure and heavy rainfall exposure could also rise, although the associated financial impact is anticipated to remain largely covered by insurance.

Site-level assessments have identified both existing mitigations and planned adaptation measures across the portfolio. Current measures include enhanced cooling systems, equipment upgrades, improved ventilation, worker safety protocols, water efficiency programmes and alternative water source development. Planned improvements include equipment modernisation, enhanced water storage capacity, business continuity planning for water scarcity scenarios, and facility-specific initiatives such as roof improvements and closed-loop cooling systems. The 2024 extreme weather events have informed these adaptation strategies and validated the importance of proactive resilience measures.

No or little transition risk or opportunity is expected under this scenario.

Risk management

Defining a process for climate risk identification and management

As detailed on pages 53 to 57, the Group has a rigorous process in place to report the organisation's principal and emerging risks. Through this process, climate change and environmental concerns were identified as principal risks and assessed accordingly. Aspects of climate change risk are also captured in other principal risks, notably changing market dynamics and increased regulatory focus. The Group continues to build on its initial climate risk and opportunity assessment each year. The overall process used for identifying, assessing and managing CROs under different climate scenarios is detailed in the graphic below.

1. Define climate scenarios	2. Identify climate-related risks to McBride under articulated scenarios	3. Review impact assumptions	4. Assess business impacts to McBride	5. Identify responses
Transition risk **1.5°C**	**Policy and legal risks** **Market risks** **Reputational risks** **Technology risks**	**Review of:** • Regulatory landscape • Operational or supply chain shifts • Impact assumptions used in prior year quantifications	**Impact on:** • Physical asset portfolio • Input costs • Operational costs • Revenue • Supply chain • Business interruption	**Responses might include:** • Changes to business model • Portfolio mix • Investments in capabilities and technology
Physical risk **1.5°C and 4°C**	**Acute physical risks** **Chronic physical risks**	**Review of:** • Recent weather events • Detailed site-level questionnaires • Impact assumptions used in prior year exposure modelling	**Impact on:** • Physical asset portfolio • Input costs • Operational costs • Revenue • Supply chain • Business interruption	**Responses might include:** • Changes to business model • Portfolio mix • Investments in capabilities and technology

Risk management continued

Defining a process for climate risk identification and management continued

Details of the articulated approach used to assess climate-related physical and transition risks and opportunities are included on page 67 of the 2022 Annual Report, supplementing the TCFD risk assessment process for 2025.

Risk was assessed from a residual perspective in 2025, building upon the residual risk assessments and quantification performed in 2024 and validating the underlying assumptions and risk ratings. Going forward, the identification and assessment of CROs will be refreshed by McBride on an annual basis.

Integration of climate risk management into McBride's wider risk management

McBride continues to assess climate risk in 2025 against an adapted version of its ERM scales. The adapted scales have allowed for longer time horizons due to the nature of climate risk and the assessment of upside opportunities. Using aligned scales has also enabled McBride to integrate the assessment of its climate risks into its corporate risk register. The Group has continued to identify, assess and manage climate risks through the existing risk management process on an annual basis, adopting a top-down risk management approach whereby the risks associated with climate are centrally monitored by the Risk Council and the TCFD Working Group.

Metrics and targets

Details of the Group's Scope 1, 2 and 3 carbon emissions for the financial year ended 30 June 2025 are set out on page 28. The Scope 1, 2 and 3 GHG emissions have been calculated in accordance with the relevant GHG Protocol Corporate Accounting and Reporting Standards and latest emissions factors from recognised sources. The Group's Scope 3 emission data covers the following categories:

- purchased goods and services;
- upstream transportation and distribution;
- end-of-life treatment of sold products;
- downstream transportation and distribution;
- capital goods;
- waste generated in operations;
- fuel and energy-related activities;
- employee commuting; and
- business travel.

These are the categories that are considered most relevant to McBride. Emissions relating to the use of sold products are considered as indirect as they do not directly consume energy and therefore are not required to be disclosed.

McBride continues to engage with an external partner to identify a heatmap of Scope 1, 2 and 3 GHG emissions sources, by raw material and packaging category, which continues to inform progress against Scope 1 and 2 science-based targets. The Scope 3 emissions target is based on a supplier engagement model and is now fully embedded and reported on.

The table on page 49 details the metrics and targets (linked to the specific CROs identified by the Company) that have currently been defined and are being monitored by McBride.

The CO_2 Scope 1 and 2 targets outlined in the table on page 49 have been costed in detail and the financial impacts have been factored into short-term financial forecasts and plans. A number of the targets in the table on the following page have now concluded and these have been clearly identified. During the year, McBride has also developed some new targets and refined some existing targets, all of which are clearly identified in the following table, showing the ongoing development of the Group's sustainability agenda. Where metrics and targets are considered to be financially significant, the impacts will be identified and reflected in forward-looking forecasts.

Metrics and targets continued

Metric	Target	Link to identified CRO	Performance against target	Status
CO_2 Scope 1 and 2 emissions	Reduce Scope 1 and 2 emissions by 66.3% by 2033 (versus a 2021 baseline)	1 3 6 8 9 10 11	See page 31	Carried forward
Output volume per gigajoule of energy	15% improvement in energy efficiency by 2025 (measured in kWh/tonne of output)	1 9 10 11	See page 31	Carried forward
Use of FSC® certified board	All paper and board sourced will be FSC® compliant by 2025	4 5 10	See page 29	Concluded
Packaging recycling	All our packaging will be 100% fully recyclable, compostable or reusable by 2025	4 5 10	See page 29	Concluded
Recycled plastic content	On average, all our packaging will contain at least 50% recycled content by 2025	4 5 10	See page 29	Concluded
Flexible packaging	We will exit all multi-layered flexible packaging by 2025	4 5 10	See page 29	Concluded
Microplastics	We will remove all REACH-defined microplastics from our formulations by 2025	4 5 11	See page 29	Concluded
Scope 3 supplier engagement	Scope 3 emissions – 82.5% of our suppliers by emissions, covering goods and services, to have science-based targets	1 3 6 8 9 10 11	See page 31	New
Energy sourcing	100% of the electricity used in our operations is from renewable sources	1 9 10 11	See page 31	New
Recycled plastic content	All polyethylene packaging for the Group's contact-sensitive products must contain a minimum of 10% PCR content	4 5 10	See page 31	New
Recycled plastic content	All plastic packaging used by the Group must contain a minimum of 35% PCR	4 5 10	See page 31	New

Focus for 2026

McBride will continue to build on the progress achieved this year in relation to the refinement and introduction of new metrics and targets. The Group's strategy outlines its commitments to continue to reduce carbon emissions by following the roadmap set out in its agreed science-based targets journey and continuing to have its performance externally validated. For 2026, the focus will be on continuing to embed and report progress against the Scope 3 carbon emissions target, and the ongoing supplier engagement programme.

The Group remains very aware of the impact that climate change may have on the organisation. The CRO identification process is now an established tool to identify the inherent and residual risks that McBride faces. Scope 1, 2 and 3 targets, as well as the technologies selected to achieve these, continue to be pivotal in defining McBride's ultimate risk under a transition climate scenario. The outcomes of climate risk assessment continue to be disseminated and mitigation actions reviewed and progressed by teams across the Company following the standard Company-agreed risk process. In addition, McBride intends to continue the process of assessing and quantifying long-term risks (i.e. physical risks) via a site-by-site approach. This will ultimately enable McBride to monitor and assess these risks and allow for their effective communication and mitigations at a Group level.

Location of TCFD-aligned disclosures within the Annual Report

Governance	Strategy	Risk management	Metrics and targets
Disclose the Group's governance around climate-related risks and opportunities (a) Describe the Board's oversight of climate-related risks and opportunities (b) Describe management's role in identifying, assessing and managing climate-related risks and opportunities	**Disclose the actual and potential impacts of climate-related risks and opportunities on the Group's business, strategy and financial planning where material** (a) Describe the climate-related risks and opportunities that the organisation has identified over the short, medium and long term (b) Describe the impact of climate-related risks and opportunities on the Group's business, strategy and financial planning (c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a +2°C or lower scenario	**Disclose how the Group identifies, assesses and manages climate-related risks and opportunities** (a) Describe the Group's process for identifying and assessing climate-related risks and opportunities (b) Describe the Group's process for managing climate-related risks and opportunities (c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	**Disclose the metrics and targets used to assess and manage climate-related risks and opportunities** (a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process (b) Disclose Scope 1, 2 and, if appropriate, Scope 3 GHG emissions, and the related risks (c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets
Climate-Related Financial Disclosures See pages 40 to 49 Audit and Risk Committee Report See pages 73 to 79	Climate-Related Financial Disclosures See pages 40 to 49 Principal Risks and Uncertainties See pages 53 to 57	Climate-Related Financial Disclosures See pages 40 to 49 Principal Risks and Uncertainties See pages 53 to 57 Audit and Risk Committee Report See pages 73 to 79	Climate-Related Financial Disclosures See pages 40 to 49 Sustainability See pages 27 to 39

Understanding the impact of our activities with regard to specified non-financial matters

In accordance with sections 414CA and 414CB of the Companies Act 2006, which outline requirements for non-financial reporting, the table below is intended to provide our stakeholders with the content they need to understand our development, performance, position and the impact of our activities regarding specified non-financial matters.

Reporting requirement and our material areas of impact	Relevant Group principal risks	Relevant Group policies/statements	Policy embedding, due diligence, outcomes and KPIs – page reference
Environmental matters Responsible approach to product design and production	Consumer and customer trends	• Sustainability Policy • Quality, Health, Safety and Environment Policy ('QHSE Policy')	Pages 22, 27 and 39
Employees Responsible for the health and safety of our workforce	Legislation	• QHSE Policy	Pages 22 and 34 to 35
Social matters Responsible approach to taxation	Financial risks	• Preventing the Facilitation of Tax Evasion Policy • Tax Strategy Statement • Code of Ethics and Business Conduct	Pages 129 to 132
Respect for human rights, anti-bribery and corruption Reinforcing an ethical business culture	Legislation	• Code of Ethics and Business Conduct • Supplier Code of Conduct • Anti-Bribery and Corruption Policy • Gifts and Hospitality Policy • Conflicts of Interest Policy • International Sanctions Policy • Share Dealing Policy • Data Protection Policy • Policy on the Use of Independent Auditors for Non-Audit Services • Policy on the Employment of Former Employees of the Auditors • Whistleblowing Policy • Anti-Slavery and Human Trafficking Statement	Pages 34 to 35
Business model	All risks	n/a	Pages 5 to 6
Non-financial KPIs	n/a	n/a	Page 22
Description of principal risks and uncertainties	n/a	n/a	Pages 53 to 57

Understanding the impact of our activities with regard to specified non-financial matters continued

Reporting requirement and our material areas of impact	Relevant Group principal risks	Relevant Group policies/statements	Policy embedding, due diligence, outcomes and KPIs – page reference
Climate-related financial disclosures			
• A description of the Company's governance arrangements in relation to assessing and managing climate-related risks and opportunities.	Climate change and environmental	n/a	Pages 40 to 41
• A description of how the Company identifies, assesses and manages climate-related risks and opportunities.			Pages 47 to 48
• A description of how processes for identifying, assessing and managing climate-related risks are integrated into the Company's overall risk management process.			Pages 47 to 48
• A description of: – the principal climate-related risks and opportunities arising in connection with the Company's operations; and – the time periods by reference to which those risks and opportunities are assessed.			Pages 42 to 46
• A description of the actual and potential impacts of the principal climate-related risks and opportunities on the Company's business model and strategy.			Pages 42 to 46
• An analysis of the resilience of the Company's business model and strategy, taking into consideration different climate-related scenarios.			Pages 42 to 46
• A description of the targets used by the Company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets.			Pages 48 to 49
• A description of the KPIs used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those KPIs are based.			Pages 48 to 49

Our Principal Risks and Uncertainties

Our Group-wide risk management process involves understanding, analysing and addressing risk to enable the business to achieve its overall strategic and day-to-day operational objectives, delivering on its commitments to all stakeholders.

The Group continues to operate under a robust, well-established and externally benchmarked risk management framework, which is aligned to ISO 31000:2018, and supported by a formally defined risk taxonomy structure. This is supported by a comprehensive risk appetite framework to help with the assessment, escalation and reporting of principal risks, with key risk indicators (KRIs) tracked by senior business leaders on an ongoing basis.

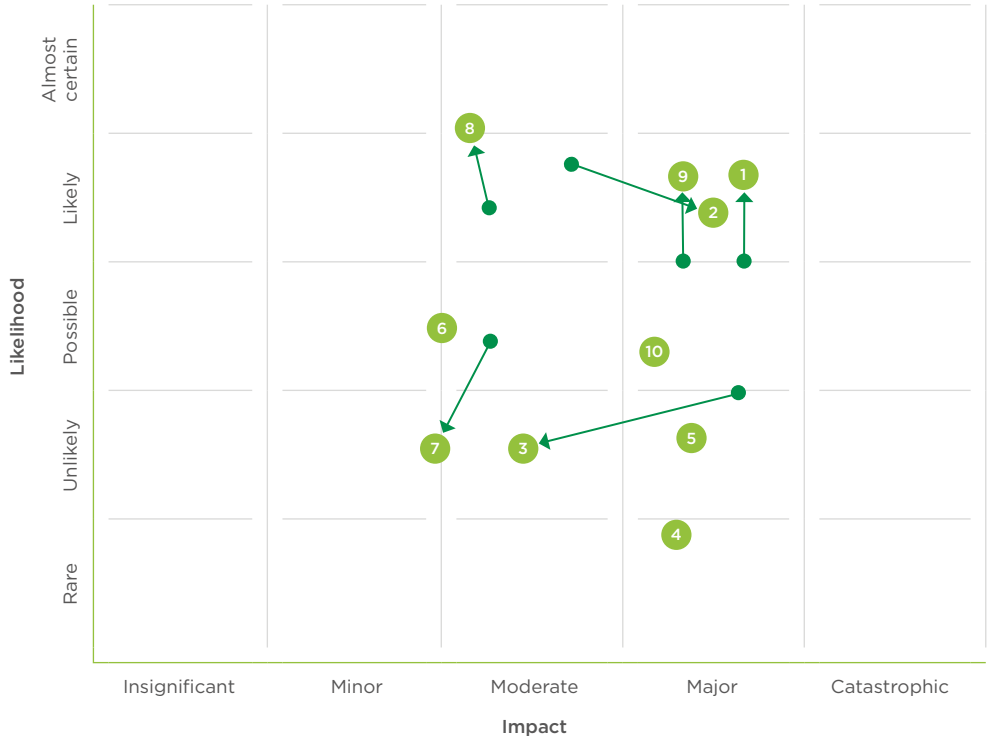
Further detail on the risk management framework and processes can be found on pages 77 to 79.

This process has allowed the Board to identify the risks, uncertainties and opportunities which are deemed fundamental to the business achieving its strategic objectives and delivering its key business priorities. These risks are identified as 'principal' based on the likelihood of occurrence and the potential impact on the Group. These have been consolidated by the Risk Council and reviewed and agreed with the Board (having been considered by the Executive Committee and the Audit and Risk Committee).

The principal risks and uncertainties to which the Group is exposed are summarised on pages 53 to 57, outlining the risk impact, key mitigating actions and any key developments during the year. The Group continues to review its overall risk framework within the context of each principal risk and uncertainty, with the risk trend over the year also noted, showing any changes in the risk profile compared to the prior year. There are ten principal risks reported for financial year 2025. The supply chain resilience risk reported in 2024 has been amalgamated within the economic, political and macro environment instability risk this year.

The set of principal risks and uncertainties provided on the following pages is not intended to be an exhaustive list. Additional risks not presently known to management, or risks currently deemed to be less material or strategically important, may also have the potential to cause an adverse impact on the business.

The Board continues to have confidence in the ongoing risk horizon scanning and monitoring activities embedded within the Group's risk management processes, to provide early notification of emerging, strategically important and potentially significant risks on a regular basis.



1. Changing market, customer and consumer dynamics
2. Disruption to systems and processes
3. Financing risk
4. Safe and high-quality products
5. Health and safety
6. Climate change and environmental concerns
7. Challenges in attracting and retaining talent
8. Increased regulation
9. Economic, political and macro environment instability
10. Business transformation challenges

Arrows represent movement in principal risks from previous year to current year.

Key

- Market standing
- Operational excellence
- Sustainability
- Talent
- Increased risk
- No change
- Decreased risk

1. Changing market, customer and consumer dynamics

Trend

Risk appetite rating: Moderate to high

How it links to our strategy:

Risk impact

- Slowdown of general consumption with branders actively seeking to regain lost volume through innovation and promotional activity. Private label growth has been softening and even decreasing across Europe.
- International retailers face pressure to be consumer 'Champions', seeking to offset inflation with a strong push to drive the pricing agenda and opening international and global tenders.
- Reinforced competitor set, with some mergers and acquisitions, increasing the capacity available in the market.
- Price pressure, materials cost evolution and availability forcing resources to be focused on value engineering, which may slow down innovation. A heightened sustainability and regulatory focused environment could add costs that are difficult to recover.

Mitigation

- Investment in skills and tools and increased knowledge of our markets supports our commercial teams' ability to demonstrate the true value added by our offering.
- An agile approach to portfolio management allows rapid response to changes in consumer behaviour.
- A continued strengthening of partnerships with key retailers highlights the value added by McBride and avoids one-dimensional discussions solely focused on price.
- Continued exploration of contract manufacturing activities with branders dilutes potential private label risk.
- Our rolling five-year strategic plan reviewed on an annual basis balances capital allocation between new initiatives and existing business.

Key developments

- A centralised approach to market data and insights provides visibility of trends and developments across our markets.
- New commercial structure in place to serve strategic international customers better.
- A widened supplier network ensures reliable supply at highly competitive price levels.
- Clear cost-saving targets exist, enabled by continued investment in business processes.
- Appropriate sustainability targets set to reduce our environmental impact.

2. Disruption to systems and processes

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Disruption to critical business processes and loss of sensitive information and business critical data due to system failure and cyber activities.
- Increased cyber-related legislation (NIS2) exposes the organisation to the risk of fines for non-compliance.
- Increased internal use of artificial intelligence (AI) tools exposes a risk of data leakage.
- The use of social engineering is providing new opportunities for cyber activity and further increasing the risk of general business disruption and potential financial loss.

Mitigation

- We continually invest in technology to protect us from disruption and to minimise its impact.
- We continually review our internal policies and processes to ensure we are minimising the risk of business disruption and non-compliance with regulatory requirements.
- We monitor developments in cyber security, which includes working with third-party consultants to provide global insights and run tests to identify weaknesses in our technology and processes.
- We constantly educate our business users to mitigate the risks of social engineering and the over-exposure of sensitive data through AI tools and other information-sharing platforms.
- A rolling business-driven technology strategy and roadmap is constantly maintained providing direction on investment, whilst supporting business continuity and commercial differentiation.

Key developments

- An annual review of disaster recovery processes (including backup and recovery) for all business-critical systems has been undertaken.
- Annual external vulnerability testing and third-party risk assessments are undertaken, with underlying improved cyber resilience.
- Security KRIs are in place to monitor progress and drive appropriate action, where necessary, with the overall roadmap updated.
- Critical infrastructure is upgraded, ensuring the correct patch levels are applied.
- We are moving critical systems away from our sites into an external cloud infrastructure.

3. Financing risk

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Financing risk covers the risk of a deterioration in profitability and its potential negative impact on liquidity.
- Not achieving the required levels of profitability and cash flows increases the risk that banking facilities may be withdrawn due to breach of banking covenants.

Mitigation

- We have a robust and reliable input cost forecasting process designed to equip the Group with visibility of both the direction and magnitude of input cost evolution.
- Divisional Managing Directors are accountable for maintaining gross margins through cost-saving product redesigns and/or cost price increases agreed with customers.
- A comprehensive governance process of divisional performance reviews is in place to monitor actual performance versus pricing and financial targets. This includes the Executive Committee's weekly review of key operational and financial performance metrics, meaning that risks can be identified and mitigating actions agreed in a timely manner.
- A 13-week cash, debt and liquidity forecast is performed each week to highlight any risks and allow effective liquidity management.

Key developments

- During the period, liquidity headroom was significantly increased as the Group renegotiated its €175 million multi-currency, sustainability-linked RCF, increasing the facility size to €200 million and securing a four-year term to November 2028, with an option to extend by up to two years. Additionally, the Group now has access to an uncommitted €75 million accordion feature.
- The strong financial performance in 2024 and its consolidation in 2025 has continued to drive improved liquidity. At 30 June 2025, liquidity of £141.4 million is significantly improved compared to the prior year. The Group is meeting its banking covenant requirements, in line with the new RCF.

4. Safe and high-quality products

Trend

Risk appetite rating: Averse

How it links to our strategy:

Risk impact

- Issues with quality or safety of products could lead to reputational damage with customers, consumers or regulators.
- Potential financial losses could arise due to a need to recall products, disruptions in supply, delays to launch or fines imposed on the Company.

Mitigation

- Our product quality processes and controls are comprehensive, verified annually and monitored for continuous improvement.
- Raw materials are approved against our standards and material quality is regularly monitored.
- Our labelling processes comply with all applicable regulations and are kept up to date with all regulatory changes.
- We engage with regulators and industry groups to stay updated on emerging safety and regulatory concerns.
- In the event of a safety or quality incident, processes are in place to make sure that the right experts take prompt and effective action.

Key developments

- All annual reviews of processes and controls have been completed.
- Raw material and fragrance policies have been updated in line with all newly-identified requirements.
- Our product compliance processes have successfully passed both external and internal audits.
- We continue to participate in all relevant trade associations and taskforces.

5. Health and safety

Trend

Risk appetite rating: Averse

How it links to our strategy:

Risk impact

- An insufficient assessment of hazardous tasks, activities and specialised areas, coupled with differing standards in key elements of the Health, Safety and Environment (HSE) framework could result in the risk of injury, ill health or environmental incidents.
- An insufficient 'Training Needs Analysis' could lead to an inconsistent approach to training, ultimately affecting the HSE performance of our teams.

Mitigation

- The health and safety governance framework oversees the development and implementation of continual improvement initiatives.
- Defined Group standards that help to establish minimum Group requirements for key elements of HSE.
- A root cause analysis review process that helps to drive alignment on identified issues and corrective actions to support continual improvement.
- Site-specific zero loss journey map improvement plans, derived from comprehensive HSE gap analysis.
- A leading HSE incident management software solution that provides greater visibility, more effective incident management, real time data and analytics, and meaningful HSE insights from the field into the boardroom.
- A suite of leading indicator tools to drive a more proactive approach to health and safety across the Group e.g. Dynamic Risk Assessment (DRA), Quick Risk Prediction (QRP), safety walks, near misses, etc.

Key developments

- A formalised plan for the implementation of 28 Group standards covering key elements of health and safety which define minimum requirements subject to local legislation.
- A standardised and more robust risk assessment process across the Group, for the evaluation of general tasks and activities.
- The development of a Group behavioural observation system, which aims to reduce workplace incidents associated with unsafe behaviours, consequently enhancing workplace health and safety culture and embedding long-term safety improvements.

6. Climate change and environmental concerns

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Government actions to mitigate climate change may increase costs or limit operational flexibility.
- Failing to adapt our business models and strategies to the sustainability concerns of customers and consumers could reduce our ability to continue to produce and deliver appropriate goods and services.
- The increased incidence of extreme weather events could impact our ability to sustainably source essential components for our products and services, potentially leading to supply disruptions.

Mitigation

- We remain focused on our preparedness for both supply chain disruptions (e.g. through flexible sourcing policies in place) and the ongoing reduction of our operational carbon footprint, aligned to our customers' needs and objectives.
- An annual measurement of our corporate carbon footprint and creation of a carbon heatmap has been developed with external consultants and has been measured from financial years 2021 to 2025.
- Our focused cross-functional sustainability forum continues to lead the Group's sustainability activities.

Key developments

- Existing CROs, previously assessed last year, were validated by key business stakeholders during 2025.
- We continued with our rolling programme of physical climate risk assessments at specific sites during 2025.
- Our GHG emissions reduction target for Scope 1 and 2 emissions has been validated at 66.3% by 2033.
- We have established and deployed a supplier engagement programme to support our Scope 3 emission reduction target.
- We have disclosed data via the Ecovadis platform this year and gained a 'Silver' rating in March 2025.
- We have invested in carbon literacy training and have deployed the Carbon Literacy® project methodology to over 100 colleagues across the Group.

7. Challenges in attracting and retaining talent

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Our ability to attract, develop and retain a diverse workforce with a wide range of skills is critical for the effective delivery of our strategies.
- Market competition for key leadership and talent remains strong.
- The loss of talented colleagues and the inability to effectively replace them could make it difficult to manage the business, adversely affecting operations and financial results.

Mitigation

- We regularly review our ways of working to drive speed and simplicity through our business and to motivate, retain and attract talent, allowing us to remain agile and responsive to market trends.
- People performance, potential and succession management is formally reviewed each year. Clear action plans are developed to address key risks.
- The Executive Committee frequently discusses talent and retention with regular Board oversight.
- Our Remuneration Committee agrees the objectives and remuneration arrangements for senior leaders.

Key developments

- A full talent cycle is run annually alongside our performance cycle. This enables us to better determine, report and act on employees' performance and potential to enhance retention of key colleagues.
- Actions were taken at the start of the financial year to ensure that staff remuneration remains competitive within each local market, by taking account of external benchmarking data.
- Our Group-wide employee survey tool is now regularly used within the business. The outcomes of our most recent DEI survey will be further embedded through locally appropriate action plans.
- Our McBride Learning Academy continues to offer additional training courses, more than doubling the number of colleagues participating in our leadership programmes, and providing an enhanced coaching offering.

8. Increased regulation

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Heightened regulatory environment with increased monitoring, governance and reporting requirements e.g. sustainability regulation (including TCFD, EU Deforestation Regulation); plastic taxes (including a new UK Extended Producer Responsibility for Packaging scheme); packaging and packaging waste regulation; and compliance with GDPR, ECCTA, UK Corporate Governance Code requirements, anti-trust laws, etc. This results in an increased likelihood of this risk over the short to medium term.
- Non-compliance with laws and regulations could result in civil or criminal action and reputational harm for McBride and its customers.
- Evolving regulations increase the cost and complexity of doing business due to additional reporting and compliance demands.

Mitigation

- We maintain a strong focus on product compliance through ongoing monitoring and improvement of processes and controls.
- Compliance is embedded across key roles through effective employee communication.
- Our Supplier Code of Conduct sets sustainability and legal expectations, with suppliers required to confirm compliance.
- Legal and regulatory experts monitor relevant laws, supported by external counsel when needed.
- McBride actively engages with trade associations and industry bodies and is represented at a Board level within AISE, our European trade association.

Key developments

- Monitoring and oversight systems continue to be enhanced to address growing regulatory and reporting demands.
- Legislation roadmaps for chemicals and packaging inform the business of upcoming changes.
- Current focus is on implementing multiple labelling changes from various legislative updates such as the update to the Detergents Regulations and amendments to CLP.
- All divisions and Group functions have now been asked to consider what level of risk is posed by legislative non-compliance in their specific area and include this in their risk logs.

9. Economic, political and macro environment instability

Trend

Risk appetite rating: Moderate to high

How it links to our strategy:

Risk impact

- The geopolitical environment has become more volatile and fractious this year, primarily due to ongoing political and macroeconomic developments.
- Failure to react quickly to an increasingly volatile geopolitical landscape may impact our freedom to operate in specific markets, adversely impacting financial performance.
- General economic and geopolitical climate, disposable income, changing demographics and buying patterns could all impact consumer spending.
- A prolonged Middle East conflict, coupled with continued fallout from the Russian invasion of Ukraine, has the potential to distort global trade flows, creating shortages in specific areas.
- The prospect of trade tariffs could lead to prolonged periods of heightened inflation, impacting our cost base.

Mitigation

- Cross-functional steering groups manage acute issues, including inflation and other supply chain considerations.
- Robust and well-established sourcing strategies are supported by centrally administered currency and interest rate hedging.
- Specific pricing agreements have been implemented with a range of suppliers, designed to reduce input cost volatility.
- There is a proven record of being able to pass on inflationary costs through increased pricing.
- Our established forecasting and planning processes provide early visibility of significant changes in consumer demand patterns.
- Our Group-wide Sanctions Policy and risk-based process ensure compliance with international sanctions measures applicable to our business.

Key developments

- Further forecasting improvements provide us with the platform to assess and respond to long-term opportunities and risks.
- A commercial decision has been taken not to trade with any countries subject to comprehensive sanctions programmes, or with any entity or individual that is located, incorporated or ordinarily resident in any of these locations. In relation to other countries subject to less restrictive programmes, we assess risk and perform due diligence when establishing or reviewing any trade relationships in these territories.

10. Business transformation challenges

Trend

Risk appetite rating: Low

How it links to our strategy:

Risk impact

- Our business strategy is underpinned by a series of Transformation programmes which seek to improve our business performance and efficiency through structured process and systems re-engineering designed to simplify and strengthen our operating model.
- The multi-year deployment of a new business-wide ERP system is a core element of our transformation, which carries a significant risk of business disruption.
- Failure to execute and deliver the Transformation programmes effectively may adversely impact the delivery of benefits and our potential returns to shareholders.

Mitigation

- Our fully-resourced, dedicated, inter-disciplinary Transformation team ensures that progress on our Transformation programme is monitored on an ongoing basis.
- A dedicated Portfolio Review Board is now in place, responsible for oversight and stewardship of the Transformation programmes.
- Steering committees with Executive Committee sponsors and dedicated project managers are in place for individual functional projects.
- A robust governance plan and detailed roadmap has already been agreed and developed on our multi-year ERP system deployment. This is continuously being tracked, monitored and refined to ensure on-time and on-budget delivery.

Key developments

- We have appointed a Group Transformation Director to lead our overall Transformation initiatives, driving programme oversight and governance, whilst facilitating effective change management across the Group.
- Appropriate and independent finance resource and support is provided to each Transformation programme.
- Our dedicated team of business process owners supported by a wider network of subject matter experts provide the necessary expertise and knowledge to effectively re-engineer and simplify activities in each project area.
- McBride has appointed an independent external partner to provide ongoing and independent monitoring and assurance on key areas of the Group's Transformation strategy related to SAP.

Going Concern and Viability Statement

In accordance with the UK Corporate Governance Code 2018, the Board has taken into consideration the Group's principal risks and uncertainties when determining whether to adopt the going concern basis of accounting and when assessing the prospects for the Group when preparing its viability statement.

Going concern statement

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the CFO's Report on pages 19 to 21. In addition, notes 20 and 21 to the consolidated financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit and liquidity risks. The Group meets its funding requirements through internal cash generation and bank credit facilities. At 30 June 2025, liquidity, as defined in note 30 to the consolidated financial statements, amounted to £141.4 million.

The Group's base case forecasts are based on the Board-approved budget and three-year plan. They indicate sufficient liquidity, debt cover and interest cover throughout the going concern review period to ensure compliance with current banking covenants. The Group's base case scenario assumes:

- average revenue growth of c.4% per annum, driven predominantly by volume increases;
- raw material input costs growing at levels consistent with expected revenue growth;
- interest rates reducing in line with current market expectations; and
- a Sterling to Euro exchange rate of £1:€1.20.

The Directors have considered the Group's principal risks with the highest likelihood of occurrence or the severest impact, and the adverse effect this would have on the Group's financial forecasts. Changing market, customer and consumer dynamics could adversely impact revenue growth. Lack of supply chain resilience influences raw material and packaging input costs. Economic, political and macro environment instability potentially affects both revenue growth and input costs, in addition to market interest rates and foreign exchange rates. Considering these risks, a severe but plausible downside scenario to stress test the Group's financial forecasts has been modelled, with the following assumptions:

- a 5% year-on-year reduction in revenue in 2026;
- revenue growth reducing to 1% in 2027 and 2028, being half of the Group's long-term target of 2%;
- an increase in raw material and packaging input costs compared to latest forecasts;
- interest rates increasing by 100 basis points; and
- Sterling appreciating significantly against the Euro to £1:€1.25.

In the event that such a severe but plausible downside risk scenario occurs, the Group would remain compliant with current banking covenants.

After reviewing the current liquidity position, financial forecasts, stress testing of potential risks and considering the uncertainties described above, and based on the currently committed funding facilities, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operational existence and without significant curtailment of operations for the foreseeable future. For these reasons the Directors continue to adopt the going concern basis of accounting in preparing the Group financial statements.

Viability statement

In accordance with the requirements of the UK Corporate Governance Code 2018, the Directors have performed a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. The Board has determined that a three-year period to 30 June 2028 constitutes an appropriate period over which to provide its viability statement. The strategic plan under our Compass strategy is based on detailed action plans developed by the Group with specific initiatives and accountabilities; there is inherently less certainty in the projections for years four and five.

The Group has a €200 million multi-currency, sustainability-linked RCF, with a tenor to November 2028, as well as an uncommitted €75 million accordion feature and a number of facilities whereby it could borrow against certain of its trade receivables: in the UK, a £20 million facility, committed until May 2026; in Spain, France and Belgium, an unlimited facility committed until May 2026; in Germany and Denmark, a €45 million facility, committed until May 2026; and in Italy, a €23 million facility, committed until April 2028. The Group can borrow from the provider of the relevant facility up to the lower of the facility limit and the value of the qualifying receivables.

The Group's strategic plan assumes that financing facilities will be available on an appropriate basis and as required to meet the Group's capital investment and growth strategies for the entire viability period.

In assessing the Group's viability, the Directors have considered the current financial position of the Group and its principal risks and uncertainties. The analysis considers a severe but plausible downside scenario, featuring the principal risks from a financial and operational perspective, with the resulting impact on key metrics, such as liquidity headroom and covenants. The downside risk scenario assumes sensitivity around exchange rates and interest rates, along with significant reductions in revenue and cash flow over the three-year period. The Group's global footprint, product diversification and access to external financing all provide resilience against these factors and the other principal risks to which the Group is exposed.

Whilst the Group ends the year with net current liabilities of £11.3 million (2024: £26.0m), the Directors conclude that the Group has access to sufficient financing facilities in order to support this position.

After conducting their viability review, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment to 30 June 2028.

The Strategic Report was approved by the Board on 16 September 2025 and signed on its behalf by:

Chris Smith
Chief Executive Officer

Chairman's Introduction to Governance Report

Dear shareholder

On behalf of the Board, I am pleased to present this year's Governance Report and the audited Consolidated and Company Financial Statements for the year ended 30 June 2025, and to update you on the work of the Board and its Committees and how we have discharged our responsibilities during this financial year.

Board leadership

As Chairman, I am responsible for leading and ensuring an effective Board. Pleasingly, this year has seen the Group deliver successfully upon its strategy and, as a result, the Group's performance has been sustained at the record levels achieved last year. In the year ahead, the Board will be focused on building upon the foundations laid this year and, in doing so, we expect to deliver for our stakeholders and to create further value for our shareholders. I would like again to pay tribute to my Board colleagues for their dedication and outstanding support throughout the year.

Governance

The application of the Principles of the 2018 UK Corporate Governance Code (the '2018 Code') is evidenced throughout this Annual Report.

We are accountable to all our stakeholders for ensuring that governance processes are in place and, from 1 July 2025, we are fully committed to meeting the standards of the new 2024 UK Corporate Governance Code (the '2024 Code') as far as it is in effect and applies to a FTSE SmallCap company. The table on page 61 provides details of our compliance with the 2018 Code for the financial year under review. We have also been reviewing and, where necessary, revising our corporate governance processes to ensure that we are able to comply with the 2024 UK Code on the basis stated above.

Dividend

As outlined in the RNS dated 29 November 2024, as a result of the refinancing of the Company's RCF, the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs.

The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025. Such dividend, if approved by shareholders at the Company's Annual General Meeting, shall be payable on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. As stated in the 2024 Annual Report, future dividends will be final dividends paid annually in cash, not by the allotment and issue of non-cumulative redeemable preference shares ('B Shares'). Accordingly, the final dividend proposed for the year ended 30 June 2025 will be paid in cash if approved by the shareholders.

With the restriction on the redemption of existing B Shares having been lifted as a result of the refinancing of the Company's credit facility, B Shares will be redeemable again (subject to any restrictions and compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which holders of B Shares are resident or to which holders of B Shares are subject) but limited to one redemption date falling in November of each year. Further details of how to redeem existing B Shares in November 2025 will be announced in due course.

S172 of the Companies Act 2006

Stakeholder interests are at the heart of every strategic and operational decision taken by the Board.

Our focus on discharging our responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006, and the impact our decisions will have on our stakeholder groups, is at the forefront of our minds at every Board and Committee meeting.

Further information on our stakeholders, how we have considered them in decisions during the year and our engagement with these stakeholders is set out on pages 23 to 26.

Board effectiveness

As Chairman, I am responsible for ensuring we continue to have an effective and functioning Board. We review our effectiveness as a Board on an annual basis, including an assessment of its Committees.

The internally led Board performance review undertaken in June 2025 gave us the opportunity to reflect on our own performance and consider areas of focus which will drive improvement and positive change over the coming years. Further details of the Board performance review can be found in the Nomination Committee Report on pages 70 to 71.

I will continue to work with my fellow Directors and with the Company Secretary to seek enhancements to the effectiveness of the Board and our Board Committees and create further focus on those areas that the Board believes will make the most impact in achieving long-term sustainable success for the business.

Annual General Meeting (AGM)

The 2025 AGM will be held at Arbeta, 11 Northampton Road, Manchester M40 5BP on 20 November 2025 at 2.00pm.

Each ordinary share of the Company carries one vote at General Meetings of the Company. Shares held in treasury and the B Shares have no voting rights.

A shareholder entitled to attend, speak and vote at a General Meeting may exercise their right to vote in person, by proxy, or in relation to corporate members, by corporate representatives. To be valid, notification of the appointment of a proxy must be received not less than 48 hours (excluding non-working days) before the General Meeting at which the person named in the proxy notice proposes to vote.

The Board would like to thank our colleagues, investors, lender group, customers and suppliers for their continued support. I believe that your Board has the right balance of skills, expertise and experience to continue to support and challenge management as we move forward in embedding our business and transformational strategies.

Jeff Nodland
Chairman

Pleasingly, this year has seen the Group deliver successfully upon its strategy and, as a result, the Group's performance has been sustained at the record levels achieved last year. In the year ahead, the Board will be focused on building upon the foundations laid this year and, in doing so, we expect to deliver for our stakeholders and to create further value for our shareholders.

Jeff Nodland
Chairman

N R

Jeff Nodland
Chairman

Appointed to the Board:
26 June 2019

Skills and experience:
Jeff has significant experience in consumer chemicals manufacturing businesses, including both private label and contract manufacturing activities.

He was most recently President and CEO of KIK Custom Products, one of North America's largest independent manufacturers of consumer-packaged goods (including branded and private label products), retiring in February 2019 after eleven years in the role.

During that time Jeff led the financial turnaround and growth of the business, both organically and via acquisition.

Previously, Jeff held executive positions at specialty chemical businesses including Hexion Speciality Chemicals, Inc., McWhorter Technologies and The Valspar Corporation, with responsibility for activities at a number of chemical plants in Europe. In addition, Jeff was previously a Non-Executive Director of Pioneer Recycling Inc.

Other roles:
Non-Executive Chair of EcoSynthetix Inc., Partner of Brenton Point Capital Partners and Board member of Trademark Cosmetics Inc.

Chris Smith
Chief Executive Officer

Appointed to the Board:
7 January 2015

Skills and experience:
Chris joined the Company in 2015 as Chief Financial Officer. During the period 22 July 2019 to 1 November 2019 he held the position of Interim Chief Executive Officer and on 11 June 2020 he was appointed to the role of Chief Executive Officer.

Chris's career spans over 30 years working in listed manufacturing businesses in highly competitive global industries. He brings extensive experience of international leadership in multi-site and multi-country organisations, covering mostly the UK, Europe and Asia Pacific.

From 2008 to 2014, Chris was Group Finance Director at API Group plc, the AIM-listed specialty metallic film, foil and laminates producer. Other previous roles have included Scapa plc, where he was Finance and IT Director for Europe and Asia, and also a number of senior finance roles at Courtaulds plc, where he gained extensive international experience, including overseas positions based in Germany and Hong Kong.

Mark Strickland
Chief Financial Officer

Appointed to the Board:
4 January 2021

Skills and experience:
Mark has operated at the C-Suite level for more than 25 years, possessing extensive and hands-on finance experience across chemicals, logistics, retail/own label food businesses, B2B/B2C services, insurance and financial services.

More recently, Mark has been involved in a number of business turnarounds/transformations and has delivered a number of successful private equity exits (having worked with CBPE, Apollo and Promethean). Immediately prior to joining McBride, he was Interim Chief Financial Officer at The AA plc.

Mark has an MBA from Manchester Business School and is a Fellow member of CIMA.

A N R

Elizabeth McMeikan
Senior Independent Non-Executive Director

Appointed to the Board:
14 November 2019

Skills and experience:
Elizabeth has extensive experience within the consumer goods and retail sectors, including senior management roles in operations and marketing at Colgate Palmolive and Tesco. This, combined with her strong non-executive experience, makes her a valued member of the Board.

Her past appointments include Senior Independent Director and Remuneration Committee Chair of Unite Group plc, Senior Independent Director at J.D. Wetherspoon plc and Senior Independent Director and Remuneration Committee Chair at Flybe plc.

Other roles:
Non-Executive Chair of Nichols plc, Senior Independent Director and Remuneration Committee Chair at Dalata Hotel Group plc, Senior Independent Director at Custodian Property Income REIT plc and Non-Executive Director and Chair of the Audit Committee of Fresca Group Ltd.

A N R

Alastair Murray
Independent Non-Executive Director

Appointed to the Board:
2 August 2021

Skills and experience:
Alastair, a chartered management accountant, brings a strong financial background, having operated as Chief Financial Officer of Premier Foods plc until August 2019. He has recent and relevant financial experience across a number of listed companies, including Premier Foods plc, Dairy Crest plc and The Body Shop International plc.

As well as a background in finance, Alastair has significant experience in corporate strategy, restructuring and M&A.

Other roles:
Independent Member of the Audit and Risk Committee for the Department for Education and Non-Executive Director and Chair of the Audit and Risk Committee at Greencore Group plc.

A N R

Regi Aalstad
Independent Non-Executive Director (and designated Non-Executive Director for employee engagement)

Appointed to the Board:
14 March 2022

Skills and experience:
Regi has extensive leadership experience in global fast-moving consumer goods. She has held Regional General Manager and Vice President positions with Procter & Gamble (P&G) in Europe, Asia, the Middle East and Africa. She first joined P&G in the Nordics within the laundry and cleaning sector. Regi is currently a Non-Executive Director, operating internationally, and she also works as an adviser to private equity companies and as a coach.

Regi holds a Master of Business Administration from the University of Michigan, USA.

Regi has previously held Non-Executive Director positions at Telenor ASA, Geberit AG and Plair SA, and as chair of an international NGO.

Other roles:
Non-Executive Director at Billerud AB, C-Loop Packaging AB and Gmelius SA, and a Director of Regina Sarl.

Key: A Audit and Risk Committee | N Nomination Committee | R Remuneration Committee | ● Chair

Compliance with the UK Corporate Governance Code 2018

The Board is pleased to report that the Company has applied the Principles and complied with the provisions of the UK Corporate Governance Code 2018 (the '2018 Code') for its financial year ended 30 June 2025. The 2018 Code is published by the Financial Reporting Council, a full copy of which can be viewed on its website **www.frc.org.uk**. The Board acknowledges the release of the UK Corporate Governance Code 2024 (the '2024 Code') in January 2024. The Company will report on compliance with the 2024 Code from the financial year commencing on 1 July 2025, except for Provision 29, which will apply to the Company from 1 July 2026.

The table below provides a guide to the most relevant explanations for how the Company has complied with each Principle.

Board leadership and Company purpose	Page reference
A. An effective and entrepreneurial Board promotes the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.	pages 1 to 58, 60 and 62 to 67
B. Purpose, values and strategy are set and align with culture, which is promoted by the Board.	pages 5 to 10, 34, 62 to 67 and 82
C. Resources allow the Company to meet its objectives and measure performance. A framework of controls enables assessment and management of risk.	pages 39, 49, 53 to 57 and 76 to 79
D. Engagement with shareholders and stakeholders is effective and encourages their participation.	pages 23 to 26 and 62 to 63
E. Oversight of workforce policies and practices ensures consistency with values and supports long-term sustainable success. The workforce is able to raise matters of concern.	pages 23, 34 to 38, 62 to 63 and 67

Division of responsibilities	Page reference
F. The Chairman is objective and leads an effective Board with constructive relations.	pages 59 to 60 and 64 to 67
G. The Board comprises an appropriate combination of Non-Executive and Executive Directors, with a clear division of responsibilities.	pages 59 to 60 and 64 to 65
H. Non-Executive Directors commit appropriate time in line with their role.	pages 66, 68, 73 and 98
I. The Company Secretary and the correct policies, processes, information, time and resources support Board functioning.	pages 62 to 67

Composition, succession and evaluation	Page reference
J. There is a procedure for Board appointments and succession plans for Board and senior management which recognise merit and promote diversity.	pages 59 and 68 to 72
K. There is a combination of skills, experience and knowledge across the Board and its Committees. Tenure and membership are regularly considered.	pages 60, 64, 65 and 68 to 72
L. Annual evaluation of the Board and Directors considers overall composition, diversity, effectiveness and contribution.	pages 59 and 69

Audit, risk and internal control	Page reference
M. Policies and procedures ensure the independence and effectiveness of internal and external audit functions. The Board satisfies itself of the integrity of financial and narrative statements.	pages 73 to 79
N. A fair, balanced and understandable assessment of the Company's position and prospects is presented.	pages 1 to 58, 79 and 104 to 124
O. Procedures manage and oversee risk, the internal control framework and the extent of principal risks the Company is willing to take to achieve its long-term strategic objectives.	pages 53 to 57, 63 and 73 to 79

Remuneration	Page reference
P. Remuneration policies and practices are designed to support strategy and promote long-term sustainable success, with executive remuneration aligned to Company purpose, values and strategic delivery.	pages 80 to 86
Q. A transparent and formal procedure is used to develop policy and agree executive and senior management remuneration.	pages 80 to 81 and 97
R. Independent judgement and discretion is exercised over remuneration outcomes taking account of the relevant wider context.	pages 80 to 86 and 97

Introduction

In this Annual Report we report on how we have applied the main Principles of the 2018 Code and followed its recommendations. A cross-referencing table to each Code Principle can be found on page 61.

The Governance Report complements the Strategic Report and explains how the Board operates within a robust governance framework, which underlies the work of the Directors to ensure that the Company's purpose, values, strategy and culture are aligned. The Board's role is promoting the Group's long-term success; setting its strategic aims and values; supporting leadership to put them into effect; supervising and constructively challenging leadership on the operational running of the business; ensuring a framework of prudent and effective controls; and reporting to shareholders on the Board's stewardship. We trust that the Strategic and Governance Reports together enable our stakeholders to assess the effectiveness of those frameworks and the quality of their outcomes.

Business model, strategy and risks

Strategy

Good progress was made in implementing the Transformation programme during the year, which continued to drive improvements in the areas of productivity, Service Excellence, Commercial Excellence and investment in best-in-class technology. The Transformation programme is central to the Company achieving its strategic objectives and ensuring sustained margin improvement and revenue growth.

As a Board, we reviewed the strategic direction of each division during the year. The review again confirmed the Compass approach, divisional organisation and the strategic direction of each division, whilst reaffirming the fact that our purpose, vision and values continue to set the right objectives for the Group. On pages 27 to 39 we explain our approach to enhancing the sustainability of our business, whilst outlining some of the key initiatives we are taking to create value for our customers, employees, shareholders and society. Further details on strategic topics assessed by the Board during 2025 can be found on page 63.

Purpose, values and culture

McBride's purpose, values and culture have sustainability at their heart. Whilst we operate through five divisions, we have a single vision and purpose and common values. Our guiding principles of focused profitable growth, backed by effective execution and a strong McBride identity, provide strategic direction towards achieving our vision and purpose and delivering long-term sustainable success. As explained in the Strategic Report, to fulfil our commitment to our stakeholders to govern responsibly, we need to ensure that we have a full understanding of the impact of our products and the way we conduct business, on people and the environment.

Our sustainability framework is therefore based around four objectives:

- product and design;
- production and operations;
- our people; and
- community and society.

McBride continues to encourage a sense of belonging and employee engagement to ensure a motivated and productive workforce. We are continuing to focus on the development of our people and on promoting a diverse and inclusive culture. The measurements the Board uses to evaluate culture continue to evolve and include employee engagement surveys, senior leaders' pulse surveys and monitoring HR statistics such as absenteeism, employee turnover, learning and development completion rates and safety incidents. Some of these are already part of our non-financial KPIs as set out in the Strategic Report. Regi Aalstad has continued in her role as designated Non-Executive Director for employee engagement and her attendance at the European Works Council meetings has also assisted the Board in evaluating our culture.

Stakeholder engagement

The Board is aware of its obligations both collectively and individually to promote the success of the Company for the benefit of its stakeholders as a whole: its workforce, its customers, its suppliers, its shareholders and its communities. Having an overall understanding of our stakeholders' perspectives and values, and considering them in our decision making and planning, is crucial to the Group's continued success and we value their broad range of perspectives. Comprehensive engagement allows us to make informed decisions, whilst considering the consequences of our actions on the different stakeholder groups. The Board is mindful of all of the Group's stakeholders when making decisions of strategic importance.

Workforce engagement

In accordance with Provision 5 of the 2018 Code, the Board appointed Regi Aalstad, independent Non-Executive Director, as the designated Non-Executive Director for employee engagement in November 2022. As stated above, Regi has continued in this role in the financial year under review.

During the year, the Board visited a number of the Group's manufacturing plants and offices, and spent time with our colleagues. Engaging with the workforce, both formally and informally, is a priority for the Board to ensure that we are aware of the views of the workforce and can address any concerns they may have.

The Board also received feedback from the Group's DEI survey, and inputted into how that could lead to the creation of the inclusion, belonging and fairness strategy, a refreshed and intentional framework that builds on our previous DEI efforts.

Customer engagement

Engagement with customers is at the operational level. The Board receives regular updates from the CEO and members of the senior management team on customer sales performance and ongoing customer engagement. These updates assist the Board in developing and maintaining its understanding of any potential issues and how these could be addressed. Further details of engagement with customers can be found on page 24.

Supplier engagement

Further details on engagement with our suppliers can be found on page 25.

Stakeholder engagement continued

Communities

The Board is conscious of the need to positively impact the communities living and working around us by providing employment within our communities and by our increased focus on ESG initiatives. Further details of engagement within our communities can be found on page 26.

Shareholder engagement

The Board recognises the importance of regular, open and constructive dialogue with shareholders throughout the year. The Board welcomes the opportunity to openly engage with shareholders and help them understand our business. Details of engagement with shareholders can be found on page 25.

Board activity in 2025

Included here is a non-exhaustive list of areas of focus, actions and decisions taken by the Board during the year. The Board's focus has principally been on: (i) governance and risk; (ii) the market and economic environment; (iii) trading, financial and operational performance; (iv) strategic development opportunities; and (v) training.

Governance and risk

Matters considered

- Approved the Annual Report and Accounts
- Approved the business to be considered at the AGM
- Shareholder discussion and feedback
- Received updates from the Audit and Risk Committee, Nomination Committee and Remuneration Committee
- Approved Committee Terms of Reference
- Corporate policies review and approval
- Corporate governance horizon scanning
- Health and safety updates
- Sustainability updates
- Insurance programme renewal
- Litigation updates

Market and economic environment

Matters considered

- Market and customer development updates
- Competitor activity analysis
- Raw material market updates
- Inflation outlook
- Sales and pricing activity reviews
- Purchasing performance and feedstock forecasts
- Forward outlook for FX and interest rates

Trading, financial and operational performance

Matters considered

- Financial management and performance
- Banking, tax and treasury strategy and policy reviews
- Review and approval of three-year plans and budgets
- Review of pricing strategy
- Divisional performance reviews
- Refinancing of the Group's banking facilities
- Approval of full-year and half-year announcements and other trading updates
- Annual Report and Accounts review and approval
- Consideration of shareholder views and analyst expectations
- Consideration of reintroducing dividends to ordinary shareholders
- Consideration of the share price performance
- Review of the management of the defined benefit pension scheme, including the triennial valuation
- Review of the colleague DEI survey

Strategic development opportunities

Matters considered

- Review of divisional and organisational strategies
- Key operational project progress reviews, including major capital expenditure investment proposals
- Transformation programmes
- Overseeing strategic implementation
- M&A opportunities
- Review of talent strategy
- Regulatory affairs updates

Training

Matters considered

- Sustainability
- Environmental reporting
- Cyber security
- Artificial intelligence
- Diversity, equity and inclusion
- 2024 UK Corporate Governance Code

The Board

The Board has collective responsibility for leading the Group and promoting its long-term success. It has the prime role of confirming the Group's purpose and vision and agreeing a sustainable strategy that supports its purpose. It is responsible for setting cultural expectations that drive ethical and responsible business conduct.

As at 30 June 2025, the Board of Directors comprised the Non-Executive Chairman, three independent Non-Executive Directors and two Executive Directors. Additional responsibilities assigned to certain Non-Executive Directors are explained on page 65.

The composition of the Board is subject to review and is a responsibility delegated to the Nomination Committee. Details of the tenure, gender, nationality and relevant experience of Board members are set out below.

Board Committees

The Board is directly assisted in the discharge of its duties by three Board Committees: the Nomination Committee, the Audit and Risk Committee and the Remuneration Committee. The remit, authority and composition of the Committees is monitored to ensure effective Board support. Each Committee provides dedicated focus to a defined area of responsibility with the nature of delegated work ranging from a recommendation being made to the Board or, if within its agreed authority, a final decision being taken on behalf of the Board. Further information on the specific role of each Committee is set out in their respective reports on pages 68 to 99.

The Nomination Committee

The Board has established a Nomination Committee. The Nomination Committee is responsible for setting out and monitoring the Board's succession plans, reviewing the composition and diversity of the Board and proposing new appointments to the Board. Further detail of the composition of the Nomination Committee and its work during the year can be found on pages 68 to 72.

The Audit and Risk Committee

The Board has established an Audit and Risk Committee of independent Non-Executive Directors. The Audit and Risk Committee is responsible for monitoring the integrity of the financial statements, reviewing the effectiveness of internal controls and risk management systems and overseeing the relationship with the independent auditors.

Details of its composition and work during the year are set out in the Audit and Risk Committee Report on pages 73 to 79. The Board is satisfied that the Chair of the Audit and Risk Committee has recent and relevant financial experience including competence in accounting.

The Remuneration Committee

The Board has established a Remuneration Committee, the composition and role of which is set out in the Remuneration Committee Report. The Remuneration Committee ensures that the remuneration policies and practices are designed to support the Company's strategy and promote long-term sustainable success. Further details of the work of the Remuneration Committee throughout the year can be found on pages 80 to 99.

Operational management

The management of the Group's business activities is delegated to the CEO, who is ultimately responsible for establishing objectives and monitoring executive actions and for the overall performance of the business. The day-to-day management and global governance of the business is delegated to members of the Executive Committee on a structured functional basis.

As at 30 June 2025, the membership of the Executive Committee comprised the Chief Executive Officer, the Chief Financial Officer, the Divisional Managing Directors of the three largest divisions, namely Liquids, Unit Dosing and Powders, and the Chief HR Officer.

Board composition as at 30 June 2025

Tenure

- 0-6 years **4**
- 6-9 years **1**
- 9+ years **1**

Gender

- Male **4**
- Female **2**

Nationality

- British **4**
- Norwegian **1**
- American **1**

Relevant experience

- Manufacturing **5**
- Finance **3**
- Retail **1**
- Chemicals **1**

Roles within the Board

The roles of the Chairman and the Chief Executive Officer are separate and there is a clear division of responsibility between the executive and non-executive members of the Board. Details of these responsibilities are set out below:

Chairman of the Board

Responsible for:

- overall leadership and governance of the Board, ensuring it operates effectively in terms of agenda setting, information management, induction, development and performance review;
- maintaining a focus on strategy, performance and value creation and the assessment of significant risks in the implementation of strategy;
- ensuring the Board as a whole has a clear understanding of shareholder, customer and workforce views;
- promoting a healthy culture of challenge and debate at Board and Committee meetings and encouraging constructive debate and decision making;
- fostering effective relationships and open communication between all Directors;
- ensuring both Board and shareholder meetings are properly conducted; and
- developing a supportive working relationship with the Chief Executive Officer.

Senior Independent Director

Responsible for:

- providing a sounding board for the Chairman and acting as an intermediary between other Directors when necessary;
- evaluating the performance of the Chairman on behalf of the Directors; and
- being available to shareholders, where contact through the Chairman or Executive Directors is not appropriate.

Non-Executive Directors

Responsible for:

- providing the skills, experience and knowledge to assist the Board's decision making;
- challenging and assisting with developing and establishing objectives and monitoring the Group's business model and strategy;
- measuring and reviewing the performance of the Executive Directors;
- providing independent insight and support and advice to the Executive Directors;
- reviewing Group financial information and overseeing the effectiveness of the Company's internal controls;
- reviewing succession plans for Board Directors and senior managers and supporting inclusion and diversity; and
- setting policy in respect of Executive Director remuneration.

Chief Executive Officer

Responsible for:

- effective leadership and development of the executive management team and operational running of the Group;
- developing and implementing the Group's business model and strategy;
- effectively communicating the Group's strategy and performance; and
- building positive relationships by engaging appropriately with all internal and external stakeholders.

Chief Financial Officer

Responsible for:

- deputising for the Chief Executive Officer;
- proposing policy and actions to support sound financial management, including in relation to funding and net debt;
- leading the Finance, Tax, Treasury and IT functions;
- leading on mergers and acquisitions; and
- overseeing the defined benefit pension scheme.

Company Secretary

Responsible for:

- compliance with Board procedures and supporting the Chairman of the Board;
- ensuring the Board has high-quality information, adequate reading time and the appropriate resources;
- advising and keeping the Board updated on corporate governance developments;
- considering Board effectiveness in conjunction with the Chairman;
- facilitating the Directors' induction programmes and assisting with professional development; and
- providing advice, services and support to the Directors as and when required.

How the Board operates

Boardroom culture

The Board recognises the importance of establishing the right culture and values and communicating this message consistently throughout the organisation. It is important that the Board provides strong and effective leadership, constructive challenge and accepts collective accountability for the long-term sustainable success of the Group. In so doing, it will continue to drive and deliver our strategy in the best interests of all our stakeholders.

A strong feature of the Board's effectiveness in delivering the Group's strategy is our inclusive and open style of interaction which benefits from a free flow of information between the Executive and Non-Executive Directors. The size of our Board encourages Directors to discuss matters openly and freely and to make individual contributions through the exercise of their personal skills and experience. No individual has unfettered powers of decision making.

All Directors communicate with each other on a regular basis and contact with the Group's senior managers is sought and encouraged. In-person Board meetings have been held at various site locations across the Group in both 2024 and 2025.

Independence

All Non-Executive Directors have been appointed for their specific areas of knowledge and expertise. They are independent of management and exercise their duties in good faith based on judgements informed by their personal experience. This ensures that matters can be debated constructively in relation to both the development of strategy and assessment of performance against the objectives set by the Board.

It is believed that the balance between non-executive and executive representation continues to encourage healthy independent challenge.

Powers of Directors

The powers of the Directors are determined by the Articles of Association ('Articles'), which are available on our website, UK legislation, including the Companies Act 2006, and any directions given by the Company in a General Meeting. The Directors are authorised by the Company's Articles to issue and allot ordinary shares and to make market purchases of the Company's own shares. These powers are referred to shareholders for renewal at each AGM.

The appointment and replacement of Directors is governed by the Company's Articles, the 2024 Code from 1 July 2025 (with the 2018 Code applying up to 30 June 2025), the Companies Act 2006 and related legislation.

The Directors may from time to time appoint one or more Directors. As required by the Articles, any Director appointed during the year will be required to step down and stand for election at the next AGM.

Any amendments to the Articles can only be made by special resolution at a General Meeting of shareholders.

Subject to the Articles and the Companies Act 2006 and any directions given by special resolution, the business of the Company is managed by the Board who may exercise all the powers of the Company.

Conflicts of interest

In line with the Companies Act 2006 and the Articles, the Company has a strict process in place to manage conflicts of interest.

A Director who becomes aware that they or their Connected Persons have an interest in an existing or proposed transaction with the Company is required to declare that interest at a meeting of the Board. Such disclosures are recorded and compliance reviewed at each meeting. Under the powers granted by the Articles, the Board is authorised to approve such conflicts where appropriate.

No Director had a material interest at any time in any contract of significance with the Company other than their service contract or letter of appointment.

Re-election of Directors

The Board is satisfied that all the Directors standing for re-election perform effectively and demonstrate commitment to their roles. This has been demonstrated during the year by the willingness of the Directors to attend additional Board meetings, as well as from the general support they have given to the Executive Directors and senior managers. When appropriate, any changes to the commitments of any Director are considered in advance by the Board to ensure they are still able to fulfil their duties satisfactorily.

Although the Articles require the Directors to submit themselves for re-election at every third AGM, in line with the requirements of the 2024 Code, all Directors are subject to annual re-election at the AGM.

The biographies for each Director seeking re-election are set out in the 2025 Notice of Meeting. These provide details of the skills and experience which demonstrates why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success.

The Board, its Committees and the individual Directors participate in an annual performance review. Further details of the performance review process can be found in the Nomination Committee Report on pages 70 to 71.

The Committee confirmed the continuing independent and objective judgement of all the Non-Executive Directors. The performance review process also confirmed that the performance of all the current Directors standing for re-appointment continued to be effective and demonstrated that the Board has the necessary range of skills, knowledge and diversity of thought.

Policies

Whilst the Board takes overall responsibility for approving Group policies, including those relating to business ethics, health and safety, environmental matters, anti-bribery and corruption and whistleblowing, their implementation is delegated to the Chief Executive Officer and cascaded throughout the organisation via the Executive Committee and the various functional teams.

Time commitment

The expected time commitment of the Chairman and Non-Executive Directors is agreed and set out in writing in the letters of appointment confirming their position. The existing demands on a Non-Executive Director's time are assessed on appointment to confirm their capacity to take on the role. The Nomination Committee reviews Directors' external commitments annually to ensure they still have sufficient capacity to fulfil their role. Further appointments which could impair their ability to meet these arrangements can only be accepted following approval by the Board. The taking on of any external appointment by an Executive Director is subject to Board consent.

There were seven scheduled meetings in the year to 30 June 2025. Scheduled meetings of the Board follow an agreed format, with agendas developed by the Chairman, Chief Executive Officer and Company Secretary, who consider the Board's annual plan of business and the current status of projects, strategic workstreams and overarching operating content. Adequate time is allocated to support effective and constructive discussion of each item. An electronic resources portal allows efficient navigation of Board papers.

Board and other meetings

Board papers are prepared and issued prior to each Board meeting to allow Directors sufficient time to give due consideration to all matters. Directors are able to take independent professional advice, if necessary, at the Company's expense.

The Board holds a minimum of seven meetings a year at regular intervals. Additional meetings are held on an ad hoc basis as and when required.

From time to time, the Board authorises the establishment of an additional committee or sub-committee to consider and, if thought fit, approve certain items of business.

During the year, the Non-Executive Directors have met without Executive Directors being present before or after each scheduled Board meeting. The Senior Independent Director has sought and obtained feedback from the Non-Executive Directors without the presence of the Chairman as part of the Board performance review exercise.

Board attendance

The table below shows the attendance at the scheduled Board and Committee meetings during the year to 30 June 2025.

Directors	Role	Board	Nomination	Audit and Risk	Remuneration
Number of meetings held in the year		7	4	4	4
Jeff Nodland	Chairman	7/7	4/4	—	4/4
Chris Smith	Chief Executive Officer	7/7	—	—	—
Mark Strickland	Chief Financial Officer	7/7	—	—	—
Elizabeth McMeikan	Senior Independent Non-Executive Director	7/7	4/4	4/4	4/4
Alastair Murray	Independent Non-Executive Director	7/7	4/4	4/4	4/4
Regi Aalstad	Independent Non-Executive Director	7/7	4/4	4/4	4/4

The Corporate Governance Statement was approved by the Board on 16 September 2025 and signed on its behalf by:

Jeff Nodland
Chairman

Nomination Committee Report

The Committee's focus this year has been succession planning, talent management and on continual improvement in the areas identified through the Board evaluation, building on the significant progress previously made.

Jeff Nodland
Chair of the Nomination Committee

Dear shareholder

On behalf of the Nomination Committee, I am pleased to present the Nomination Committee Report for the year ended 30 June 2025.

The Committee's key objective is to ensure that the Board comprises individuals with the appropriate skills, knowledge, experience and diversity to ensure that McBride can fulfil its purpose, achieve its vision and execute its strategy.

Composition of the Nomination Committee

I chair the Nomination Committee and was regarded as independent on appointment. I will not chair the Committee when it is dealing with matters of succession to the Chairmanship of the Board or assessment of the Chairman of the Board's performance. The Committee also comprises three other independent Non-Executive Directors: Elizabeth McMeikan, Regi Aalstad and Alastair Murray. As reported on page 67, the Committee held four formally scheduled meetings during the year, with each Committee member attending all meetings.

Induction, development and support

On appointment, all new Directors undergo a formal and in-depth induction programme to provide them with an appropriate understanding of the business and what is expected of them in their role as a Director. This involves site visits, meetings with senior management and provision of access to key documents relating to their role. External training may also be provided by independent legal advisers in relation to the key duties of Directors and required governance principles.

The Board recognises the importance of ongoing training and development to ensure Directors have the skills and knowledge to discharge their duties effectively. This can take the form of briefing papers and/or presentations on strategic, regulatory and legislative developments and other topics of specific relevance to ensure that the Directors continually update their knowledge of, and familiarity with, the Group's business and the markets in which we operate. During the year, the Board received training updates on a quarterly basis from the Company's Group Head of Sustainability. The Board was provided with external training on cyber security and diversity, equity and inclusion (with the strategy now having been renamed as inclusion, belonging and fairness, building on the DEI work previously undertaken), as well as internal presentations on artificial intelligence, environmental reporting and the 2024 UK Corporate Governance Code.

All Directors have access to the Company Secretary, who is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operations.

Key responsibilities of the Nomination Committee

Details on our key responsibilities can be found below and in our Terms of Reference at **www.mcbride.co.uk**.

Board composition

- Review the ongoing composition of the Board and its Committees to ensure they have the necessary expertise and experience to discharge their role now and in the future.
- Lead the appointment process for new Directors.

Succession planning and talent management

- Ensure adequate plans are in place for effective succession planning at Board and management level.
- Review the measures in place for the development and retention of senior management.

Diversity and inclusion

- Ensure a balance of skills, knowledge, experience and diversity on the Board.
- Encourage diversity throughout the Group and oversee a diverse pipeline for succession.
- Review the Board's monitoring of diversity and inclusion initiatives to ensure compliance with the Board's policy.

Governance

- Oversee the Board performance review process.
- Agree an action plan addressing the results of the annual performance review process.

Key responsibilities of the Nomination Committee continued

Committee activities

Our principal activities during 2025 and up to the date of approval of this Annual Report were as follows:

Board composition	Reviewed the Board's skills matrix and the Board and Executive Committee Diversity and Board Succession Policies. The Committee reviewed and considered the performance and contribution made by each of Alastair Murray and Regi Aalstad as part of reviews conducted pursuant to the succession planning procedures. The Committee confirmed their effectiveness in their respective roles and acknowledged their valuable contributions to Board debates and, in the case of Alastair, effective chairmanship of the Audit and Risk Committee and, in the case of Regi, effective performance as designated Non-Executive Director for employee engagement. The Committee approved an additional term of three years for each of Alastair and Regi.
Re-election of Directors	After considering the individual contributions made by the Directors, it was recommended to the Board that all Directors be proposed for re-election at the 2025 AGM.
Review of performance and effectiveness during 2025	Undertook a review of the Board and the Committee's performance and effectiveness as part of the annual Board performance review and considered progress against actions identified in the prior year Board evaluation.
Conflicts of interest and independence	Informed the Board of updates to the Conflicts of Interest Register. During the year, all independent Non-Executive Directors were considered to have maintained independence throughout the year.
External commitments and Director performance review	As a general principle, the Committee takes the view that Non-Executive Directors should have no more than four, and for Executive Directors no more than one, additional listed mandates. The Board has concluded that each Non-Executive Director has sufficient time to discharge their duties as a Director of the Company, taking into consideration their external appointments and commitments. The Committee will continue to review the external commitments of each Director on an annual basis. Details of the Directors' external commitments can be found on page 60. The Chairman assessed the performance of all Directors during the course of the year and met with each Non-Executive Director to discuss their performance and contribution to the Board. Directors' duties under section 172 of the Companies Act 2006 are referenced in the minutes at the beginning of every meeting.
Board and Executive Committee Inclusion and Diversity Policy	The Board and Executive Committee-level policy on diversity was reviewed to ensure the ongoing relevance of the Board's, its principal Committees' and the Company's Executive Committee's membership to a global manufacturing company in today's world. The diversity targets detailed in the policy and progress in achieving them were reviewed. Further details are set out on page 71.
Succession, talent and capability	The Board received various updates on executive and senior leader talent and succession planning, which enabled the Directors to monitor the internal talent pipeline and provide feedback. This update included analysis of the gender diversity of the talent pool, with a view towards continuing to improve diversity over the longer term. Work was undertaken with Korn Ferry on a Leadership Enterprise Success project focused on the Executive Committee members.

Assessing Board performance

Progress against 2024 actions

In last year's Annual Report, the Board reported on the key areas of focus from the 2024 Board evaluation. The table below sets out the Board's progress in the key areas of focus.

Key areas of focus from our 2024 evaluation	Actions to be taken throughout the year	Progress
Big trends and long-term view	Focusing more on the big trends, specifically how major shifts in markets, as well as in customer needs and expectations, are being anticipated and incorporated into the strategy, coupled with a shift in Board focus to a more long-term view, now that the period of instability has passed.	• The Board is now ensuring that bigger trends are given greater focus and this is reflected in Board topics and store visits. • There is an increased use of data to capture big trends. • More regular dialogue is being engaged in with customers to ensure their needs and expectations are understood and met. • Board reports and discussion are more focused on the long term.
Emerging technology	Giving more consideration to the opportunities and risks presented by emerging technology and how they are being reflected in the strategy.	• Technology is being assessed and implemented in the Group's strategy (for example, through the Group's Transformation and Sustainability programmes). • Training has been provided on artificial intelligence, including looking at the opportunities and risks it presents. • Key risks and mitigants are presented to the Board via the Audit and Risk Committee.
Risk	Continuing to further improve the oversight of risk, particularly cyber risk.	• Key risks are presented to the Board via the Audit and Risk Committee. • Training is provided on key areas, including cyber risk and artificial intelligence. • Insurance has been put in place to cover key risk areas, including cyber, and other action taken to improve the Group's resilience.

2025 Board performance review process

The Board recognises the importance and benefits of continually monitoring the Board's effectiveness. In June 2025, the Board conducted an online performance review, led by the Chairman. The review used Independent Audit Limited's ('Independent Audit') online system, Thinking Board© Evaluator, as the basis of the review. The respondents included the Board and the Company Secretary, who anonymously answered questions derived from the Thinking Board© library. A report was prepared by Independent Audit based on the results of the self-assessment, which Independent Audit then presented to the Committee. No interviews or document reviews were conducted as part of this exercise, and the report was based solely on the information gathered through the questionnaires.

The evaluation covered themes regarding what the Board does in the areas of strategy, the management team, financial oversight, risk management, people and culture, and stakeholders, as well as how the Board does this looking at the areas of composition, dynamics, information, meetings, its Committees and development. The Chairman held or will hold one-to-one discussions with each Director to discuss areas of focus for the year ahead.

The Senior Independent Director, Elizabeth McMeikan, received feedback from the Non-Executive Directors with regard to the Chairman's performance separately to the Board evaluation. Elizabeth discussed the feedback and any areas of development with the Chairman.

Assessing Board performance continued

2025 Board evaluation findings

The Board's main strengths identified by the evaluation were:

- the Board relationships between Non-Executive Directors and Executive Directors, with a good level of trust cited;
- healthy Board dynamics;
- effective chairmanship of the Board and the Committees;
- the Board feeling comfortable in their ability to constructively challenge; and
- the quality of the information received.

Areas of focus for 2026	Commentary and actions
Risk	Continuing to further improve oversight of risk, particularly in terms of how well the Board is prepared for a crisis.
Culture	Continuing to further improve oversight of establishing and embedding the Group's culture.
Succession	Further developing succession planning for the Group's Non-Executive Directors.

Succession planning

During the year, the Committee continued to develop its succession plan for all Board roles to ensure that appointments are made of individuals who have the appropriate skills, experience and personal characteristics.

Our succession planning involves the following steps:

1. Identify those roles that are subject to formal succession planning
2. Define the skills, competencies and experience required of individuals to undertake those roles
3. Identify internal talent or external sources to which recruitment will be directed
4. Assess the individuals to undertake the roles

In 2021, the Board approved a formal succession plan considering the Group's strategy and structure, the size and composition of the Board, the terms of appointment for the current Directors and the skills and expertise that McBride will need going forward. Short-term and medium-term plans were put in place for all roles subject to formal succession planning. The Committee currently believes that the Board is of an appropriate size and has the skills required for the Company's current requirements but continues to keep this under review and will look to implement the succession plan as and when it believes that there is a requirement for new Directors.

The Committee has reviewed the succession plan to ensure that it continues to support the development of a diverse pipeline with particular focus on key senior employees. Where internal candidates are identified, ongoing development will be put in place to ensure that they are prepared for the role.

Board appointments and election procedures

The Committee has overall responsibility for leading the process for new appointments to the Board and ensuring that the Board has Non-Executive Directors with relevant, diverse and complementary skills.

Any new Directors are appointed by the Board and, in accordance with the Company's Articles of Association, they must be elected at the next AGM to continue in office. All existing Directors retire by rotation and stand for re-election every year.

Diversity and inclusion

Board appointments are made based on merit against objective criteria whilst actively seeking diversity of skills, gender, social and ethnic backgrounds, cognitive and personal strengths. The policy in respect of Board and Executive Committee diversity is reviewed annually by the Committee and aims to ensure the optimal composition of the Board, its Committees and the Company's Executive Committee for successfully delivering McBride's strategy with the goal of achieving the targets contained in the FCA's UK Listing Rules on diversity which are included in the diversity objectives set out below.

In 2025, the Committee reviewed the Board and Executive Committee Diversity Policy, which sets out a commitment to encourage diversity and inclusion in the Board, its principal Committees and in the Executive Committee. The Board and Executive Committee Diversity Policy sets out to ensure that appointments are based on the best individual for the role and that the composition of the Board, its Committees and the Executive Committee should have an appropriate balance of skills and diversity to meet the requirements of the business. The Committee considers that it has successfully achieved diversity in terms of differing experience, education, background, thinking styles and gender, both on the Board and Executive Committee. However, the Committee acknowledges it must continue to move forward to embrace all aspects of diversity. As a global company with manufacturing sites in the EU and Asia, with two non-UK nationals on the Board and a further three non-UK nationals on the Executive Committee, the Company is well placed to continue on this journey.

Diversity and inclusion continued

At 30 June 2025, two out of six members of the Board were female (33.3%), two out of six members of the Executive Committee were female (33.3%) and 15 out of 47 of the direct reports to the Executive Committee were female (31.9%)[1].

At 30 June 2025, no members of the Board or the Executive Committee were from a non-white background.

The objectives of the Board and Executive Committee Diversity Policy are reviewed and recommended to the Board for adoption annually by the Committee. This year, the Board retained the objectives that were set in the prior year:

Objective	Implementation and progress
To ensure so far as possible that the proportion of women on the Board is not less than 40%.	The appointment of Regi Aalstad in March 2022 increased the proportion of women on the Board. However, the proportion of women remains at 33.3% as no additional Board members have been recruited during the year. The Committee believes that the current Board structure of two Executive and four Non-Executive Directors, including the Chairman, is appropriate for the size of the Company. However, McBride will continue to work towards its diversity target of 40% female representation and the Committee is hopeful that any future recruitment will enable the Board to exceed this target.
To ensure that at least one of the senior Board positions (Chair, CEO, SID or CFO) is a woman.	Elizabeth McMeikan remains in the role of Senior Independent Director.
To ensure so far as possible that the proportion of women within the Executive Committee and their direct reports is not less than 25%.	The minimum target for female representation within the Executive Committee and their direct reports has been achieved and maintained throughout the year. The Company will continue to ensure that there are no barriers for women rising to senior positions within McBride.
To ensure so far as possible that there is one member of the Board from a minority ethnic background.	As stated above, the Committee believes that the current Board structure of two Executive and four Non-Executive Directors, including the Chairman, is appropriate for the size of the Company. Whilst two of the current Board members are resident overseas, McBride will continue to work towards its diversity target to ensure that there is one member of the Board from a minority ethnic background. The Committee is hopeful that any future recruitment will enable the Board to meet or exceed this target.

(1) The Executive Committee figures include the two Executive Directors. The direct reports to the Executive Committee figures include all direct reports into any member of the Executive Committee, excluding direct reports who are, themselves, a member of the Executive Committee.

The Committee will continue to make recommendations for new appointments to the Board based on the best individual for the role, whilst ensuring that the Board's composition has an appropriate balance of skills and diversity to meet the requirements of the business.

2026 objectives

The Committee's focus for 2026 will be to continue to monitor succession planning, adapting where necessary to ensure that it supports McBride's strategy. The Committee will also consider talent management and capability, ensuring that this supports McBride's future plans.

Jeff Nodland
Chair of the Nomination Committee

Audit and Risk Committee Report

As the Company continues its transformation journey, including preparations for the upcoming SAP S/4HANA implementation in the UK, the Committee has maintained a strong focus on risk management and internal controls, and ensuring alignment with the requirements of the 2024 UK Corporate Governance Code.

Alastair Murray
Chair of the Audit and Risk Committee

Dear shareholder

On behalf of your Board, I am pleased to present the Audit and Risk Committee Report for the year ended 30 June 2025.

The Committee is responsible for monitoring and reviewing the integrity of the Group's financial reporting systems and for assessing and providing assurance on the adequacy and effectiveness of internal control policies and procedures in place for the identification, assessment and reporting of risk.

The Committee also reviews and oversees the relationship with the independent auditors, PricewaterhouseCoopers LLP (PwC), including the approval of the terms of their engagement and fees, their independence and expertise, and the effectiveness of the audit process. In addition to the disclosure requirements relating to audit and risk committees under the Code, the Committee's report sets out areas of significant and particular focus for the Committee.

Over the course of 2025, we carried out our usual work as set out on page 75. In addition, as the Company continues its transformation journey, including preparations for the upcoming SAP S/4HANA implementation in the UK, the Committee has maintained a strong focus on risk management and internal controls, and ensuring alignment with the requirements of the 2024 UK Corporate Governance Code.

Committee role

The Committee is responsible on behalf of the Board for:

- monitoring the integrity of the financial statements and overseeing the financial reporting process;
- reviewing the effectiveness of the Group's systems of risk management and internal control;
- reviewing the effectiveness of the Internal Audit function; and
- approving the appointment, re-appointment, remuneration and removal of the independent auditors, as well as the terms of the engagement and the provision of any non-audit services, overseeing the independent auditors' independence and effectiveness in delivering a quality audit.

The roles and responsibilities of the Committee are set out in its Terms of Reference. These are reviewed annually to ensure that they are aligned with best practice, including the recommendations of the ICSA: The Chartered Governance Institute. They were last revised in July 2025 to take account of the 2024 UK Corporate Governance Code that became effective from July 2025. A copy of the Committee's Terms of Reference is available on the Group's website at **www.mcbride.co.uk**.

Composition of the Audit and Risk Committee

I served as Chair of the Committee and Regi Aalstad and Elizabeth McMeikan served as members of the Committee throughout the year. As reported on page 67, the Committee met four times during the year, with all Committee members attending all four meetings.

For the purposes of the UK Corporate Governance Code, I qualify as a person with 'recent and relevant financial experience', being a Fellow of the Chartered Institute of Management Accountants and having previously been the Chief Financial Officer for Premier Foods plc. I have previously held other senior finance roles at Dairy Crest plc and The Body Shop International plc.

All members of the Committee are independent Non-Executive Directors, with a broad range of fast-moving consumer goods (FMCG), commercial, operational and financial experience relevant to the Group's business.

In addition to the Committee members, the Chief Executive Officer, Chief Financial Officer, Chairman, Group Finance Director, Head of Internal Audit and independent audit partner are regularly invited to attend and present at the Committee's meetings. During the year, PwC attended all four meetings.

During the year, I met separately with representatives of the independent auditors in the absence of the Executive Directors. I also had regular meetings with senior members of the Finance team and the Head of Internal Audit. This provided me with a better understanding and insight of the key risk and control issues raised, and ensured sufficient time was devoted to them at subsequent meetings.

Effectiveness of the Audit and Risk Committee

As part of the annual Board evaluation, the effectiveness of the Committee was reviewed by questionnaire. It was determined that the Committee continues to be effective in its role. More details on how the annual Board evaluation was conducted can be found on pages 70 and 71 of the Nomination Committee Report.

The Board is satisfied that each of the Committee members is independent, and that the Committee as a whole has the necessary commercial, financial and audit expertise required to fulfil its responsibilities. The members of the Committee have a wide range of business, international and governance expertise both within the sector and elsewhere, as shown in their biographies on page 60. The Board has determined that the Committee has competence relevant to the sector in which the Group operates.

Independent auditors

The Audit and Risk Committee has primary responsibility for making recommendations to the Board on the appointment, re-appointment and removal of the independent auditors. This is submitted to shareholders for their approval at the Company's AGM.

As part of its oversight of the independent auditors, the Committee has undertaken its annual assessment of the auditors and audit process. This included the Committee's own evaluation of the reports and services received, such as the scope, strategy, approach, audit hours, quality of reports presented to the Committee, value added and outcome of the year-end audit.

The Committee also considered the professionalism, competence and objectivity, constructive challenge of management and key judgements of the auditors. In its assessment, the Committee took account of the views of management and the Committee's own experience and interactions with the independent auditors throughout the year. The Committee also considered the professionalism, competence and objectivity, constructive challenge of management and key judgements of the auditors. In its assessment the Committee took account of the views of management and the Committee's own experience and interactions with the independent auditors throughout the year.

The Committee has sought assurance from PwC of their compliance with applicable ethical guidance and, in addition, has taken account of the appropriate independence and objectivity guidelines.

The Committee considers the risk of PwC withdrawing from the market as remote, since they are one of the four largest accounting firms globally.

The Committee has considered and approved the terms of engagement and fees of PwC for the year ended 30 June 2025. Fees payable by the Group to PwC totalled £1.3 million (2024: £1.2m) in respect of audit services. There were no contingent fee arrangements with PwC.

Audit tenure

PwC was appointed as the Group's auditors on 14 November 2011. In accordance with the Companies Act 2006 and the EU Audit Regulation forming part of UK law (as amended by the EU Exit Regulations), a full tender for the appointment of the independent audit firm was undertaken during 2021, as a result of which PwC were re-appointed as our independent auditors from 2022.

The Committee remains satisfied with the level of independence, objectivity, expertise, fees, resources and general effectiveness of PwC and, accordingly, the Committee recommends (and the Board agrees) that a resolution for the re-appointment of PwC as independent auditors for the Company should be proposed at the forthcoming AGM in November 2025. The independent auditors are required to rotate the audit engagement partner every five years. Hazel Macnamara began her appointment as audit engagement partner in July 2023, therefore the audit in respect of the financial year ended 30 June 2025 was her third audit cycle.

Non-audit services

The Company maintains a detailed policy on the engagement of the independent auditors for non-audit services, designed to preserve their independence when performing the statutory audit. To avoid any conflict of interest, types of non-audit work are categorised as those:

- for which the auditors can be engaged without referral to the Committee;
- for which a case-by-case decision is necessary; and
- from which the independent auditors are excluded.

In accordance with this policy, other providers are considered for non-audit work. Such work is awarded based on expertise, service and cost. This policy is regularly reviewed; a copy is available from the Group's website at **www.mcbride.co.uk**.

Fees payable by the Group to PwC totalled £10,200 (2024: £2,000) in respect of non-audit services, equating to 0.8% of audit fees in relation to services rendered by PwC during the year (2024: 0.2%). These non-audit services involved other non-audit assurance services. The Committee is of the view that this has not threatened the independence or objectivity of the independent auditors.

The Company's policy on the employment of former employees of the independent auditors was adhered to during the financial year. No such employees were employed by any company in the Group.

In all other respects, the Committee is satisfied that the independent auditors have exercised an appropriate level of scepticism and challenge in relation to the Company's control environment.

FRC Corporate Reporting Review (CRR)

During the year, the Group corresponded with the FRC's CRR team in connection with its review of its Annual Report and Accounts for the year ended 30 June 2023. As is common practice with public limited companies, the FRC carried out a review in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The Audit and Risk Committee was involved in reviewing the Group's responses to the points raised by the CRR, which were closed by the FRC in September 2024 without further action being taken.

The FRC requested that in disclosing this engagement we note the limitations of their review, namely that it was based solely on its reading of the Annual Report and Accounts and did not benefit from a detailed knowledge of the business, or an understanding of the underlying transactions entered into. It is also noted that its review provided no assurance that the Annual Report and Accounts is correct in all material respects and that the FRC's role is not to verify the information provided but to consider compliance with reporting requirements.

Committee activities

The Committee received regular reports on the Group's trading performance, as well as progress on both the interim and full-year financial statements. Papers and other regular updates from both management and PwC have also been provided to assist the Committee in assessing whether suitable accounting policies have been adopted and appropriate judgements made by management.

The significant matters considered, and judgements undertaken during the financial year, are set out on pages 76 and 77. The Committee is satisfied that the presentation of the financial statements is appropriate and in accordance with the Group's accounting policies.

The Committee concluded that there were no major concerns that had not been addressed, that there was no evidence of systemic control weaknesses and that the overall control environment was acceptable for a group of McBride's size and nature.

As noted in the Directors' Report on page 100, during the course of the financial year ended 30 June 2025, the Directors became aware that certain dividends paid in November 2022 to November 2024 to holders of B Shares totalling £47,710.90 had been made, and certain loans paid in November 2023 to October 2024 to Apex Group Fiduciary Services Limited, in its capacity as trustee of the McBride plc Employee Benefit Trust 2012 (the 'Trustee'), totalling £5,100,339.38 may have been made, in each case otherwise than in accordance with the Companies Act 2006 because they were made without the Company itself holding sufficient distributable reserves and without interim accounts having been filed at Companies House prior to payment and/or, in the case of the loans, where they resulted in a reduction in the Company's net assets. A resolution to release the holders of B Shares, the Trustee and the Directors and certain former Directors of the Company in relation to such dividends and loans will be put to shareholders for approval at the 2025 AGM. Full details of the resolution are included in the Notice of AGM.

In April 2025, the Company received a dividend of £40.0 million from a subsidiary, thereby increasing the Company's distributable reserves to sufficient levels to support the Company's anticipated future distributions in the course of the 2025 calendar year. Further procedures have been put in place to ensure the Company's reserves are sufficient for relevant dividends to be paid and loans to be made in the future. These include reviewing the Company's anticipated upcoming distributable reserve requirements, establishing a process for paying dividends up to the Company to ensure the Company has sufficient distributable reserves for its requirements, checking the Company has sufficient distributable reserves before paying a dividend or making a loan, and updating the Audit and Risk Committee on the Company's distributable reserves at set intervals.

Going concern and viability

The Code requires the Board to state whether it considers it appropriate to adopt the going concern basis of accounting in preparing the financial statements and identify any material uncertainties to the Company's ability to do so over a period of at least twelve months from the date of approval of the financial statements. Details of the Group's going concern statement are on page 58.

The Committee thoroughly considered and constructively questioned the forecast assumptions underlying the going concern and viability statements presented by management. The Committee assessed the prospects of the Company over a three-year period following a robust assessment of principal and emerging risks affecting the Company, the business model, forecasts and strategic plans. It also reviewed 'severe, but plausible downside risk' stress test scenarios. Details of the assessment and the viability statement are set out on page 58.

Significant judgements and estimates

Matters considered	Committee review and conclusions
Impairment reviews	Management's judgement on the need (or otherwise) to take impairment charges for goodwill or fixed assets was reviewed, considering the trading performance of, and the prospects for, each cash-generating unit (CGU). Details of the impairment reviews performed are outlined in note 12 to the financial statements. The reviews concluded that no impairment was required. Management's judgement on the need (or otherwise) to take impairment charges for the valuation of investments held in subsidiaries was also reviewed. The review found no indicators of impairment, therefore concluded that no impairment was required.
Going concern status and longer-term viability statements	In line with typical market practice for most UK companies, the Board considered that an 18-month period from the reporting date constitutes an appropriate period over which to provide its going concern statement. The Board determined that a three-year period to 30 June 2028 constitutes an appropriate period over which to provide its viability statement. Reviews of the Group's going concern status were carried out by the Committee at both the half-year and full-year reporting periods. Detailed papers setting out all the relevant considerations were tabled by management and discussed by the Committee together with PwC. As outlined in note 20 to the financial statements, the Committee noted that during 2025 the Group had renegotiated its €175 million multi-currency, sustainability-linked RCF, increasing the facility to €200 million and securing a four-year term to November 2028 and has access to a €75 million accordion feature. In addition, the Group has negotiated a further increase to liquidity by extending invoice discounting facilities to unencumbered receivables ledgers. The Group's base case forecasts, based on the Board-approved budget and three-year plan, indicate sufficient liquidity throughout the going concern and viability review periods to ensure compliance with its banking covenants. Furthermore, the Committee considered a severe but plausible downside scenario including several downside assumptions relating to lower revenue growth, increases in input costs, increases in interest rates and a weakening Euro, to stress test the Group's financial forecasts. If such a severe but plausible downside risk scenario occurs, the Group would remain compliant with current banking covenants. After reviewing the Group's liquidity position, financial forecasts, stress testing of potential risks and uncertainties, and based on the committed funding facilities, the Directors have a reasonable expectation that the Group has sufficient resources to be able to meet its liabilities as they fall due over the three-year period ending 30 June 2028. The risk that the Group would become insolvent during this time was considered remote. The Committee recommended to the Board that the going concern and viability statements on page 58 be approved.
Exceptional items	The Committee reviewed the accounting treatment of exceptional items and agreed that the items listed in note 4 are exceptional in size and nature in relation to the Group and therefore it is appropriate to disclose them separately.
Quality of earnings	Reviews of the quality of the earnings (material items of income or expense) and one-off items included in cash flow were carried out by the Committee both at the half-year and full-year reporting periods. The Committee agreed that sufficient disclosure has been made in the financial statements.
Tax and treasury matters	The Committee continued to review the Group's Tax Strategy and monitor tax governance and compliance with transfer pricing rules. The Committee recommended for Board approval the Group's Tax Strategy for 2025; this can be found in the Corporate Policies section of the Group's website at **www.mcbride.co.uk**. The Committee received updates regarding the tax audits undertaken in Belgium and France, and an assessment of the impact on the Group of the new 'Pillar Two' rules. The Committee reviewed the Group's debt funding strategy and compliance with policies on currency, and interest rate hedging transactions. The Committee continued to monitor performance versus all relevant covenants, to ensure the Group will continue to have sufficient liquidity and funding capacity to deliver its strategy.

Significant judgements and estimates continued

Matters considered	Committee review and conclusions
Pensions	The Committee reviewed the performance of the Robert McBride Pension Fund (the 'Fund'), a defined benefit pension scheme which is operated in the UK and is closed to new members and future accrual. At 30 June 2025, the Group recognised a deficit in the scheme of £23.0 million (30 June 2024: £27.5m). The decrease in deficit is due to deficit reduction contributions paid by the Group, an increase in corporate bond yields during the year, leading to a decrease in the discount rate used to value the Fund's liabilities, and a reduction to long-term inflation expectations. The decrease was partially offset by a loss on assets in excess of interest income, interest on the deficit and allowance for the 31 March 2024 triennial valuation which is the difference between the estimated and actual experience in the Fund over the inter-valuation period. Following the triennial valuation at 31 March 2024, the Company and Trustee agreed a new deficit reduction plan based on the scheme funding deficit of £32.3 million (further details can be found in the CFO's Report). The funding arrangements and recovery plan will be next reviewed by McBride and the Trustee as part of the 31 March 2027 valuation, which has a statutory deadline for signing of 30 June 2028. The Directors acknowledge the appeal judgment dated 25 July 2024 in the case of NTL vs Virgin Media and the confirmation dated June 2025 from the Department for Work and Pensions (DWP) that legislation will be introduced to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Further detail on the approach and process for this retrospective confirmation is expected to follow in due course. Following the DWP's announcement, the Group does not expect the Virgin Media ruling to give rise to any additional liabilities and so the defined benefit obligation has not been adjusted and continues to reflect the benefits currently being administered.
Task Force on Climate-related Financial Disclosures (TCFD)	The Committee continues to provide oversight of the Group's compliance with the TCFD recommendations, assessing the processes used to develop McBride's climate-related financial disclosures. The Committee continues to receive periodic updates from the cross-functional TCFD Working Group, which actively drives the awareness around the business of climate-related risks, whilst overseeing the Group's approach and response to TCFD. The TCFD Working Group continues to work in close collaboration with the Sustainability Committee, whilst reporting into the Risk Council, thereby ensuring visibility and oversight of the programme by key stakeholders and co-ordinating the adoption of TCFD best practices into the Group's overall risk management processes. Over the year, the Committee has reviewed the overall set of actions and priorities for the year, aimed at ensuring continued consistency with the full set of TCFD recommendations and recommended disclosures. The Committee has also considered anticipated future changes to TCFD requirements, as set out in the UK Sustainability Reporting Standards (SRS), with detailed criteria and effective implementation dates expected to be finalised during 2025 closely monitored by the TCFD Working Group. The Group's Climate-Related Financial Disclosures are set out on pages 40 to 50.

Risk management framework

The Group continues to identify, evaluate, mitigate and monitor risks facing the business through an established risk management framework, aligned to ISO 31000:2018, and incorporating both a top-down and a bottom-up approach to identify and assess the Group's principal risks and operational risks, respectively. The framework was last updated and enhanced in 2025, helping to formalise and embed a risk taxonomy framework across the Group, facilitating the categorisation of risk types to which McBride is exposed, whilst providing a common language for the management and reporting of risk across the organisation. In addition, a risk appetite framework continues to operate effectively, supporting the assessment, communication, escalation and reporting of principal risks throughout the organisation, whilst helping the Board determine the amount of risk it is prepared to accept, tolerate or be exposed to at any point in time.

Responsibility for the ongoing review, reporting oversight and monitoring of risks lies with a cross-functional Risk Council made up of senior employees from across the business. The Risk Council continues to act as a focal point for the exploration and evaluation of strategic and emerging risks faced by the Group as it pursues its strategic objectives. It helps improve risk awareness throughout the organisation, by facilitating a more joined-up discussion on risk, especially in the context of key decision making, by actively driving and supporting the embedding of the Group's risk management framework across the organisation. It also provides regular reporting on KRIs to the Executive Committee and makes recommendations for appropriate mitigation strategies in line with the Group's risk appetite. The Risk Council has also continued to oversee the extent to which the Group's crisis management framework is embedded across the organisation, ensuring policies, procedures, roles, responsibilities and mitigation measures are actively monitored and tracked, with updates provided to the Committee on an ongoing basis.

Risk management framework continued

The principles of risk management continue to be embedded into the day-to-day operations across the organisation, with the divisions and corporate functions primarily responsible for identifying and evaluating key risks in their functional, operational and geographical domains, and escalating the same to the Risk Council. The Committee was responsible for monitoring and challenging the adequacy of the Company's procedures in respect of business risk identification, assessment, monitoring and reporting. On behalf of the Board, the Committee specifically considered those risks and uncertainties which were deemed significant, whilst seeking comfort from management on key developments and mitigating factors responsible for managing, monitoring and addressing these. The Group's update on principal risks and uncertainties for 2025 can be found on pages 53 to 57.

The Committee has also continued to be responsible for ratifying the Risk Council's Terms of Reference and is provided with regular updates of matters considered by the Risk Council, further information on which can be found below.

Risk Council

- Group-wide cross-functional forum for the discussion, monitoring and oversight of risks and controls.
- Explores and evaluates strategic, significant and emerging risks.
- Periodically reviews KRIs submitted by the business, before reporting and escalating the same to the Executive Committee.
- Provides Group-wide awareness, oversight and monitoring of the Group's crisis management framework.
- Accesses internal and external knowledge, expertise and insight.
- Supported by various risk forums focused on the identification, assessment and monitoring of risks and controls within each division and function.

Executive Committee

- Defines and establishes the risk appetite of the Group.
- Reviews risk registers from across individual divisions and functions.
- Ratifies the assessment and evaluation of risks conducted by the Risk Council.
- Considers KRIs escalated by the Risk Council.
- Works with the business to ensure adequate and effective risk mitigation actions are in place for risks outside acceptable thresholds.
- Ensures risk management and crisis management are embedded across the business.

Audit and Risk Committee

- Supports the delivery of the Group's strategy in the context of the risk management framework.
- Monitors and reviews key financial, non-financial and internal controls, as well as the independent audit process and report.
- Receives and reviews reports from the Head of Internal Audit and the Risk Council relating to principal risks, internal audit reviews aligned to key strategic, operational and compliance risks, the status of crisis management plans and actions and the ongoing monitoring of KRIs.
- Ensures actions to mitigate risks have been developed and designed with appropriate ownership and timescales, whilst monitoring their timely and effective completion, in line with agreed timelines.
- Discusses and confirms the risk trend and overall effectiveness of the risk control and monitoring environment.
- Considers whether any additional control improvement actions are required.

The Board

- Monitors and reviews the effectiveness of the Group's risk management and internal control systems.
- Reviews and approves the risk appetite of the Group.
- Reviews reports from the Audit and Risk Committee on risk management and internal controls.

Risk management and internal control environment

The Group's risks are identified and managed through various activities, including:

- strategic risk assessments and specific functional risk mapping activities;
- ongoing risk identification, 'horizon scanning' and evaluation discussions at individual functional and divisional levels, and by the Risk Council;
- business risk reviews;
- major project and investment reviews;
- current and emerging legislative and regulatory requirements;
- year-end self-assessment questionnaires supporting key internal control procedures, with an in-built control validation, review and reporting mechanism;
- a quarterly follow-up process to review outstanding internal control actions; and
- a programme of audits across individual processes, functions and sites by various internal stakeholders, including Internal Audit and other assurance providers within the business.

The responsibility for reviewing and monitoring the effectiveness of the Group's systems of internal control has been delegated by the Board to the Audit and Risk Committee.

This includes reviewing all material financial, operational and compliance controls, key corporate policies, the financial reporting framework and processes, the preparation of the Group's consolidated financial statements, and the overall risk management system in place throughout the year under review, up to the date of this Annual Report.

During the year, the Committee receives regular reports from senior management and has concluded that there continues to be a robust and effective control environment in place. The Committee also confirms that it has not been advised of any failings, breaches or weaknesses which it considers to be significant during the financial year, and which are likely to have had a material effect on the Group's financial performance.

Key control procedures undertaken by the Group during the year included:

- monthly consolidated management accounts reviewed by the Executive Committee;
- monthly reporting on commercial, operational, financial and non-financial KPIs, with performance discussed at a divisional, functional and Group level;
- regular updates to the Board on the Group's financial performance and position against targets;
- detailed design and development of an Internal Controls over Financial Reporting (ICFR) framework, supporting the design and optimisation of core business processes underpinned by the SAP S/4HANA Transformation programme;
- development of a material controls framework across the organisation, as part of the organisation's response to Provision 29 of the UK Corporate Governance Code 2024;
- a comprehensive annual budgeting process, reviewed and approved by the Board;

Risk management and internal control environment continued

- ongoing monitoring of the Group's liquidity and net debt position;
- monthly reviews of working capital balances;
- authorisation and control procedures in place for capital expenditure and other major projects, with post-completion reviews to highlight issues and learnings and to help improve future performance and delivery;
- specific actions to address internal control recommendations raised by both the independent auditors and the Group's Internal Audit function; and
- regular meetings and site visits with insurance and risk advisers to discuss risk assessments, safety audits and performance against agreed objectives.

Recommendations arising from the independent auditors' internal controls report have been reviewed by the Committee and actions to implement enhanced policies, processes and procedures undertaken by management over the course of the year have been discussed and agreed by the Committee every six months.

The Group also has an Internal Audit function that provides independent assurance on the adequacy and effectiveness of the Group's risk management framework and is responsible for overseeing and monitoring the design and operating effectiveness of internal control processes across the Group. Further details are set out below.

Based on the effective conduct of its activities, the Audit and Risk Committee has enabled the Board to confirm that a robust assessment of the Company's risk management and internal controls has been carried out and that no significant failings or weaknesses have been identified.

The assessment covered financial, operational and compliance controls together with financial reporting processes.

Internal Audit

The Internal Audit function provides a range of financial, operational, regulatory and compliance-driven audit activities, performed by our independent, experienced and qualified in-house internal audit professionals, in conjunction with skilled and experienced in-house personnel as well as qualified external practitioners, as and where necessary and appropriate across the Group. Internal Audit continues to discharge its duties in a robust and effective manner, thereby providing assurance to the Committee that the overall control environment and specific control activities across the Group are adequate, effective and fit for purpose.

Regular meetings are held between the Head of Internal Audit and the Chair of the Audit and Risk Committee, and the Committee actively engages the Internal Audit function to determine the extent to which the overall internal control environment is adequate, appropriate and effective and how it can be enhanced further by considering and evaluating specific process and control improvements.

At the start of each financial year, the Committee reviews and agrees the annual Internal Audit Plan. This is based on confirming its alignment with the Group's strategic priorities and key current and emerging risks, whilst also ensuring there is appropriate focus on essential and ongoing compliance monitoring requirements. There are in-built mechanisms to ensure that the Internal Audit Plan remains flexible and agile at all times, thereby addressing any new and emerging risks that may arise throughout the year, requiring prompt and timely consideration by Internal Audit.

The Committee considers the results of any audits undertaken and the adequacy, effectiveness and timeliness of management's response to matters raised on an ongoing basis through the year. Any recurring themes across processes, functions or locations are challenged and considered. Such themes, along with any significant or unexpected audit findings, could result in specific follow-up audits or separate assurance reviews, informing and influencing the scope of work undertaken in the Internal Audit Plan, both for the current as well as for future years.

The Committee continues to be satisfied that the Internal Audit function has sufficient and appropriate resources at its disposal and provides a critical and effective assurance role to the organisation. In addition, an independent review of the effectiveness of the Internal Audit function was conducted during the year, which noted a high degree of competency, independence and objectivity in the Internal Audit function committed to high levels of quality and coverage, providing comprehensive and pragmatic recommendations and demonstrating a good level of conformance with key Global Internal Audit Standards (GIAS). Areas of further improvement have been identified and are currently being addressed, to help ensure the Internal Audit function can seamlessly and effectively transition from being fit for purpose today into a value-adding business partner for the future.

There are in-built mechanisms to ensure that the Internal Audit Plan remains flexible and agile at all times, to address any new and emerging risks that may arise throughout the year, requiring prompt and timely consideration by the Internal Audit function.

Fair, balanced and understandable

Having given due and full consideration to all the matters referred to above, the Committee is satisfied that the financial statements present a fair, balanced and understandable view, and provide shareholders with the necessary information to assess the Group's position, performance, strategy and business model, and has undertaken to report accordingly to the Board.

The Audit and Risk Committee Report was approved by the Board on 16 September 2025 and signed on its behalf by:

Alastair Murray
Chair of the Audit and Risk Committee

Remuneration Committee Report

Annual Statement

Solid operational and financial performance, combined with a sustained recovery from the challenges faced several years ago, have driven higher LTIP vesting outcomes for executives.

Elizabeth McMeikan
Chair of the Remuneration Committee

Dear shareholder

On behalf of the Remuneration Committee, I am pleased to present the Directors' Remuneration Report (the 'Remuneration Report') for the year ended 30 June 2025. I summarise below how the business performed during the year, the remuneration outcomes for 2025 and how we intend to operate the Directors' Remuneration Policy (the 'Policy') in 2026.

Performance of the business in 2025

The Group delivered strong financial and operational results, demonstrating a full recovery from past challenges. Safety, customer service and efficiency were all improved, with an increase in sales volumes, driven by new long-term contracts. Transformation programmes are well on track to deliver the financial benefits in line with the plan.

Adjusted operating profit[1] of £66.1 million increased by £0.5 million on a constant currency basis[2], as a result of improved operational performance, disciplined cost control and margin management. This result was delivered despite inflationary pressures and intense competition. In addition, the Group has reduced net debt by £26.3 million to £105.2 million at 30 June 2025.

This year's strong trading and operational performance has positioned McBride for sustainable growth. In light of this, the Board has announced the intention to reinstate an annual dividend in relation to the 2025 financial year.

The annual bonus and Long-Term Incentive Plan (LTIP) outcomes reflect the strong financial performance of the Group during 2025.

(1) Please refer to APM in note 30.

(2) Comparatives translated at financial year 2025 exchange rates.

Incentive outcomes

At the start of 2025, the Committee agreed annual bonus targets based on the key financial metrics of adjusted operating profit and net debt, as well as the delivery of strategic objectives. The financial targets took into account internal and external expectations at the time, and the strategic objectives focused on Transformation initiatives, sustainability and the delivery of value-adding plans. Reflecting the solid operational and financial performance outlined above, bonuses of 72.1% of maximum for both the CEO and CFO were earned, based on adjusted operating profit performance ahead of target, net debt between threshold and target and the successful delivery of the majority of the strategic objectives.

- 2025 annual bonus:
  - Group adjusted operating profit (60%): the Group delivered adjusted operating profit of £66.1 million, which resulted in 69.8% of the maximum being achieved for this element of the bonus.
  - Group net debt (20%): this was based on the net debt position as at 30 June 2025. Net debt fell from £131.5 million as at 30 June 2024 to £105.2 million as at 30 June 2025, meaning 70.0% of maximum was achieved for this part of the bonus.
  - Individual performance (20%): the non-financial performance measures were based on objectives common to both the CEO and CFO relating to Transformation initiatives and individual objectives. The outcome for both the CEO and CFO was 81.3% of maximum. Full details are provided in the Annual Report on Remuneration.
  - The overall bonus outcome was 72.1% of maximum (72.1% of salary) for both the CEO and CFO.

Further details on the bonus targets and strategic objectives are set out in the Annual Report on Remuneration.

LTIP share awards were granted to the Executive Directors and other senior management in 2022. At the time of grant, the Committee was mindful of the significantly lower share price compared with the preceding year and the impact this would have on the number of awards granted. Accordingly, the Committee based the grant on a share price of 35.0 pence to reflect the consensus forecast of McBride's share price in 2023. This was c.50% higher than the share price at grant of 23.3 pence. The 2022 award measures were based on basic adjusted earnings per share (EPS) growth and net debt to adjusted EBITDA[1] ratio, each with an equal weighting and measured to 30 June 2025. Both measures were achieved in full, reflecting the strong recovery over the last three-year period.

- 2022 LTIP awards:
  - Adjusted EPS (50%): reflecting the very strong profit recovery over the period, adjusted EPS grew to 22.1 pence in 2025, which was above the maximum of 11.0 pence. As a result, this element of the award will vest in full.
  - Net debt to adjusted EBITDA[1] ratio (50%): the Group's financial position strengthened considerably over the last three years as a result of increased adjusted EBITDA[1], working capital management and strong cash conversion. The Group's continued reduction in net debt during 2025 resulted in a net debt to adjusted EBITDA[1] ratio at 30 June 2025 of 1.2 times, which was below the maximum of 2.8 times, and therefore this element of the award will also vest in full.
  - The overall vesting outcome was therefore 100% of maximum.

Incentive outcomes continued

In addition to effectively reducing the number of share awards granted by using a higher share price, at the time of grant, the Committee also stated it would carry out an overall assessment of the Company's underlying performance and the vesting outcome to ensure that vesting reflected the Company's performance and that there was no windfall gain.

The Committee believes that the strong recovery in the share price over the three-year period is due to the impressive turnaround delivered by the executive team as a result of their focused and disciplined strategic and operational execution, enabling the Group to capitalise successfully on the market trend towards value private label products.

This is demonstrated by the business now delivering adjusted operating profit in excess of £65 million over the previous two financial years, compared to markedly lower and more variable levels prior to 2024. In addition, most of the value of the vesting 2022 LTIP awards was created through share price growth resulting from the turnaround delivered by the executive team, with shareholders also benefitting from this growth. Therefore, in the view of the Committee, the 2022 LTIP outcome does not give rise to a windfall gain.

Taken as a whole, the Committee is satisfied that the overall bonus and LTIP outcomes for the year ended 30 June 2025 are a fair reflection of the strong and sustained recovery of the Group and, accordingly, no discretion has been applied to this year's outturns.

Base salary increases

As per existing custom and practice, base salaries were reviewed during the year in the context of the Executive Directors' performance and the wider workforce increase. The CEO and CFO received increases of 2.6%, bringing their annual salaries to £482,868 and £317,034 respectively. The percentage increase was in line with that provided to other Executive Committee members and below that awarded to the wider UK workforce (c.3%). The next salary review is scheduled to be undertaken later this year and will be effective from 1 January 2026.

Approach to remuneration in 2026

The Committee's approach to remuneration is underpinned by remuneration principles which are designed to ensure that executive remuneration:

- is transparent in respect of elements of remuneration quantum, the rationale for targets and performance outcomes;
- is simple to ensure that remuneration structures act as intended and are clearly understood;
- discourages inappropriate behaviours or excessive risk-taking through clawback provisions and holding periods;
- is predictable through the use of a range of outcomes and individual caps;
- is aligned to the Group's strategy and the long-term sustainable development of the business; and
- is aligned to the Company's purpose, values and strategy and to the Group's culture.

These principles apply equally to senior management and are embedded in the Policy. Last year's Directors' Remuneration Report received 99.74% support at the Company's AGM in 2024.

The Committee has considered carefully how the Policy should be applied in 2026, being the final year of the three-year Policy:

- a base salary review will be undertaken with increases, if any, to take into account the general workforce increases and to be effective from 1 January 2026;
- a Restricted Stock Unit (RSU) grant of 30% of salary will be made to each of the CEO and CFO;
- annual bonuses will be based on adjusted operating profit (60%), overhead cost reduction targets (20%) and personal objectives (20%); and
- the 2025 LTIP awards will be granted at 100% of salary for the CEO and 90% of salary for the CFO, with 50% based on cumulative adjusted EPS and 50% on average annual return on capital employed (ROCE).

Following the successful reduction in net debt levels to below target, the net debt measure in the bonus has been replaced with an overhead cost reduction target to align with the financial priorities for 2026. The targets have been set based on overhead cost reductions as a percentage of revenue measured over the second half of 2026.

As 2026 is the final year of the three-year Policy, the Committee will embark on a review of Directors' remuneration ahead of a binding policy vote in 2027. This will take into account the current executive pay landscape, business priorities and the views of shareholders. We look forward to engaging with you on this over the coming year.

Finally, we would like to take this opportunity to thank shareholders for their strong support and I trust that I may count on your continued support on the Directors' Remuneration Report resolution being tabled at the 2025 AGM.

Elizabeth McMeikan
Chair of the Remuneration Committee

Remuneration Committee Report continued

Directors' Remuneration Policy

This Report has been prepared in accordance with the provisions of the Companies Act 2006, Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended (the 'Regulations'), the UK Corporate Governance Code 2018 and the Financial Conduct Authority's Listing Rules and takes into account the accompanying Directors' Remuneration Reporting Guidance and the relevant policies of the shareholder representative bodies. The Remuneration Report is split into three sections: the Remuneration Committee Chair's Annual Statement, a summary of the Directors' Remuneration Policy (which was approved by shareholders in 2023) and the Annual Report on Remuneration.

The Policy was approved by shareholders at the AGM held on 20 November 2023 and is effective for three years from the date of approval. This report sets out a summary of the key elements of the Policy. The full Directors' Remuneration Policy is available on McBride's website (**www.mcbride.co.uk**) under the 'Our Board & Corporate Governance' section.

Policy table

The following table summarises how each element of the Policy operates.

Element: Executive Director base salary

Purpose and link to strategy	• To ensure the Group is able to recruit and retain high-calibre executives.
Operation	• Salaries are set by the Committee considering individual experience, performance, skills and responsibilities, prevailing market conditions (by reference to companies of a similar size and complexity and other companies in the same industry) and internal relativities. • Salaries are paid monthly in arrears by bank transfer and are normally reviewed annually with any changes effective from January.
Maximum	• Details of current salaries of the Executive Directors are detailed on page 88. • Salaries are normally reviewed annually and may be increased each year. There is no maximum, but increases will generally be in line with those awarded to the Group's workforce, as well as reflective of the overall financial performance of the Group. • Increases beyond this may be awarded in limited circumstances, such as where there is a change in responsibility, experience or a significant change in the scale of the role and/or size, value and/or complexity of the Group.
Performance measures	• Not applicable.

Element: RSUs

Purpose and link to strategy	• To ensure the Group is able to recruit and retain high-calibre executives. • To provide enhanced alignment to shareholders.
Operation	• Annual awards, as part of fixed pay. • Awards will normally vest three years from the date of grant subject to continued employment. • Awards will be subject to a two-year post-vesting holding period, less any shares required to be sold to cover withholding tax. • Not pensionable, or 'salary', for the purposes of bonus, LTIP or payments for loss of office. • A 'dividend equivalent' provision is also available on the RSU shares at the discretion of the Committee, enabling dividend equivalent payments to be paid, in cash or shares, on any shares that vest. • Subject to malus and clawback[1].
Maximum	• Awards of up to 30% of salary may be granted annually.
Performance measures	• Not applicable.

(1) Malus and clawback apply in the event of an error in calculation, a material misstatement of the financial results, serious misconduct by a participant, corporate failure or reputational damage.

Policy table continued

Element: benefits

Purpose and link to strategy	• To provide market-competitive benefits, in line with those provided to other Group employees.
Operation	• Benefits may include private medical insurance, sick pay, a fully expensed car (or equivalent cash allowance), disability and life assurance cover. • Some benefits may be provided in the case of relocation, such as removal expenses, and in the case of international relocation might also include such items as cost of accommodation, children's schooling, home leave, tax equalisation and professional advice etc. • The Company has the ability to reimburse the tax payable (grossed up) on any business expenses captured as taxable benefits.
Maximum	• The benefit provision is reviewed periodically. No maximum level is set on the value or cost of benefits provided.
Performance measures	• Not applicable.

Element: pension

Purpose and link to strategy	• Retirement benefits are regarded as an important element of the Group's basic benefits package to attract and retain talent.
Operation	• Membership of the Company's defined contribution, or similar, pension scheme, or in agreed circumstances, a cash allowance in lieu of pension.
Maximum	• Up to 8% of base salary, or such other amount in line with that available to the majority of the UK general workforce, from time to time.
Performance measures	• Not applicable.

Policy table continued

Element: annual bonus

Purpose and link to strategy	• The purpose of the annual bonus is to incentivise delivery of the Group's financial and non-financial objectives and to ensure that Executive Directors and senior executives are fairly rewarded for their contribution to the success of the Group. • To provide alignment of Directors' interests to the interests of shareholders through enhanced shareholdings.
Operation	• Performance conditions are set independently by the Committee at the start of each year. • Performance criteria include the financial targets of the Group, as agreed by the Board, and specific targets based on clear and measurable objectives that underpin, and are key to the achievement of, the Group's strategy. • Personal objectives are reviewed by the Committee to ensure they contribute to the strategic aims of the Group. • To further align the interests of Directors with shareholders, 30% of the bonus is paid via the Deferred Benefit Plan (DBP). • Executive Directors can voluntarily invest any remaining bonus, up to a maximum of 70% of salary, into the DBP. Invested sums will be matched with additional shares on a 1:2 ratio (i.e. Executive Directors receive two additional shares from the Company for every one share their invested sum purchases). • Awards granted under the DBP vest after three years and are normally subject to the Director remaining employed by the Group at the end of that period. • A 'dividend equivalent' provision is also available on the DBP shares at the discretion of the Committee, enabling dividend equivalent payments to be paid, in cash or shares, on any shares that vest. • All bonus payments are at the ultimate discretion of the Committee and the Committee retains an overriding ability to ensure that overall bonus payments reflect its view of corporate performance during the year when determining the final bonus amount to be awarded. • Both the cash and deferred share elements of the annual bonus are subject to malus and clawback[1].
Maximum	• 100% of base salary.
Performance measures	• At least 80% of the bonus will be assessed against a sliding scale of challenging and stretching financial performance targets, with no more than 20% of the bonus being based on the achievement of specific and measurable personal targets. Irrespective of achievement against the personal targets, no bonus is payable unless a minimum level of financial performance is achieved. Targets are set considering our financial and strategic plans for the business. • The Committee retains the ability, in exceptional circumstances, to adjust the targets and/or set different measures and alter weightings for the annual bonus if certain events occur, such as a material divestment of a Group business, which cause it to determine they are no longer appropriate and a change is required to ensure that they achieve their original purpose and are not materially less difficult to satisfy.

(1) Malus and clawback apply in the event of an error in calculation, a material misstatement of the financial results, serious misconduct by a participant, corporate failure or reputational damage.

Policy table continued

Element: LTIP

Purpose and link to strategy	• The objectives of the LTIP are to align the long-term interests of shareholders and management and reward achievement of long-term, stretching targets. • Awards are made to Executive Directors and to senior executives who have a significant influence over the Group's ability to meet its strategic objectives. Whilst it is not a requirement of the LTIP, senior executives are encouraged to use the scheme to increase their share ownership in the Company.
Operation	• Annual awards are granted, subject to individual performance and Committee discretion. The awards vest after three years subject to continued employment and the satisfaction of challenging performance conditions. A two-year post-vesting holding period applies to all shares (less any shares required to be sold to cover withholding tax) that vest. • LTIP awards are subject to malus and clawback[(1)]. • A 'dividend equivalent' provision is also available on the LTIP shares at the discretion of the Committee, enabling dividend equivalent payments to be paid, in cash or shares, on any shares that vest. • The Committee will operate the LTIP according to its respective rules and in accordance with the Listing Rules and HMRC rules, where relevant.
Maximum	• 100% of salary for the Chief Executive Officer and 90% of salary for the Chief Financial Officer and any other Executive Director in any financial year. The Committee reviews the quantum of awards annually to ensure they are in line with market levels and appropriate given the performance of the individual and the Company. • Actual award levels to Executive Directors are set out in the Annual Report on Remuneration.
Performance measures	• Vesting of awards would normally be based on key financial measures of performance (such as, but not limited to, EPS and ROCE), selected by the Committee and measured over a period of no less than three financial years. EPS is a measure of the Company's overall financial success and ROCE is a key performance indicator for the Group. In the first year of operation of the Policy, half of the award was subject to an EPS performance condition and the remaining half was subject to a ROCE performance condition. • Different performance measures and/or weightings may be used for future awards to help drive the strategy of the business. • Targets are set by the Committee for each award on a sliding scale basis. No more than 25% of awards will vest for threshold performance, with full vesting taking place for equalling or exceeding maximum performance conditions. Targets are set considering the prevailing strategy and long-term plans. • The Committee retains the ability, in exceptional circumstances, to adjust the targets and/or set different measures and alter weightings for the LTIP if events occur, such as a material divestment of a Group business, which cause it to determine they are no longer appropriate and a change is required to ensure that they achieve their original purpose and are not materially less difficult to satisfy.

(1) Malus and clawback apply in the event of an error in calculation, a material misstatement of the financial results, serious misconduct by a participant, corporate failure or reputational damage.

Policy table continued

Element: Non-Executive Director fees

Purpose and link to strategy	• To ensure the Group is able to attract and retain experienced and skilled Non-Executive Directors able to advise and assist with establishing and monitoring the strategic objectives of the Company.
Operation	• The remuneration of the Chairman and the Non-Executive Directors is payable in cash fees. • They are not eligible to participate in bonus or share incentive schemes. • Their services do not qualify for pension or other benefits. • Expenses incurred for advice in respect of UK tax returns for non-UK Non-Executive Directors may be reimbursed. • Fees are paid monthly and reasonable expenses are reimbursed where appropriate. Tax may be reimbursed if these expenses are determined to be a taxable benefit. • Fee levels are determined by the full Board with reference to those paid by other companies of similar size and complexity, and to reflect the amount of time the Non-Executive Directors are expected to devote to the Group's activities during the year (and may include additional ad-hoc payments to reflect increased time commitments over a short period). • A supplementary fee is also paid to Committee Chairs and to the Senior Independent Director to reflect their additional responsibilities. • An additional allowance of up to £50,000 per annum may be payable to the Chairman to compensate for the additional time commitment involved in travelling both to attend Board meetings and to generally carry out the duties as Chairman. • An additional allowance of up to £15,000 per annum may be paid to Non-Executive Directors based overseas for any additional time commitment involved in travelling both to attend Board meetings and to generally carry out the duties as a Non-Executive Director.
Maximum	• Details of the current fees for the Chairman and Non-Executive Directors are set out on page 89. The aggregate annual sum for Non-Executive Director fees cannot exceed £600,000 per annum. The Company does not intend to seek shareholder approval for any increase to this maximum in the short to medium term.
Performance measures	• No element of the Chairman's or the Non-Executive Directors' fees is performance related.

Element: share ownership guidelines/requirements

Purpose and link to strategy	• Executive Directors and other senior executives are required to build and maintain a shareholding in the Company as this represents the best way to align their interests with those of shareholders. Levels are set in relation to earnings and according to the post held in the Company. • Non-Executive Directors are encouraged to build and maintain a shareholding.
Operation	• The expectation is that executives will build up to these levels over a period of time, through: (i) retaining shares received under the Company's incentive arrangements, net of sales to settle tax; and/or (ii) shares purchased in their own right. • Vested but unexercised LTIP awards, unvested RSU awards and deferred shares will count towards this requirement, on a net of tax basis. • The Executive Directors are also required to maintain their shareholding requirement or the actual shareholding on departure, if lower, for a minimum of two years after cessation of employment. The post-cessation shareholding obligation will apply to shares acquired (net of tax) under awards granted under this and future policies. Shares purchased from the executives' own funds would not be included.
Maximum	• There is no maximum. However, Executive Directors are required to build and maintain a shareholding equivalent to 200% of salary, or 300% of salary in the case of the CEO. Other senior executives are required to build and maintain a shareholding equivalent to 50% of salary. • Newly appointed Executive Directors would normally be required to achieve the required shareholding within a five-year period of appointment to the Board. • The guideline for Non-Executive Directors is to hold shares equivalent to 100% of their annual fee.
Performance measures	• Not applicable.

Executive Directors' service contracts

Service contracts stipulate that the Executive Directors will provide services to the Company on a full-time basis. Copies of the Executive Directors' service contracts are available for inspection at the Company's registered office.

Executive Director[1]	Date of service contract	Notice period[2]
Chris Smith	11 Jun 2020	6 months
Mark Strickland	4 Jan 2021	6 months

(1) All Directors are re-elected on an annual basis.

(2) By either the Company or the Executive Director. In exceptional circumstances, notice periods of up to a maximum of twelve months may be offered to newly recruited Directors. The service contract is of an unlimited duration.

Non-Executive Directors' letters of appointment

Information regarding the dates of the letters of appointment and notice periods for the Chairman and the Non-Executive Directors is set out below.

Copies of the letters of appointment are available for inspection at the Company's registered office.

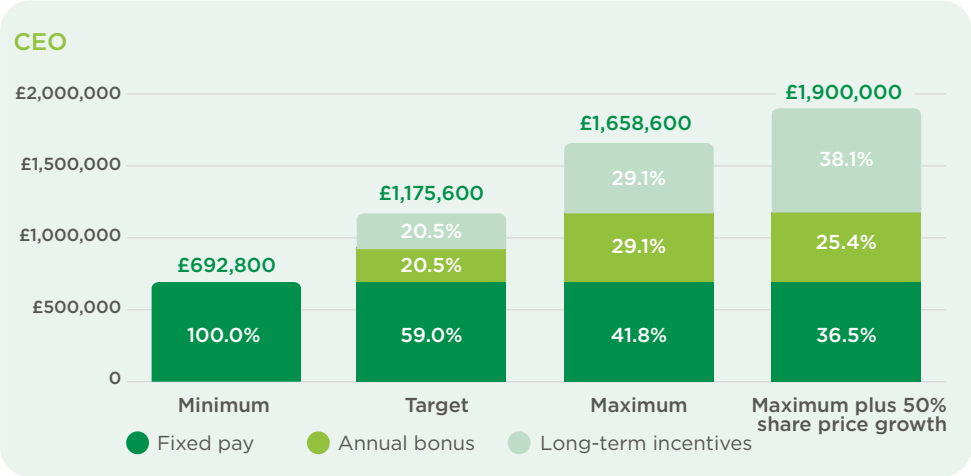
Director[1]	Latest letter of appointment	Date first appointed to the Board	Notice period[2]
Jeff Nodland	21 Jun 2019	26 Jun 2019	3 months
Elizabeth McMeikan	14 Nov 2019	14 Nov 2019	3 months
Alastair Murray	27 Aug 2024	2 Aug 2021	3 months
Regi Aalstad	13 Jun 2025	14 Mar 2022	3 months

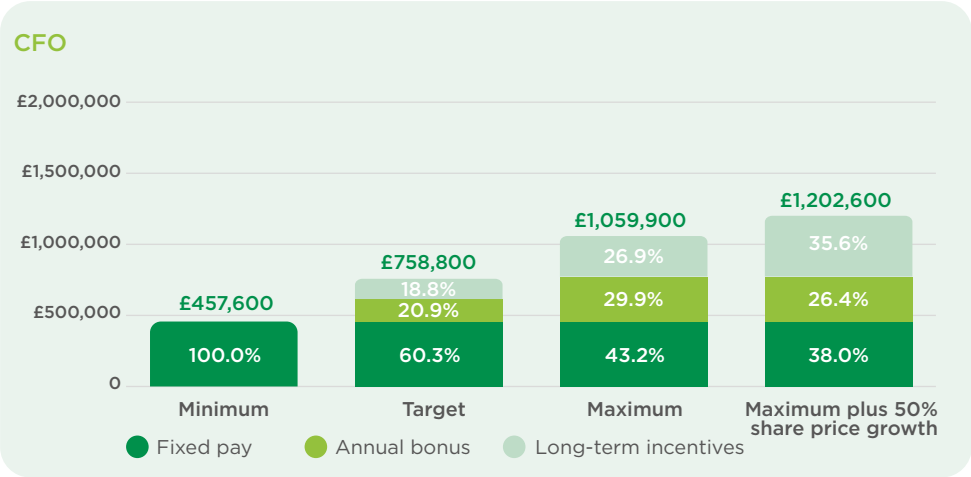
(1) All Directors stand for re-election on an annual basis at the AGM.

(2) Terminable at the discretion of either party. Appointments may be terminated without compensation in the event of them not being re-elected by shareholders or otherwise in accordance with the Articles. Appointments are of an unlimited duration subject to note (1) above in the case of Jeff Nodland and Elizabeth McMeikan. In the case of Alastair Murray and Regi Aalstad, each Non-Executive Director's appointment will continue for an initial three-year term, subject to note (1). The appointment letters state that Non-Executive Directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period. Alastair Murray and Regi Aalstad are now in their second three-year term.

Remuneration performance scenarios 2026

The Executive Directors' remuneration packages comprise both core fixed elements (base salary, RSUs, pension and benefits) and performance-based variable pay. The charts opposite illustrate the composition of the CEO's and CFO's remuneration packages at minimum, target, maximum and maximum plus 50% share price growth for 2026, in line with policy.





Notes:

(1) Fixed pay comprises salary as at 1 July 2025, RSUs at 30% of salary, benefits (estimated based on 2025 actual values) and cash allowance in lieu of pension (at 8% of salary).

(2) Bonus includes both the cash element and the deferred share element, but it is assumed that no voluntary deferral takes place and therefore no matching award is made.

(3) Assumptions when compiling the charts are:

- minimum = fixed pay only (i.e. salary, RSU awards face value at grant (i.e. 30% of annual salary), benefits and pension);
- target = fixed pay plus 50% of annual bonus payable and 50% vesting of LTIP awards;
- maximum = fixed pay plus 100% of annual bonus payable and 100% of LTIP awards vesting (based on a face value of 100% of salary for the CEO and 90% of salary for the CFO); and
- maximum plus 50% share price growth = fixed pay plus 100% of annual bonus payable and 100% of LTIP vesting at a 50% higher share price than when the LTIP award was granted.

This part of the report comprises five sections:

A. Remuneration for 2025

1. Single total figure of remuneration (audited)
2. Annual bonus outcomes for 2025 (audited)
3. LTIP vesting outcome for the year ended 30 June 2025 (audited)
4. Payments for loss of office
5. Payments to former Directors

B. Directors' share ownership and share interests

6. LTIP, RSU and deferred bonus awards granted in 2025
7. Outstanding LTIP, RSU and deferred bonus awards
8. Statement of Directors' shareholdings and share interests

C. Pay comparison

9. Percentage change in Directors' remuneration versus employee pay
10. CEO pay ratio
11. CEO single figure history and Total Shareholder Return (TSR)
12. Relative importance of spend on pay

D. Remuneration Committee membership, governance and voting

13. Remuneration Committee and advisers
14. Statement of shareholder voting

E. Implementation of Remuneration Policy in 2026

15. Application of the Remuneration Policy for 2026

A. Remuneration for 2025

1. Single total figure of remuneration (audited)

Executive Directors

The table below sets out a single total remuneration figure for the position of the Executive Directors in office for the 2025 financial year:

	Fixed remuneration					Performance-related remuneration			Total
	Base salary[1] £'000	RSU[2,3] £'000	Benefits[4] £'000	Pension[5] £'000	**Total fixed remuneration £'000**	Annual bonus[6] £'000	LTIPs[7] £'000	**Total variable remuneration £'000**	**£'000**
Chris Smith									
2025	477	141	26	38	**682**	344	2,274	**2,618**	**3,300**
2024	464	141	26	37	**668**	454	416	**870**	**1,538**
Mark Strickland									
2025	313	94	20	25	**452**	226	1,203	**1,429**	**1,881**
2024	305	80	19	24	**428**	298	220	**518**	**946**

(1) The base salary review was undertaken during the financial year with changes effective from 1 January 2025. The annual base salaries for the CEO at 1 July 2024 and 1 January 2025 were £470,632 and £482,868, respectively. The annual base salaries for the CFO at 1 July 2024 and 1 January 2025 were £309,000 and £317,034, respectively.

(2) RSU grants have been included for Chris Smith as follows: (i) a grant made on 12 June 2023, with 347/366ths included in 2024, (ii) a grant made on 20 November 2023 (deemed grant date of 12 June 2023), with the full value of this included in 2024, (iii) a grant made on 11 June 2024, with 19/365ths of this included in 2024 and the remaining 346/365ths included in 2025 and (iv) a grant made on 12 June 2025, with 19/365ths of this included in 2025 and the remaining 346/365ths to be included in 2026. The additional November 2023 grant relates to the increased Policy award level from 15% to 30% of salary. All grants are valued using the closing share price on the day prior to the date of grant.

(3) RSU grants have been included for Mark Strickland as follows: (i) a grant made on 3 October 2022, with 2/12ths of this included in 2024, (ii) a grant made on 20 September 2023 with 10/12ths of this included in 2024 and the remaining 2/12ths of this included in 2025, (iii) a grant made on 20 November 2023 (deemed grant date of 20 September 2023), with 8/10ths of this included in 2024 and 2/10ths of this included in 2025 and (iv) a grant made on 18 September 2024 with 10/12ths of this included in 2025 and the remaining 2/12ths of this to be included in 2026. The additional November 2023 grant relates to the increased Policy award level from 15% to 30% of salary. All grants are valued using the closing share price for the day prior to the date of grant.

(4) Benefits consist of the provision of a company car (or cash equivalent), private healthcare, disability insurance and life cover.

(5) The pension figure represents the value of the Company's pension contribution (8% of salary) taken as a cash payment in lieu.

(6) 30% of the bonus for each of the Executive Directors will be deferred in shares for three years, the vesting of which is subject to continued employment.

(7) The LTIP value for 2025 is the value of the awards granted on 3 October 2022 which are due to vest at maximum. The vesting date for these awards is 3 October 2025, after the announcement of the 2025 results. The value of the awards has been shown using the three-month average share price to 30 June 2025, which is 144.93 pence. 75.9% of the 2025 LTIP value is due to the change in share price between grant date and the estimated vesting price of 144.93 pence. The LTIP value for 2024 was based on a share price of 127.0 pence on 9 September 2024 with the awards vesting on 17 September 2024 due to the Company being in a closed period up to that point. The 2024 LTIP single figure value has been updated to reflect a share price of 116.0 pence on the actual date of vesting (17 September 2024).

A. Remuneration for 2025 continued

1. Single total figure of remuneration (audited) continued

Non-Executive Directors

	2025				2024			
	Base fee £'000	Committee additional fees £'000	Benefits[1] £'000	Total £'000	Base fee £'000	Committee additional fees £'000	Benefits[1] £'000	Total £'000
Jeff Nodland[2]	210	—	50	260	210	—	53	263
Elizabeth McMeikan	53	17	—	70	53	17	—	70
Alastair Murray	53	9	—	62	53	9	—	62
Regi Aalstad[3]	53	10	—	63	53	—	1	54

(1) Benefits comprise reimbursement of expenses (gross of tax) incurred by Non-Executive Directors in the course of carrying out their roles and are considered by HMRC to be taxable.

(2) Jeff Nodland received a travel allowance of £50,000 during the year.

(3) Regi Aalstad was appointed Non-Executive Director for employee engagement on 1 July 2023. The additional fee for this role for both 2024 and 2025 was paid during 2025.

2. Annual bonus outcomes for 2025 (audited)

For 2025, the maximum bonus opportunity for the Executive Directors was 100% of base salary, with 80% of bonus based on financial performance and 20% of bonus based on performance against specific demanding and measurable strategic objectives. Based on the outcomes of the financial and strategic elements (as set out below), the Executive Directors both received a total bonus of 72.1% of salary (representing 72.1% of the maximum bonus opportunity).

Financial element outcomes

The financial element of the bonus consisted of adjusted operating profit and net debt targets, making up 60% and 20% of the bonus respectively. These were translated using internal budget exchange rates, hence the figures in the table below differ from adjusted operating profit and net debt quoted elsewhere in the Annual Report and Accounts.

	Performance targets				
	Threshold 0% £m	Target 50% £m	Stretch 100% £m	Actual performance[4] £m	Payout (% of maximum)
Adjusted operating profit[1,2] (60%)	60.2	66.1	72.1	68.5	69.8%
Net debt[2,3] (20%)	110.9	105.9	100.9	103.9	70.0%

(1) Excludes amortisation of intangible assets and exceptional costs.

(2) Adjusted operating profit and net debt outcomes are calculated on a straight-line basis between threshold and target and between target and stretch.

(3) Net debt is measured as at 30 June 2025. In assessing performance against the net debt targets, the Committee applied judgement and, on a fair and reasonable basis, amended the original targets to neutralise for unbudgeted Board approved spend (such as additional capital expenditure, loans paid to the Employee Benefit Trust and one-off pension scheme contributions). This adjustment ensured the targets and actual net debt were set and measured on a like-for-like basis.

(4) Translated using internal budget exchange rates, consistent with the basis used for settling the performance targets.

The adjusted operating profit and net debt targets were partially achieved, resulting in an overall payout of 69.9% of maximum (or 58.3% of salary) for the financial elements.

A. Remuneration for 2025 continued

2. Annual bonus outcomes for 2025 (audited) continued

Strategic element outcomes

Both Executive Directors were set a common transformation objective and separate individual objectives, as follows:

	Objective	Achievement
Shared objective (10%)	**Transformation** **Part 1:** Supporting the successful implementation of Transformation initiatives, particularly the SAP S/4HANA programme. **Part 2:** Supporting the delivery of the Transformation programme in 2025.	• Delivery of benefits achieved in 2025. • SAP S/4HANA on track. • Commercial Excellence and Service Excellence largely delivered. 62.5% payout was based on delivering financial benefits and delivery of the Group's Transformation initiatives in line with plan.
Chris Smith (10%)	**Sustainability** **Part 1:** By June 2025, projects that drive a reduction in Scope 3 carbon emissions must be confirmed to launch in 2026 (40% weighting). **Part 2:** Engage with suppliers to understand their carbon maturity and develop plans to improve the rating of suppliers scoring less than 4 on the ClimatePartner® rating scale (40% weighting). **Part 3:** Reduce Scope 1 and 2 emissions in line with targets (20% weighting).	**Part 1:** Reduction of 25,740 tonnes of CO_2e achieved versus maximum requirement of 9,544 CO_2e. **Part 2:** We understand the carbon maturity of 97% of suppliers and have action plans in place for 52% of suppliers rated below 4 on the ClimatePartner® rating scale – both metrics above the maximum requirement. **Part 3:** Emissions at 135.7 kWh/tonne versus maximum requirement of 141.0 kWh/tonne. Significant progress has been made on sustainability and this objective has been met in full.
Mark Strickland (10%)	**Value-add plan** Put in place a mechanism for establishing and regularly reviewing McBride's top ten 'non-core' strategic value ideas, develop high-level financial modelling to summarise value ideas and create a summary value plan, and incorporate these into the Annual Three-Year Plan.	The value-add plan has been delivered in full. In particular, the discipline around this objective had been excellent and the high-level financial modelling assisted with decision making for the wider business and was incorporated into the Three-Year Plan. This objective has been met in full.

Chris Smith and Mark Strickland performed strongly against their personal objectives throughout the year. Based on their performance, the Committee determined that the first objective (applicable to both Executive Directors) was met at 62.5% and that the individual objectives were each fully met. This resulted in an overall payout for both Executive Directors of 81.3% of the 20% allocated to the personal objectives and, therefore, a payout of 16.3% of salary for both Executive Directors.

The overall bonus payout is 72.1% of maximum (or 72.1% of salary) and no discretion has been used in determining the outcome. The Committee believes this is a fair outcome which appropriately reflects the strong performance of the Group during the year.

30% of the bonus for each of the Executive Directors will be deferred in shares for three years.

A. Remuneration for 2025 continued

2. Annual bonus outcomes for 2025 (audited) continued

Strategic element outcomes continued

	Average base salary used for bonus calculation	Bonus earned (% of salary)	Total bonus	Value paid in cash	Value deferred in cash
Chris Smith	£476,600	72.1%	£343,911	£240,738	£103,173
Mark Strickland	£312,984	72.1%	£225,800	£158,060	£67,740

3. LTIP vesting outcome for the year ended 30 June 2025 (audited)

On 3 October 2022, Chris Smith was granted LTIP awards over 1,569,107 shares and Mark Strickland was granted awards over 829,714 shares which were, in each case, capable of vesting on 3 October 2025. The awards were based on adjusted EPS and net debt to adjusted EBITDA[1] ratio performance conditions, each with an equal weighting. The performance period for both measures ended on 30 June 2025 and the awards vested in full. These vested awards will ordinarily become exercisable on 3 October 2025, subject to continued service. Vested awards are subject to a two-year holding period.

	Threshold (10% vesting)	Target (50% vesting)	Maximum (100% vesting)	Actual	Vesting (% of maximum)
Adjusted EPS (50%)	8.0 pence	9.3 pence	11.0 pence	22.1 pence	100%
Net debt to adjusted EBITDA[1] ratio (50%)	3.5x	3.2x	2.8x	1.2x	100%

Both the adjusted EPS and net debt to adjusted EBITDA[1] ratio targets were achieved in full, resulting in 100% of the award vesting. The value for the single figure table is based on the information below:

	Number of awards granted on 3 October 2022	Vesting outcome	Number of awards vesting	Additional dividend accrual	Estimated share price (three-month average to 30 June 2025)	Value of vested awards for single figure table
Chris Smith	1,569,107	100%	1,569,107	—	144.93 pence	£2,274,107
Mark Strickland	829,714	100%	829,714	—	144.93 pence	£1,202,505

The awards vest on 3 October 2025, after the announcement of the 2025 results. As the vesting share price is not known, the value of the awards has been shown using the three-month average share price to 30 June 2025, being 144.93 pence.

The Committee has not applied any discretion to amend the formulaic outcomes. The vested awards will be subject to a two-year holding period.

(1) Please refer to APM in note 30.

4. Payments for loss of office

There were no payments for loss of office made during the year ended 30 June 2025.

5. Payments to former Directors

There were no payments made to former Directors during the year ended 30 June 2025 in respect of relevant services.

B. Directors' share ownership and share interests

6. LTIP, RSU and deferred bonus awards granted in 2025

LTIP awards

In the year under review, LTIP awards were granted to both Executive Directors on 18 September 2024 under the McBride plc 2014 LTIP. These awards were granted in the form of conditional share awards.

	Market price on grant date[1]	Basis of award	Number of awards	Face value of awards	Percentage vesting at threshold	Performance period end
Chris Smith	116.0 pence	100% of salary	405,717	£470,632	10%	30 June 2027
Mark Strickland	116.0 pence	90% of salary	239,741	£278,100	10%	30 June 2027

(1) The awards were granted at a price of 116.0 pence, being the middle market quotation on the day before the date of grant.

Vested awards will be subject to a two-year holding period.

RSU awards

RSU awards were granted to both Chris Smith and Mark Strickland in June and September 2024 respectively at 30% of salary.

Chris Smith's grant for 2026 was made on 12 June 2025 in line with past practice.

	Date of grant	Market price on grant date[1]	Basis of award	Number of awards	Face value of awards	Vesting date
Chris Smith	11 June 2024	118.0 pence	30% of salary	119,652	£141,189	11 June 2027
	12 June 2025	151.4 pence	30% of salary	95,680	£144,860	12 June 2028
Mark Strickland	18 September 2024	116.0 pence	30% of salary	79,913	£92,699	18 September 2027

(1) The awards were granted at the middle market quotation price on the day before the date of grant.

Vested awards will be subject to a two-year holding period.

Deferred bonus awards

In respect of performance for the year ended 30 June 2024, 30% of the bonus was deferred into share awards on 18 September 2024, under the McBride 2020 Deferred Annual Bonus Plan (DBP). These awards vest after three years, subject to continued service.

	Market price on grant date[1]	Basis of award	Number of awards	Face value of awards	Vesting date
Chris Smith	116.0 pence	30% of 2024 bonus	117,534	£136,339	18 September 2027
Mark Strickland	116.0 pence	30% of 2024 bonus	77,168	£89,515	18 September 2027

(1) The awards were granted at a price of 116.0 pence, being the middle market quotation on the day before the date of grant.

B. Directors' share ownership and share interests continued

7. Outstanding LTIP, RSU and deferred bonus awards

Interests of Directors under the McBride plc 2014 LTIP as at 1 July 2024 and 30 June 2025 are set out below:

Director	Type of award	Date of award	Number of awards at 1 July 2024	Granted in year	Awards vested in year	Allocations lapsed in year	**Number of awards at 30 June 2025**	Market price the day before the date of award (£)	Vesting date	Performance period
Chris Smith	LTIP(1)	9 Sep 2021	716,955	—	(358,477)	(358,478)	**—**	0.766	9 Sep 2024	1 Jul 2021 to 30 Jun 2024
	LTIP(2)	3 Oct 2022	1,569,107	—	—	—	**1,569,107**	0.35	3 Oct 2025	1 Jul 2022 to 30 Jun 2025
	LTIP(3)	20 Sep 2023	1,129,601	—	—	—	**1,129,601**	0.4045	20 Sep 2026	1 Jul 2023 to 30 Jun 2026
	LTIP(4)	18 Sep 2024	—	405,717	—	—	**405,717**	1.160	18 Sep 2027	1 Jul 2024 to 30 Jun 2027
	RSU(5)	13 Jun 2022	216,073	—	—	—	**216,073**	0.305	13 Jun 2025	n/a
	RSU	12 Jun 2023	254,317	—	—	—	**254,317**	0.2695	12 Jun 2026	n/a
	RSU	20 Nov 2023	254,317	—	—	—	**254,317**	0.2695	12 Jun 2026	n/a
	RSU	11 Jun 2024	119,652	—	—	—	**119,652**	1.18	11 Jun 2027	n/a
	RSU	12 Jun 2025	—	95,680	—	—	**95,680**	1.514	12 Jun 2028	n/a
	DBP	20 Sep 2023	315,114	—	—	—	**315,114**	0.4045	20 Sep 2026	n/a
	DBP	18 Sep 2024	—	117,534	—	—	**117,534**	1.16	18 Sep 2027	n/a
Mark Strickland	LTIP(1)	9 Sep 2021	379,112	—	(189,556)	(189,556)	**—**	0.766	9 Sep 2024	1 Jul 2021 to 30 Jun 2024
	LTIP(2)	3 Oct 2022	829,714	—	—	—	**829,714**	0.35	3 Oct 2025	1 Jul 2022 to 30 Jun 2025
	LTIP(3)	20 Sep 2023	667,490	—	—	—	**667,490**	0.4045	20 Sep 2026	1 Jul 2023 to 30 Jun 2026
	LTIP(4)	18 Sep 2024	—	239,741	—	—	**239,741**	1.160	18 Sep 2027	1 Jul 2024 to 30 Jun 2027
	RSU	9 Sep 2021	51,697	—	(51,697)	—	**—**	0.766	18 Sep 2027	n/a
	RSU	3 Oct 2022	169,957	—	—	—	**169,957**	0.233	3 Oct 2025	n/a
	RSU	20 Sep 2023	111,248	—	—	—	**111,248**	0.4045	20 Sep 2026	n/a
	RSU	20 Nov 2023	111,248	—	—	—	**111,248**	0.4045	21 Sep 2026	n/a
	RSU	18 Sep 2024	—	79,913	—	—	**79,913**	1.160	18 Sep 2027	n/a
	DBP	20 Sep 2023	198,222	—	—	—	**198,222**	0.4045	20 Sep 2026	n/a
	DBP	18 Sep 2024	—	77,168	—	—	**77,168**	1.160	18 Sep 2027	n/a

(1) The September 2021 LTIP award vested at 50% as the adjusted EPS condition was achieved but the ROCE condition was not met. This award vested during 2025.

(2) The October 2022 LTIP award is based 50% on net debt/adjusted EBITDA(6) targets (3.5x to 2.8x) and 50% on adjusted EPS targets relating to the year ending 30 June 2025 (8.0 pence to 11.0 pence). This award was granted at 35.0 pence while the share price prior to grant was 23.3 pence. The award will vest at maximum in October 2025.

(3) The September 2023 LTIP is based 50% on cumulative adjusted EPS for the three-year period ending 30 June 2026 (21.7 pence to 43.1 pence) and 50% on annual average ROCE for the same three-year period (15.0% to 23.8%).

(4) The September 2024 LTIP is based 50% on cumulative adjusted EPS for the three-year period ending 30 June 2027 (60.0 pence to 90.0 pence) and 50% on annual average ROCE for the same three-year period (30.0% to 36.2%).

(5) The vesting of the 2022 RSU for Chris Smith has been delayed.

(6) Please refer to APM in note 30.

B. Directors' share ownership and share interests continued

8. Statement of Directors' shareholdings and share interests

The table below shows the beneficially owned shares and share interests held by Board members and their shareholdings as a percentage of salary/fee. Both Executive Directors have holdings which are in excess of their respective shareholding guidelines, being 300% of salary for the CEO and 200% of salary for the CFO.

	Beneficially owned shares 30 June 2025[1]	Unvested deferred bonus awards	Unvested RSU awards	Vested but unexercised LTIP awards	Total interests held	Value of interests counting towards shareholding guideline (000s)[2]	Shareholding as a % of salary/fee[3]	Beneficially owned shares 30 June 2024
Jeff Nodland	714,600	—	—	—	714,600	£1,073	511.1%	664,600
Elizabeth McMeikan	29,000	—	—	—	29,000	£44	83.0%	29,000
Alastair Murray	57,500	—	—	—	57,500	£86	164.5%	37,500
Regi Aalstad	130,500	—	—	—	130,500	£196	373.4%	130,500
Chris Smith	803,306	432,648	940,039	—	2,175,993	£2,299	476.2%	576,863
Mark Strickland	320,262	275,390	472,366	—	1,068,018	£1,076	339.5%	173,355

(1) Includes shares held by Connected Persons.

(2) Calculated using the closing share price of 150.2 pence per ordinary share in the Company on 30 June 2025.

(3) Executive Directors have a shareholding requirement equal to a multiple of base salary, 300% in the case of the CEO and 200% in the case of the CFO, which they are expected to reach within five years of their appointment. As well as beneficially owned shares, vested but unexercised LTIP awards, unvested RSU awards and deferred shares will count towards shareholding requirements, on a net of tax basis. Non-Executive Directors have a shareholding guideline equivalent to 100% of their annual base fee. Jeff Nodland, Alistair Murray, Regi Aalstad, Chris Smith and Mark Strickland have share interests in excess of their respective guidelines and Elizabeth McMeikan is below her guideline requirement.

No changes to the Directors' ordinary share interests shown in the above table have taken place between 30 June 2025 and 11 September 2025.

C. Pay comparison

9. Percentage change in Directors' remuneration versus employee pay

The table below shows the annual percentage change in remuneration of Directors and UK employees over the last five financial years. Although the Company has an international workforce, this group has been chosen as it continues to represent the most meaningful comparator group to compare to the UK-based Executive Directors. Where there are no prior years to compare to, the value is marked as not applicable.

	Salary/fees change[1]					Benefits change[1]					Bonus change[1]				
	2021	2022	2023	2024	**2025**	2021	2022	2023	2024	**2025**	2021	2022	2023	2024	**2025**
Executive Directors															
Chris Smith	27.0%	0.5%	2.0%	3.5%	**2.8%**	(6.6)%	73.6%	2.6%	7.1%	**2.0%**	(100.0)%	N/A	N/A	100.0%	**7.0%**
Mark Strickland	N/A	96.5%	6.8%	8.0%	**2.8%**	N/A	156.0%	2.4%	8.5%	**7.6%**	N/A	N/A	N/A	100.0%	**11.6%**
Non-Executive Directors															
Steve Hannam	8.7%	2.7%	(61.7)%	N/A	**N/A**	(100.0)%	0.0%	0.0%	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Igor Kuzniar	0.0%	2.6%	(8.3)%	(100.0)%	**N/A**	(100.0)%	100.0%	(16.5)%	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Elizabeth McMeikan	91.6%	2.7%	8.6%	10.1%	**0.0%**	0.0%	0.0%	100.0%	(97.9)%	**(100.0)%**	N/A	N/A	N/A	N/A	**N/A**
Jeff Nodland	62.9%	0.0%	0.0%	5.0%	**0.0%**	(95.9)%	3,602.8%	22.2%	(11.6)%	**(5.5)%**	N/A	N/A	N/A	N/A	**N/A**
Alastair Murray	N/A	N/A	13.8%	5.0%	**0.0%**	N/A	N/A	87.8%	(100.0)%	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Regi Aalstad	N/A	N/A	229.1%	5.0%	**19.0%**	N/A	N/A	100.0%	(25.3)%	**(100.0)%**	N/A	N/A	N/A	N/A	**N/A**
Comparator group															
Average for UK employees[2]	7.6%	2.1%	3.6%	6.9%	**5.7%**	32.9%	(21.5)%	(6.3)%	36.0%	**17.1%**	1,531.1%	(17.5)%	(68.6)%	12.0%	**4.8%**

(1) Footnotes in relation to 2021, 2022, 2023 and 2024 percentage changes can be found in the Annual Report and Accounts for the relevant year.

(2) The calculations for the comparator group are based on the average values for UK-based employees (other than Directors) that were employed by Robert McBride Ltd on the last day of the financial year versus the same criteria for the previous financial year. Last financial year there were 459 employees in the comparator group versus 506 employees at the end of this financial year. The average salary for the UK-based employees (on an FTE basis) has increased over the last financial year. The average benefits change value shows variance to prior year largely driven by increasing costs of benefit provision and take-up in the UK. The average bonus change value reflects the increased payout due from improved financial performance. Pension benefits and long-term incentive awards are excluded from the calculation. The comparator group data is being reported in this way as all of the employees of McBride plc are Directors and therefore the comparison required by the Regulations cannot be shown.

10. CEO pay ratio

Under Option B of The Companies (Miscellaneous Reporting) Regulations 2018, the latest available gender pay gap data was used to identify the best equivalent comparison for the three UK-based employees whose pay is at the 25th, 50th (median) and 75th percentiles of the comparator group. There were 506 UK-based employees in the comparator group, assessed with an effective date of 5 April 2024 as required by the gender pay gap reporting regulations. This calculation methodology was selected as it provides the most consistent Company approach for identifying meaningful equivalents which are reasonably representative of the percentiles and are aligned to the Company's approach to UK gender pay gap reporting. The employees identified as the best equivalents are deemed reasonably representative as their incentive outcomes and pay structures are representative of the wider population.

The ratios shown in the table compare the total remuneration for the relevant UK-based employees to the current CEO single total remuneration figure. The ratios have increased in 2025, primarily as a result of the CEO's 2022 LTIP award vesting in full in 2025. There has also been an increase in salary and total remuneration for median earners for the wider UK employee population. This pay ratio is consistent with the pay, reward and progression policies applicable to the Company's employees as a whole. All employees are eligible for incentives, which can vary from year to year. Salaries are based on role size and market benchmarks, and there are similar pension contributions (in terms of percentage of salary) for the Executive Directors compared to the median employee.

C. Pay comparison continued

10. CEO pay ratio continued

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	**Option B**	**95.4:1**	**63.4:1**	**45.3:1**
2024[1]	Option B	42.3:1	38.9:1	27.5:1
2023	Option B	28.2:1	22.8:1	18.3:1
2022[2]	Option B	17.8:1	14.8:1	9.6:1
2021[2]	Option B	20.5:1	16.6:1	11.1:1

(1) The 2024 figures are restated compared to the values shown in the 2024 Annual Report and Accounts to include the value of the 2021 LTIP award.

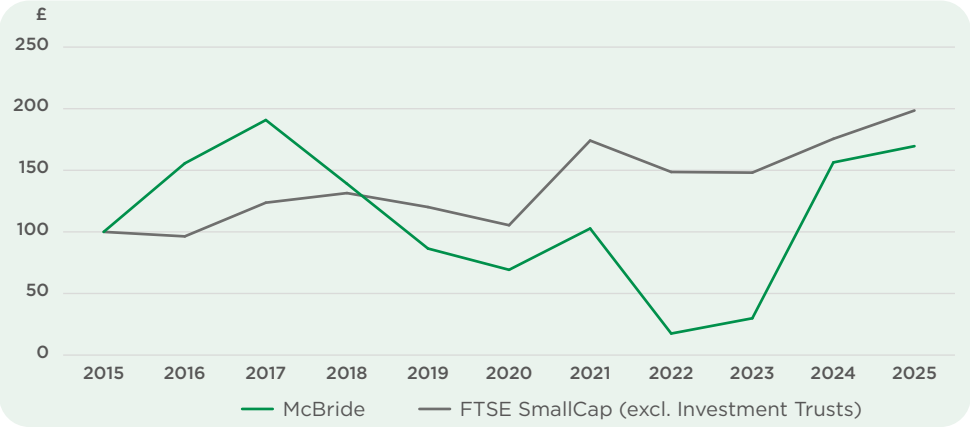
(2) The ratios shown in the table compare total remuneration for the three relevant UK-based employees to a CEO's single total remuneration figure that includes base salary, RSUs, benefits and pension only as there were no incentive payments in respect of 2021 and 2022. Typically, a significant proportion of the CEO's pay is delivered through incentives where performance conditions are met.

The table below shows the total remuneration and salary for each quartile of UK employees over the financial year from 1 July 2024 to 30 June 2025.

	25th percentile	Median	75th percentile
Salary	£33,805	£44,063	£59,628
Total remuneration	£34,585	£52,051	£72,810

11. CEO single figure history and Total Shareholder Return (TSR) performance

The graph below charts the TSR of shares in McBride plc, calculated as share value movement plus reinvested dividends, over the ten years to 30 June 2025, compared with that of a hypothetical holding in the FTSE SmallCap excluding Investment Trusts. The Directors consider this index to be an appropriate comparator group for assessing the Company's TSR as it provides a well-defined, understood and accessible benchmark.



The graph shows the value, by 30 June 2025, of £100 invested in McBride plc on 1 July 2015, compared with the value of £100 invested in the FTSE SmallCap excluding Investment Trusts on the same date.

The following table shows the historical CEOs' levels of total remuneration (single figure of total remuneration), together with annual bonus and LTIP awards as a percentage of the maximum available.

CEO/financial year	Total remuneration £'000	Annual bonus % of maximum	LTIP % of maximum vested[5]
Chris Smith[1]			
2025	3,300	72.1	100.0
2024	1,577	98.0	50.0
2023	999	95.0	—
2022	552	—	—
2021	551	—	—
2020[2]	497	24.8	—
Ludwig de Mot[3]			
2020[2]	368	—	—
Rik De Vos[4]			
2019	592	—	—
2018	890	—	62.5
2017	1,169	70.8	100.0
2016	893	98.5	—

(1) Chris Smith was appointed CEO with effect from 11 June 2020, having previously been CFO since 15 July 2014.

(2) For 2020, the total remuneration has been adjusted to reflect the period served as CEO.

(3) Ludwig de Mot was appointed CEO with effect from 1 November 2019 and left the business on 10 June 2020.

(4) Rik De Vos was appointed CEO with effect from 2 February 2015 and left the business on 31 August 2019.

(5) The 'LTIP % of maximum vested' is the percentage of shares vesting compared to the maximum that could have vested.

12. Relative importance of spend on pay

The table below shows the total amount of distributions to shareholders compared to the total payroll costs for the Group for the financial years ended 30 June 2024 and 30 June 2025.

	Year ended 30 June 2025 £m	Year ended 30 June 2024 £m	% change
Shareholder distribution	**—**	—	n/a
Total payroll costs[1] (of all Group employees including Directors)	**162.8**	156.5	4.0%

(1) Total payroll costs exclude termination benefits.

D. Remuneration Committee membership, governance and voting

13. Remuneration Committee and advisers

The Committee met five times in the year ended 30 June 2025. Details of attendance can be found below.

Members	Number of scheduled meetings attended (quorum is three members)	Eligible to attend
Elizabeth McMeikan (Chair)	5	5
Regi Aalstad	5	5
Alastair Murray	5	5
Jeff Nodland	5	5

Jeff Nodland satisfied the independence condition on his appointment as a Non-Executive Director. The Board is satisfied that the remaining members during the year were independent Non-Executive Directors. Meetings may be attended by the CEO on all matters except those relating to his own remuneration. The CFO, the Chief HR Officer and the Company's independent remuneration consultants also attend meetings by invitation. The Company Secretary attended each meeting as Secretary to the Committee. No Director or attendee participates in any discussion relating to their own remuneration.

A summary of the key matters considered by the Committee in respect of Directors' remuneration during the year and since the year end in respect of 2025 is as follows:

- The Committee reviewed the base salaries for the Executive Directors.
- In relation to the annual bonus, the Committee reviewed and approved performance against the financial and non-financial objectives and determined after the year end that a bonus of 72.1% of maximum would be payable to each of the Executive Directors covering this period. No discretion was applied in reaching this decision.
- In relation to the LTIP awards granted in 2022, the Committee reviewed the performance conditions after the year end and determined that the overall vesting will be 100%, reflecting strong adjusted EPS growth and debt management, and that no discretion was to be applied in determining the level of vesting or to address windfall gains.
- The Committee approved the grant of the LTIP and RSU awards in the period under review in line with the Policy that was approved at the 2023 AGM.

The Committee's main duties are:

- to review the ongoing appropriateness and relevance of the Directors' Remuneration Policy;
- to apply formal and transparent procedures regarding executive remuneration packages;
- to consider and make recommendations to the Board on remuneration issues for the Chairman, the Executive Directors and other senior executives, taking into account the interests of relevant stakeholders;
- to ensure that failure is not rewarded and that steps are taken to mitigate loss on termination to contractual obligations where appropriate; and
- to review the implementation and operation of any Company share option schemes, bonus schemes and LTIPs and to review the formal policy for shareholding requirements, both in employment and post-cessation.

The Terms of Reference of the Committee were reviewed during the year, and a copy of the Committee's Terms of Reference is available on the Group's website **www.mcbride.co.uk**.

In determining the remuneration structure, the Committee appoints and receives advice from independent remuneration consultants on the latest developments in corporate governance and the pay and incentive arrangements prevailing in comparably sized companies. The Committee received advice from FIT Remuneration Consultants LLP ('FIT'), who were appointed in 2024 as its independent adviser. FIT received £59,066 in respect of the services provided in 2025. FIT is a member of the Remuneration Consultants Group and is a signatory to its Code of Conduct, which sets out guidelines to ensure that any advice is independent and free of undue influence. FIT provided no other services to the Company.

The Committee is satisfied that the advice provided by FIT was independent and objective. The Committee is also satisfied that the team who provided advice do not have any connection to McBride that may impair their independence or objectivity.

14. Statement of shareholder voting

The table below shows the voting outcome for the approval of the 2024 Directors' Remuneration Report at the AGM in November 2024 and for the approval of the Directors' Remuneration Policy at the AGM in November 2023:

Resolution	Votes for	%	Votes against	%	Votes withheld
Approval of Remuneration Report (advisory vote at the 2024 AGM)	117,547,834	99.74	309,558	0.26	21,312
Approval of Remuneration Policy (binding vote at the 2023 AGM)	106,247,728	93.71	7,132,562	6.29	21,629

The 2023 Directors' Remuneration Policy is available on McBride's website (**www.mcbride.co.uk**) under the 'Our Board & Corporate Governance' section.

E. Implementation of Remuneration Policy in 2026

15. Application of the Remuneration Policy for 2026

The table below sets out how the Policy is intended to be applied for Board Directors in 2026.

Element	Application of Policy for 2026
Executive Director base salary	The Executive Directors' salaries as at the start of 2026 are £482,868 for the CEO and £317,034 for the CFO. A salary review will be undertaken in the normal way during the year and any increase will take effect from 1 January 2026.
RSUs	An award of 30% of salary will be made to each of the Executive Directors.
Benefits	Pension contribution (or cash allowance in lieu of pension) of 8% of salary for each of the Executive Directors in line with the contribution rate for the majority of the UK workforce. Car allowance of £13,200 per annum and private medical coverage, estimated to be around £1,900 for 2026, for each of the Executive Directors.
Annual bonus	The structure and operation of the annual bonus scheme for the Executive Directors will continue in line with the previous financial year. The maximum bonus opportunity continues to be 100% of salary, with 60% of the award subject to challenging operating profit targets, 20% of the award subject to targets related to overhead cost reduction and 20% subject to specific strategic objectives. The Committee considers that the forward-looking targets are commercially sensitive and has, therefore, chosen not to disclose them in advance. Details of the targets will be set out retrospectively in next year's Remuneration Report; however, the targets are considered to be demanding in the context of the Company's circumstances.
LTIP	In 2026, the CEO's award will have a face value of 100% of salary and the CFO's award will have a face value of 90% of salary. The awards will be subject to adjusted EPS and ROCE performance conditions with equal weighting. Adjusted EPS will be assessed by reference to the cumulative adjusted EPS achieved for the 2026, 2027 and 2028 financial years and ROCE will be assessed by reference to the average ROCE achieved over the same three-year period. It is intended that awards will be made under the existing 2023 LTIP plan in September 2025. The targets for the 2026 awards are as follows:

Target	Threshold (10% of part subject to target)	Threshold (50% of part subject to target)	Threshold (100% of part subject to target)
Cumulative adjusted EPS over three years	66.0p	77.7p	89.4p
Average ROCE over three years	30.6%	32.2%	33.8%

The Committee believes the adjusted EPS and ROCE targets are sufficiently challenging against internal and external expectations.

E. Implementation of Remuneration Policy in 2026 continued

15. Application of the Remuneration Policy for 2026 continued

Element	Application of Policy for 2026
Non-Executive Director fees	There will be no change to the level of annual fees of the Chairman and Non-Executive Directors for 2026. These were last increased by 5% in July 2023. An additional fee for the Non-Executive Director for employee engagement was introduced during 2025, to reflect this role that has been carried out by Regi Aalstad since July 2023. Fees will be as follows in 2026: • Chairman base fee: £210,000; • Non-Executive Director base fee: £52,500; • Chair of the Audit and Risk Committee additional fee: £9,450; • Chair of the Remuneration Committee additional fee: £8,400; • Senior Independent Director additional fee: £8,400; • Non-Executive Director for employee engagement additional fee: £5,000; • international travel allowance for the Chairman: up to £50,000; and • international travel allowance for Non-Executive Directors based overseas: up to £15,000.

The Directors' Remuneration Report was approved by the Board on 16 September 2025 and signed on its behalf by:

Elizabeth McMeikan
Chair of the Remuneration Committee

Reporting requirements

The Group is required to produce a Strategic Report complying with the requirements of section 414A of the Companies Act 2006. The Strategic Report is set out on pages 1 to 59.

As permitted by section 414C(11) of the Companies Act 2006, the below matters have been disclosed in the Strategic Report:

An indication of the likely future development in the business of the Company	pages 7 to 9
Particulars of important events affecting the Company since the financial year end	page 160
Greenhouse gas emissions	pages 27 to 30
Employee engagement and involvement	page 23
Engagement with suppliers, customers and others in a business relationship with the Company	pages 24 to 25
A summary of the principal risks facing the Company	pages 53 to 57

The Corporate Governance Statement, as required by the Disclosure and Transparency Rules (DTR) 7.2.1, is set out on pages 62 to 67 of the Governance Report.

For the purposes of DTR 4.1.8R, the Strategic Report and the Governance Report together form the Management Report.

For the purposes of UK Listing Rule 6.6.1R, the information required to be disclosed can be found on the following pages:

UK Listing Rule	Topic	Location
(3)	Details of long-term incentive schemes	Remuneration Report, pages 92 to 93
(12)	Dividend waiver	Statutory information, page 100

Contracts with controlling shareholders

During the year, there were no contracts of significance (as defined in the FCA's UK Listing Rules) between any Group undertaking and a controlling shareholder and no contracts for the provision of services to any Group undertaking by a controlling shareholder.

Group results

The results for the year are set out in the Consolidated Income Statement on page 111 and a discussion of the Group's financial performance and progress is set out in the Strategic Report on pages 19 to 21.

Directors

The Directors who held office at any time during the year and up to the date of the approval of these financial statements were Jeff Nodland, Chris Smith, Mark Strickland, Elizabeth McMeikan, Alastair Murray and Regi Aalstad.

The biographical details of all Directors serving at 30 June 2025 appear on page 60.

Dividends

The Group's results and performance highlights for the year are set out on pages 1 to 58. As outlined in the RNS dated 29 November 2024, as a result of the refinancing of the Company's RCF, the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs. The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025. Such dividend, if approved by shareholders at the Company's AGM, shall be payable on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. As stated in the 2024 Annual Report, future dividends will be final dividends paid annually in cash, not by the allotment and issue of non-cumulative redeemable preference shares ('B Shares'). Accordingly, the final dividend proposed for the year ended 30 June 2025 will be paid in cash if approved by the shareholders. With the restriction on the redemption of existing B Shares having been lifted as a result of the refinancing of the Company's RCF, B Shares will be redeemable again (subject to any restrictions and compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which holders of B Shares are resident or to which holders of B Shares are subject) but limited to one redemption date falling in November of each year. Further details of how to redeem existing B Shares in November 2025 will be announced in due course.

Further details on B Shares can be found in the booklet entitled 'Your Guide to B Shares' on the Company's website at **www.mcbride.co.uk**.

Apex Group Fiduciary Services Limited, in its capacity as Trustee of the McBride Employee Benefit Trust 2012, has waived its entitlement to dividends on ordinary shares in the Company comprised in the trust fund where no beneficial interest in the shares has vested in a beneficiary. This waiver will continue unless and until the Company directs the Trustee otherwise.

Previous dividends to holders of B Shares and loans to the Trustee of the EBT

As noted in the financial statements, during the course of the financial year ended 30 June 2025, the Directors became aware of potential technical issues regarding: (i) certain dividends paid to the holders of B Shares in the period from November 2022 to November 2024 (the 'Dividends'); and (ii) certain loans made to Apex Group Fiduciary Services Limited, in its capacity as trustee of the McBride plc Employee Benefit Trust 2012, (the 'Trustee'), in the period from November 2023 to October 2024 (the 'EBT Loans', and together with the Dividends, the 'Relevant Distributions'). The Dividends were paid, and the EBT Loans may have been made, otherwise than in accordance with the Companies Act 2006 as they were made without the Company, itself, holding sufficient distributable reserves and without interim accounts having been filed at Companies House prior to payment and/or, in the case of the EBT Loans, where they resulted in a reduction in the Company's net assets. The quantum of these payments and loans was: (i) with respect to the Dividends, £47,710.90 in aggregate; and (ii) with respect to the EBT Loans, £5,100,339.38 in aggregate. In April 2025, the Company received a dividend of £40.0 million from a subsidiary, thereby increasing the Company's distributable reserves to sufficient levels to support the Company's anticipated future distributions in the course of the 2025 calendar year. Consequently, prior to the payment of the May 2025 dividend to the holders of B Shares, the Company held sufficient distributable reserves at the relevant time. The Company had also filed interim accounts at Companies House earlier in May 2025. Further procedures have been put in place to ensure the Company's reserves are sufficient for relevant dividends to be paid and loans to be made in the future. These include reviewing the Company's anticipated upcoming distributable reserve requirements, establishing a process for paying dividends up through the subsidiaries regularly to ensure the Company has sufficient distributable reserves for its requirements, checking the Company has sufficient distributable reserves before paying a dividend or making a loan, and updating the Audit and Risk Committee on the Company's distributable reserves at set intervals.

At the Company's AGM on 20 November 2025, the Company proposes to ask shareholders to pass a resolution to authorise: (i) the appropriation of distributable profits to the payment of the Relevant Distributions; and (ii) the waiver and release by the Company of any claims which the Company has or may have in connection with the authorisation, declaration or payment (as the case may be) of the Relevant Distributions against the relevant holders of the B Shares, the Trustee, the Directors or certain former Directors who were Directors of the Company at a time when any of the Relevant Distributions were authorised, declared and/or paid. If passed, this will constitute a related party transaction under IAS 24, and the overall effect of the resolution will be to put all potentially affected parties so far as possible into the position they would have been in had the Dividends and EBT Loans been made in full compliance with the Companies Act 2006.

Directors' interests in the Company's shares

The interests of persons who were Directors of the Company (and of their Connected Persons) at 30 June 2025 in the issued shares of the Company (or in related derivatives or financial instruments) which have been notified to the Company in accordance with the Market Abuse Regulation are set out in the Remuneration Report on page 94. The Remuneration Report also sets out details of any changes in those interests between 30 June 2025 and 11 September 2025.

Indemnification of Directors

The Directors have the benefit of an indemnity provision contained in the Articles of Association of the Company. In addition, under deeds of indemnity, the Company has granted indemnities in favour of each Director of the Company in respect of any liability that he or she may incur to a third party in relation to the affairs of the Company or any Group company. Consequently, qualifying third-party indemnity provisions for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the course of the financial year and remain in force at the date of the approval of this report.

During the financial year ended 30 June 2025 and up to the date of this Directors' Report, the Company had appropriate Directors' and officers' liability insurance cover in place in respect of legal action against its Directors.

Directors' interests in contracts

Other than service contracts or letters of appointment, no Director had any interest in any material contract with any Group company at any time during the year. There were no contracts of significance (as defined in the FCA's UK Listing Rules) during the year to which any Group undertaking was a party and in which a Director of the Company is, or was, materially interested.

Share capital

As at 11 September 2025, the issued share capital of the Company was 174,015,287 ordinary shares of 10 pence each (96.292% of total year-end capital) (excluding treasury shares), 42,041 ordinary shares of 10 pence each held in treasury ('treasury shares') (0.023% of total year-end capital) and 665,888,258 B Shares of 0.1 pence each (3.685% of total year-end capital). There were no purchases, sales or transfers of treasury shares during the year. There were no allotments of ordinary shares during the year. Details of the issued share capital, together with details of movement in the issued share capital of the Company during the year, are shown in note 25 to the financial statements. This is incorporated by reference and deemed to be part of this report. The Company has one class of ordinary shares, which carries no right to fixed income. The ordinary shares are listed on the Official List and traded on the London Stock Exchange. All issued shares are fully paid.

The Company was authorised at the 2024 AGM to allot shares, or grant rights over shares, up to an aggregate nominal amount equal to £870,076 (8,700,760 ordinary shares of 10 pence each), representing approximately 5% of its issued ordinary share capital (excluding treasury shares). This authority, however, is due to expire at the 2025 AGM and the Board will be seeking a renewal of this authority at the 2025 AGM.

The Investment Association's guidelines on directors' share allotment authorities state that the Association's members will regard as routine any proposal at a General Meeting to seek a general authority to allot an amount up to two-thirds of the existing share capital, provided that any amount in excess of one-third of the existing share capital is applied to fully pre-emptive rights issues only. Following engagement with certain of the Company's non-UK shareholders in 2023, the Board concluded it to be in the best interests of the Company to limit the allotment authority sought at the 2023 AGM to 5% of the Company's issued ordinary share capital (excluding treasury shares). The Board continues to believe it to be in the best interests of the Company to so limit the allotment authority.

The Company was authorised at the 2024 AGM to allot up to an aggregate nominal amount of £870,076 (representing 8,700,760 ordinary shares of 10 pence each), representing approximately 5% of the issued ordinary share capital (excluding treasury shares) for cash without first offering them to existing shareholders in proportion to their holding.

Share capital continued

The Board continues to believe it to be in the best interests of the Company to so limit the allotment authority and, accordingly, a renewal of this authority will be proposed at the 2025 AGM.

There are no restrictions on the transfer of ordinary shares or B Shares in the Company, other than certain restrictions that may from time to time be imposed by law. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

Substantial shareholdings

The Company had been notified in accordance with Chapter 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules of the following interests amounting to 3% or more of its issued share capital as at the end of the financial year and at 11 September 2025 (being the last practicable date prior to the date of this report).

	As at 11 September 2025		As at 30 June 2025	
	Number of shares	%	Number of shares	%
Teleios Capital Partners	41,351,657	23.76	41,351,657	23.76
Zama Capital	21,007,962	12.07	21,007,962	12.07
Aberforth Partners LLP	8,682,453	4.99	8,682,453	4.99
Premier Miton Investors	8,347,899	4.80	8,347,899	4.80

Accounting policies

Information on the Group's financial risk management objectives, policies and activities and on the exposure of the Group to relevant risks in respect of financial instruments is set out in note 20 to the consolidated financial statements on pages 142 to 150.

Political donations

It is the Group's policy not to make political donations or to incur political expenditure. During the year, no political donations were made by the Group to any EU or non-EU political party, political organisation or independent election candidate. During the year, no EU or non-EU political expenditure was incurred. In keeping with the Group's approach in prior years, shareholder approval is being sought at the forthcoming AGM, as a precautionary measure, for the Company and its subsidiaries to make donations and/or incur expenditure, which may be construed as political by the wide definition of that term included in the relevant legislation. Further details are provided in the Notice of AGM.

Research and development

The Group is involved in a range of activities in the field of R&D. A number of these activities are referred to in the Strategic Report on pages 27 to 33.

Employment of disabled people

Our people policies are designed to provide equal opportunities and create an inclusive culture in line with our values and in support of our long-term success. They also reflect relevant local employment law in our countries of operation.

We expect our colleagues to treat each other with dignity and respect, and do not tolerate discrimination, bullying, harassment or victimisation on any grounds. We are committed to recruiting, training and paying our people fairly and equitably relative to their role, skills, experience and performance – in a way that balances the needs of all our business.

It is our policy to give full and fair consideration to applications for employment received from people with disabilities, having regard to their particular aptitudes and abilities. Wherever possible we will continue the employment of, and arrange appropriate training for, colleagues who have become disabled during the period of their employment. We provide the same opportunities for training, career development and promotion for colleagues with disabilities as for other colleagues.

Creating an inclusive and supportive culture is not only the right thing to do, but also best for our business. It creates a sense of belonging and value and enables colleagues to perform at their best.

Colleague engagement

We recognise the importance of keeping all colleagues at all levels across the business up to date on the strategy, performance and progress of the divisions and Group through multiple communication channels. This combines leader-led communication at a site, divisional and Group level supported by emails, intranet, the Group's employee self-service portal, announcements and bulletins.

Colleague engagement at all levels is a crucial element of embedding our core and aspirational values, allowing us to help colleagues see how their efforts contribute to their site, division or function's strategic objectives.

We also engage with our colleagues collectively through a strong and effective partnership with our EWC, which represents all colleagues within the European Union and which meets biannually, in addition to other local works council forums.

Eligible employees participate in performance-related bonus schemes and some senior managers participate in an LTIP or RSU scheme.

Numerical diversity data as at 30 June 2025

The following tables set out the information required by UK Listing Rule 6.6.6R(10) in the prescribed format. At year end, the Board and members of the Executive Committee are asked to complete a diversity disclosure to confirm which of the categories set out in the below tables they identify with.

1. Table for reporting on gender identity or sex

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	4	66.7%	3	4	66.7%
Women	2	33.3%	1	2	33.3%
Not specified/ prefer not to say	0	0.0%	0	0	0.0%

Numerical diversity data as at 30 June 2025 continued

2. Table for reporting on ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	6	100%	4	2	100%
Mixed/Multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African/ Caribbean/Black British	0	0%	0	0	0%
Other ethnic group (including Arab)	0	0%	0	0	0%
Not specified/ prefer not to say	0	0%	0	0	0%

Change of control

As at 30 June 2025 and at 11 September 2025, the last practicable date prior to approval of this report, the Company and its subsidiaries were party to a number of commercial contracts, contract manufacturing and brand licensing agreements that may allow the counterparties to alter or terminate the agreements on a change of control of the Company following a takeover bid. The Group has a syndicated multi-currency RCF for €200 million (which also has a €75 million accordion feature) which may require prepayment if there is a change of control of the Company. The rules of the discretionary share schemes set out the consequences of a change of control of the Company on participants' rights under the schemes. Generally, the rights will vest and become exercisable on a change of control subject to the satisfaction of relevant performance conditions. There are no arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation, save that a side letter has been put in place in relation to the employment agreement of each of the CEO, CFO and each of the Managing Directors. These side letters state that the relevant individual is entitled to enhanced severance terms if a change of control of McBride plc is followed within twelve months by the relevant individual being given notice or there being a material change in the relevant individual's duties precipitating their departure. In the case of the CEO and CFO, the side letters seek to give a contractual basis to reflect the position as set out in the Company's Remuneration Policy, which was approved by shareholders. For further information on the change of control provisions in the Company's share plans and service agreements, please refer to the Directors' Remuneration Policy.

The full Directors' Remuneration Policy is available in the 2023 Annual Report and Accounts, which can be accessed at **www.mcbride.co.uk**.

Branches

The Company has no overseas branches. The Company's subsidiaries are detailed in note 15 to the Company Financial Statements.

2025 Annual General Meeting

The Company's 2025 AGM will be held at the head office of McBride plc, Arbeta, 11 Northampton Road, Manchester M40 5BP on Thursday 20 November 2025 at 2.00pm. Details of the resolutions to be proposed, how to vote and ask questions are set out in a separate Notice of AGM which accompanies this report for shareholders receiving hard copy documents, and which is available on our website at **www.mcbride.co.uk** for those who have elected to receive documents electronically. The results will be announced as soon as possible and posted on our website.

Disclosure of information to the auditors

Each of the Directors who held office at the date of approval of this Directors' Report confirms that, so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that ought to have been taken in his or her duty as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors' Report was approved by the Board on 16 September 2025 and signed on its behalf by the order of the Board by:

Chris Smith
Chief Executive Officer

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and Accounts 2025 and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

Chris Smith
Chief Executive Officer

Independent Auditors' Report to the Members of McBride plc

Report on the audit of the financial statements

Opinion

In our opinion:

- McBride plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 30 June 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2025 (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 30 June 2025; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated and Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 6, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- Our work incorporated full scope audits of the Group's components in the UK, France, Belgium and Germany plus limited scope procedures in relation to Italy, Spain, Luxembourg, Denmark and Poland.
- The Company was subject to a full scope audit by the Group engagement team for the purposes of the consolidated balance sheet and the Company financial statements.
- The entities where we conducted audit work, together with audit work performed at the Group's shared service centre and at the consolidated level, accounted for approximately 75% of the Group's revenue.

Key audit matters

- Valuation of Goodwill – specifically in the Liquids cash-generating unit (Group).
- Valuation of investments in subsidiaries (Company).

Materiality

- Overall Group materiality: £9.2m (2024: £7.0m) based on 1% of revenue.
- Overall Company materiality: £2.2m (2024: £2.9m) based on 1% of total assets.
- Performance materiality: £6.9m (2024: £5.3m) (Group) and £1.6m (2024: £2.2m) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Recoverability of amounts owed by subsidiaries, which was a key audit matter last year, is no longer included because of there being no prior year audit findings in this area, there are no significant judgements being applied by management and there has been a significant reduction in this value since the prior year. Otherwise, the key audit matters below are consistent with last year.

Independent Auditors' Report to the Members of McBride plc continued

Report on the audit of the financial statements

Our audit approach continued

Key audit matters continued

Key audit matter	How our audit addressed the key audit matter
Valuation of Goodwill – specifically in the Liquids cash-generating unit (Group) Refer to the Consolidated financial statements note 12 – Goodwill. Goodwill of £19.8 million (2024: £19.7m) is split across four cash-generating units (CGUs) that are considered annually for impairment. Of the £19.8 million, £16.0 million (2024: £16.0m) relates to one CGU, Liquids CGU. The Directors have performed their annual impairment assessment using a value-in-use model in which no impairment has been identified. The key assumptions in the model being revenue growth, raw materials prices, capex and working capital balances. The Directors have sensitised the value-in-use model to assess the financial impact of key assumptions that the Directors believe have a reasonable likelihood of occurrence and have concluded that a reasonably possible change would not lead to an impairment. We have identified the valuation of the Liquids CGU as a key audit matter due to the balance being material and the valuation requires estimation.	In assessing the appropriateness of valuation of goodwill for the Liquids CGU we have performed the following procedures: We evaluated and assessed the Group's future cash flow forecasts, the process by which they were drawn up and tested the underlying value in use calculations. We compared the Group's forecasts to the latest Board-approved budget and found them to be consistent. We discussed the cash flow forecasts with management and compared the growth assumptions to external market research for the Liquids CGU in order to identify any inconsistencies. We have assessed management's assumptions for margins by comparing to historical data and supporting evidence. We compared actual results with previous forecasts to assess the historical accuracy of the forecasts and incorporated the variances identified into the sensitivity analysis performed. We challenged management to the extent of which climate change has been reflected within management's impairment assessment process. We considered management bias throughout the assumptions used and considered any contradictory evidence. We have sensitised the assumptions including the discount rate and long term growth rate used within the model and considered managements calculations and support behind these assumptions. We have reviewed the disclosures made regarding the assumptions and sensitivities applied by management and we are satisfied that these are appropriate. As a result of these procedures, we were satisfied with the Directors' conclusion that no impairment was required for the current year.
Valuation of investments in subsidiaries (Company) Refer to the Company financial statements note 5 – Investments. Investments in related undertakings of £158.4 million (2024: £158.4m) is material to the Company financial statements. Given the magnitude of this balance, and the management judgement involved in determining whether any impairment triggers exist, we have considered the risk of impairment of these assets as a Key Audit Matter. Impairment indicators have been assessed and no triggers have been identified.	We have performed the following audit procedures in relation to the carrying value of investments: We obtained a schedule of investments in subsidiary undertakings and ensured this is reconciled to the financial statements. We challenged management's assertion that no impairment triggers were identified that would necessitate a full impairment review to be performed. We compared the market capitalisation to the total value of investments to ensure that there was no indication that the investment balance in totality was impaired. We considered wider market trends which may indicate impairment and reviewed Board minutes for any indication of impairment within specific companies. We performed a review of net assets of the subsidiary entity against the carrying value and evaluated the performance of individual companies to ensure no indication of impairment in individual investments. We reviewed the disclosures and are satisfied that these are appropriate. As a result of these procedures, we were satisfied with the Directors' conclusion that there were no indicators that would require the Directors' to perform a full impairment test of the carrying value of investments in subsidiary undertakings.

Independent Auditors' Report to the Members of McBride plc continued

Report on the audit of the financial statements

Our audit approach continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group is organised into 30 legal entities within the UK, Europe and Asia excluding dormant entities. The Group's financial statements are a consolidation of these legal entities, dormant entities and the consolidation journals which includes an employee benefit trust. The legal entities vary in size and we identified 4 legal entities that required an audit of their complete financial information as they are significant due to size, being the entities in the UK, Belgium, France and Germany. We also audited material consolidation journals.

The 4 legal entities where we performed an audit of their complete financial information accounted for 75% percent of the Group's revenue and 76% per cent of the Group's profit before tax. These coverages are based on absolute values.

The work was performed by the Group audit team with the exception of some balances within 2 of the legal entities in France and Belgium for which some of the work was performed by component audit teams. The Group audit team supervised the direction and execution of the audit procedures performed by the component teams. Our involvement in their audit process, including review of their supporting working papers, together with the additional procedures performed at Group level, gave us the evidence required for our opinion on the financial statements as a whole.

On the remaining 26 legal entities which were not subject to an audit of their complete financial information, we performed analytical procedures and substantive testing over 6 of these legal entities to respond to any potential risks of material misstatement to the Group financial statements. The remaining 20 legal entities are considered to be inconsequential components therefore no audit procedures were performed over these legal entities.

The Company was subject to a full scope audit by the Group engagement team for the purposes of the consolidated balance sheet and the Company financial statements.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the financial statements.

We challenged the completeness of management's climate risk assessment by:

- reading external reporting made by management;
- considering management's commitment to the Science Based Targets initiative during the financial year;
- challenging the consistency of management's climate impact assessment with internal climate plans and Board minutes; and
- reading the entity's website/communications for details of climate related impacts.

Management considers the impact of climate risk as at the balance sheet date does not give rise to a potential material financial statement impact.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters for the year ended 30 June 2025.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£9.2m (2024: £7.0m).	£2.2m (2024: £2.9m).
How we determined it	1% of revenue	1% of total assets
Rationale for benchmark applied	We considered materiality in a number of different ways and used our professional judgement having applied 'rule of thumb' percentages to a number of potential benchmarks. On the basis of this, we concluded that 1% of revenue is an appropriate level of materiality considering the overall scale of the business.	We believe that calculating statutory materiality based on 1% of total assets is a typical primary measure for users of the financial statements of holding companies and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £1.7m and £8.3m. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £6.9m (2024: £5.3m) for the Group financial statements and £1.6m (2024: £2.2m) for the Company financial statements.

Independent Auditors' Report to the Members of McBride plc continued

Report on the audit of the financial statements

Our audit approach continued

Materiality continued

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £0.5m (Group audit) (2024: £0.4m) and £0.1m (Company audit) (2024: £0.1m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- we obtained management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern;
- we obtained management's base case scenario, tested its mathematical accuracy and evaluated the assumptions that were applied in order to understand the rationale and the appropriateness of those assumptions;
- we obtained management's severe but plausible downside scenario, tested its mathematical accuracy and evaluated the assumptions that were applied in order to understand the rationale and the appropriateness of those assumptions;
- we corroborated the key assumptions in the base case and severe but plausible downside scenario to third party evidence and/or our knowledge of the business and considered any contradictory evidence;
- we assessed the available liquidity under the different scenarios modelled by management, and the associated covenant tests applied; and
- we checked the banking agreement for the terms of the financing facilities which were put in place during the year and agreed these facilities to management's cashflow forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 June 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Remuneration Committee Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Independent Auditors' Report to the Members of McBride plc continued

Report on the audit of the financial statements

Corporate Governance Statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the Corporate Governance Statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- the disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- the Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the Directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- the Directors' statement as to whether they 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 of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- the section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations and employment laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the listing rules, local and international tax laws and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to improve financial performance, and management bias in accounting estimates and judgements. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work.

Independent Auditors' Report to the Members of McBride plc continued

Report on the audit of the financial statements

Responsibilities for the financial statements and the audit continued

Auditors' responsibilities for the audit of the financial statements continued

Audit procedures performed by the Group engagement team and/or component auditors included:

- challenging assumptions and judgements made by management in their significant accounting estimates (because of the risk of management bias), in particular around the carrying value of goodwill (see related key audit matter above) and recoverability of deferred tax assets;
- discussions with the Audit Committee, management, internal audit and the in-house legal team including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- enquired with external legal counsel around actual and potential litigation and claims;
- reviewing minutes of meetings of those charged with governance;
- auditing the tax workings and reviewing the disclosures included in the financial statements in respect of tax;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations that could result in an overstatement of profit or EBITA; and
- reviewing financial statements disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Remuneration Committee Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the Directors on 14 November 2011 to audit the financial statements for the year ended 30 June 2012 and subsequent financial periods. The period of total uninterrupted engagement is 14 years, covering the years ended 30 June 2012 to 30 June 2025.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

16 September 2025

Consolidated Income Statement

Year ended 30 June 2025

	Note	2025 Adjusted (note 30) £m	2025 Adjusting items (note 30) £m	2025 Total £m	2024 Adjusted (note 30) £m	2024 Adjusting items (note 30) £m	2024 Total £m
Revenue	3	**926.5**	**—**	**926.5**	934.8	—	934.8
Cost of sales		**(584.4)**	**—**	**(584.4)**	(586.9)	—	(586.9)
Gross profit		**342.1**	**—**	**342.1**	347.9	—	347.9
Distribution costs		**(85.5)**	**—**	**(85.5)**	(81.3)	—	(81.3)
Administrative costs		**(191.1)**	**(5.9)**	**(197.0)**	(199.3)	(2.8)	(202.1)
Reversal of impairment/(impairment) of property, plant and equipment		**0.6**	**—**	**0.6**	(0.2)	—	(0.2)
Operating profit/(loss)	7	**66.1**	**(5.9)**	**60.2**	67.1	(2.8)	64.3
Finance costs	8	**(11.2)**	**—**	**(11.2)**	(14.0)	(3.8)	(17.8)
Profit/(loss) before taxation		**54.9**	**(5.9)**	**49.0**	53.1	(6.6)	46.5
Taxation	9	**(17.3)**	**1.5**	**(15.8)**	(14.8)	1.6	(13.2)
Profit/(loss) for the year		**37.6**	**(4.4)**	**33.2**	38.3	(5.0)	33.3

	2025	2024
Earnings per ordinary share attributable to the owners of the parent during the year (note 10)		
Basic earnings per share	**19.5p**	19.3p
Diluted earnings per share	**18.6p**	18.8p

Consolidated Statement of Comprehensive Income

Year ended 30 June 2025

	Note	2025 £m	2024 £m
Profit for the year		**33.2**	33.3
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss:			
Currency translation differences of foreign subsidiaries		**0.8**	0.1
Gain on net investment hedges		**0.1**	0.8
Loss on cash flow hedges in the year		**(0.6)**	(1.3)
Cash flow hedges transferred to profit or loss		**(0.6)**	(1.6)
Taxation relating to the items above	9	**(0.2)**	(0.6)
		(0.5)	(2.6)
Items that will not be reclassified to profit or loss:			
Net actuarial loss on post-employment benefits	22	**(1.2)**	(5.6)
Taxation relating to the items above	9	**0.3**	1.3
		(0.9)	(4.3)
Total other comprehensive expense		**(1.4)**	(6.9)
Total comprehensive income		**31.8**	26.4

Consolidated Balance Sheet

At 30 June 2025

	Note	2025 £m	2024 £m
Non-current assets			
Goodwill	12	19.8	19.7
Other intangible assets	13	18.3	9.8
Property, plant and equipment	14	120.3	114.4
Derivative financial instruments	20	0.3	1.7
Right-of-use assets	15	7.9	8.1
Deferred tax assets	9	38.2	42.8
		204.8	196.5
Current assets			
Inventories	16	123.4	119.6
Trade and other receivables	17	139.1	148.8
Current tax assets		3.6	2.1
Derivative financial instruments	20	0.2	0.3
Cash and cash equivalents		34.2	9.3
		300.5	280.1
Total assets		505.3	476.6

	Note	2025 £m	2024 £m
Current liabilities			
Trade and other payables	18	228.0	220.1
Borrowings	19	69.8	67.4
Lease liabilities	15, 19	3.7	3.1
Derivative financial instruments	20	0.4	0.4
Current tax liabilities		7.2	12.9
Provisions	24	2.7	2.2
		311.8	306.1
Non-current liabilities			
Borrowings	19	61.3	65.0
Lease liabilities	15, 19	4.6	5.3
Derivative financial instruments	20	0.1	—
Pensions and other post-employment benefits	22	24.9	29.4
Provisions	24	1.6	1.4
Deferred tax liabilities	9	6.7	6.0
		99.2	107.1
Total liabilities		411.0	413.2
Net assets		94.3	63.4
Equity			
Issued share capital	25	17.4	17.4
Share premium account	25	68.6	68.6
Other reserves	25	75.8	76.3
Accumulated losses		(67.5)	(98.9)
Total equity		94.3	63.4

The financial statements on pages 111 to 163 were approved by the Board of Directors on 16 September 2025 and were signed on its behalf by:

Chris Smith
Director

Consolidated Cash Flow Statement

Year ended 30 June 2025

	Note	2025 £m	2024 £m
Operating activities			
Profit before tax		**49.0**	46.5
Finance costs	8	**11.2**	17.8
Exceptional items excluding finance costs	4	**4.0**	0.8
Share-based payments charge	5	**1.6**	1.6
Depreciation of property, plant and equipment	14	**15.8**	16.3
Depreciation of right-of-use assets	15	**3.9**	3.7
Loss on disposal of property, plant and equipment		**0.4**	1.4
Amortisation of intangible assets	13	**1.9**	2.0
(Reversal of impairment)/impairment of property, plant and equipment	14	**(0.6)**	0.2
Operating cash flow before changes in working capital and exceptional items		**87.2**	90.3
Decrease/(increase) in receivables		**9.9**	(5.2)
(Increase)/decrease in inventories		**(2.4)**	0.6
Increase in payables		**6.2**	—
Operating cash flow after changes in working capital before exceptional items		**100.9**	85.7
Additional cash funding of pension scheme	22	**(7.0)**	(4.0)
Cash generated from operations before exceptional items		**93.9**	81.7
Cash outflow in respect of exceptional items		**(3.2)**	(1.0)
Cash generated from operations		**90.7**	80.7
Interest paid		**(7.9)**	(10.9)
Refinancing costs paid		**(1.8)**	(5.5)
Taxation paid		**(17.9)**	(5.1)
Net cash generated from operating activities		**63.1**	59.2

	Note	2025 £m	2024 £m
Investing activities			
Purchase of property, plant and equipment	14	**(20.0)**	(14.3)
Purchase of intangible assets	13	**(10.4)**	(5.3)
Settlement of derivatives used in net investment hedges		**0.4**	1.1
Net cash used in investing activities		**(30.0)**	(18.5)
Financing activities			
(Repayment)/drawdown of overdrafts		**(9.8)**	11.2
Drawdown of other loans		**11.5**	7.4
Repayment of bank loans		**(65.0)**	(44.5)
Drawdown of bank loans		**61.1**	—
Repayment of IFRS 16 lease obligations	15	**(4.2)**	(4.5)
Purchase of own shares		**(2.4)**	(2.8)
Net cash used in financing activities		**(8.8)**	(33.2)
Increase in net cash and cash equivalents		**24.3**	7.5
Net cash and cash equivalents at the start of the year		**9.3**	1.6
Currency translation differences		**0.6**	0.2
Net cash and cash equivalents at the end of the year		**34.2**	9.3

Consolidated Statement of Changes in Equity

Year ended 30 June 2025

	Note	Issued share capital £m	Share premium account £m	Other reserves: Cash flow hedge reserve £m	Other reserves: Currency translation reserve £m	Other reserves: Capital redemption reserve £m	Accumulated losses £m	Total equity £m
At 1 July 2024		17.4	68.6	0.2	(1.1)	77.2	(98.9)	63.4
Profit for the year		—	—	—	—	—	33.2	33.2
Other comprehensive income/(expense)								
Items that may be reclassified to profit or loss:								
Currency translation differences of foreign subsidiaries		—	—	—	0.8	—	—	0.8
Gain on net investment hedges	20	—	—	—	0.1	—	—	0.1
Loss on cash flow hedges in the year	20	—	—	(0.6)	—	—	—	(0.6)
Cash flow hedges transferred to profit or loss		—	—	(0.6)	—	—	—	(0.6)
Taxation relating to the items above	9	—	—	(0.2)	—	—	—	(0.2)
		—	—	(1.4)	0.9	—	—	(0.5)
Items that will not be reclassified to profit or loss:								
Net actuarial loss on post-employment benefits	22	—	—	—	—	—	(1.2)	(1.2)
Taxation relating to the items above	9	—	—	—	—	—	0.3	0.3
		—	—	—	—	—	(0.9)	(0.9)
Total other comprehensive (expense)/income		—	—	(1.4)	0.9	—	(0.9)	(1.4)
Total comprehensive (expense)/income		—	—	(1.4)	0.9	—	32.3	31.8
Transactions with owners of the parent								
Purchase of own shares		—	—	—	—	—	(2.4)	(2.4)
Share-based payments		—	—	—	—	—	1.6	1.6
Taxation relating to the items above		—	—	—	—	—	(0.1)	(0.1)
At 30 June 2025		17.4	68.6	(1.2)	(0.2)	77.2	(67.5)	94.3

At 30 June 2025, the accumulated losses include a deduction of £4.2 million (2024: £3.2m) for the cost of own shares held in relation to employee share schemes. Further information on own shares is presented in note 25.

Consolidated Statement of Changes in Equity continued

Year ended 30 June 2025

	Note	Issued share capital £m	Share premium account £m	Other reserves: Cash flow hedge reserve £m	Other reserves: Currency translation reserve £m	Other reserves: Capital redemption reserve £m	Accumulated losses £m	Total equity £m
At 1 July 2023		17.4	68.6	3.7	(2.0)	77.2	(127.8)	37.1
Profit for the year		—	—	—	—	—	33.3	33.3
Other comprehensive income/(expense)								
Items that may be reclassified to profit or loss:								
Currency translation differences of foreign subsidiaries		—	—	—	0.1	—	—	0.1
Gain on net investment hedges	20	—	—	—	0.8	—	—	0.8
Loss on cash flow hedges in the year	20	—	—	(1.3)	—	—	—	(1.3)
Cash flow hedges transferred to profit or loss		—	—	(1.6)	—	—	—	(1.6)
Taxation relating to the items above	9	—	—	(0.6)	—	—	—	(0.6)
		—	—	(3.5)	0.9	—	—	(2.6)
Items that will not be reclassified to profit or loss:								
Net actuarial loss on post-employment benefits	22	—	—	—	—	—	(5.6)	(5.6)
Taxation relating to the items above	9	—	—	—	—	—	1.3	1.3
		—	—	—	—	—	(4.3)	(4.3)
Total other comprehensive (expense)/income		—	—	(3.5)	0.9	—	(4.3)	(6.9)
Total comprehensive (expense)/income		—	—	(3.5)	0.9	—	29.0	26.4
Transactions with owners of the parent								
Purchase of own shares		—	—	—	—	—	(2.8)	(2.8)
Share-based payments		—	—	—	—	—	1.6	1.6
Taxation relating to the items above		—	—	—	—	—	1.1	1.1
At 30 June 2024		17.4	68.6	0.2	(1.1)	77.2	(98.9)	63.4

Notes to the Consolidated Financial Statements

Year ended 30 June 2025

1. Corporate information

McBride plc (the 'Company') is a public company limited by shares incorporated and domiciled in the United Kingdom and registered in England and Wales. The Company's ordinary shares are listed on the London Stock Exchange. The registered office of the Company is Middleton Way, Middleton, Manchester M24 4DP. For the purposes of DTR 6.4.2R, the Home State of McBride plc is the United Kingdom.

The Company and its subsidiaries (together, the 'Group') is Europe's leading manufacturer and supplier of private label and contract manufactured products for the domestic household and professional cleaning/hygiene markets. The Company develops and manufactures products for retailers and brand owners in Europe and the Asia-Pacific region.

2. Material accounting policies

Accounting period

The Group's annual financial statements are drawn up to 30 June. These financial statements cover the year ended 30 June 2025 ('2025') with comparative amounts for the year ended 30 June 2024 ('2024').

Basis of preparation

The consolidated financial statements on pages 111 to 163 have been prepared on the going concern basis in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention, modified in respect of the revaluation to fair value of financial assets and liabilities (derivative financial instruments) at fair value through profit or loss, assets held for sale and defined benefit pension scheme assets.

A summary of the material accounting policies is set out below. The accounting policies that follow set out those policies that apply in preparing the financial statements for the year ended 30 June 2025 and the Group and Company have applied the same policies throughout the year.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the CFO's Report on pages 20 to 21. In addition, notes 20 and 21 include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit and liquidity risks. The Group meets its funding requirements through internal cash generation and bank credit facilities. At 30 June 2025, liquidity, as defined in note 30, amounted to £141.4 million.

The Group's base case forecasts are based on the Board-approved budget and three-year plan. They indicate sufficient liquidity, debt cover and interest cover throughout the going concern review period to ensure compliance with current banking covenants. The Group's base case scenario assumes:

- average revenue growth of c.4% per annum, driven predominantly by volume increases;
- raw material input costs growing at levels consistent with expected revenue growth;
- interest rates reducing in line with current market expectations; and
- a Sterling to Euro exchange rate of £1:€1.20.

The Directors have considered the Group's principal risks with the highest likelihood of occurrence or the severest impact, and the adverse effect this would have on the Group's financial forecasts. Changing market, customer and consumer dynamics could adversely impact revenue growth. Lack of supply chain resilience influences raw material and packaging input costs. Economic, political and macro environment instability potentially affects both revenue growth and input costs, in addition to market interest rates and foreign exchange rates. Considering these risks, a severe but plausible downside scenario to stress test the Group's financial forecasts has been modelled, with the following assumptions:

- a 5% year-on-year reduction in revenue in 2026;
- revenue growth reducing to 1% in 2027 and 2028, being half of the Group's long-term target of 2%;
- an increase in raw material and packaging input costs compared to latest forecasts;
- interest rates increasing by 100 basis points; and
- Sterling appreciating significantly against the Euro to £1:€1.25.

In the event that such a severe but plausible downside risk scenario occurs, the Group would remain compliant with current banking covenants.

After reviewing the current liquidity position and financial forecasts, stress testing for potential risks and considering the uncertainties described above, and based on the currently committed funding facilities, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operational existence and without significant curtailment of operations for the foreseeable future. For these reasons the Directors continue to adopt the going concern basis of accounting in preparing the Group financial statements.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of McBride plc assesses the financial performance and position of the Group and makes strategic decisions. Therefore, the Board of McBride plc has been identified as the chief operating decision maker.

Financial information is presented to the Board by product technology for the purposes of allocating resources within the Group and assessing the performance of the Group's businesses. There are five separately managed and accountable business divisions:

- Liquids;
- Unit Dosing;
- Powders;
- Aerosols; and
- Asia Pacific.

Intra-group revenue from the sale of products is agreed between the relevant customer-facing units and eliminated in the segmental presentation that is presented to the Board and therefore excluded from the reported figures. Most overhead costs are directly attributed within the respective divisions' income statements.

Central overheads are allocated to a reportable segment proportionally using an appropriate cost driver and include costs of certain Group functions (mostly associated with financial disciplines such as treasury). Corporate costs include the costs associated with the Board and the Executive Leadership Team, governance and being a listed company. Exceptional items are detailed in note 4 and are not allocated to the reportable segments as this reflects how they are reported to the Board. Finance expense and income are not allocated to the reportable segments, as the Group Treasury function manages this activity, together with the overall net debt position of the Group.

2. Material accounting policies continued

Segmental reporting continued

The Board uses adjusted operating profit to measure the profitability of the Group's businesses. Adjusted operating profit is, therefore, the measure of segment profit presented in the Group's segment disclosures. Adjusted operating profit represents operating profit before specific items that are considered to hinder comparison of the trading performance of the Group's businesses either year on year or with other businesses. During the years under review, the items excluded from operating profit in arriving at adjusted operating profit were the amortisation of intangible assets and exceptional items. Adjusted operating profit is not defined under IFRS and is therefore termed a non-GAAP measure. The rationale for using this measure, along with a reconciliation from the nearest measures prepared in accordance with IFRS, is discussed in alternative performance measures on page 161.

Segment information is presented in note 3.

Principal accounting policies

The Group and Company financial statements are presented in Pounds Sterling and all values are rounded to the nearest million Pounds (£m) except where otherwise indicated.

Basis of consolidation

The consolidated financial statements include the results, cash flows and assets and liabilities of the Group and its subsidiaries. Details of the Group's subsidiaries at 30 June 2025 are set out on pages 171 and 172.

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The Group's results, cash flows and assets and liabilities include those of each of its subsidiaries from the date on which the Group obtains control until such time as the Group loses control.

Intra-group balances and transactions, and any unrealised gains and losses arising from intra-group transactions, are eliminated on consolidation. Consistent accounting policies are adopted across the Group.

Business combinations

A business combination is a transaction or other event in which the Group obtains control of one or more businesses. Business combinations are accounted for using the acquisition method.

Goodwill arising in a business combination represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquired business and, in a business combination achieved in stages, the fair value at the acquisition date of the Group's previously held equity interest, over the net total of the identifiable assets and liabilities of the acquired business at the acquisition date.

If the identifiable assets and liabilities of the acquired business exceed the aggregate of the consideration transferred, the amount of any non-controlling interest in the business and the fair value at the acquisition date of any previously held equity interest, the excess is recognised as a gain in profit or loss. The fair value of assets and liabilities can be revised up to twelve months following the date of acquisition.

Consideration transferred in a business combination represents the sum of the fair values at the acquisition date of the assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control over the acquired business.

Acquisition-related costs are charged to profit or loss in the year in which they are incurred.

Changes in the amount of contingent consideration payable that result from events after the acquisition date, such as meeting a revenue or profit target, are not measurement period adjustments and are, therefore, recognised in profit or loss.

Any non-controlling interest in the acquired business is measured either at fair value or at the non-controlling interest's proportionate share of the identifiable assets and liabilities of the business.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for within equity.

If the Group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the subsidiary and measures any investment retained in the former subsidiary at its fair value at the date when control is lost. Any gain or loss on a loss of control is recognised in profit or loss.

Foreign currency translation

The Group's presentational currency is Pound Sterling. At an entity level, transactions in foreign currencies are translated into the entity's functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Currency translation differences arising at entity level are recognised in profit or loss.

On consolidation, the results of foreign operations are translated into Pound Sterling at the average exchange rate for the year and their assets and liabilities are translated into Pound Sterling at the exchange rate ruling at the balance sheet date. Currency translation differences arising on consolidation are recognised in other comprehensive income and taken to the currency translation reserve.

In the event that a foreign operation is sold, the gain or loss on disposal recognised in profit or loss is determined after taking into account the cumulative currency translation differences arising on consolidation of the operation subsequent to the adoption of IFRS.

In the cash flow statement, the cash flows of foreign operations are translated into Sterling at the average exchange rate for the year.

Revenue

Revenue from contracts with customers from the sale of goods is measured at the invoiced amount, net of sales rebates, discounts, value added tax and other sales taxes.

Revenue is recognised on the transfer of the control of goods upon delivery of the goods to the customer when the significant risks and rewards of ownership are passed to the customer and when all contractual performance obligations have been met.

Accruals for sales rebates and discounts are established at the time of sale based on management's judgement of the amounts payable under the contractual arrangements with the customer.

The estimated rebates or discounts payable do not contain significant estimates as they are mostly contractually driven and are based on, amongst other things, expected sales to the customer during the period to which the rebate or discount relates, historical experience and market information.

2. Material accounting policies continued

Principal accounting policies continued

Revenue continued

The type of rebates and discounts given by the Group include:

- volume-related rebates for achieving sales targets within a set period; and
- promotional, marketing and other allowances to support specific promotional pricing discounts, in-store displays and cost reimbursement.

At 30 June 2025, the carrying amount of accruals relating to rebates and discounts amounted to £2.5 million (2024: £3.7m). Rebates equate to less than 1.0% (2024: less than 1.0%) of revenue and are not considered to be a critical judgement. There is an element of judgement applied to the level of future achieved sales within volume-related rebates.

Payment is typically due 60 days after despatch. The Group has an obligation for returns due to damages and recognises a credit note provision and corresponding adjustment to revenue.

The Group acts as an agent in some jurisdictions in relation to environmental taxes collected from customers and paid to third parties. There is no impact to the consolidated income statement for the collection and payment of these taxes.

Exceptional items

Exceptional items are material either individually or, if of a similar type, in aggregate and which, due to their nature or the infrequency of the events giving rise to them, are presented separately to assist users of the financial statements in assessing the underlying trading performance and trends of the Group's businesses either year-on-year or with other businesses.

Examples of exceptional items include, but are not limited to, the following:

- costs arising from significant restructuring projects deemed to be of sufficient scale and impact to fundamental business reshaping;
- restructuring and other expenses relating to the integration of an acquired business and related expenses for reconfiguration of the Group's activities;
- impairment of current and non-current assets;
- gains/losses on disposals of businesses;
- acquisition-related costs, including adviser fees incurred for significant transactions, and adjustments to the fair values of assets and liabilities that result in non-recurring charges to the income statement; and
- costs arising because of material and non-recurring regulatory and litigation matters.

Borrowing costs

Borrowing costs directly attributable to the construction of a manufacturing or distribution facility are capitalised as part of the cost of the facility if, at the outset of construction, the facility was expected to take a substantial period of time to get ready for its intended use.

Costs attributable to the arrangement of term borrowing facilities are amortised over the life of those facilities.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

Goodwill

Goodwill arising in a business combination is recognised as an intangible asset and is allocated to the cash-generating unit (CGU) or group of CGUs that are expected to benefit from the synergies of the acquisition.

Goodwill is not amortised but is tested for impairment annually and whenever there are events or changes in circumstances that indicate that its carrying amount may not be recoverable.

Goodwill is carried at cost less any recognised impairment losses. Impairment charges are recognised in administrative expenses.

Other intangible assets

Other intangible assets are stated at cost less accumulated amortisation and any recognised impairment loss. Amortisation is recognised in administrative expenses. Assets under development are not amortised.

(i) Assets acquired in business combinations

An intangible resource acquired in a business combination is recognised as an intangible asset if it is separable from the acquired business or arises from contractual or legal rights.

An acquired intangible asset with a definite useful life is amortised on a straight-line basis so as to charge its fair value at the date of acquisition to profit or loss over its expected useful life as follows:

Patents, brands and trademarks	– up to five years
Customer relationships	– up to eight years

(ii) Product development costs

All research expenditure is charged to profit or loss in the year in which it is incurred.

Development expenditure is charged to profit or loss in the year in which it is incurred unless it relates to the development of a new or significantly improved product or process whose technical and commercial feasibility is proven at the time of development and therefore capitalised as an intangible asset.

Development expenditure is measured at cost and amortised on a straight-line basis over the expected useful life, which is in the range of three to five years.

(iii) Computer software

Computer software and software licences are recognised as intangible assets measured at cost and are amortised on a straight-line basis over their expected useful lives, which are in the range of three to five years.

Directly attributable costs that are capitalised as part of computer software include the related software development employee costs.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment losses.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use by management.

Freehold land and freehold buildings are presented as land and buildings. Freehold land and payments on account and assets in the course of construction are not depreciated. Otherwise, property, plant and equipment is depreciated on a straight-line basis so as to charge its cost, less any residual value, to profit or loss over the expected useful life of the asset as follows:

Freehold buildings	– 50 years
Plant and equipment	– three to ten years

Property, plant and equipment acquired in a business combination is depreciated on a straight-line basis so as to charge its fair value at the date of acquisition, less any residual value, to profit or loss over the remaining expected useful life of the asset.

2. Material accounting policies continued

Principal accounting policies continued

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made on or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, less any lease incentives receivable.

In determining the relevant cash flows within a contract for each lease component, the Group has made use of the practical expedient available under IFRS 16 not to separate non-lease components from lease components, and instead accounts for each lease component and any associated non-lease components as a single lease component.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the year in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e. below £5,000). Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets

Goodwill, other intangible assets and property, plant and equipment are tested for impairment whenever events or circumstances indicate that their carrying amounts may not be recoverable. Additionally, goodwill is subject to an annual impairment test whether or not there are any indicators of impairment.

An asset is impaired to the extent that its carrying amount exceeds its recoverable amount, which represents the higher of the asset's value-in-use and its fair value less costs of disposal. An asset's value-in-use represents the present value of the future cash flows expected to be derived from the continued use of the asset. Fair value less costs of disposal is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. An asset's CGU is the smallest group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill does not generate cash flows independently of other assets and is, therefore, tested for impairment at the level of the CGU or group of CGUs to which it is allocated.

Value-in-use is based on estimates of pre-tax cash flows discounted at a pre-tax discount rate that reflects the risks specific to the CGU to which the asset belongs.

Where necessary, impairment of non-financial assets other than goodwill is recognised before goodwill is tested for impairment. When goodwill is tested for impairment and the carrying amount of the CGU or group of CGUs to which it is allocated exceeds its recoverable amount, the impairment is allocated first to reduce the carrying amount of the goodwill and then to the other non-financial assets belonging to the CGU or group of CGUs pro-rata on the basis of their respective carrying amounts.

Impairment losses are recognised in profit or loss. Impairment losses recognised in previous years for assets other than goodwill are reversed if there has been a change in the estimates used to determine the asset's recoverable amount, but only to the extent that the carrying amount of the asset does not exceed its carrying amount had no impairment been recognised in previous years. Impairment losses recognised in respect of goodwill cannot be reversed.

Inventories

Inventories are stated at the lower of cost and net realisable value with due allowance for any excess, obsolete or slow-moving items. Cost represents the expenditure incurred in bringing each product to its present location and condition. The cost of raw materials is measured on a first-in, first-out (FIFO) basis. The cost of finished goods and work in progress comprises the cost of raw materials, direct labour and other direct costs, together with related production overheads based on normal operating capacity. Net realisable value is the estimated selling price less estimated costs of completion and estimated selling and distribution costs.

2. Material accounting policies continued

Principal accounting policies continued

Financial instruments

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. The Group reclassifies debt instruments when, and only when, its business model for managing those assets changes.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Group classifies its debt instruments:

- **amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss. The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a twelve-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL);
- **fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss; and
- **fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Under the Group's business model, trade and other receivables are held for collection of contractual cash flows and represent solely payments of principal and interest. A provision for impairment of trade receivables is established based on the expected credit loss.

For trade receivables and contract assets, the Group applies the IFRS 9 simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on shared credit risk characteristics, its historical credit loss experience and days past due, adjusted for forward-looking factors specific to the debtors and the economic environment. The amount of the provision is recognised in the balance sheet within trade receivables. Movements in the provision are recognised in the profit and loss account in administrative expenses.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits available on demand and other short-term, highly liquid investments with a maturity on acquisition of three months or less and bank overdrafts. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset or intention to offset with cash balances.

(iii) Trade payables

Trade payables are initially recognised at fair value and subsequently held at amortised cost.

(iv) Bank and other loans

Bank and other loans are initially recognised at fair value, net of directly attributable transaction costs, if any, and are subsequently measured at amortised cost using the effective interest rate method.

(v) Net debt

Net debt comprises cash and cash equivalents, overdrafts, bank and other loans and lease liabilities, as defined in note 30.

2. Material accounting policies continued

Principal accounting policies continued

Financial instruments continued

(vi) Derivative financial instruments

The Group uses derivative financial instruments, principally forward currency contracts and interest rate caps, to reduce its exposure to exchange rate and interest rate movements. The Group does not hold or issue derivatives for speculative purposes.

Derivative financial instruments are recognised as assets and liabilities measured at their fair values at the balance sheet date. Changes in their fair values are recognised in profit or loss. Derivative financial instruments are, therefore, likely to cause volatility in profit or loss in situations where the hedged item is not recognised in the financial statements or is recognised but its carrying amount is not adjusted to reflect fair value changes arising from the hedged risk, or is so adjusted but that adjustment is not recognised in profit or loss. Provided the conditions specified by IFRS 9, 'Financial instruments' are met, hedge accounting may be used to mitigate this volatility in profit or loss.

Derivative financial instruments are classified as current assets or liabilities unless they are in a designated hedging relationship and the hedge item is classified as a non-current asset or liability. Derivative financial instruments that are not in a designated hedging relationship are classified as FVPL.

(vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Hedge accounting

For a hedging relationship to qualify for hedge accounting, it must be documented on inception together with the Group's risk management objective and strategy for initiating the hedge, and it must both be expected to be highly effective in offsetting the changes in cash flows or fair value attributed to the hedged risk and actually be highly effective in doing so. When hedge accounting is used, the hedging relationship is classified as a cash flow hedge or a net investment hedge.

When forward contracts are used to hedge forecast transactions, the Group generally designates the change in the fair value of the forward contract related to both the spot component and forward element as the hedging instrument. For option contracts the change in the fair value of the option contract related to the intrinsic value is designated as the hedging instrument. The time value of money is treated as the cost of hedging.

(i) Cash flow hedge

Hedging relationships are classified as cash flow hedges where the hedging instrument hedges exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability (such as interest payments on variable rate debt), a highly probable forecast transaction (such as forecast revenue) or a firm commitment that could affect profit or loss.

Where a hedging relationship is classified as a cash flow hedge, to the extent that the hedge is effective, the change in the fair value of the hedging instrument is recognised in other comprehensive income rather than in profit or loss. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss.

When the hedged item affects profit or loss (for example, when a forecast sale that is hedged takes place), the cumulative gain or loss recognised in other comprehensive income is transferred to profit or loss. When a forecast transaction that has been hedged results in the recognition of a non-financial asset (for example, inventory), the cumulative gain or loss recognised in other comprehensive income is transferred from equity as an adjustment to the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(ii) Net investment hedge

A net investment hedge is the hedge of the currency exposure on the retranslation of the Group's net investment in a foreign operation. Net investment hedges are accounted for similarly to cash flow hedges. Changes in the fair value of the hedging instrument are, to the extent that the hedge is effective, recognised in other comprehensive income. In the event that the foreign operation is disposed of, the cumulative gain or loss recognised in other comprehensive income is transferred to profit or loss and included in the gain or loss on disposal of the foreign operation.

Pensions and other post-employment benefits

Post-employment benefits principally comprise pension benefits provided to employees in the UK and Continental Europe. The Group operates both defined benefit and defined contribution pension schemes.

(i) Defined contribution schemes

Under a defined contribution pension scheme, the Group makes fixed contributions to a separate pension fund. The amount of pension that the employee will receive on retirement is dependent entirely on the investment performance of the Fund and the Group has no obligation with regard to the future pension values received by employees.

Payments to defined contribution schemes are recognised in profit or loss in the year in which they fall due. To the extent defined contribution scheme contributions are due but unpaid, amounts outstanding are recognised in other payables.

(ii) Defined benefit schemes

Under a defined benefit pension scheme, the amount of pension that an employee will receive on retirement is fixed based on factors such as pensionable salary, years of service and age on retirement. In most cases, the schemes are funded by contributions from the Group and the participating employees. The Group is obliged to make additional contributions if the Fund has insufficient assets to meet its obligation to pay accrued pension benefits.

Actuarial valuations of the defined benefit schemes are carried out annually at the balance sheet date by independent qualified actuaries. Scheme assets are measured at their fair value at the balance sheet date. Benefit obligations are measured on an actuarial basis using the projected unit credit method and are discounted using the market yields on high-quality corporate bonds at the balance sheet date.

The defined benefit liability or asset recognised in the balance sheet comprises the difference between the present value of the benefit obligations and the fair value of the scheme assets. Where a scheme is in surplus, the asset recognised is limited to the present value of any amounts that the Group expects to recover by way of refunds or a reduction in future contributions.

2. Material accounting policies continued

Principal accounting policies continued

Pensions and other post-employment benefits continued

(ii) Defined benefit schemes continued

Defined benefit schemes are recognised in profit or loss by way of the service cost and the net interest cost on the benefit obligation. The service cost represents the increase in the present value of the benefit obligation relating to additional years of service accrued during the year, less employee contributions.

Gains or losses on curtailments or settlements are recognised in profit or loss in the year in which the curtailment or settlement occurs.

Actuarial gains and losses are recognised in other comprehensive income in the year in which they occur.

Share-based payments

The Group operates share schemes under which it grants equity-settled and cash-settled awards over ordinary shares in the Company to certain of its employees. The Group recognises a compensation expense that is based on the fair value of the awards measured using the Black-Scholes option pricing formula or the Monte Carlo valuation model.

For equity-settled awards, the fair value reflects market performance conditions and all non-vesting conditions. Fair value is determined at the grant date and is not subsequently remeasured unless the relevant conditions are modified.

Adjustments are made to the compensation expense to reflect actual and expected forfeitures due to failure to satisfy service conditions or non-market performance conditions. For cash-settled awards at each reporting date, the estimate of the number of options that are expected to vest is revised based on the non-market vesting and service conditions.

Generally, the compensation expense is recognised on a straight-line basis over the vesting period. For equity-settled awards, a corresponding credit is recognised in equity while for cash-settled awards at each reporting date, a corresponding liability to settle is recognised in the balance sheet.

In the event of the cancellation of an equity-settled award, the compensation expense that would have been recognised over the remainder of the vesting period is recognised immediately in profit or loss.

Provisions

A provision is a liability of uncertain timing or amount and is generally recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that a payment will be required to settle the obligation and the payment can be estimated reliably.

Provision is made for restructuring costs when a detailed formal plan for the restructuring has been determined and the plan has been communicated to the parties that may be affected by it. Gains from the expected disposal of assets are not taken into account in measuring restructuring provisions and provision is not made for future operating losses.

At 30 June 2025, the Group held provisions amounting to £4.3 million (2024: £3.6m), which principally represented claims, reorganisation and restructuring costs and environmental remediation provisions.

Adjustment to the amounts recognised would arise if it becomes necessary to revise the assumptions and estimates on which the provisions are based, if circumstances change such that contingent liabilities must be recognised or if management becomes aware of obligations that are currently unknown.

Provisions are discounted where the effect of the time value of money is material.

Contingent liabilities

The Group recognises provisions for liabilities when it is more likely than not that a settlement will be required and the value of such a payment can be reliably estimated. There are a number of contingent liabilities that arise in the normal course of business which, if realised, are not expected to result in a material liability to the Group.

Taxation

Current tax is the amount of tax payable or recoverable in respect of the taxable profit or loss for the year. Taxable profit differs from accounting profit because it excludes income or expenses that are recognised in the year for accounting purposes but are either not taxable or not deductible for tax purposes or are taxable or deductible in earlier or subsequent years. Current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is tax expected to be payable or recoverable on differences between the carrying amount of an asset or liability and its tax base used in calculating taxable profit. Deferred tax is accounted for using the liability method, whereby deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available in the future against which the deductible temporary differences may be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction other than a business combination that affects neither accounting profit nor taxable profit.

Deferred tax is provided on temporary differences arising on investments in foreign subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is calculated using the enacted or substantively enacted tax rates that are expected to apply when the asset is recovered or the liability is settled.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the amounts and management intends to settle on a net basis. Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Current tax and deferred tax is recognised in profit or loss unless it relates to an item that is recognised in the same or a different year outside profit or loss, in which case it too is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Where there is uncertainty as to whether treatments in the tax return will be accepted by a taxation authority, the judgements and estimates made in recognising and measuring the uncertainty are based on information available at the time. The Group reassesses these judgements and estimates if the facts and circumstances change or new information becomes available.

This may include, but is not restricted to, examination by a taxation authority, implicit or explicit acceptance by a taxation authority of a particular tax treatment, the expiry of the taxation authority's right to examine or re-examine a tax treatment and changes in legislation.

2. Material accounting policies continued

Principal accounting policies continued

Payments to shareholders

Dividends paid and received are included in the Company financial statements in the year in which the related dividends are actually paid or received or, in respect of the Company's final dividend for the year, approved by shareholders.

It is the Board's intention that any future dividends will be final dividends paid annually in cash, not by the allotment and issue of B Shares. Consequently, the Board is not seeking shareholder approval at the 2025 AGM to capitalise reserves for the purposes of issuing B Shares or to grant Directors the authority to allot such shares. Existing B Shares will continue to be redeemable but limited to one redemption date in November of each year. B Shares issued but not redeemed are classified as current liabilities.

Own shares

Own shares represent the Company's ordinary shares that are held by the Company in treasury or by a sponsored Employee Share Ownership Plan (ESOP) trust in relation to the Group's employee share schemes. When own shares are acquired, the cost of purchase in the market is deducted from equity. Gains or losses on the subsequent transfer or sale of own shares are also recognised in equity.

New accounting standards and interpretations

The following standards and amendments were effective for periods beginning on or after 1 January 2024, and as such, have been applied in these financial statements. The Group has not early adopted any other standard or interpretation that is issued but not yet effective.

- Amendments to IAS 1, 'Presentation of Financial Statements', classification of liabilities as current or non-current and non-current liabilities with covenants: clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.
- Amendments to IFRS 16, 'Leases', lease liability in a sale and leaseback: the amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains.
- Amendments to IAS 7, 'Statement of Cash Flows' and IFRS 7, 'Financial Instruments: Disclosures', supplier finance arrangements: the amendments respond to the investors' need for more information about supplier finance arrangements to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

New accounting standards and interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below.

The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates', lack of exchangeability: to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not – effective for annual periods beginning on or after 1 January 2025.
- Amendments to IFRS 9, 'Financial Instruments' and IFRS 7, 'Financial Instruments: Disclosures', amendments to the classification and measurement of financial instruments: to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities – effective for annual periods beginning on or after 1 January 2026.
- IFRS 18, 'Presentation and Disclosure in Financial Statements': a new standard on presentation and disclosure in financial statements, which replaces IAS 1, 'Presentation of Financial Statements', with a focus on updates to the statement of profit or loss – effective for annual periods beginning on or after 1 January 2027.
- IFRS 19, 'Subsidiaries without Public Accountability: Disclosures': an eligible subsidiary applies the requirements in other IFRS accounting standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19 – effective for annual periods beginning on or after 1 January 2027.

Due to the nature of the reporting and classification changes involved, once effective, IFRS 18 is expected to have a significant impact on the way in which the Group reports its consolidated financial statements and accompanying notes. The Group continues to review the impact of IFRS 18 and prepare for its implementation. None of the other aforementioned amendments are expected to have a significant impact on the Group; however, the Group will continue to consider these and any additional amendments, interpretations and new standards to identify potential future impact.

Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies as described in this note, the Directors are required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported assets, liabilities, income and expenses that are not readily identifiable from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that might have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Actual outcomes could differ from those estimates and affect the Company's results in future years.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors have carefully considered the accounting implications of the following developments in their review of critical judgements, estimates and assumptions:

- Impacts of high inflation and interest rates: Companies continue to experience the effect of high inflation and interest rates, which impact all aspects of the business including increasing costs such as raw materials and wages, changes in customer behaviour and credit risk, negotiations of contract terms and investment and financing decisions.
- Climate change: The impact of ESG matters, specifically focused on the effect of climate change, both from a qualitative and quantitative perspective, continues to impact companies.

2. Material accounting policies
continued

Critical accounting judgements and key sources of estimation uncertainty
continued

- Global conflicts and sanctions: Global conflicts and the imposition of international sanctions continue to have a pervasive economic impact worldwide and particularly where businesses engage in economic activities that might be affected by recent developments in these areas.

Critical judgements

(i) Determination of cash-generating units (CGUs)

A CGU is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment testing requires management to determine the net discounted cash flows expected to arise from a CGU. Management has determined that the Group's CGUs align with the operating reportable segments, or divisions, being Liquids, Unit Dosing, Powders, Aerosols and Asia Pacific. In the case of the first four divisions, segmentation is based on product technologies. For Asia Pacific, segmentation is based on location of both operations and the market served. The judgement applied in determining the Group's CGUs concerns the level at which cash flows arise independently from other areas of the business.

Whilst each division is made up of a number of operational sites based in different locations, sites within a division act as a network to create a product offering for all customers of that division. Therefore, cash flows arising at any particular site within a division have a level of dependence upon other assets within the division as a whole.

Furthermore, divisional leadership teams develop strategies for the division as a whole and are accountable to deliver them, including driving best practices and performance across the whole division and developing new products at a divisional level based on specialist product format knowledge. Sales and marketing teams also operate at a divisional level.

Key sources of estimation uncertainty

(i) Pensions and other post-employment benefits

Under IAS 19, 'Employee benefits', the cost of defined benefit schemes is determined based on actuarial valuations that are carried out annually at the balance sheet date. Actuarial valuations are dependent on assumptions about the future that are made by the Directors on the advice of independent qualified actuaries. If actual experience differs from these assumptions, there could be a material change in the amounts recognised by the Group in respect of defined benefit schemes in the next financial year.

At 30 June 2025, the present value of defined benefit obligations in relation to the UK scheme was £97.8 million (2024: £101.6m). It was calculated using a number of assumptions, including future Consumer Price Index rate changes, increases to pension benefits and mortality rates. The present value of the benefit obligation is calculated by discounting the benefit obligation using market yields on high-quality corporate bonds at the balance sheet date.

At 30 June 2025, the fair value of the scheme assets of the UK scheme was £74.8 million (2024: £74.1m). The scheme assets consist largely of securities and managed funds whose values are subject to fluctuation in response to changes in market conditions.

A portion of unquoted investments have valuations which precede the reporting date and where the valuations have been adjusted for cash movements between the last valuation date and 30 June 2025, using the valuation approach and inputs as at the last valuation date.

Changes in the actuarial assumptions underlying the benefit obligation, changes in the discount rate applicable to the benefit obligation and effects of differences between the expected and actual return on the scheme's assets are classified as actuarial gains and losses and are recognised in other comprehensive income. During 2025, the Group recognised a net actuarial loss of £1.2 million (2024: loss of £5.6m).

An analysis of the assumptions that will be used by the Directors to determine the cost of the defined benefit scheme that will be recognised in profit or loss in the next financial year and the sensitivity of the benefit obligation to key assumptions is presented in note 22.

(ii) Taxation

Judgements and estimates are required in order to determine the appropriate amount of tax provided for issues under dispute with taxation authorities and for tax matters which are considered uncertain and on which it is probable that a future tax liability will arise. The amount provided is management's best estimate of the tax liability taking into consideration external advice, known outcomes on similar tax treatments and experience of tax authority custom and practice.

At 30 June 2025, the Group reviewed its exposure for ongoing tax audits and uncertain tax treatments and made a provision of £0.9 million (2024: £1.4m), in line with IFRIC 23 requirements.

The Group operates across a number of jurisdictions and tax risk can arise in relation to the pricing of cross-border transactions.

Transfer pricing is inherently subjective and in determining the appropriate level of provision, the Group considers the probability of a range of outcomes, using a weighted average methodology to focus risk on the most likely outcomes in the event of an audit. The amount provided also takes account of international dispute resolution mechanisms, where available, to mitigate double taxation. This analysis is reassessed at each year end and the estimates refined as additional information becomes available. The provision for uncertain tax positions has reduced from that held in the prior year mainly due to expiries in the statute of limitations.

The Group believes it has made adequate provision for the liabilities likely to arise from years which are open and not yet agreed by tax authorities. The ultimate liability for such matters may vary from the amounts provided however and is dependent upon the outcome of agreements with relevant tax authorities, dispute resolution processes in the relevant jurisdictions or litigation where appropriate.

The Group has tax losses and other deductible temporary differences that have the potential to reduce future tax liabilities. Deferred tax assets are recognised to the extent that recovery is probable against the future reversal of taxable temporary differences and projected taxable income. At 30 June 2025, the Group recognised deferred tax assets of £38.2 million (2024: £42.8m), including £23.3 million (2024: £25.8m) in respect of tax losses. Deferred tax assets amounting to £7.5 million (2024: £7.5m) were not recognised in respect of tax losses and tax credits carried forward.

The profit projections used to estimate deferred tax asset recoverability are the same as those used to assess the carrying value of goodwill and the estimate is therefore sensitive to the same factors as those set out in note 12. Management estimates that a reduction in the perpetual growth rate to 0.0% would not result in an impairment of the deferred tax asset.

3. Segment information

Segmental reporting

Financial information is presented to the Board by business division for the purposes of allocating resources within the Group and assessing the performance of the Group. There are five separately managed and accountable business divisions. The European business is managed as four divisions based on product technology and the Asia Pacific division is based on geography:

- Liquids;
- Unit Dosing;
- Powders;
- Aerosols; and
- Asia Pacific.

Intra-group revenue from the sale of products is agreed between the relevant customer-facing units and eliminated in the segmental presentation that is presented to the Board and therefore excluded from the reported figures. Most overhead costs are directly attributed within the respective divisions' income statements. Central overheads are allocated to a reportable segment proportionally using an appropriate cost driver and include costs of certain Group functions (mostly associated with financial disciplines such as treasury). Corporate costs include the costs associated with the Board and the Executive Leadership Team, governance and being a listed company. Exceptional items are detailed in note 4 and are not allocated to the reportable segments as this reflects how they are reported to the Board. Finance expense and income are not allocated to the reportable segments, as the Group Treasury function manages this activity, together with the overall net debt position of the Group.

The Board uses adjusted operating profit to measure the profitability of the Group's businesses. Adjusted operating profit is, therefore, the measure of segment profit presented in the Group's segment disclosures. Adjusted operating profit represents operating profit before specific items that are considered to hinder comparison of the trading performance of the Group's businesses either year on year or with other businesses. During the years under review, the items excluded from operating profit in arriving at adjusted operating profit were the amortisation of intangible assets and exceptional items.

Year ended 30 June 2025	Liquids £m	Unit Dosing £m	Powders £m	Aerosols £m	Asia Pacific £m	Corporate £m	Group £m
Revenue	529.6	228.9	85.5	58.9	23.6	—	926.5
Adjusted operating profit/(loss)	41.0	22.5	6.8	3.1	1.1	(8.4)	66.1
Amortisation of intangible assets							(1.9)
Exceptional items (note 4)							(4.0)
Operating profit							60.2
Finance costs (note 8)							(11.2)
Profit before taxation							49.0
Inventories	58.0	37.5	13.6	11.6	2.7	—	123.4
Capital expenditure	14.6	10.8	1.9	2.6	0.8	—	30.7
Amortisation and depreciation	11.4	7.0	1.3	0.5	1.4	—	21.6

3. Segment information continued

Segmental reporting continued

Year ended 30 June 2024	Liquids £m	Unit Dosing £m	Powders £m	Aerosols £m	Asia Pacific £m	Corporate £m	Group £m
Revenue	532.8	233.6	92.8	50.9	24.7	—	934.8
Adjusted operating profit/(loss)	45.6	19.4	6.0	2.1	1.4	(7.4)	67.1
Amortisation of intangible assets							(2.0)
Exceptional items (note 4)							(0.8)
Operating profit							64.3
Finance costs (note 8)							(17.8)
Profit before taxation							46.5
Inventories	61.2	31.3	14.1	10.3	2.7	—	119.6
Capital expenditure	10.3	7.7	2.0	0.6	0.3	—	20.9
Amortisation and depreciation	12.8	5.8	1.4	0.6	1.4	—	22.0

Geographical information

	Revenue		Non-current assets	
	2025 £m	2024 £m	**2025 £m**	2024 £m
United Kingdom	**179.8**	194.4	**47.5**	36.8
Germany	**217.2**	212.4	**—**	—
France	**203.7**	201.5	**10.9**	9.8
Italy	**74.1**	78.4	**14.8**	14.4
Spain	**44.7**	41.2	**9.8**	9.5
Other Europe	**180.1**	177.5	**80.2**	77.6
Asia Pacific	**24.7**	25.4	**3.1**	3.9
Rest of the World	**2.2**	4.0	**—**	—
Total	**926.5**	934.8	**166.3**	152.0

The geographical revenue information above is based on the location of the customer.

Non-current assets for this purpose consists of goodwill, other intangible assets, property, plant and equipment and right-of-use assets.

Revenue by major customer

In 2025 and 2024, no individual customer provided more than 10% of the Group's revenue. During 2025, the top ten customers accounted for 53% of total Group revenue (2024: 52%).

4. Exceptional items

Analysis of exceptional items

	2025 £m	2024 £m
Environmental remediation	0.4	0.8
Organisation changes	1.5	—
Group-wide strategic review	2.1	—
Total charged to operating profit	4.0	0.8
Group refinancing:		
Independent business review and refinancing costs	—	3.8
Total charged to finance costs	—	3.8
Total exceptional items before tax	4.0	4.6

Total exceptional items of £4.0 million were recorded during the year (2024: £4.6m). The charge comprised the following:

- £0.4 million costs relating to the re-evaluation of the environmental remediation provision;
- £1.5 million employee severance costs in relation to organisational changes aimed at enhancing long-term operational efficiency and capability in line with the Group's strategy; and
- £2.1 million costs relating to a Group-wide strategic review of growth options.

5. Employee information

The number of full-time equivalent persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	2025 Year end Number	2025 Average Number	2024 Year end Number	2024 Average Number
Manufacturing	2,626	2,621	2,571	2,439
Sales, general and administration	648	639	636	623
Total	3,274	3,260	3,207	3,062

The number of persons employed during the financial year ended 30 June 2025 excludes third-party contractors, agency workers and consultants used by the Group. Such workers are not employees of the Group, as defined by section 411 of the Companies Act 2006, and have therefore been excluded from the numbers disclosed above.

Aggregate payroll costs were as follows:

	2025 £m	2024 £m
Wages and salaries	135.0	131.1
Social security costs	22.5	20.9
Share awards granted to Directors and employees	1.6	1.6
Other pension costs	3.7	3.6
Total	162.8	157.2

Pension costs comprise the payments made by the Group to defined contribution schemes and the service and administration costs on defined benefit schemes (net of employee contributions). See note 22.

Aggregate emoluments of the Directors of the Company were as follows:

	2025 £'000	2024 £'000
Wages and salaries	1,710	1,787
Share awards granted to Directors	346	778
Other pension costs[1]	64	—
Total	2,120	2,565

(1) The pension figure represents the value of the Company's contribution to the individual's pension scheme and/or the cash value of payments in lieu of pension contribution.

Further information on Directors' emoluments included above is in the Annual Report on Remuneration on pages 88 to 99.

Aggregate compensation for key management, being the Directors and members of the Executive Committee, is shown in note 27.

6. Auditors' remuneration

Fees payable by the Group to the Company's independent auditors, PricewaterhouseCoopers LLP, and its associates, were as follows:

	2025 £m	2024 £m
Audit fees:		
Audit of the Company's financial statements	0.1	0.1
Other services:		
Audit of the financial statements of the Company's subsidiaries	1.2	1.1
Total fees	1.3	1.2

Fees for the audit of the Company's financial statements represent fees payable to PwC in respect of the audit of the Company's individual financial statements and the Group's consolidated financial statements.

Fees payable by the Group to PwC totalled £52,700 (2024: £2,000) in respect of non-audit services, equating to 0.8% of audit fees in relation to services rendered by PwC during the year (2024: 0.2%). These non-audit services included £51,300 (2024: £2,000) of other non-audit assurance services.

7. Operating profit

Operating profit is stated after charging/(crediting):

	2025 £m	2024 £m
Cost of inventories (included in cost of sales)[1]	515.2	519.9
Employee costs (note 5)	162.8	157.2
Amortisation of intangible assets (note 13)	1.9	2.0
Depreciation of property, plant and equipment (note 14)	15.8	16.3
Depreciation of right-of-use assets (note 15)	3.9	3.7
Loss on disposal of property, plant and equipment	0.4	1.4
(Reversal of impairment)/impairment:		
Property, plant and equipment (note 14)	(0.6)	0.2
Inventories (note 16)	2.4	8.9
Trade receivables (note 17)	0.4	1.6
Expense relating to short-term leases (note 15)	0.2	0.2
Expense relating to low-value leases (note 15)	0.1	0.1
Research and development costs not capitalised	9.8	10.0
Net foreign exchange (gain)/loss	(0.1)	0.5

(1) Direct material costs only.

8. Finance costs

	2025 £m	2024 £m
Finance costs		
Interest on bank loans and overdrafts	8.3	10.5
Interest on lease liabilities (note 15)	0.4	0.3
Net foreign exchange (gain)/loss	(0.4)	0.7
Amortisation of facility fees	1.0	0.5
Non-utilisation and other fees	0.7	0.8
Adjusted finance costs excluding net interest cost on defined benefit obligation	10.0	12.8
Post-employment benefits:		
Net interest cost on defined benefit obligation (note 22)	1.2	1.2
Adjusted finance costs	11.2	14.0
Costs associated with independent business review and refinancing (note 4)	—	3.8
Total finance costs	11.2	17.8

Interest rate caps are used to manage the interest rate profile of the Group's borrowings. Accordingly, interest income from interest rate caps of £0.2 million (2024: £1.6m) is included in interest on bank loans and overdrafts.

No interest costs were capitalised in the current year (2024: £nil).

9. Taxation

Income tax expense

Total attributable to ordinary shareholders	2025 UK £m	2025 Overseas £m	2025 Total £m	2024 UK £m	2024 Overseas £m	2024 Total £m
Current tax expense/(credit)						
Current year	0.4	10.2	10.6	0.4	12.0	12.4
Adjustment for prior years	—	(0.1)	(0.1)	—	(0.8)	(0.8)
	0.4	10.1	10.5	0.4	11.2	11.6
Deferred tax expense/(credit)						
Origination and reversal of temporary differences	1.4	1.1	2.5	1.0	(0.3)	0.7
Adjustment for prior years	2.2	0.6	2.8	0.7	0.2	0.9
	3.6	1.7	5.3	1.7	(0.1)	1.6
Income tax expense	4.0	11.8	15.8	2.1	11.1	13.2

Included in the current tax adjustment for the prior year is £nil (2024: £0.5m charge) and £0.5 million credit (2024: £0.2m credit) relating to the release of provisions for uncertain tax treatments due to expiries in the statute of limitations.

Transfer pricing is inherently subjective and in determining the appropriate level of provision, the Group considers the probability of a range of outcomes, using a weighted average methodology to focus risk on the most likely outcomes in the event of an audit. The amount provided also takes account of international dispute resolution mechanisms, where available, to mitigate double taxation. This analysis is re-assessed at each year end and the estimates refined as additional information becomes available.

At 30 June 2025, the Group reviewed its tax exposure for ongoing tax audits and uncertain tax treatments and made a provision of £0.9 million (2024: £1.4m), in line with IFRIC 23 requirements.

9. Taxation continued

Reconciliation to UK statutory tax rate

The total tax charge on the Group's profit before tax for the year is higher (2024: higher) than the amount that would be charged at the UK standard rate of corporation tax for the following reasons:

Total attributable to ordinary shareholders	2025 £m	2024 £m
Profit before tax	49.0	46.5
Profit before tax multiplied by the UK corporation tax rate of 25.0% (2024: 25.0%)	12.3	11.6
Effect of tax rates in foreign jurisdictions	0.5	0.3
Non-deductible expenses	0.2	0.5
Other differences	0.1	0.7
Adjustment for prior years	2.7	0.1
Total tax charge in profit or loss	15.8	13.2
Exclude adjusting items (note 30)	1.5	1.6
Total tax charge in profit or loss before adjusting items	17.3	14.8

The taxation is provided at current rates on the profits earned for the year. There have been no changes in applicable tax rates that have impacted the current year tax charge.

The main rate of UK corporation tax applicable for the financial year is 25.0% (2024: 25.0%).

International tax reform – Pillar Two rules

The OECD Pillar Two GloBE Rules ('Pillar Two') introduce a global minimum corporation tax rate of 15% applicable to multinational enterprise groups with global revenue over €750 million. All participating OECD members are required to incorporate these rules into national legislation. The Pillar Two rules applied to the Group for its accounting period commencing 1 July 2024. On 23 May 2023, the International Accounting Standards Board (IASB) amended IAS 12 to introduce a mandatory temporary exception to the accounting for deferred taxes arising from jurisdictional implementation of the Pillar Two rules. On 19 July 2023, the UK Endorsement Board adopted the IASB amendments to IAS 12.

The Group has adopted the mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules.

The Group has performed an assessment of its exposure to Pillar Two income taxes and no Pillar Two top-up tax is due for the period ended 30 June 2025.

Tax on items recognised in other comprehensive income

	2025 £m	2024 £m
Items that may be reclassified to profit or loss:		
Cash flow hedges in the year	0.2	0.6
Items that will not be reclassified to profit or loss:		
Net actuarial loss on post-employment benefits:		
Deferred tax	(0.3)	(1.3)
Total tax credited in other comprehensive income	(0.1)	(0.7)

9. Taxation continued

Deferred tax

The movement in the net deferred tax balances during the year was:

	Accelerated capital allowance £m	Intangible assets £m	Share-based payments £m	Tax losses £m	Retirement benefit obligations £m	Other £m	Total £m
At 1 July 2023	(5.2)	(3.0)	0.2	29.3	6.5	8.7	36.5
(Charge)/credit to profit or loss	(1.3)	0.1	0.3	(3.5)	(0.5)	3.3	(1.6)
Credit/(charge) to other comprehensive income	—	—	—	—	1.3	(0.5)	0.8
Credit to equity	—	—	1.1	—	—	—	1.1
At 30 June 2024	(6.5)	(2.9)	1.6	25.8	7.3	11.5	36.8
(Charge)/credit to profit or loss	**(0.6)**	**0.1**	**0.6**	**(2.5)**	**(1.4)**	**(1.5)**	**(5.3)**
Credit/(charge) to other comprehensive income	**—**	**—**	**—**	**—**	**0.3**	**(0.2)**	**0.1**
Charge to equity	**—**	**—**	**(0.1)**	**—**	**—**	**—**	**(0.1)**
At 30 June 2025	**(7.1)**	**(2.8)**	**2.1**	**23.3**	**6.2**	**9.8**	**31.5**

Other deferred tax includes short-term timing differences for Group entities of £3.2 million (2024: £4.6m) and amounts related to corporate interest restriction in the UK of £8.0 million (2024: £8.2m).

Deferred tax assets and liabilities are presented in the Group's balance sheet as follows:

	2025 £m	2024 £m
Deferred tax assets	**38.2**	42.8
Deferred tax liabilities	**(6.7)**	(6.0)
Total	**31.5**	36.8

Deferred income tax assets are recognised for deductible temporary differences to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The deferred tax asset represents mainly UK deductible temporary differences which are not subject to time expiry. The Group expects to utilise an element of these temporary differences in its 2025 tax return with all amounts considered to be fully recoverable based on the latest medium-term financial forecasts. Applying a downside sensitivity test in line with the Group's impairment model, it was determined that the EBITDA in the next three financial years would have to reduce by 13.4% to result in an impairment of the deferred tax asset. The reason for the expected improvement in performance is due to the increased sales volumes which have been driven by new business wins and the expansion of private label contracts. There is no significant risk of material adjustment to the carrying amount of the deferred tax asset within the next twelve months.

To the extent that dividends remitted from overseas affiliates are expected to result in additional taxes, these amounts have been provided for. No deferred tax is recognised in respect of timing differences associated with the unremitted earnings of overseas subsidiaries as these are considered permanently employed in the business of these companies. Unremitted earnings may be liable to overseas taxes and/or UK taxation (after allowing for double tax relief) if distributed as dividends. The aggregate amount of temporary differences associated with investments in subsidiaries and associates for which deferred tax liabilities have not been recognised totalled approximately £0.7 million at 30 June 2025 (2024: £0.8m).

9. Taxation continued

Unrecognised deferred tax assets

At 30 June 2025, the Group had unused tax losses of £95.3 million (2024: £105.0m) available to offset against future profits. No deferred tax asset has been recognised in respect of £2.0 million (2024: £2.0m) of these losses due to restrictions over accessing these losses in the future. The majority of these tax losses arise in tax jurisdictions where they do not expire.

No deferred tax asset has been recognised in relation to the surplus Advanced Corporation Tax (ACT) of £7.0 million (2024: £7.0m) due to uncertainty as to future ACT capacity and taxable profits.

10. Earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of the Company's ordinary shares in issue during the financial year. The weighted average number of the Company's ordinary shares in issue excludes 3,587,465 shares (2024: 1,372,779 shares), being the weighted average number of own shares held during the year in relation to employee share schemes (note 23).

	Reference	2025	2024
Weighted average number of ordinary shares in issue (million)	a	**170.5**	172.7
Effect of dilutive share options (million)		**8.0**	4.2
Weighted average number of ordinary shares for calculating diluted earnings per share (million)	b	**178.5**	176.9

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue assuming the conversion of all potentially dilutive ordinary shares. Where potentially dilutive ordinary shares would cause an increase in earnings per share, or a decrease in loss per share, the diluted loss per share is considered equal to the basic loss per share.

During the year, the Company had equity-settled awards with a nil exercise price that are potentially dilutive ordinary shares.

Adjusted earnings per share measures are calculated based on profit for the year attributable to owners of the Company before adjusting items as follows:

	Reference	2025 £m	2024 £m
Profit for calculating basic and diluted earnings per share	c	**33.2**	33.3
Adjusted for:			
Amortisation of intangible assets (note 13)		**1.9**	2.0
Exceptional items (note 4)		**4.0**	4.6
Taxation relating to the items above		**(1.5)**	(1.6)
Profit for calculating adjusted earnings per share	d	**37.6**	38.3

	Reference	2025 pence	2024 pence
Basic earnings per share	c/a	**19.5**	19.3
Diluted earnings per share	c/b	**18.6**	18.8
Adjusted basic earnings per share	d/a	**22.1**	22.2
Adjusted diluted earnings per share	d/b	**21.1**	21.7

11. Payments to shareholders

Dividends paid and received are included in the Company financial statements in the year in which the related dividends are actually paid or received or, in respect of the Company's final dividend for the year, approved by shareholders.

It is the Board's intention that any future dividends will be final dividends paid annually in cash, not by the allotment and issue of B Shares. Consequently, the Board is not seeking shareholder approval at the 2025 AGM to capitalise reserves for the purposes of issuing B Shares or to grant Directors the authority to allot such shares. Existing B Shares will continue to be redeemable but limited to one redemption date in November of each year. Further details of how to redeem existing B Shares in November 2025 will be announced in due course. B Shares issued but not redeemed are classified as current liabilities.

As outlined in the RNS dated 29 November 2024, as a result of the refinancing of the Company's RCF, the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs. The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025. This is subject to approval by shareholders at the Company's 2025 AGM and has therefore not been recognised in these financial statements. If approved, the recommended final dividend will be paid as a cash dividend on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. The ordinary shares will be marked as ex-dividend on 30 October 2025.

Other than the final dividend proposed above, no payments to ordinary shareholders were made or proposed in respect of this year or the prior year.

As noted in the Directors' Report on page 101, during the year to 30 June 2025, the Directors became aware that certain dividends paid in November 2022 to November 2024 to holders of B Shares totalling £47,710.90 had been made, and certain loans paid in November 2023 to October 2024 to Apex Group Fiduciary Services Limited, in its capacity as trustee of the McBride plc Employee Benefit Trust 2012 (the 'Trustee'), totalling £5,100,339.38 may have been made, in each case otherwise than in accordance with the Companies Act 2006 in so far as they were made without the Company holding sufficient distributable reserves and without interim accounts having been filed at Companies House prior to payment and/or, in the case of such, where they resulted in a negative reduction on the Company's net assets. A resolution to release the holders of B Shares, the Trustee and the Directors and relevant former Directors of the Company in relation to such dividends and loans will be put to shareholders for approval at the 2025 AGM. Full details of the resolution are included in the Notice of AGM.

In April 2025, the Company received a dividend of £40.0 million from a subsidiary, thereby increasing the Company's distributable reserves to sufficient levels to support the Company's anticipated future distributions in the course of the 2025 calendar year. Further procedures have been put in place to ensure the Company's reserves are sufficient for relevant dividends to be paid and loans to be made in the future. These include reviewing the Company's anticipated upcoming distributable reserve requirements, establishing a process for paying dividends up to the Company to ensure the Company has sufficient distributable reserves for its requirements, checking the Company has sufficient distributable reserves before paying a dividend or making a loan, and updating the Audit and Risk Committee on the Company's distributable reserves at set intervals.

Movements in the number of B Shares outstanding were as follows:

	Number 000	Nominal value £'000
Issued and fully paid		
At 1 July 2023, 30 June 2024 and 30 June 2025	665,888	666

B Shares carry no rights to attend, speak or vote at Company meetings, except on a resolution relating to the winding up of the Company.

12. Goodwill

	£m
Cost	
At 1 July 2023	36.0
Currency translation differences	(0.3)
At 30 June 2024	35.7
Currency translation differences	**0.2**
At 30 June 2025	**35.9**
Accumulated impairment	
At 1 July 2023	(16.3)
Currency translation differences	0.3
At 30 June 2024	(16.0)
Currency translation differences	**(0.1)**
At 30 June 2025	**(16.1)**
Net book value	
At 30 June 2025	**19.8**
At 30 June 2024	19.7

The Liquids, Unit Dosing, Powders, Aerosols and Asia Pacific businesses have separate management teams and leadership, and represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

Carrying amount of goodwill allocated to CGUs:

	2025 £m	2024 £m
Liquids	**16.0**	16.0
Unit Dosing	**3.3**	3.2
Powders	**0.3**	0.3
Asia Pacific	**0.2**	0.2
At 30 June	**19.8**	19.7

12. Goodwill continued

Impairment tests carried out during the year

Goodwill is tested for impairment annually at the level of the CGU to which it is allocated. In each of the tests carried out during the current financial year, the recoverable amount of the CGUs concerned was measured on a value-in-use basis.

Value-in-use represents the present value of the future cash flows that are expected to be generated by the CGU to which the goodwill is allocated. Management based its cash flow estimates on the Group's Board-approved budget for 2026. Cash flows in the following two years were forecasted by applying assumptions to budgeted sales, production costs and overheads. Aggregate cash flows beyond the third year were estimated by applying a perpetuity growth rate to the forecast cash flow in the third year that was based on long-term growth rates for the CGU's products in its end markets.

Management estimates sales growth for each CGU based on forecasts of the future volume of the end markets for the CGU's products.

The cost of material inputs and other direct and indirect costs is estimated based on current prices and market expectations of future price changes. Beyond the budget year, unless there are reasons to suggest otherwise, management assumes that future changes in material input prices are reflected in the price of the Group's products. General cost inflation is based on management's expectations of cost increases in the business.

Liquids is the sole CGU to which significant goodwill is allocated.

In order to forecast growth beyond the detailed cash flows into perpetuity for the Liquids CGU, a long-term average growth rate of 1.5% (2024: 1.6%) has been applied. The rate is based on a weighted average of country-specific rates that are not greater than the published International Monetary Fund average growth rates in gross domestic product in the territories in which the Liquids CGU operates.

The discount rate applied to the cash flow projections of the Liquids CGU were determined using a capital asset pricing model and reflected current market interest rates, relevant equity and size risk premiums and the risks specific to the Liquids CGU. The pre-tax discount rate used in calculating the value-in-use of the Liquids CGU in the current year was 11.3% (2024: 12.8%).

Sensitivity analysis

A sensitivity analysis has been performed, focusing on the change required in long-term average growth rates, discount rates and forecast revenue and margin assumptions that would give rise to an impairment.

In the case of the Liquids CGU, sensitivities that result in the recoverable amount equalling the carrying value were:

- a decrease in long-term average growth rates to a negative growth rate of (19.2)%;
- an increase in pre-tax discount rates of 15.9ppts;
- a reduction in forecast revenue of 14.9%; and
- a reduction in forecast margins of 4.0ppts.

None of the above scenarios are considered reasonably possible.

Based on the impairment reviews performed, no impairment has been identified.

13. Other intangible assets

	Patents, brands and trademarks £m	Computer software £m	Customer relationships £m	Other £m	Assets under development £m	Total £m
Cost						
At 1 July 2023 as reported	3.7	14.3	11.9	0.9	—	30.8
Restatement[1]	(2.0)	0.3	(8.4)	4.7	—	(5.4)
At 1 July 2023 restated[1]	1.7	14.6	3.5	5.6	—	25.4
Additions	—	—	—	5.3	—	5.3
Disposals	—	—	—	(0.2)	—	(0.2)
Transfers	—	0.9	—	(0.9)	—	—
At 30 June 2024 restated[1]	1.7	15.5	3.5	9.8	—	30.5
Additions	—	—	—	0.5	9.9	10.4
Transfers	—	0.7	—	—	(0.7)	—
Reclassification[2]	—	—	—	(6.0)	6.0	—
At 30 June 2025	**1.7**	**16.2**	**3.5**	**4.3**	**15.2**	**40.9**
Accumulated amortisation and impairment						
At 1 July 2023 as reported	(3.7)	(8.7)	(11.3)	(0.6)	—	(24.3)
Restatement[1]	2.0	(1.8)	8.7	(3.5)	—	5.4
At 1 July 2023 restated[1]	(1.7)	(10.5)	(2.6)	(4.1)	—	(18.9)
Disposals	—	—	—	0.2	—	0.2
Charge for the year	—	(1.5)	(0.4)	(0.1)	—	(2.0)
At 30 June 2024 restated[1]	(1.7)	(12.0)	(3.0)	(4.0)	—	(20.7)
Charge for the year	—	(1.3)	(0.4)	(0.2)	—	(1.9)
At 30 June 2025	**(1.7)**	**(13.3)**	**(3.4)**	**(4.2)**	**—**	**(22.6)**
Net book value						
At 30 June 2025	**—**	**2.9**	**0.1**	**0.1**	**15.2**	**18.3**
At 30 June 2024 restated[1]	—	3.5	0.5	5.8	—	9.8

(1) Prior years restated to eliminate historical adjustments no longer required and to transfer assets to correct asset category. The restatement has no impact on the income statement or net assets, nor does it impact the carrying value of other intangible assets.

(2) Asset category 'Assets under development' established in the current year to identify separately amounts relating to intangible assets under development, not yet being amortised. The reclassification of such assets is disclosed on this line.

14. Property, plant and equipment

	Land and buildings £m	Plant and equipment £m	Assets in the course of construction £m	Total £m
Cost				
At 1 July 2023 as reported	67.5	264.4	10.0	341.9
Restatement[1]	30.3	44.3	—	74.6
At 1 July 2023 restated[1]	97.8	308.7	10.0	416.5
Additions	1.3	11.2	3.1	15.6
Disposals	(0.5)	(4.6)	—	(5.1)
Transfers	0.2	2.3	(2.5)	—
Currency translation differences	(0.9)	(3.0)	(0.1)	(4.0)
At 30 June 2024 restated[1]	97.9	314.6	10.5	423.0
Additions	**0.5**	**5.6**	**14.2**	**20.3**
Disposals	**(0.2)**	**(7.1)**	**—**	**(7.3)**
Transfers	**0.9**	**14.9**	**(15.8)**	**—**
Currency translation differences	**1.0**	**3.5**	**0.1**	**4.6**
At 30 June 2025	**100.1**	**331.5**	**9.0**	**440.6**
Accumulated depreciation and impairment				
At 1 July 2023	(31.8)	(192.3)	—	(224.1)
Restatement[1]	(23.4)	(51.2)	—	(74.6)
At 1 July 2023 restated[1]	(55.2)	(243.5)	—	(298.7)
Charge for the year	(1.9)	(14.4)	—	(16.3)
Disposals	0.1	3.6	—	3.7
Impairment	—	(0.2)	—	(0.2)
Currency translation differences	0.6	2.3	—	2.9
At 30 June 2024 restated[1]	(56.4)	(252.2)	—	(308.6)
Charge for the year	**(1.0)**	**(14.8)**	**—**	**(15.8)**
Disposals	**0.2**	**6.7**	**—**	**6.9**
Reversal of impairment	**—**	**0.6**	**—**	**0.6**
Transfers	**(0.3)**	**0.3**	**—**	**—**
Currency translation differences	**(0.7)**	**(2.7)**	**—**	**(3.4)**
At 30 June 2025	**(58.2)**	**(262.1)**	**—**	**(320.3)**
Net book value				
At 30 June 2025	**41.9**	**69.4**	**9.0**	**120.3**
At 30 June 2024 restated[1]	41.5	62.4	10.5	114.4

The land and buildings category includes land of £2.6 million (2024: £2.6m) which is not depreciated.

(1) Prior years restated to eliminate historical adjustments no longer required and to transfer assets to correct asset category. The restatement has no impact on the income statement or net assets, nor does it impact the carrying value of property, plant and equipment.

15. Leases

Most of the Group's leases are associated with leased properties. The Group also leases a small proportion of its plant and machinery, for example, forklift trucks and vehicles.

The movements in the right-of-use assets were as follows:

	Buildings £m	Plant and machinery £m	Vehicles £m	Other £m	Total £m
Right-of-use assets					
Net book value at 1 July 2023	1.8	4.7	1.4	0.6	8.5
New leases recognised	1.3	1.2	0.9	—	3.4
Currency translation differences	—	—	—	(0.1)	(0.1)
Depreciation	(0.9)	(2.0)	(0.8)	—	(3.7)
Net book value at 30 June 2024	2.2	3.9	1.5	0.5	8.1
New leases recognised	—	1.4	2.1	0.1	3.6
Currency translation differences	—	—	0.1	—	0.1
Transfers	0.5	(0.2)	(0.2)	(0.1)	—
Depreciation	(1.0)	(1.6)	(1.1)	(0.2)	(3.9)
Net book value at 30 June 2025	1.7	3.5	2.4	0.3	7.9

The movements in the lease liabilities were as follows:

	Total £m
Lease liabilities	
At 1 July 2023	9.0
New leases recognised	3.4
Lease payments	(4.5)
Currency translation differences	0.2
Finance costs (note 8)	0.3
At 30 June 2024	8.4
New leases recognised	3.6
Lease payments	(4.2)
Currency translation differences	0.1
Finance costs (note 8)	0.4
At 30 June 2025	8.3

15. Leases continued

	2025 £m	2024 £m
Analysed as:		
Amounts falling due within twelve months	3.7	3.1
Amounts falling due after one year	4.6	5.3
	8.3	8.4

Note 20 presents a maturity analysis of the payments due over the remaining lease term for those liabilities currently recognised on the balance sheet. This analysis only includes payments to be made over the reasonably certain lease term. Cash outflows may exceed these amounts as payments may be made in optional periods that are not currently considered to be reasonably certain and, in respect of leases, entered into in future periods.

For the year ended 30 June 2025, expenses for short-term and low-value leases were incurred as follows:

	2025 £m	2024 £m
Expenses relating to short-term leases	0.2	0.2
Expenses relating to leases of low-value assets not shown as short-term leases above	0.1	0.1
Total	0.3	0.3

At 30 June 2025, the Group was committed to future minimum lease payments of £0.5 million (2024: £0.3m) in respect of leases which have not yet commenced and for which no lease liability has been recognised.

16. Inventories

	2025 £m	2024 £m
Raw materials, packaging and consumables	58.5	58.0
Finished goods and goods for resale	64.9	61.6
Total	123.4	119.6

Inventories are stated net of an allowance of £9.6 million (2024: £10.3m) in respect of excess, obsolete or slow-moving items. Movements in the allowance were as follows:

	2025 £m	2024 £m
At 1 July	(10.3)	(5.5)
Utilisation	3.2	4.0
Charged to profit or loss	(2.4)	(8.9)
Currency translation differences	(0.1)	0.1
At 30 June	(9.6)	(10.3)

The cost of inventories recognised in cost of sales as an expense amounted to £583.0 million (2024: £583.4m). The cost of inventories including direct material costs only (note 7) is £515.2 million (2024: £519.9m).

17. Trade and other receivables

	2025 £m	2024 £m
Trade receivables	124.9	137.7
Less: provision for impairment of trade receivables	(1.7)	(3.6)
Trade receivables – net	123.2	134.1
Other receivables	10.9	9.8
Prepayments and accrued income	5.0	4.9
Total	139.1	148.8

Trade receivables amounting to £67.8 million (2024: £55.6m) are secured under the invoice discounting facilities described in note 20.

Other receivables primarily consist of supplier rebates and recoverable VAT.

Trade terms are a maximum of 140 days of credit (2024: 135 days).

Due to their short-term nature, the fair value of trade and other receivables does not differ from the book value.

The impairment of trade receivables charged to the income statement was £0.4 million (2024: £1.6m). There are no impairments of any receivables other than trade receivables.

17. Trade and other receivables continued

Trade receivables are regularly reviewed for bad and doubtful debts. Bad debts are written off and an allowance is established based on the expected credit loss model. The expected loss rates are based on payment profiles of sales over a period of three years before 30 June 2025 or 30 June 2024, respectively, and the corresponding historical credit losses experienced within this period adjusted for forward-looking factors specific to the debtors and the economic environment.

On that basis, the credit loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows:

30 June 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 180 days past due	Total
Expected loss rate	0.0%	0.0%	0.0%	0.0%	38.0%	
Gross carrying amount (£m)	123.5	0.4	0.1	0.3	0.6	124.9
Credit loss allowance (£m)	—	—	—	—	0.2	0.2

30 June 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 180 days past due	Total
Expected loss rate	0.5%	0.0%	0.0%	0.0%	14.2%	
Gross carrying amount (£m)	130.5	2.2	0.6	1.4	3.0	137.7
Credit loss allowance (£m)	0.7	—	—	—	0.4	1.1

In addition to the credit loss allowance, the provision for impairment of trade receivables includes £1.5 million (2024: £2.5m) of credit note provisions.

Movements in the allowance for doubtful debts were as follows:

	2025 £m	2024 £m
At 1 July	(3.6)	(4.3)
Utilisation	2.3	2.3
Charged	(0.4)	(1.6)
At 30 June	(1.7)	(3.6)

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, or a failure to make contractual payments for a period greater than 365 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

17. Trade and other receivables continued

The gross amounts of trade receivables are denominated in the following currencies:

	2025 £m	2024 £m
Sterling	15.8	17.9
Euro	90.9	99.2
Polish Zloty	1.8	1.8
Danish Krone	12.0	13.6
Malaysian Ringgit	2.8	3.1
Other	1.6	2.1
	124.9	137.7

Trade receivables are generally not interest bearing.

18. Trade and other payables

	2025 £m	2024 £m
Current liabilities		
Trade payables	176.8	160.7
Taxation and social security	3.6	4.6
Other payables	26.0	27.3
Accrued expenses	18.8	24.5
Deferred income	2.1	2.3
B Shares (note 11)	0.7	0.7
Total	228.0	220.1

Trade payables are generally not interest bearing. The Directors consider the carrying amount of trade and other payables to approximate their fair values.

19. Borrowings

Borrowings may be analysed as follows:

	2025			2024		
	Current liabilities £m	Non-current liabilities £m	Total liabilities £m	Current liabilities £m	Non-current liabilities £m	Total liabilities £m
Bank and other loans:						
Secured loans	—	—	—	—	65.0	65.0
	—	—	—	—	65.0	65.0
Total secured borrowings	—	—	—	—	65.0	65.0
Overdrafts	2.0	—	2.0	11.8	—	11.8
Bank and other loans:						
Unsecured loans	—	61.3	61.3	—	—	—
Invoice discounting facilities (note 20)	67.8	—	67.8	55.6	—	55.6
	67.8	61.3	129.1	55.6	—	55.6
Lease liabilities	3.7	4.6	8.3	3.1	5.3	8.4
Total unsecured borrowings	73.5	65.9	139.4	70.5	5.3	75.8
Total borrowings	73.5	65.9	139.4	70.5	70.3	140.8

Bank and other loans are repayable as follows:

	2025 £m	2024 £m
Within one year	67.8	55.6
Between one and two years	—	65.0
Between two and five years	61.3	—
Total	129.1	120.6

Details of the Group's bank facilities are presented in note 20. Amounts payable under leases are presented in notes 15 and 20.

19. Borrowings continued

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	2025 £m	2024 £m
Current		
Floating charge		
Cash and cash equivalents	—	0.4
Receivables	—	228.0
Total current assets pledged as security	—	228.4
Non-current		
First mortgage		
Freehold land and buildings	—	113.0
Shares pledged	—	89.9
Total non-current assets pledged as security	—	202.9
Total assets pledged as security	—	431.3

20. Financial risk management

Risk management policies

The Group Treasury function is responsible for procuring the Group's capital resources and maintaining an efficient capital structure, together with managing the Group's liquidity, foreign exchange and interest rate exposures.

All treasury operations are conducted within strict policies and guidelines that are approved by the Board. Compliance with those policies and guidelines is monitored by the regular reporting of treasury activities to the Board following regular Treasury Committee meetings.

Financial assets and financial liabilities

	Amortised cost £m	Fair value through profit or loss[1] £m	Total carrying amount £m	Fair value £m
At 30 June 2025				
Financial assets				
Trade receivables	123.2	—	123.2	123.2
Other receivables	10.9	—	10.9	10.9
Cash and cash equivalents	34.2	—	34.2	34.2
	168.3	—	168.3	168.3
Financial assets held at fair value				
Derivative financial instruments (Level 2)				
Forward currency contracts	—	0.2	0.2	0.2
Interest rate caps	—	0.3	0.3	0.3
Total financial assets	168.3	0.5	168.8	168.8
Financial liabilities				
Trade and other payables	(212.9)	—	(212.9)	(212.9)
Bank overdrafts	(2.0)	—	(2.0)	(2.0)
Lease liabilities	(8.3)	—	(8.3)	(8.3)
Bank and other loans	(129.1)	—	(129.1)	(129.1)
	(352.3)	—	(352.3)	(352.3)
Financial liabilities held at fair value				
Derivative financial instruments (Level 2)				
Forward currency contracts	—	(0.4)	(0.4)	(0.4)
Interest rate collars	—	(0.1)	(0.1)	(0.1)
Total financial liabilities	(352.3)	(0.5)	(352.8)	(352.8)
Total	(184.0)	—	(184.0)	(184.0)

(1) Financial assets and financial liabilities classified as fair value through profit or loss are designated in hedge relationships as described within the interest risk and foreign exchange risk sections of this note.

20. Financial risk management continued

Financial assets and financial liabilities continued

	Amortised cost £m	Fair value through profit or loss[1] £m	Total carrying amount £m	Fair value £m
At 30 June 2024				
Financial assets				
Trade receivables	134.1	—	134.1	134.1
Other receivables	9.8	—	9.8	9.8
Cash and cash equivalents	9.3	—	9.3	9.3
	153.2	—	153.2	153.2
Financial assets held at fair value				
Derivative financial instruments (Level 2)				
Interest rate caps	—	2.0	2.0	2.0
Total financial assets	153.2	2.0	155.2	155.2
Financial liabilities				
Trade and other payables	(201.0)	—	(201.0)	(201.0)
Bank overdrafts	(11.8)	—	(11.8)	(11.8)
Lease liabilities	(8.4)	—	(8.4)	(8.4)
Bank and other loans	(120.6)	—	(120.6)	(120.6)
	(341.8)	—	(341.8)	(341.8)
Financial liabilities held at fair value				
Derivative financial instruments (Level 2)				
Forward currency contracts	—	(0.4)	(0.4)	(0.4)
Total financial liabilities	(341.8)	(0.4)	(342.2)	(342.2)
Total	(188.6)	1.6	(187.0)	(187.0)

(1) Financial assets and financial liabilities classified as fair value through profit or loss are designated in hedge relationships as described within the interest risk and foreign exchange risk sections of this note.

In the tables above, the financial assets and financial liabilities held by the Group are categorised according to the basis on which they are measured. Financial assets and liabilities that are held at fair value are further categorised according to the degree to which the principal inputs used in determining their fair value represent observable market data as follows:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

Derivative financial instruments comprise the foreign currency derivatives and interest rate derivatives that are held by the Group in designated hedging relationships.

Foreign currency forward contracts are measured by reference to prevailing forward exchange rates. Foreign currency options are measured using a variant of the Monte Carlo valuation model. Interest rate caps are measured by discounting the related cash flows using yield curves derived from prevailing market interest rates.

Cash and cash equivalents and bank and other loans largely attract floating interest rates. Accordingly, management considers that their carrying amount approximates to fair value.

Lease obligations attract fixed interest rates that are implicit in the lease rentals and their fair value has been assessed relative to prevailing market interest rates.

There were no transfers between levels during the year and no changes in valuation techniques.

20. Financial risk management continued

Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables;
- other receivables; and
- cash and cash equivalents.

Information regarding expected credit losses on trade receivables is disclosed in note 17. While other receivables and cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was minimal. The Group's cash balances are managed such that there is no significant concentration of credit risk in any one bank or other financial institution. Management regularly monitors the credit quality of the institutions with which it holds deposits. Similar considerations are given to the Group's portfolio of derivative financial instruments.

The Group uses judgement to determine that the credit risk of financial assets has not significantly changed since initial recognition and regularly monitors the value of the instruments. As such, credit risk is not considered to be a significant factor in changes to the values of financial assets. All of the financial derivatives are deemed to have low credit risk on initial recognition as they are predominantly hedges of foreign exchange risk and executed with a diverse and strong portfolio of counterparties.

Before accepting a new customer, management assesses the customer's credit quality and establishes a credit limit. Credit quality is assessed using data maintained by reputable credit rating agencies, by the checking of references included in credit applications and, where they are available, by reviewing the customer's recent financial statements. Credit limits are subject to multiple levels of authorisation and are reviewed on a regular basis. Credit insurance is employed where it is considered to be cost effective. At 30 June 2025, the majority of trade receivables were due from major retailers in the UK and Europe.

At 30 June 2025, the Group's maximum exposure to credit risk was as follows (there was no significant concentration of credit risk):

	2025 £m	2024 £m
Trade and other receivables:		
Trade receivables	123.2	134.1
Other receivables	10.9	9.8
	134.1	143.9
Derivative financial instruments	0.5	2.0
Cash and cash equivalents	34.2	9.3
Total	168.8	155.2

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities.

The Group's borrowing facilities are monitored against forecast requirements and timely action is taken to put in place, renew or replace credit lines.

During the year, the Group renegotiated its €175 million multi-currency, sustainability-linked RCF, increasing the facility to €200 million and securing a four-year term to November 2028, with an option to extend by up to two years. This facility ensures the Group continues to have significant levels of liquidity headroom and reverts to more traditional covenant requirements.

Additionally, the Group now also has access to a €75 million accordion feature.

At 30 June 2025, liquidity[1], which is no longer a covenant requirement of the RCF agreement, was £141.4 million, due to the increase in the RCF commitment, repayment of RCF debt, extension of invoice discounting facilities and improved profitability (2024: £98.3m).

Covenant compliance testing for the Group restarted from 31 December 2024 and is required at each half-year reporting period. At 30 June 2025, the net debt cover[1] ratio under the RCF funding arrangements was 0.4x (2024: 0.8x) and the interest cover[1] was 8.5x (2024: 6.8x), both comfortably compliant with the agreement requirements of less than 3.0x and more than 4.0x respectively. The amount undrawn on the facility was £107.2 million (2024: £82.9m).

At 30 June 2025, the Group had a number of facilities whereby it could borrow against certain of its trade receivables. In the UK, the Group had a £20 million facility, committed until May 2026. In Spain, France and Belgium, the Group had an unlimited facility committed until May 2026. In Germany and Denmark, the Group had a €45 million facility, committed until May 2026. In Italy, the Group had a €23 million facility, committed until April 2028. The Group can borrow from the provider of the relevant facility up to the lower of the facility limit and the value of the respective receivables.

At 30 June 2025, the carrying amount of trade receivables eligible for transfer and the amounts borrowed under the facility were as follows:

	2025 £m	2024 £m
Trade receivables available	67.8	55.6
Amount borrowed	(67.8)	(55.6)
Amount undrawn	—	—

The Group no longer has any uncommitted working capital facilities. At 30 June 2024, the Group had access to uncommitted working capital facilities amounting to £17.9 million, with £11.8 million drawn against these facilities in the form of overdrafts and short-term borrowings.

(1) Please refer to APM in note 30.

20. Financial risk management continued

Liquidity risk continued

In the following tables, estimated future contractual undiscounted cash flows in respect of the Group's financial liabilities are analysed according to the earliest date on which the Group could be required to settle the liability. Floating rate interest payments are estimated based on market interest rates prevailing at the balance sheet date. Payments and receipts in relation to derivative financial instruments are shown net if they will be settled on a net basis.

	Within 1 year £m	Between 1 and 2 years £m	Between 2 and 3 years £m	Between 3 and 4 years £m	Between 4 and 5 years £m	After 5 years £m	Total £m
At 30 June 2025							
Bank overdrafts	(2.0)	—	—	—	—	—	(2.0)
Bank and other loans:							
Principal	(67.8)	—	—	(61.9)	—	—	(129.7)
Interest payments	(0.5)	—	—	—	—	—	(0.5)
Lease liabilities[1]	(4.0)	(2.0)	(1.5)	(0.9)	(0.2)	(0.7)	(9.3)
Trade and other payables	(212.9)	—	—	—	—	—	(212.9)
Cash flows on non-derivative liabilities	(287.2)	(2.0)	(1.5)	(62.8)	(0.2)	(0.7)	(354.4)
Cash flows on derivative liabilities							
Payments	(93.3)	(0.5)	—	—	—	—	(93.8)
Cash flows on financial liabilities	(380.5)	(2.5)	(1.5)	(62.8)	(0.2)	(0.7)	(448.2)
Cash flows on derivative assets							
Receipts	93.5	0.5	—	—	—	—	94.0
	(287.0)	(2.0)	(1.5)	(62.8)	(0.2)	(0.7)	(354.2)

(1) Lease liabilities are undiscounted.

20. Financial risk management continued

Liquidity risk continued

	Within 1 year £m	Between 1 and 2 years £m	Between 2 and 3 years £m	Between 3 and 4 years £m	Between 4 and 5 years £m	After 5 years £m	Total £m
At 30 June 2024							
Bank overdrafts	(11.8)	—	—	—	—	—	(11.8)
Bank and other loans:							
Principal	(55.6)	(65.2)	—	—	—	—	(120.8)
Interest payments	(0.9)	—	—	—	—	—	(0.9)
Lease liabilities[1]	(3.5)	(3.1)	(1.2)	(0.7)	(0.4)	(0.8)	(9.7)
Trade and other payables	(201.0)	—	—	—	—	—	(201.0)
Cash flows on non-derivative liabilities	(272.8)	(68.3)	(1.2)	(0.7)	(0.4)	(0.8)	(344.2)
Cash flows on derivative liabilities							
Payments	(72.1)	(0.4)	—	—	—	—	(72.5)
Cash flows on financial liabilities	(344.9)	(68.7)	(1.2)	(0.7)	(0.4)	(0.8)	(416.7)
Cash flows on derivative assets							
Receipts	71.9	0.4	—	—	—	—	72.3
	(273.0)	(68.3)	(1.2)	(0.7)	(0.4)	(0.8)	(344.4)

(1) Lease liabilities are undiscounted.

Interest rate risk

Interest rate risk is the risk that the fair value of, or future cash flows associated with, a financial instrument will fluctuate due to changes in market interest rates.

The Group is exposed to interest rate risk on its floating rate borrowings, which it has mitigated using interest rate derivatives in the form of interest rate caps and collars with maturities up to 2027.

Under the Group's policy the critical terms of the derivatives must align with the hedged items. The interest rate instruments executed are matched against the term, currency and entity where the borrowing exists, fixing the value of interest paid in line with the Group policy. They are monitored to ensure that critical terms of the instrument continue to match the transaction.

The hedge ratio is determined by the Group's Treasury Policy, which states that the Group aims to be c.50% hedged against the potential adverse effects of interest exposure on its consolidated net debt. The instruments are matched on a 1:1 ratio with the transaction. Hedge ineffectiveness could be caused through fluctuating forecasts. Forecasts are monitored regularly and the Group intends to repay debt in line with the timeframe of the hedges entered into. If this changes, additional hedges are executed in order to maintain the policy level.

The changes in the time value of the options that relate to hedged items are deferred in the cash flow hedge reserve and are treated as the cost of hedging.

20. Financial risk management continued

Interest rate risk continued

After taking into account the Group's currency and interest rate hedging activities, the currency and interest rate profile of the Group's interest-bearing financial assets and financial liabilities was as follows:

	2025						2024					
	Euro £m	Sterling £m	Danish Krone £m	Polish Zloty £m	Other currencies £m	Total £m	Euro £m	Sterling £m	Danish Krone £m	Polish Zloty £m	Other currencies £m	Total £m
Floating rate												
Bank overdrafts	(2.0)	—	—	—	—	(2.0)	(9.7)	(2.1)	—	—	—	(11.8)
Bank and other loans	5.1	(37.0)	—	—	—	(31.9)	(23.0)	1.4	(10.5)	—	—	(32.1)
Cash and cash equivalents	27.2	1.7	0.6	0.2	4.5	34.2	3.6	1.5	0.2	0.2	3.8	9.3
	30.3	(35.3)	0.6	0.2	4.5	0.3	(29.1)	0.8	(10.3)	0.2	3.8	(34.6)
Fixed rate												
Bank and other loans	(72.2)	(25.0)	—	—	—	(97.2)	(63.5)	(25.0)	—	—	—	(88.5)
Total	(41.9)	(60.3)	0.6	0.2	4.5	(96.9)	(92.6)	(24.2)	(10.3)	0.2	3.8	(123.1)

Interest payable on bank overdrafts and floating rate loans is based on base rates and short-term interbank rates (predominantly EURIBOR and SONIA). At 30 June 2025, the weighted average interest rate payable on bank and other loans was 5.0% (2024: 4.3%). At 30 June 2025, the weighted average interest rate receivable on cash and cash equivalents was 0.0% (2024: 0.0%).

At 30 June 2025, the Group held interest rate caps which cap the maximum rate payable but allow the rate to float below this maximum.

2025	Interest rate caps £m
Carrying amount	0.3
Notional amount	114.8
Maturity date	Jul 2025-Jun 2027
Hedging ratio	1:1
Change in value of outstanding hedge instruments	(0.5)
Change in value of hedged item used to determine hedge effectiveness	0.5
Weighted average hedged rate for the year	0.00%–4.15%

20. Financial risk management continued

Interest rate risk continued

2024	Interest rate caps £m
Carrying amount	1.9
Notional amount	88.5
Maturity date	Jun 2024-May 2026
Hedging ratio	1:1
Change in value of outstanding hedge instruments	(0.9)
Change in value of hedged item used to determine hedge effectiveness	0.9
Weighted average hedged rate for the year	0.00%-4.15%

All interest rate derivatives held by the Group are indexed to three-month EURIBOR, SONIA, WIBOR or CIBOR.

Fixed or capped interest rates shown in the above table do not include the margin over market interest rates payable on the Group's borrowings.

On the assumption that a change in market interest rates would be applied to the interest rate exposures that were in existence at the balance sheet date and that designated cash flow hedges are 100% effective, an increase of 100 basis points in market interest rates would have decreased the Group's profit before tax by £0.3 million (2024: £0.4m). Conversely, a decrease of 100 basis points in market interest rates would have increased the Group's profit before tax by £1.0 million (2024: £0.6m).

Foreign currency risk

Transaction risk

Foreign currency transaction risk arises on sales and purchases denominated in currencies other than the functional currency of the entity that enters into the transaction. While the magnitude of these exposures is relatively low, the Group's policy is to hedge committed transactions in full and to hedge a proportion of highly probable forecast transactions on a twelve-month rolling basis. Foreign currency transaction risk also arises on financial assets and liabilities denominated in foreign currencies and Group policy allows for these exposures to be hedged using forward currency contracts.

The Group determines the economic relationship between the hedged item and the hedging instrument for the purpose of assessing hedge effectiveness. The cost of the transaction increases as the exchange rate weakens, as the hedge instruments in place are foreign currency liabilities. This same movement in exchange rates would result in an increase in the value of the liability. The value of the invoices paid is regularly monitored to ensure the hedges in place continue to meet the monthly exposures and that critical terms of the instrument continue to match the transaction. On maturity of the hedge the gain or loss recorded against the spot rate is recorded in the same income statement line as the invoiced transaction.

The hedge ratio is determined by the Group's Treasury Policy, which provides a maximum and minimum hedge level for a number of time brackets. The compliance with this policy is monitored monthly and new hedges are also added monthly if required. The level of hedges required is reviewed monthly during the Treasury Management Committee meeting. The instruments are matched on a 1:1 ratio with the transaction. Hedge ineffectiveness could be caused through the different timing of the payment runs so that the hedges mature at a different point to the invoices being paid, fluctuating forecasts or changes to the nature of the business. These risks are mitigated through the following measures:

- phasing hedges to cover the change of the timing of payments runs;
- monitoring forecasts monthly and adding hedges to reflect any changes;
- the percentage of hedges permitted allowing for the potential uncertainty towards the end of the forecast period; and
- building significant changes into the forecast, with any changes being allowed for the purchases made.

At 30 June 2025, the notional principal amount of outstanding foreign currency contracts (net purchases) that are held to hedge the Group's transaction exposures was £14.4 million (2024: £16.4m). For accounting purposes, the Group has designated the foreign currency contracts as cash flow hedges. At 30 June 2025, the fair value of the contracts was £0.2 million (2024: £(0.2)m). During 2025, a loss of £0.1 million (2024: loss of £0.3m) was recognised in other comprehensive income and a loss of £0.5 million (2024: loss of £0.3m) was transferred from the cash flow reserve to the income statement in respect of these contracts.

Translation risk

Foreign currency translation risk arises on consolidation in relation to the translation into Sterling of the results and net assets of the Group's foreign subsidiaries. The Group's policy is to hedge a substantial proportion of overseas net assets using a combination of foreign currency borrowings and foreign currency swaps. The Group hedges part of the currency exposure on translating the results of its foreign subsidiaries into Sterling using average rate options. This exposure is also mitigated by the natural hedge provided by the interest payable on the Group's foreign currency borrowings. At 30 June 2025, the fair value of the average rate options was £nil (2024: £nil).

The Group determines the economic relationship between the hedged item and the hedging instrument for the purpose of assessing hedge effectiveness. The value of Group assets increases as the exchange rate weakens, as the hedge instrument in place is a foreign currency liability. This same movement in exchange rates would result in an increase in the value of the liability. When hedges mature, any settlements offset the gain or loss on translation of the hedged item and are monitored to ensure critical terms of the instrument continue to match the transaction.

The hedge ratio is determined by the Group's Treasury Policy, which states the Group will hedge up to 100% of the budgeted exposure. The instruments are matched on a 1:1 ratio with the transaction. Hedge ineffectiveness could be caused through fluctuations in the forecasted numbers. This is mitigated by hedging a relatively low proportion of the hedged item.

20. Financial risk management continued

Foreign currency risk continued

Translation risk continued

At 30 June 2025, the Group had designated as net investment hedges £11.5 million (2024: £45.7m) of its Euro-denominated borrowings and three-month rolling foreign currency forward contracts with a notional principal amount of £79.5 million (2024: £55.6m). During 2025, a gain of £0.1 million (2024: £0.8m) was recognised in other comprehensive income in relation to the net investment hedges. At 30 June 2025, the fair value of the net investment hedges was a loss of £0.4 million (2024: loss of £0.1m).

The currency profile of the Group's net assets (excluding non-controlling interests) before and after hedging currency translation exposures was as follows:

	2025			2024		
	Net assets/ (liabilities) before hedging £m	Currency forward contracts £m	Net assets after hedging £m	Net assets/ (liabilities) before hedging £m	Currency forward contracts £m	Net assets after hedging £m
Sterling	(44.0)	79.5	35.5	(5.0)	55.6	50.6
Euro	93.6	(51.4)	42.2	35.7	(33.9)	1.8
Polish Zloty	10.4	(7.7)	2.7	7.9	(6.9)	1.0
Danish Krone	22.6	(18.3)	4.3	15.2	(12.5)	2.7
Malaysian Ringgit	7.3	—	7.3	3.9	—	3.9
Other	4.4	(2.1)	2.3	5.7	(2.3)	3.4
Total	94.3	—	94.3	63.4	—	63.4

The Group's exposure to a +/- 10% change in EUR/GBP exchange rate is as follows:

	2025		2024	
	EUR +10% £m	EUR -10% £m	EUR +10% £m	EUR -10% £m
Impact on equity	(1.3)	1.5	(1.5)	1.6

The impact on equity shown above predominantly relates to EUR/GBP contracts that qualify for net investment and cash flow hedge accounting.

The Group uses a combination of foreign currency options and foreign currency forwards to hedge its exposure to foreign currency risk. Under the Group's policy the critical terms of the forwards and options must align with the hedged items.

When forward contracts are used to hedge forecast transactions, the Group generally designates the change in the fair value of the forward contract related to both the spot component and forward element as the hedging instrument. For option contracts the change in the fair value of the option contract related to the intrinsic value is designated as the hedging instrument. The time value of money is treated as a cost of hedging.

20. Financial risk management continued

Foreign currency risk continued

Translation risk continued

In relation to the hedging activities as described above, the effects of foreign currency related hedging instruments on the Group's financial position and performance are as follows:

	Foreign currency forwards	
2025	Transactional	Translational
Carrying amount (£m)	0.2	(0.4)
Notional amount (£m)	14.4	79.5
Maturity date	July 2025-September 2026	September 2025
Hedging ratio	1:1	1:1
Change in value of outstanding hedge instruments (£m)	0.2	(0.4)
Change in value of hedged item used to determine hedge effectiveness (£m)	(0.2)	0.4
Weighted average hedged rate for the year	€1.1633:£1	Various[1]

(1) The weighted average hedged rate for the year, by currency denomination, was €1.1905:£1, Zloty 5.1203:£1, Krone 8.9027:£1, AUD 1.9732:£1.

	Foreign currency forwards	
2024	Transactional	Translational
Carrying amount (£m)	(0.2)	(0.1)
Notional amount (£m)	19.0	55.6
Maturity date	July 2023-June 2025	September 2024
Hedging ratio	1:1	1:1
Change in value of outstanding hedge instruments (£m)	(0.2)	(0.1)
Change in value of hedged item used to determine hedge effectiveness (£m)	0.2	0.1
Weighted average hedged rate for the year	€1.1413:£1	Various[1]

(1) The weighted average hedged rate for the year, by currency denomination, was €1.1562:£1, Zloty 5.1543:£1, Krone 8.5810:£1.

Concentration risk

The Company only enters facility agreements and hedge transactions with entities that are also party to the RCF. This concentrates risk to a small number of institutes. These institutes are based across a number of European countries and are well-recognised financial institutes.

21. Capital and net debt

The Group's capital comprises total equity and net debt.

Capital management

The Directors manage the Group's capital to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Directors aim to maintain an efficient capital structure with a relatively conservative level of debt-to-equity gearing. This is to ensure continued access to a broad range of financing sources in order to provide sufficient flexibility to pursue commercial opportunities as they arise.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to borrowings. Breaches in meeting the financial covenants would permit the bank to call in loans and borrowings immediately. There have been no breaches in the financial covenants of any borrowings in the current year.

The capital structure of the Group consists of debt, which includes borrowings disclosed in note 19, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

The Group may maintain or adjust its capital structure by adjusting the amount of dividends paid to shareholders, returning capital to shareholders, issuing new shares or selling assets to reduce debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the Group, and in order to meet the financial covenants described in note 20. The Board regularly reviews the capital structure.

21. Capital and net debt continued

Capital management continued

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2025 and 30 June 2024.

The Group's capital was as follows:

	2025 £m	2024 £m	2023 £m
Total equity	**94.3**	63.4	37.1
Net debt	**105.2**	131.5	166.5
Capital	**199.5**	194.9	203.6

	2025 %	2024 %
Gearing[1]	**53.3**	66.0

(1) Gearing represents net debt divided by the average of opening and closing capital, being total equity plus net debt.

Movements in net debt were as follows:	At 1 July 2024 £m	IFRS 16 non-cash movements[1] £m	Cash flows £m	Currency translation differences £m	At 30 June 2025 £m
Overdrafts	(11.8)	—	9.8	—	**(2.0)**
Bank loans	(65.0)	—	3.9	(0.2)	**(61.3)**
Other loans	(55.6)	—	(11.5)	(0.7)	**(67.8)**
Lease liabilities	(8.4)	(4.0)	4.2	(0.1)	**(8.3)**
Financial liabilities	(140.8)	(4.0)	6.4	(1.0)	**(139.4)**
Cash and cash equivalents	9.3	—	24.3	0.6	**34.2**
Net debt	(131.5)	(4.0)	30.7	(0.4)	**(105.2)**

Movements in net debt were as follows:	At 1 July 2023 £m	IFRS 16 non-cash movements[1] £m	Cash flows £m	Currency translation differences £m	At 30 June 2024 £m
Overdrafts	(0.6)	—	(11.2)	—	(11.8)
Bank loans	(109.8)	—	44.5	0.3	(65.0)
Other loans	(48.7)	—	(7.4)	0.5	(55.6)
Lease liabilities	(9.0)	(3.7)	4.5	(0.2)	(8.4)
Financial liabilities	(168.1)	(3.7)	30.4	0.6	(140.8)
Cash and cash equivalents	1.6	—	7.5	0.2	9.3
Net debt	(166.5)	(3.7)	37.9	0.8	(131.5)

(1) IFRS 16 non-cash movements includes additions of £3.6 million (2024: £3.4m), disposals of £nil (2024: £nil) and interest charged of £0.4 million (2024: £0.3m).

21. Capital and net debt continued

Capital management continued

A reconciliation of the net cash flow to the movement in net debt is shown as follows:	2025 £m	2024 £m
Increase in net cash and cash equivalents	24.3	7.5
Net repayment of bank loans and overdrafts	2.2	25.9
Change in net debt resulting from cash flows	26.5	33.4
Currency translation differences	(0.3)	1.0
Movement in net debt in the year	26.2	34.4
Net debt at the beginning of the year excluding lease liabilities	(123.1)	(157.5)
Net debt at the end of the year excluding lease liabilities	(96.9)	(123.1)
Lease liabilities at 1 July	(8.4)	(9.0)
Lease liabilities non-cash movements	(4.0)	(3.7)
Repayment of IFRS 16 lease liabilities	4.2	4.5
Currency translation differences	(0.1)	(0.2)
Net debt at the end of the year	(105.2)	(131.5)

22. Pensions and other post-employment benefits

Overview

The Group provides a number of post-employment benefit arrangements. In the UK, the Group operates a closed defined benefit pension scheme and a defined contribution pension scheme. Elsewhere in Europe, the Group has a number of smaller post-employment benefit arrangements that are structured to accord with local conditions and practices in the countries concerned. The Group also recognises the assets and liabilities for all members of the defined contribution scheme in Belgium, accounting for the whole defined contribution section as a defined benefit scheme under IAS 19, 'Employee Benefits', as there is a risk the underpin will require the Group to pay further contributions to the scheme.

At 30 June 2025, the Group recognised a deficit on its UK defined benefit pension scheme of £23.0 million (2024: £27.5m). The Group's net post-employment benefit obligations outside the UK amounted to £1.9 million (2024: £1.9m).

Non-governmental collected post-employment benefits had the following effect on the Group's results and financial position:

	2025 £m	2024 £m
Profit or loss		
Operating profit		
Defined contribution schemes		
Contributions payable	(3.4)	(3.0)
Defined benefit schemes		
Service cost and administrative expenses (net of employee contributions)	(0.3)	(0.6)
Net charge to operating profit	(3.7)	(3.6)
Finance costs		
Net interest cost on defined benefit obligation	(1.2)	(1.2)
Net charge to profit before taxation	(4.9)	(4.8)
Other comprehensive income/(expense)		
Defined benefit schemes		
Net actuarial loss	(1.2)	(5.6)

	2025 £m	2024 £m
Balance sheet		
Defined benefit obligations		
UK – funded	(97.8)	(101.6)
Other – unfunded	(11.0)	(12.0)
	(108.8)	(113.6)
Fair value of scheme assets		
UK – funded	74.8	74.1
Other – unfunded	9.1	10.1
Deficit on the schemes	(24.9)	(29.4)
Related deferred tax asset (note 9)	6.2	7.3

22. Pensions and other post-employment benefits continued

UK defined benefit pension scheme

(i) Background

In the UK, the Robert McBride Pension Fund (the 'Fund') provides pension benefits based on the final pensionable salary and period of qualifying service of the participating employees. The UK defined benefit fund was closed to future service accrual from 29 February 2016. Staff affected by this change were offered a new defined contribution scheme from that date.

The Fund is administered and managed by Robert McBride Pension Fund Trustees Limited (the 'Trustee'), in accordance with the terms of a governing Trust Deed and relevant legislation. Regular assessments of the Fund's benefit obligations are carried out by an independent actuary on behalf of the Trustee and long-term contribution rates are agreed between the Trustee and the Company on the basis of the actuary's recommendations.

Following the triennial valuation as at 31 March 2024, McBride and the Trustee agreed a new deficit reduction plan based on the scheme funding deficit of £32.3 million. A total amount of £7.0 million was paid in the year ended 30 June 2025, being a £5.3 million annual deficit reduction contribution, plus a £1.7 million 'one-off' payment for the removal of the Trustee's dividend matching mechanism. It was agreed that, from 1 July 2025, £5.7 million per annum is payable until 30 June 2028 and, from 1 July 2028, deficit reduction contributions revert to the previous agreement of 1 October 2024, with £4.0 million payable per annum, plus up to £1.7 million per annum in conditional profit-related contributions, which are determined as follows:

- If adjusted operating profit exceeds £35.0 million, additional annual deficit contributions of £1.7 million will be due the following year.
- If adjusted operating profit is below £30.0 million then no profit-related contributions will be due the following year.
- If adjusted operating profit is between £30.0 million and £35.0 million, a proportion of the £1.7 million contribution will be due the following year, with incremental increases of £0.34 million of additional contributions for each whole £1.0 million of adjusted operating profit in excess of £30.0 million.

(ii) Assumptions and sensitivities

For accounting purposes, the Fund's benefit obligation has been calculated based on data gathered for the 2024 triennial actuarial valuation and by applying assumptions made by the Company on the advice of an independent actuary in accordance with IAS 19, 'Employee Benefits', which differ in certain respects from the assumptions made by the Trustee for the purpose of the actuarial valuation.

The principal assumptions used in calculating the benefit obligation at the end of the year were as follows:

	2025	2024
Discount rate	5.50%	5.10%
Inflation rate:		
Retail Prices Index	2.95%	3.25%
Consumer Prices Index	2.30%	2.60%
Revaluation of deferred pensions (in excess of GMP)		
Accrued before 6 April 2009	2.30%	2.60%
Accrued on or after 6 April 2009	2.30%	2.60%
Increase in pensions in payment (in excess of GMP)		
Accrued before 1 April 2011	2.83%	2.97%
Accrued on or after 1 April 2011	1.91%	1.92%

The duration of the Fund's liabilities is estimated to be twelve years, i.e. the average time until a payment is made is twelve years. In practice, the Fund's liabilities continue for upwards of 50 years.

The mortality assumptions are based on a medically underwritten mortality study which was carried out in 2017 to identify the current health of a sample group of Fund members, and a postcode analysis for the remainder of the membership. This was translated into mortality assumptions for use in calculating the IAS 19 scheme liabilities. Specifically, a rating of 102% (2024: 102%) of the standard Self-Administered Pension Scheme (SAPS) S2 tables has been used for the IAS 19 disclosures as at 30 June 2025.

22. Pensions and other post-employment benefits continued

UK defined benefit pension scheme continued

(ii) Assumptions and sensitivities continued

In 2025, the future mortality improvement model reflects the Continuous Mortality Investigation (CMI) 2023 projections with an allowance for long-term rates of improvement of 1.0% p.a. for males and females (2024: 1.0% p.a. for males and females). The 2023 CMI model has a smoothing parameter for which the default value of 7.0 (2024: 7.0) has been adopted. There is also an initial addition parameter for which the default value of 0.25% (2024: 0.25%) has been adopted. These assumptions are equivalent to a life expectancy at 65 of 20.9 years (2024: 20.9 years) for males and 23.1 years (2024: 23.1 years) for females.

Life expectancies at age 65 for:	2025 Years	2024 Years
Member retiring in the next year:		
Male	20.9	20.9
Female	23.1	23.1
Member retiring 20 years from now:		
Male	21.9	21.8
Female	24.3	24.2

At 30 June 2025, the sensitivity of the benefit obligation to changes in the principal assumptions was as follows (assuming in each case that the other assumptions are unchanged):

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+/- 0.1%	Decrease by £1.0m	Increase by £1.0m
Inflation rate[1]	+/- 0.1%	Increase by £0.7m	Decrease by £0.8m
Life expectancy	+1 year	Increase by £3.0m	n/a

(1) This includes the impact on deferred and in-payment pension increase assumptions.

The assumption sensitivities are reasonable expectations of potential changes in the assumptions.

(iii) Fund's assets

The Fund's assets are held separately from those of the Group and are managed by professional investment managers on behalf of the Trustee.

A cash flow driven investment (CDI) strategy was implemented during the first half of the financial year to 30 June 2020. Using credit/bond investments, the CDI strategy was intended to deliver a stable, more certain, expected return and reduce volatility. The strategy previously targeted a c.100% hedge of interest rates and inflation. This strategy worked well until the UK government bond crisis in 2022. Following that crisis and the resultant changes in liability-driven investment managers' collateral requirements, the Trustee amended the strategy in October 2022 and, as an interim step, moved to an unlevered government bond-based hedge with c.40% of interest rate and inflation hedging. The investment strategy was then reviewed, and hedging was increased to c.75% of interest rates and inflation to broadly hedge the funding level of the Fund and strike a balance between risk and return objectives and liquidity needs of the Fund.

The Fund holds no investment in securities issued by, nor any property used by, McBride plc or any of its subsidiaries. The fair value of the Fund's assets at the end of the year was as follows:

	2025 £m	Asset classification	2024 £m	Asset classification
Private markets	19.3	Unquoted	21.1	Unquoted
Liability-driven investment	27.4	Quoted	28.1	Quoted
Credit	23.0	Unquoted	19.4	Unquoted
Cash and cash equivalents	5.1	Quoted	5.5	Quoted
Total	74.8		74.1	

Except for the LDI assets and the credit default swaps (CDS), all of the Fund's assets are held in pooled funds. The liability-driven investment, cash and credit assets are classified as Level 2 instruments, as they are not quoted on any stock exchange, although their value is directly related to the value of the underlying holdings. The private market credit assets are Level 3 instruments, with no daily quoted price available.

The expected return on the Fund's assets must be set to be in line with the discount rate used to value the Fund's liabilities. This equates to an expected return over the year of £3.8 million (2024: £3.9m).

The actual return on the Fund's assets during the year was a loss of £1.7 million (2024: gain of £1.4m). This includes a loss on assets in excess of interest income of £5.5 million (2024: loss of £2.5m), which has resulted from the liability-matching assets in which the Fund invests.

22. Pensions and other post-employment benefits continued

UK defined benefit pension scheme continued

(iv) Movements in the Fund's assets and liabilities

Movements in the fair value of the Fund's assets during the year were as follows:

	2025 £m	2024 £m
At 1 July	74.1	73.4
Expected return on plan assets	3.8	3.9
Loss on assets in excess of interest income on Fund assets	(5.5)	(2.5)
Employer's contributions	7.0	4.0
Benefits paid	(4.6)	(4.7)
At 30 June	74.8	74.1

Movements in the benefit obligation during the year were as follows:

	2025 £m	2024 £m
At 1 July	(101.6)	(98.1)
Interest cost	(5.1)	(5.1)
Remeasurement gain/(loss) arising from changes in financial assumptions	6.1	(3.1)
Remeasurement gain arising from changes in demographic assumptions	0.2	—
Experience loss on liabilities	(2.0)	—
Benefits paid	4.6	4.7
At 30 June	(97.8)	(101.6)

(v) Experience gains and losses

Actuarial gains and losses recognised in other comprehensive income represent the effect of the differences between the assumptions and actual outcomes.

At 30 June 2025, the cumulative net actuarial loss in relation to the Fund that has been recognised in other comprehensive income amounted to £54.2 million (2024: £53.0m).

(vi) Impact of NTL vs Virgin Media case, 25 July 2024

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate. The High Court's decision has wide-ranging implications, affecting other schemes that were contracted out on a salary-related basis and made amendments between April 1997 and April 2016. The Fund was contracted out until 29 February 2016 and amendments were made during the relevant period. As such, the ruling could have implications for the Company. Following the Court of Appeal upholding the 2023 High Court ruling on 25 July 2024, the Trustee initiated the process of investigating any potential impact for the Fund.

In June 2025, the Department for Work and Pensions (DWP) confirmed that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. Further detail on the approach and process for this retrospective confirmation is expected to follow in due course. The Company is therefore disclosing this issue as a potential contingent liability at 30 June 2025 and will review again based on the findings of the detailed investigation and further legislation updates. Following the DWP's announcement, the Group and the Trustee do not expect the Virgin Media ruling to give rise to any additional liabilities.

Belgium defined contribution pension scheme

(i) Background

From 1 July 2021, the Group recognised the assets and liabilities for all members of the defined contribution scheme in Belgium, accounting for the whole defined contribution section as a defined benefit scheme under IAS 19, 'Employee Benefits', as there is a risk the underpin will require the Group to pay further contributions to the scheme.

(ii) Assumptions and sensitivities

The principal assumptions used in calculating the benefit obligation at the end of the year were as follows:

	2025	2024
Discount rate	3.60%	3.65%
Inflation rate	2.00%	2.20%
Salary increase rate on top of inflation	0.00%	0.00%
Mortality tables	MR-5/FR-5	MR-5/FR-5
Retirement age	65	65
Withdrawal rate	0.00%	0.00%

At 30 June 2025, the sensitivity of the benefit obligation to a 0.5% increase and decrease in the discount rate assumptions resulted in no change to the scheme liabilities.

(iii) Experience gains and losses

Actuarial gains and losses recognised in other comprehensive income represent the effect of the differences between the assumptions and actual outcomes.

At 30 June 2025, the cumulative net actuarial loss in relation to the Fund that has been recognised in other comprehensive income amounted to £nil (2024: £nil).

23. Employee share schemes

Share awards

The Group operates a performance-based Long-Term Incentive Plan (LTIP) for the Executive Directors and certain other senior executives. Awards made under the LTIP vest provided the participant remains in the Group's employment during the three-year vesting period and the Group achieves the related performance conditions. In the current year, 50% of the awards granted vest dependent on the growth in the Group's EPS (a vesting condition) and 50% of the awards granted vest dependent on the growth in the Group's adjusted ROCE (a vesting condition). In previous years, up to 50% of each award vests dependent on the growth in the Group's EPS (a vesting condition) and up to 50% of each award vests dependent on the reduction in the Group's net debt to adjusted EBITDA[1] ratio (a vesting condition).

During the year, Restricted Share Units (RSUs) were granted to Executive Directors and certain other senior executives. Awards made under the RSU vest provided the participant remains in the Group's employment during the three-year vesting period.

Vested awards are settled in the form of the Company's ordinary shares (equity-settled) or by the payment of cash equivalent to the market value of the Company's ordinary shares on the vesting date (cash-settled). From 2017, all awards granted result in equity-settled amounts.

Further information on the LTIP and RSU awards is set out in the Remuneration Committee Report.

Movements in LTIP and RSU awards outstanding were as follows:

	2025			2024		
	LTIP Equity-settled Number	**RSU Equity-settled Number**	**Cash settled Number**	LTIP Equity-settled Number	RSU Equity-settled Number	Cash settled Number
Outstanding at 1 July	**6,785,710**	**7,538,357**	**—**	6,624,716	5,607,207	175,213
Granted	**949,910**	**1,013,036**	**—**	2,816,579	2,967,711	—
Exercised	**(870,705)**	**(640,391)**	**—**	—	(231,079)	—
Forfeited	**—**	**(283,600)**	**—**	(260,104)	(805,482)	—
Lapsed	**(870,708)**	**—**	**—**	(2,395,481)	—	(175,213)
Outstanding at 30 June	**5,994,207**	**7,627,402**	**—**	6,785,710	7,538,357	—
Unvested at 30 June	**5,994,207**	**7,627,402**	**—**	6,785,710	7,538,357	—

Awards made under the LTIP and RSU have a £nil exercise price.

The maximum term of equity-settled awards granted in the year is three years. The weighted average remaining life of equity-settled awards at 30 June 2025 is 1.0 years (2024: 1.5 years). The weighted average remaining life of cash-settled awards at 30 June 2025 is nil years (2024: nil years).

During 2025, no cash LTIP awards vested (2024: none), 870,705 equity-settled LTIP awards vested (2024: none) and 640,391 RSU awards vested (2024: 231,079). The weighted average share price on the vesting date of equity-settled awards in 2025 was 116.3 pence (2024: 72.0p).

At 30 June 2025, the liability recognised in relation to cash-settled awards was £nil (2024: £nil).

(1) See note 30 on page 161.

23. Employee share schemes continued

Share awards continued

At the grant date, the weighted average fair value of LTIP awards granted during the year was 91.0 pence (2024: 37.3p). Fair value was measured using a variant of the Black-Scholes valuation model based on the following assumptions:

	Sep 2024	Sep 2023	Oct 2022
Risk-free interest rate	n/a	n/a	n/a
Share price on grant date	116.0p	40.5p	24.0p
Dividend yield on the Company's shares	n/a	n/a	n/a
Volatility of the Company's shares	n/a	n/a	n/a
Expected life of LTIP awards	3 years	3 years	3 years

Risk-free rate, dividend yield and volatility have no impact on nil cost awards which are subject to non-market-based performance conditions.

At the grant date, the weighted average fair value of RSU awards granted during the year was 107.5 pence (2024: 44.1p). Fair value was based on the share price at the date of grant with the following assumptions:

	Jun 2025	Sep 2024	Jun 2024	Nov 2023	Sep 2023	Jun 2023	Nov 2022	Oct 2022	Jun 2022	Feb 2022
Risk-free interest rate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Share price on grant date	151.4p	116.0p	118.0p	61.0p	40.5p	27.0p	25.0p	25.0p	30.8p	46.0p
Dividend yield on the Company's shares	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volatility of the Company's shares	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Expected life of RSU awards	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years

Risk-free rate, dividend yield and volatility have no impact on nil cost awards which are subject to non-market-based performance conditions.

Compensation expense recognised in profit or loss in relation to employee share schemes was as follows:

	2025 £m	2024 £m
Equity-settled awards	1.6	1.6
Total expense	1.6	1.6

Deferred Annual Bonus Plan

The Group has in force a Deferred Annual Bonus Plan for the main Executive Directors. There is no exercise price for the shares awarded under the plan, which are subject to a vesting period of three years and will normally vest on the expiry of this period and are normally only payable if the Director remains employed by the Group at the end of that period. Awards granted under the Deferred Annual Bonus Plan are eligible for dividend equivalent payments.

In the current year, 708,038 share awards have been granted under the Deferred Annual Bonus Plan (2024: 513,336). The total amount included in operating profit in relation to the Deferred Annual Bonus Plan was £nil (2024: £nil).

24. Provisions

	Reorganisation and restructuring £m	Leasehold dilapidations £m	Environmental remediation £m	Independent business review £m	Claims £m	Total £m
At 1 July 2023	0.3	1.9	3.0	0.1	—	5.3
(Released)/charged to profit or loss	—	(0.1)	0.8	3.8	—	4.5
Currency translation difference	—	—	(0.2)	—	—	(0.2)
Utilisation	—	(1.3)	(0.8)	(3.9)	—	(6.0)
At 30 June 2024	0.3	0.5	2.8	—	—	3.6
Transfer from other payables[1]	—	—	—	—	0.6	0.6
Charged/(released) to profit or loss	0.2	(0.1)	0.4	—	0.2	0.7
Currency translation difference	(0.1)	—	—	—	—	(0.1)
Utilisation	—	(0.1)	(0.4)	—	—	(0.5)
At 30 June 2025	**0.4**	**0.3**	**2.8**	**—**	**0.8**	**4.3**

(1) Transfer of claims held in other payables to provisions.

Analysis of provisions:	2025 £m	2024 £m
Current	2.7	2.2
Non-current	1.6	1.4
Total	**4.3**	3.6

The closing provision for reorganisation and restructuring relates to the Group's logistics Transformation programme and strategic organisational changes, aimed at enhancing long-term operational efficiency and capability led by the Human Resources department. The provision is expected to be fully utilised within twelve months of the balance sheet date.

The leasehold dilapidations provision relates to costs expected to be incurred to restore leased properties to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to undertake restoration works. Amounts will be utilised as the respective leases end and restoration works are carried out, within a period of approximately twelve months.

The environmental remediation provision relates to historical environmental contamination at a site in Belgium. The additional costs in the year of £0.4 million relate to a re-evaluation of the cost of environmental remediation. The closing provision is expected to be utilised as the land is restored within a period of approximately nine years, with £1.8 million expected to be utilised within twelve months.

The independent business review provision related to the amendment of the Group's revolving credit facility and banking covenants. The provision for consultancy support for the independent business review programme was utilised in the prior year.

The claims provision relates to expected costs associated with outstanding legal and regulatory claims. The closing balance is expected to be utilised within twelve months.

The amount and timing of all cash flows related to the provisions are reasonably certain.

25. Share capital and reserves

Share capital

	Authorised, allotted and fully paid	
	Number	£m
Ordinary shares of 10 pence each		
At 1 July 2023, 30 June 2024 and 30 June 2025	**174,057,328**	**17.4**

Ordinary shares carry full voting rights and ordinary shareholders are entitled to attend Company meetings and to receive payments to shareholders. The above figure includes 42,041 treasury shares.

Reserves

(i) Share premium account

The share premium account records the difference between the nominal amount of shares issued and the fair value of the consideration received. The share premium account may be used for certain purposes specified by UK law, including to write off expenses incurred on any issue of shares or debentures and to pay up fully paid bonus shares. The share premium account is not distributable but may be reduced by special resolution of the Company's ordinary shareholders and with court approval.

(ii) Cash flow hedge reserve

The cash flow hedge reserve comprises the cumulative net change in the fair value of hedging instruments in designated cash flow hedging relationships recognised in other comprehensive income.

(iii) Currency translation reserve

The currency translation reserve comprises cumulative currency translation differences on the translation of the Group's net investment in foreign operations into Sterling together with the cumulative net change in the fair value of hedging instruments in designated net investment hedging relationships recognised in other comprehensive income.

(iv) Capital redemption reserve

The capital redemption reserve records the cost of shares purchased by the Company for cancellation or redeemed in excess of the proceeds of any fresh issue of shares made specifically to fund the purchase or redemption. The capital redemption reserve is not distributable but may be reduced by special resolution of the Company's ordinary shareholders and with court approval.

Own shares

	Treasury shares		Employee Benefit Trust		Total	
	Number	£m	Number	£m	Number	£m
At 1 July 2023	42,041	—	486,647	0.4	528,688	0.4
Shares paid out to employees	—	—	(233,150)	—	(233,150)	—
Shares purchased	—	—	3,055,537	2.8	3,055,537	2.8
At 30 June 2024	42,041	—	3,309,034	3.2	3,351,075	3.2
Shares paid out to employees	**—**	**—**	**(1,511,096)**	**(1.4)**	**(1,511,096)**	**(1.4)**
Shares purchased	**—**	**—**	**1,983,000**	**2.4**	**1,983,000**	**2.4**
At 30 June 2025	**42,041**	**—**	**3,780,938**	**4.2**	**3,822,979**	**4.2**

The treasury shares and the shares in trust represent the Company's ordinary shares that are acquired to satisfy the Group's expected obligations under employee share schemes.

The market value of own shares held at 30 June 2025 was £5.7 million (2024: £4.7m).

26. Capital commitments

Capital expenditure contracted but not provided

	2025 £m	2024 £m
Contracted but not provided on property, plant and equipment	3.4	5.0
Contracted but not provided on other intangible assets	0.2	0.7
Total	3.6	5.7

27. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and therefore are not required to be disclosed in these financial statements. Details of transactions between the Group and other related parties are disclosed below.

Post-employment benefit plans

As shown in note 22, contributions amounting to £10.4 million (2024: £7.0m) were payable by the Group to pension schemes established for the benefit of its employees. At 30 June 2025, £0.6 million (2024: £0.5m) in respect of contributions due was included in other payables.

Compensation of key management personnel

For the purposes of these disclosures, the Group regards its key management personnel as the Directors and certain members of the senior executive team.

Compensation relating to key management personnel in respect of their services to the Group was as follows:

	2025 £m	2024 £m
Short-term employee benefits	3.1	3.8
Post-employment benefits	0.1	0.1
Share-based payments	1.0	1.2
Total	4.2	5.1

Detailed remuneration disclosures are provided in the Annual Report on Remuneration on pages 88 to 99.

28. Events after the reporting date

There are no events after the reporting date that require disclosure in the financial statements.

29. Exchange rates

The principal exchange rates used to translate the results, assets and liabilities and cash flows of the Group's foreign operations into Sterling were as follows:

	Average rate		Closing rate	
	2025	2024	2025	2024
Euro	1.19	1.16	1.17	1.18
US Dollar	1.29	1.26	1.37	1.26
Danish Krone	8.88	8.68	8.72	8.81
Polish Zloty	5.07	5.11	4.96	5.09
Czech Koruna	29.88	28.72	28.93	29.57
Hungarian Forint	479.05	449.75	467.33	466.81
Malaysian Ringgit	5.70	5.91	5.77	5.97
Australian Dollar	2.00	1.92	2.10	1.90

30. Alternative performance measures (APMs)

Introduction

The performance of the Group is assessed using a variety of adjusted measures that are not defined under IFRS and are therefore termed non-GAAP measures. The non-GAAP measures used are adjusted operating profit, adjusted EBITDA, adjusted finance costs, adjusted profit before tax, adjusted profit for the year, adjusted earnings per share, free cash flow and cash conversion %, adjusted ROCE, liquidity, net debt, net debt cover ratio (banking basis) and interest cover ratio (banking basis). The rationale for using these measures, along with a reconciliation from the nearest measures prepared in accordance with IFRS, are presented below. The alternative performance measures we use may not be directly comparable with similarly titled measures used by other companies.

Adjusted measures

Adjusted measures exclude specific items that are considered to hinder comparison of the trading performance of the Group's businesses either year on year or with other businesses. This presentation is consistent with the way that financial performance is measured by management and reported to the Board and Executive Committee, and is used for internal performance analysis and in relation to employee incentive arrangements. The Directors present these adjusted measures in the financial statements in order to assist investors in their assessment of the trading performance of the Group. Directors do not regard these measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS.

30. Alternative performance measures (APMs) continued

Adjusted measures continued

During the years under review, the items excluded from operating profit in arriving at adjusted operating profit were the amortisation of intangible assets and exceptional items. Exceptional items and amortisation are excluded from adjusted operating profit because they are not considered to be representative of the trading performance of the Group's businesses during the year.

A reconciliation for each non-GAAP measure to the most directly comparable IFRS measure is set out below.

Adjusted operating profit and adjusted EBITDA

Adjusted EBITDA means adjusted operating profit before depreciation. A reconciliation between adjusted operating profit, adjusted EBITDA and the Group's reported statutory operating profit is shown below.

	2025 £m	2024 £m
Operating profit	**60.2**	64.3
Exceptional items in operating profit (note 4)	**4.0**	0.8
Amortisation of intangibles (note 13)	**1.9**	2.0
Adjusted operating profit	**66.1**	67.1
Depreciation of property, plant and equipment (note 14)	**15.8**	16.3
Depreciation of right-of-use assets (note 15)	**3.9**	3.7
Adjusted EBITDA	**85.8**	87.1

Adjusted profit before tax and adjusted profit for the year

Adjusted profit before tax is based on adjusted operating profit less adjusted finance costs. Adjusted profit for the year is based on adjusted profit before tax less taxation relating to non-adjusting items. The table below reconciles adjusted profit before tax to the Group's reported profit before tax.

	2025 £m	2024 £m
Profit before tax	**49.0**	46.5
Exceptional items (note 4)	**4.0**	4.6
Amortisation of intangibles (note 13)	**1.9**	2.0
Adjusted profit before tax	**54.9**	53.1
Taxation (note 9)	**(17.3)**	(14.8)
Adjusted profit for the year	**37.6**	38.3

Adjusted earnings per share

Adjusted earnings per share is based on the Group's profit for the year adjusted for the items excluded from operating profit in arriving at adjusted operating profit, and the tax relating to those items (note 9).

Free cash flow and cash conversion %

Free cash flow is one of the Group's key performance indicators (KPIs) by which our financial performance is measured. It is primarily a liquidity measure; however, free cash flow and cash conversion % are also important indicators of overall operational performance as they reflect the cash generated from operations. Free cash flow is defined as cash generated before exceptional items. Cash conversion % is defined as free cash flow as a percentage of adjusted EBITDA (applicable only when adjusted EBITDA is positive). A reconciliation from net cash generated from operating activities, the most directly comparable IFRS measure to free cash flow, is set out as follows:

	2025 £m	2024 £m
Net cash generated from operating activities	**63.1**	59.2
Add back:		
Taxation paid	**17.9**	5.1
Interest paid	**7.9**	10.9
Refinancing costs paid	**1.8**	3.8
Cash outflow in respect of exceptional items	**3.2**	2.7
Free cash flow	**93.9**	81.7
Adjusted EBITDA	**85.8**	87.1
Cash conversion %	**109%**	94%

30. Alternative performance measures (APMs) continued

Adjusted return on capital employed (ROCE)

Adjusted ROCE serves as an indicator of how efficiently we generate returns from the capital invested in the business. It is a Group KPI that allows management to evaluate the outcome of investment decisions. Adjusted ROCE is defined as adjusted operating profit divided by the average of opening and closing capital employed. Capital employed is defined as the total of goodwill and other intangible assets, property, plant and equipment, right-of-use assets, inventories, trade and other receivables less trade and other payables. There is no equivalent statutory measure within IFRS. Adjusted ROCE is calculated as follows:

	2025 £m	2024 £m	2023 £m
Goodwill (note 12)	19.8	19.7	19.7
Other intangible assets (note 13)	18.3	9.8	6.5
Property, plant and equipment (note 14)	120.3	114.4	117.8
Right-of-use assets (note 15)	7.9	8.1	8.5
Inventories (note 16)	123.4	119.6	121.5
Trade and other receivables (note 17)	139.1	148.8	145.7
Trade and other payables (note 18)	(228.0)	(220.1)	(219.6)
Capital employed	200.8	200.3	200.1
Average of opening and closing capital employed	200.6	200.2	209.4
Adjusted operating profit	66.1	67.1	13.5
Adjusted ROCE %	33.0%	33.5%	6.4%

Liquidity

Liquidity means, at any time, without double counting, the aggregate of:

(a) cash;
(b) cash equivalents;
(c) the available facility at that time, which comprises the headroom available in the RCF and other committed facilities; and
(d) the aggregate amount available for drawing under uncommitted facilities.

The Company uses this measure to manage cash flow.

	2025 £m	2024 £m
Cash and cash equivalents	34.2	9.3
RCF headroom	107.2	82.9
Uncommitted facilities	—	6.1
Liquidity	141.4	98.3

Net debt

Net debt consists of cash and cash equivalents, overdrafts, bank and other loans and lease liabilities.

Net debt is a key indicator used by management to assess the Group's indebtedness and overall balance sheet strength.

Net debt is an alternative performance measure as it is not defined in IFRS. A reconciliation from loans and other borrowings, lease liabilities and cash and cash equivalents, the most directly comparable IFRS measures to net debt, is set out below:

	2025 £m	2024 £m
Current assets		
Cash and cash equivalents	34.2	9.3
Current liabilities		
Borrowings (note 19)	(69.8)	(67.4)
Lease liabilities (note 15)	(3.7)	(3.1)
	(73.5)	(70.5)
Non-current liabilities		
Borrowings (note 19)	(61.3)	(65.0)
Lease liabilities (note 15)	(4.6)	(5.3)
	(65.9)	(70.3)
Net debt	(105.2)	(131.5)

30. Alternative performance measures (APMs) continued

Net debt cover ratio (banking basis)

The net debt cover ratio (banking basis) is an indicator of the Company's ability to repay its debts. Under the RCF, it is calculated as net debt (as defined in the RCF agreement) divided by EBITDA (as defined in the RCF agreement). The Company uses the ratio to ensure compliance with the RCF financial covenants that will be tested half-yearly from December 2024.

	2025 £m	2024 £m
Net debt (as defined above)	(105.2)	(131.5)
Invoice discounting facilities (note 19)	67.8	55.6
B Shares (notes 11, 18)	(0.7)	(0.7)
Lease liabilities (note 15)	8.3	8.4
Adjustment for average exchange rates	(0.8)	(0.9)
Net debt banking basis (as defined in the RCF agreement)	**(30.6)**	(69.1)
Adjusted EBITDA	85.8	87.1
Net interest cost on defined benefit obligation (note 8)	(1.2)	(1.2)
Loss on disposal of property, plant and equipment (note 14)	0.4	1.4
Lease payments (note 15)	n/a[1]	4.5
EBITDA banking basis (as defined in the RCF agreement)	**85.0**	91.8
Net debt cover ratio (banking basis)	**0.4x**	0.8x

(1) Lease payments are no longer part of the definition following the refinancing of the RCF in November 2024.

Interest cover ratio (banking basis)

The interest cover ratio (banking basis) is a measure of the Company's ability to pay the interest on its outstanding debts. Under the RCF, it is calculated as EBITDA (as defined in the RCF agreement) divided by adjusted finance costs (excluding net interest cost on defined benefit obligation). The Company uses the ratio to ensure compliance with the RCF financial covenants that will be tested half-yearly from December 2024.

	2025 £m	2024 £m
EBITDA banking basis (as defined in the RCF agreement)	85.0	91.8
Lease payments (note 15)	n/a[1]	(4.5)
EBITDA banking basis (as defined in the RCF agreement)	**85.0**	87.3
Adjusted finance costs excluding net interest cost on defined benefit obligation (note 8)	**10.0**	12.8
Interest cover ratio (banking basis)	**8.5x**	6.8x

(1) Lease payments are no longer part of the definition following the refinancing of the RCF in November 2024.

Company Balance Sheet

At 30 June 2025

	Note	2025 £m	2024 £m
Fixed assets			
Investments	5	**158.4**	158.4
Current assets			
Trade and other debtors	6	**79.4**	130.4
Cash and cash equivalents		**0.4**	1.4
Creditors: amounts falling due within one year	7	**(36.9)**	(82.5)
Net current assets		**42.9**	49.3
Total assets less current liabilities		**201.3**	207.7
Creditors: amounts falling due after more than one year	8	**(10.9)**	(47.0)
Provisions	10	**—**	—
Net assets		**190.4**	160.7
Capital and reserves			
Issued share capital	12	**17.4**	17.4
Share premium account		**68.6**	68.6
Capital redemption reserve		**77.2**	77.2
Cash flow hedge reserve		**0.2**	1.6
(Accumulated losses)/retained earnings			
At 1 July		**(4.1)**	(21.6)
Profit for the year		**31.8**	16.1
Other movements		**(0.7)**	1.4
		27.0	(4.1)
Total shareholders' funds		**190.4**	160.7

The financial statements on pages 164 to 172 were approved by the Board of Directors on 16 September 2025 and were signed on its behalf by:

Chris Smith
Director

McBride plc
Registered number: 02798634

Company Statement of Changes in Equity

Year ended 30 June 2025

	Issued share capital £m	Share premium account £m	Capital redemption reserve £m	Cash flow hedge reserve £m	(Accumulated losses)/ retained earnings £m	Total shareholders' funds £m
At 1 July 2023	17.4	68.6	77.2	3.6	(21.6)	145.2
Profit for the year	—	—	—	—	16.1	16.1
Other comprehensive income/(expense)						
Items that may be reclassified to profit or loss:						
Net changes in fair value	—	—	—	(0.7)	—	(0.7)
Cash flow hedges transferred to profit or loss	—	—	—	(1.3)	—	(1.3)
Total other comprehensive expense	—	—	—	(2.0)	—	(2.0)
Total comprehensive (expense)/income	—	—	—	(2.0)	16.1	14.1
Transactions with owners of the parent						
Share-based payments	—	—	—	—	0.8	0.8
Taxation relating to the items above	—	—	—	—	0.6	0.6
At 30 June 2024	17.4	68.6	77.2	1.6	(4.1)	160.7
Profit for the year	**—**	**—**	**—**	**—**	**31.8**	**31.8**
Other comprehensive income/(expense)						
Items that may be reclassified to profit or loss:						
Net changes in fair value	**—**	**—**	**—**	**(0.6)**	**—**	**(0.6)**
Cash flow hedges transferred to profit or loss	**—**	**—**	**—**	**(0.6)**	**—**	**(0.6)**
Taxation relating to the items above	**—**	**—**	**—**	**(0.2)**	**—**	**(0.2)**
Total other comprehensive expense	**—**	**—**	**—**	**(1.4)**	**—**	**(1.4)**
Total comprehensive (expense)/income	**—**	**—**	**—**	**(1.4)**	**31.8**	**30.4**
Transactions with owners of the parent						
Settlement of share awards	**—**	**—**	**—**	**—**	**(1.3)**	**(1.3)**
Share-based payments	**—**	**—**	**—**	**—**	**0.7**	**0.7**
Taxation relating to the items above	**—**	**—**	**—**	**—**	**(0.1)**	**(0.1)**
At 30 June 2025	**17.4**	**68.6**	**77.2**	**0.2**	**27.0**	**190.4**

Notes to the Company Financial Statements

Year ended 30 June 2025

1. Corporate information

McBride plc (the 'Company') is the ultimate Parent Company of a group of companies that together is the leading European manufacturer and supplier of private label and contract manufactured products for the domestic household and professional cleaning and hygiene markets. The Company offers end-to-end development and manufacturing capabilities to a wide range of customers in Europe and Asia Pacific.

The Company is a public company limited by shares, with shares traded on the London Stock Exchange, incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office is McBride plc, Middleton Way, Middleton, Manchester M24 4DP.

2. Material accounting policies

Accounting period

The Company's annual financial statements are drawn up to 30 June. These financial statements cover the year ended 30 June 2025 ('2025') with comparative amounts for the year ended 30 June 2024 ('2024').

Basis of preparation

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ('UK-adopted international accounting standards'), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

FRS 101 sets out amendments to IFRS that are necessary to achieve compliance with the Act and related regulations. As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, financial instruments, share-based payments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements of McBride plc.

For further information on going concern, please see note 2 in the consolidated financial statements on page 116.

The Directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and not presented an income statement or a statement of comprehensive income for the Company alone. A summary of the Company's material accounting policies is set out below.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2024.

Principal accounting policies

Investments in subsidiaries

Investments in subsidiaries are held at cost, less provision for impairment. Any potential impairment is determined on a basis of the carrying value of the investment against the higher of net assets or discounted future cash flows.

Subsidiaries in the UK have taken advantage of an exemption from audit under section 479A of the Companies Act 2006. As the ultimate parent, McBride plc has provided a statutory guarantee for any outstanding liabilities of these businesses. These subsidiaries have been included in the consolidated financial statements of McBride plc as at 30 June 2025.

Financial instruments

The Company classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. The Company reclassifies debt instruments when, and only when, its business model for managing those assets changes.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2. Material accounting policies continued

Principal accounting policies continued

Financial instruments continued

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss. The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk;
- **fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss; and
- **fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

(i) Trade and other debtors

Trade and other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Under the Company's business model, trade debtors are held for collection of contractual cash flows and represent solely payments of principal and interest.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits available on demand and other short-term, highly liquid investments with a maturity on acquisition of three months or less and bank overdrafts. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset or intention to offset with cash balances.

(iii) Trade payables

Trade payables are initially recognised at fair value and subsequently held at amortised cost.

(iv) Bank and other loans

Bank and other loans are initially recognised at fair value, net of directly attributable transaction costs, if any, and are subsequently measured at amortised cost using the effective interest rate method.

(v) Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operating, financing and investing activities. The Company does not hold or issue derivative financial instruments for trading purpose; however, if derivatives do not qualify for hedge accounting, they are accounted for as such.

Derivative financial instruments are recognised and stated at fair value. Where derivatives do not qualify for hedge accounting, any gains or losses on remeasurement are immediately recognised in the Company income statement. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedge relationship and the items being hedged. In order to qualify for hedge accounting, the Company is required to document, from inception, the relationship between the item being hedged and the hedging instrument.

The Company is also required to document and demonstrate an assessment of the relationship between the hedged item and the hedging instrument, which shows that the hedge will be highly effective on an ongoing basis. This effectiveness testing is performed at each reporting date to ensure that the hedge remains highly effective.

Derivative financial instruments with maturity dates of more than one year from the balance sheet date are disclosed as non-current.

The Company has entered into a number of financial derivative contracts and each is discussed in turn.

The Company enters into forward foreign exchange contracts to mitigate the exchange risk for certain foreign currency debtors. At 30 June 2025, the outstanding contracts all mature within twelve months (2024: twelve months) of the year end. The Company is committed to sell PLN and AUD and receive a fixed Sterling amount.

The Company also enters into interest rate cap and collar contracts to mitigate against the floating interest rates on RCF debt. At 30 June 2025, there are eight outstanding contracts: six mature within twelve months of the year end with the remaining two maturing more than twelve months after the year end.

All contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing derivatives are the exchange rates for GBP:EUR and GBP:PLN as well as EUR and GBP interest rates.

2. Material accounting policies continued

Principal accounting policies continued

Foreign currency translation

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling on the balance sheet date. Currency translation differences are recognised in the income statement.

Share-based payments

The Company operates incentive share schemes under which it grants equity-settled and cash-settled awards over its own ordinary shares to certain employees of its subsidiaries. The Company recognises a capital contribution to the subsidiaries concerned that is based on the fair value of the awards measured using the Black-Scholes option pricing formula or the Monte Carlo valuation model.

For equity-settled awards, the fair value reflects market performance conditions and all non-vesting conditions. Fair value is determined at the grant date and is not subsequently remeasured unless the relevant conditions are modified. Adjustments are made to the compensation expense to reflect actual and expected forfeitures due to failure to satisfy service conditions or non-market performance conditions. For cash-settled awards, the fair value reflects all the conditions on which the award is made and is remeasured at each reporting date and at the settlement date.

Generally, the capital contribution is recognised on a straight-line basis over the vesting period. For equity-settled awards, a corresponding credit is recognised directly in reserves, while for cash-settled awards a corresponding liability to settle is recognised in the balance sheet.

Taxation

Current tax is the amount of tax payable in respect of the taxable profit or loss for the year. Taxable profit differs from accounting profit because it excludes income or expenses that are recognised in the year for accounting purposes but are either not taxable or not deductible for tax purposes or are taxable or not deductible in earlier or subsequent years.

Deferred tax is recognised on temporary differences between the recognition of items of income or expenses for accounting purposes and their recognition for tax purposes. A deferred tax asset in respect of a deductible temporary difference or a carried-forward tax loss is recognised only to the extent that it is considered more likely than not that sufficient taxable profits will be available against which the reversing temporary difference or the tax loss can be deducted. Deferred tax assets and liabilities are not discounted.

Current and deferred tax is measured using tax rates that have been enacted or substantively enacted at the balance sheet date.

Guarantees

From time to time, the Company enters into financial guarantee contracts to guarantee the indebtedness of its subsidiaries. The Company accounts for these contracts under IAS 32, IFRS 7 and IFRS 9. Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of fair value and the expected credit loss.

Payments to shareholders

Dividends paid and received are included in the Company financial statements in the year in which the related dividends are actually paid or received or, in respect of the Company's final dividend for the year, approved by shareholders.

It is the Board's intention that any future dividends will be final dividends paid annually in cash, not by the allotment and issue of B Shares. Consequently, the Board is not seeking shareholder approval at the 2025 AGM to capitalise reserves for the purposes of issuing B Shares or to grant Directors the authority to allot such shares. Existing B Shares will continue to be redeemable but limited to one redemption date in November of each year. B Shares issued but not redeemed are classified as current liabilities.

Own shares

Own shares represent the Company's ordinary shares that are held by the Company in treasury or by a sponsored ESOP trust to employee share schemes. When own shares are acquired, the cost of purchase in the market is deducted from the profit and loss account reserve. Gains and losses on the subsequent transfer or sale of own shares are recognised directly in the profit and loss account.

Cash flow statement

A cash flow statement is not presented in these financial statements on the grounds that the Company's cash flows are included in the consolidated financial statements of the Company and its subsidiaries.

Critical judgements and key sources of estimation uncertainty

In applying the Company's accounting policies as described in this note, the Directors are required to make judgements, and estimates and assumptions, that affect the reported amounts of its assets, liabilities, income and expenses that are not readily identifiable from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes could differ from those estimates and affect the Company's results in future years.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The Directors consider that no critical judgements are made in preparing these financial statements.

The Directors consider the following to be the key sources of estimation uncertainty present in preparing these financial statements.

Impairment of investments and amounts owed by subsidiary undertakings

The Directors have performed an impairment assessment of investments under IAS 36. In light of the underlying value of the subsidiaries' net assets, their profitability and forecast profitability, the Directors have judged that no impairment is required (2024: £nil). An impairment assessment of amounts owed by subsidiary undertakings as at 30 June 2025 was undertaken. The Directors have judged that no impairment is required (2024: £nil).

3. Profit for the financial year

As permitted by section 408(3) of the Act, the Company's income statement or a statement of comprehensive income are not presented in these financial statements.

The auditors' remuneration for audit and other services is disclosed in note 6 of the Group's consolidated financial statements.

The Company's profit for the financial year was £31.8 million (2024: profit of £16.1m).

4. Employee information

The monthly average of full-time equivalent Directors employed by the Company and Non-Executive Directors during the year was as follows:

	2025 Number	2024 Number
Directors	2	2
Non-Executive Directors	1	1
Total	3	3

Aggregate payroll costs were as follows:

	2025 £m	2024 £m
Wages and salaries	2.5	2.8
Social security costs	0.1	0.1
Other pension costs	—	0.1
Total	2.6	3.0

Executive Directors' emoluments, which are included in the above, are detailed further in the Annual Report on Remuneration on pages 88 to 99.

5. Investments

	£m
Carrying amount as at 1 July 2023, 30 June 2024 and 30 June 2025	158.4

The Directors have assessed the Company's investments for indicators of impairment and have concluded that none are present. Therefore, no impairment review has been conducted in the current year.

The following subsidiaries in the UK have taken advantage of an exemption from audit under section 479A of the Companies Act 2006. As the ultimate parent, McBride plc has provided a statutory guarantee for any outstanding liabilities of these businesses. These subsidiaries have been included in the consolidated financial statements of McBride plc as at 30 June 2025.

- Robert McBride Ltd
- McBride Holdings Limited

A full list of the Company's subsidiaries at 30 June 2025 is set out in note 15 on pages 171 and 172.

Details of the share-based payments provided by the Company to employees of its subsidiaries are presented in note 23 to the consolidated financial statements.

6. Trade and other debtors

	2025 £m	2024 £m
Amounts falling due within one year		
Amounts owed by subsidiary undertakings	76.6	127.7
Derivative financial instruments	—	1.1
Deferred tax asset	0.9	—
Prepayments and accrued income	1.9	1.6
	79.4	130.4

Amounts are unsecured and repayable on demand. Amounts owed by subsidiary undertakings include a loan receivable of £51.7 million (2024: £99.8m) which is non-interest bearing with no fixed repayment date and Group relief receivable of £14.6 million (2024: £11.5m). All remaining amounts owed by subsidiary undertakings are interest bearing, based on external borrowing interest rates.

7. Creditors: amounts falling due within one year

	2025 £m	2024 £m
Amounts owed to subsidiary undertakings	34.0	77.0
B Shares (note 9)	0.7	0.7
Accruals and deferred income	2.1	2.3
Derivative financial instruments	0.1	—
Bank overdrafts	—	2.5
Total	36.9	82.5

All amounts owed to subsidiary undertakings are interest bearing, based on external borrowing interest rates.

8. Creditors: amounts falling due after more than one year

	2025 £m	2024 £m
Bank and other loans	10.9	47.0
Deferred tax liability	—	—
Total	10.9	47.0

Bank and other loans represent amounts drawn down under revolving credit facilities.

9. Payments to shareholders

Dividends paid and received are included in the Company financial statements in the year in which the related dividends are actually paid or received or, in respect of the Company's final dividend for the year, approved by shareholders.

It is the Board's intention that any future dividends will be final dividends paid annually in cash, not by the allotment and issue of B Shares. Consequently, the Board is not seeking shareholder approval at the 2025 AGM to capitalise reserves for the purposes of issuing B Shares or to grant Directors the authority to allot such shares. Existing B Shares will continue to be redeemable but limited to one redemption date in November of each year. Further details of how to redeem existing B Shares in November 2025 will be announced in due course. B Shares issued but not redeemed are classified as current liabilities.

As outlined in the RNS dated 29 November 2024, as a result of the refinancing of the Company's RCF, the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs. The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025. This is subject to approval by shareholders at the Company's 2025 AGM and has therefore not been recognised in these financial statements. If approved, the recommended final dividend will be paid as a cash dividend on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. The ordinary shares will be marked as ex-dividend on 30 October 2025.

Other than the final dividend proposed above, no payments to ordinary shareholders were made or proposed in respect of this year or the prior year.

As noted in the Directors' Report on page 101, during the year to 30 June 2025, the Directors became aware that certain dividends paid in November 2022 to November 2024 to holders of B Shares totalling £47,710.90 had been made, and certain loans paid in November 2023 to October 2024 to Apex Group Fiduciary Services Limited, in its capacity as trustee of the McBride plc Employee Benefit Trust 2012 (the 'Trustee'), totalling £5,100,339.38 may have been made, in each case otherwise than in accordance with the Companies Act 2006 in so far as they were made without the Company holding sufficient distributable reserves and without interim accounts having been filed at Companies House prior to payment and/or, in the case of such, where they resulted in a negative reduction on the Company's net assets. A resolution to release the holders of B Shares, the Trustee and the Directors and relevant former Directors of the Company in relation to such dividends and loans will be put to shareholders for approval at the 2025 AGM. Full details of the resolution are included in the Notice of AGM.

In April 2025, the Company received a dividend of £40.0 million from a subsidiary, thereby increasing the Company's distributable reserves to sufficient levels to support the Company's anticipated future distributions in the course of the 2025 calendar year. Further procedures have been put in place to ensure the Company's reserves are sufficient for relevant dividends to be paid and loans to be made in the future. These include reviewing the Company's anticipated upcoming distributable reserve requirements, establishing a process for paying dividends up to the Company to ensure the Company has sufficient distributable reserves for its requirements, checking the Company has sufficient distributable reserves before paying a dividend or making a loan, and updating the Audit and Risk Committee on the Company's distributable reserves at set intervals.

Movements in the number of B Shares outstanding were as follows:

	Number 000	Nominal value £'000
Issued and fully paid		
At 1 July 2023, 30 June 2024 and 30 June 2025	665,888	666

B Shares carry no rights to attend, speak or vote at Company meetings, except on a resolution relating to the winding up of the Company.

10. Provisions

	2025 £m	2024 £m
At 1 July	—	0.1
Utilised in the year	—	(3.9)
Charge for the year	—	3.8
At 30 June	—	—

The provision for consultancy support for the independent business review programme was utilised in the prior year.

11. Deferred tax

The elements and movements of deferred tax are as follows:

	Share-based payments £m	Other short-term differences £m	Total £m
At 1 July 2023	0.2	(0.7)	(0.5)
Prior year adjustments	—	(0.1)	(0.1)
Credit/(charge) to income statement	0.4	(0.4)	—
Charge to other comprehensive income/(expense)	—	(0.5)	(0.5)
Charge to equity	1.1	—	1.1
At 30 June 2024	1.7	(1.7)	—
Credit to income statement	**0.6**	**0.6**	**1.2**
Charge to other comprehensive income/(expense)	**—**	**(0.2)**	**(0.2)**
Credit to equity	**(0.1)**	**—**	**(0.1)**
At 30 June 2025	**2.2**	**(1.3)**	**0.9**

Deferred tax assets are recognised to the extent that recovery is probable against the future reversal of taxable temporary differences and projected taxable income. Based on the latest profit projections, management considers the deferred tax assets to be recoverable.

As at 30 June 2025, McBride plc had unused tax losses of £23.8 million (2024: £26.3m) available to offset against future profits. No deferred tax asset has been recognised in respect of £2.0 million (2024: £2.0m) of these losses due to restrictions over accessing these losses in the future.

12. Issued share capital

	Authorised, allotted and fully paid	
	Number	£m
Ordinary shares of 10 pence each		
At 1 July 2023, 30 June 2024 and 30 June 2025	**174,057,328**	**17.4**

Ordinary shares carry full voting rights and ordinary shareholders are entitled to attend Company meetings and to receive payments to shareholders. The above figure includes 42,041 treasury shares.

At 30 June 2025, outstanding awards in relation to the equity-settled employee share schemes that are operated by the Company comprised 13,621,609 ordinary shares (2024: 14,324,067 ordinary shares). Further information on the employee share schemes is presented in note 23 to the consolidated financial statements.

13. Guarantees

The Company has guaranteed the indebtedness of certain of its subsidiaries up to an aggregate amount of £nil (2024: £0.2m).

14. Related party transactions

Other than payments made to Directors, which are set out in the Remuneration Committee Report on pages 80 to 99 and note 5 of the consolidated financial statements, there are no other related party transactions to disclose (2024: none). The Company has taken the exemption available under FRS 101 not to disclose transactions with wholly owned subsidiary companies.

15. Subsidiaries

Details of the Company's subsidiaries at 30 June 2025 are as follows. In each case, the Company's equity interest is in the form of ordinary shares which, unless stated otherwise, are indirectly owned.

The business activity of each of the Company's trading subsidiaries is the manufacture, distribution and sale of household and personal care products.

Subsidiaries	Equity interest and operation	Country of incorporation
Trading subsidiaries		
McBride Australia Pty Ltd[a]	100%	Australia
McBride S.A.[b]	100%	Belgium
McBride Denmark A/S[c]	100%	Denmark
Robert McBride Ltd[d]	100%	England
McBride S.A.S.[e]	100%	France
Vitherm France S.A.S.[f]	100%	France
McBride GmbH[g]	100%	Germany
McBride Hong Kong Limited[h]	100%	Hong Kong
McBride S.p.A.[i]	100%	Italy
Chemolux S.a.r.l.[j]	100%	Luxembourg
McBride Malaysia Sdn. Bhd[k]	100%	Malaysia
McBride Nederlands B.V.[l]	100%	Netherlands
Intersilesia McBride Polska Sp. z o.o[m]	100%	Poland
McBride S.A.U.[n]	100%	Spain
Newlane Cosmetics Company Limited[o]	100%	Vietnam
Holding companies		
McBride Holdings Limited[l, d]	100%	England
McBride Asia Holdings Limited[h]	100%	Hong Kong
McBride Hong Kong Holdings Limited[h]	100%	Hong Kong
Fortlab Holdings Sdn. Bhd.[k]	100%	Malaysia
Fortune Organics (F.E.) Sdn. Bhd.[k]	100%	Malaysia
CNL Holdings Sdn. Bhd.[k]	100%	Malaysia

15. Subsidiaries continued

Subsidiaries	Equity interest and operation	Country of incorporation
Dormant[2]		
Breckland Mouldings Limited[d]	100%	England
Camille Simon Holdings Limited[d]	100%	England
Camille Simon Limited[d]	100%	England
Culmstock Limited[d]	100%	England
Darcy Bolton Limited[d]	100%	England
Darcy Bolton Property Limited[d]	100%	England
Darcy Limited[d]	100%	England
Detergent Information Limited[d]	100%	England
G.Garnett & Sons Limited[d]	100%	England
G.Garnett Estates Limited[d]	100%	England
Globol Properties (UK) Limited[d]	100%	England
H.H. Limited[d]	100%	England
HomePride Limited[d]	100%	England
Hugo Personal Care Limited[d]	100%	England
International Consumer Products Limited[d]	100%	England
Longthorne Laboratories Limited[d]	100%	England
McBride Aircare Limited[d]	100%	England
McBride UK Limited[d]	100%	England
McBrides Limited[d]	100%	England
Milstock Limited[d]	100%	England
RMG (Droylsden) Limited[d]	100%	England
Robert McBride (Aerosols) Limited[d]	100%	England
Robert McBride (Bradford) Limited[d]	100%	England
Robert McBride (Properties) Limited[d]	100%	England
Robert McBride Household Limited[d]	100%	England
Savident Limited[d]	100%	England
Other		
Robert McBride Pension Fund Trustees Limited[d]	100%	England

(1) McBride plc directly owns 100% of McBride Holdings Limited.

(2) Dormant companies listed here are exempt from preparing individual accounts under s394A, exempt from filing individual accounts with the registrar under s448A and exempt from audit under s479A of the Companies Act 2006.

Registered offices:

(a) Level 4, 147 Collins Street, Melbourne, Victoria 3000, Australia.
(b) 6 Rue Moulin Masure, 7730 Estaimpuis, Belgium.
(c) Lægårdvej 90-94, 7500 Holstebro, Denmark.
(d) Middleton Way, Middleton, Manchester M24 4DP, UK.
(e) 20 rue Gustave Flaubert, 14590 Moyaux, France.
(f) Rue des Casernes, 55400 Étain, France.
(g) Bundeskanzlerplatz 2D, D – 53113, Bonn, Germany.
(h) Unit 2001-02, 20th Floor, Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.
(i) Corso Garibaldi 49, 20121 Milan, Italy.
(j) Rue de l'industrie, Foetz, Luxembourg 3895.
(k) Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
(l) Schiphol Boulevard 359, 1118BJ Schiphol, Netherlands.
(m) Ul. Matejki 2a, 47100 Strzelce Opolskie, Poland.
(n) Polígon Industrial l'Ila, C/ Ramon Esteve 20-22, 08650 Sallent, Barcelona, Spain.
(o) 22 VSIP II, Street 1, Vietnam Singapore, Industrial Park II, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam.

Group Five-Year Summary

	Year ended 30 June				
	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Revenue	**926.5**	934.8	889.0	678.3	682.3
Adjusted operating profit/(loss)	**66.1**	67.1	13.5	(24.5)	24.1
Amortisation of intangible assets	**(1.9)**	(2.0)	(2.4)	(2.6)	(2.4)
Exceptional items	**(4.0)**	(0.8)	(0.8)	—	(6.9)
Operating profit/(loss)	**60.2**	64.3	10.3	(27.1)	14.8
Finance costs	**(11.2)**	(17.8)	(25.4)	(8.6)	(4.2)
Profit/(loss) before taxation	**49.0**	46.5	(15.1)	(35.7)	10.6
Taxation	**(15.8)**	(13.2)	3.6	11.4	2.8
Profit/(loss) for the year	**33.2**	33.3	(11.5)	(24.3)	13.4
Earnings/(loss) per share					
Diluted	**18.6p**	18.8p	(6.6)p	(14.0)p	7.5p
Adjusted diluted	**21.1p**	21.7p	0.0p	(11.7)p	11.7p
Payments to shareholders (per ordinary share)	**3.0p**	—	—	—	—

	At 30 June				
	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Non-current assets					
Property, plant and equipment	**120.3**	114.4	117.8	122.9	129.8
Goodwill and other intangible assets	**38.1**	29.5	26.2	27.0	27.9
Other assets	**46.4**	52.6	54.6	42.9	32.9
	204.8	196.5	198.6	192.8	190.6
Current assets	**300.5**	280.1	271.7	273.3	241.2
Current liabilities	**(311.8)**	(306.1)	(283.6)	(280.0)	(233.5)
Non-current liabilities	**(99.2)**	(107.1)	(149.6)	(129.1)	(128.5)
Net assets	**94.3**	63.4	37.1	57.0	69.8
Net debt	**105.2**	131.5	166.5	164.4	118.4

Financial calendar

Next key dates for shareholders in 2025 and 2026:

Record date for dividend payable on B Shares previously issued and not redeemed	17 October 2025
Record date for dividend payable on ordinary shares previously issued and not redeemed	31 October 2025
Annual General Meeting	20 November 2025
Dividend payments on B Shares issued and not previously redeemed	28 November 2025
Dividend payments on ordinary shares issued and not previously redeemed	28 November 2025
2026 Half year end	31 December 2025
2026 Half-year trading statement	20 January 2026
2026 Interim results announcement	24 February 2026
2026 Year end	30 June 2026
2026 Year-end trading statement	16 July 2026
2026 Preliminary results announcement	15 September 2026

These dates are provisional and may be subject to change.

Payments to shareholders

At the Company's 2011 General Meeting, shareholders approved the issue of non-cumulative redeemable preference shares with a nominal value of 0.1 pence each (the 'B Shares') as a method of making payments to shareholders. At the Company's 2021 AGM, the Company did not put forward a resolution to approve the issue of non-cumulative redeemable preference shares. It is the Board's intention that any future dividends will be final dividends paid annually in cash, not by the allotment and issue of B Shares. As outlined in the RNS dated 29 November 2024, as a result of the refinancing of the Company's RCF, the block on shareholder distributions has now been removed, permitting the Company to restore the payment of dividends and consider share buy-backs. The Board is recommending a final dividend of 3.0 pence per ordinary share for the year ended 30 June 2025. Such dividend, if approved by shareholders at the Company's Annual General Meeting, shall be payable on 28 November 2025 to all holders of ordinary shares who are on the register of members on 31 October 2025. The final dividend proposed for the year ended 30 June 2025 will be paid in cash if approved by the shareholders.

In accordance with the terms of the B Shares scheme, any B Shares may be redeemed immediately for cash and such a redemption would result in a payment to the redeeming shareholder.

Shareholders are able to redeem any number of their B Shares for cash. B Shares that are retained by the holder attract a dividend which is currently 75% of Bank of England Base Rate on the 0.1 pence nominal value of each share, paid on a twice-yearly basis. With the restriction on the redemption of existing B Shares having been lifted as a result of the refinancing of the Company's RCF, B Shares will be redeemable again (subject to any restrictions and compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which holders of B Shares are resident or to which holders of B Shares are subject) but limited to one redemption date falling in November of each year. Further details of how to redeem existing B Shares in November 2025 will be announced in due course.

Further details on B Shares can be found in the booklet entitled 'Your Guide to B Shares' on the Company's website at **www.mcbride.co.uk**.

Shareholders who have valid mandate instructions in place may choose to have payments made directly into their bank or building society account. Confirmation of payment is contained in a payment advice which is posted to shareholders' registered addresses at the time of payment. This payment advice should be kept safely for future reference.

Shareholders who wish to benefit from this service should complete the relevant section of the election form accompanying the Notice of Annual General Meeting. Alternatively, the required documentation can be obtained by contacting the Company's registrar using one of the methods outlined below.

Shareholder queries

Our share register is managed by MUFG Corporate Markets (UK) Limited, who can be contacted:

by telephone	+44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am and 5.30pm, Monday to Friday (excluding public holidays in England and Wales).
by email	shareholderenquiries@cm.mpms.mufg.com
by post	MUFG Corporate Markets (UK) Limited, Central Square, 29 Wellington Street, Leeds LS1 4DL

When writing, please indicate that you are a McBride plc shareholder.

Shareholders are also able to access and amend details of their shareholding (such as address and distribution payment instructions), via the registrar's website at **https://uk.investorcentre.mpms.mufg.com**. If you have not previously registered to use this facility you will need your investor code, which can be found on your share certificate issued by MUFG Corporate Markets (UK) Limited.

ShareGift

McBride supports ShareGift, the share donation charity (registered charity no. 1052686). ShareGift was set up so that shareholders who have only a very small number of shares which might be considered uneconomic to sell are able to dispose of them by donating them for the benefit of UK charities. Donating shares to charity gives rise neither to a gain nor a loss for UK capital gains purposes and UK taxpayers may also be able to claim income tax relief on the value of the donation. Even if the share certificate has been lost or destroyed, the gift can be completed.

Further information about donating shares to ShareGift is available either from its website at **www.sharegift.org** or by contacting them on +44 (0)20 7930 3737.

Share price history

The following table sets out, for the five financial years to 30 June 2025, the reported high, low, average and financial year end (30 June or immediately preceding business day) closing middle market quotations of McBride plc's ordinary shares on the London Stock Exchange.

	Share price (pence)			
	High	Low	Average	Financial year end
2021	94	58	74	91
2022	89	16	58	16
2023	33	16	24	26
2024	143	25	73	139
2025	**156**	**97**	**129**	**150**

Shareholder security

The Company is required by law to make its share register publicly available. As a consequence, shareholders may receive unsolicited mail from organisations that use it as a mailing list. Shareholders wishing to limit the amount of such mail should either write to Mailing Preference Service, DMA House, 70 Margaret Street, London W1W 8SS, register online at **www.mpsonline.org.uk** or call the Mailing Preference Service (MPS) on 020 7291 3310. MPS is an independent organisation which offers a free service to the public.

Each year in the UK shareholders lose money due to investment fraud. Investment scams are becoming ever more sophisticated – designed to look like genuine investments, they are increasingly difficult to spot. REMEMBER, if it sounds too good to be true, it probably is!

If you suspect you have been approached by fraudsters, please tell the Financial Conduct Authority using the share fraud reporting form at **www.fca.org.uk/scams**, where you can find out more about investment scams. You can also call the FCA Consumer Helpline on 0800 111 6768. If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at **www.actionfraud.police.uk**. Find out more at **www.fca.org.uk/scamsmart**.

Electronic communications

Shareholders are able to register to receive communications from McBride electronically. McBride encourages shareholders to elect to receive all communications electronically, to enable more secure and prompt communication which reduces cost and environmental impact through saving paper, mailing and transportation.

You can register directly by visiting **https://uk.investorcentre.mpms.mufg.com** and following the online instructions. Alternatively, you can access the service via the investor relations section of McBride's website at **www.mcbride.co.uk**.

Online shareholder services

McBride provides a number of services online in the investor relations section of its website at **www.mcbride.co.uk**, including:

- view and/or download Annual and Interim Reports;
- check current or historical share prices (there is an historical share price download facility);
- check the amounts and dates of historical payments to shareholders;
- use interactive tools to calculate the value of shareholdings and chart McBride ordinary share price changes against indices; and
- register to receive email alerts regarding press releases, including regulatory news announcements, Annual Reports and Company presentations.

Cautionary statement

This Annual Report has been prepared for the shareholders of McBride, as a body, and no other persons. Its purpose is to assist shareholders of the Company to assess the strategies adopted by the Group, the potential for those strategies to succeed and for no other purpose. The Company, its Directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

This Annual Report contains certain forward-looking statements that are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries, sectors and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated.

No assurances can be given that the forward-looking statements in this Annual Report will be realised. The forward-looking statements reflect the knowledge and information available at the date of preparation of the Annual Report and the Company undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report shall constitute a profit forecast.

Both the Strategic Report and the Directors' Report have been prepared and presented in accordance with the laws of England and Wales and the liabilities of the Directors in connection with those reports shall be subject to the limitations and restrictions provided by such law. In particular, the Directors would be liable to the Company (but not to any third party) if the Strategic Report and/or Directors' Report contain errors as a result of recklessness or knowing misstatement or dishonest concealment of a material fact but would not otherwise be liable.

Registered Office and Advisers

Company's registered office

McBride plc

Middleton Way
Middleton
Manchester M24 4DP
www.mcbride.co.uk

Company number: 02798634

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants
and Statutory Auditors
1 Hardman Square
Manchester M3 3EB

Corporate brokers

Investec plc

30 Gresham Street
London EC2V 7QP

Peel Hunt LLP

7th Floor, 100 Liverpool Street
London EC2M 2AT

Financial advisers

N. M. Rothschild & Sons Limited

New Court, St Swithin's Lane
London EC4N 8AL

Principal bankers

HSBC Continental Europe

38, avenue Kléber
75116 Paris

National Westminster Bank plc

Large Corporate, Commercial Mid-Market
2nd Floor
1 Spinningfields Square
Manchester M3 3AP

Intesa Sanpaolo S.p.A.

90 Queen Street
London EC4N 1SA

KBC Bank NV, London Branch

111 Old Broad Street
London EC2N 1BR

AIB Group (UK) p.l.c.

13th Floor
70 St Mary Axe
London EC3A 8BE

Banco Bilbao Vizcaya Argentaria, S.A., London Branch

Floor 44
1 Canada Square
London E14 5AA

Crédit Industriel et Commercial, London Branch

Finsbury Circus House
15 Finsbury Circus
London EC2M 7EB

Bayerische Landesbank

Level 37
8 Bishopsgate
London EC2N 4BQ

Registrars

MUFG Corporate Markets (UK) Limited

Central Square
29 Wellington Street
Leeds LS1 4DL

Financial public relations advisers

Instinctif Partners Limited

65 Gresham Street
London EC2V 7NQ

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McBride