



Half Year Results Announcement for the six months ended 31 March 2025

	Underlying ¹ results			Statutory results		
	HY 2025	HY 2024	Change	HY 2025	HY 2024	Change
Revenue	22.6bn	20.7bn ²	8.5% ³	22.6bn	20.7bn	8.8%
Operating profit	1,627m	1,458m ²	11.6% ²	1,476m	1,420m	3.9%
Operating margin	7.2%	7.1%	10bps	6.5%	6.8%	(30)bps
Earnings per share	64.5c	58.3c ²	10.6% ²	54.2c	50.4c	7.5%
Operating cash flow	1,161m	1,114m	4.2%	1,336m	1,330m	0.5%
Free cash flow	743m	704m	5.5%			
Interim dividend per share	22.6c	20.7c	9.2%	22.6c	20.7c	9.2%

Strong net new business and double-digit underlying operating profit growth

Delivering profit growth ahead of revenue growth:

- Underlying operating profit increased by 11.6%²
- Organic revenue up 8.5% with continued strong net new business growth of 4.4%
- Secured new business of 3.6bn (LTM⁴), an 8.5%² increase year on year
- Strong client retention rate of over 96%

Investing for future growth:

- 1.7bn net expenditure on capex (3.0% of underlying revenue) and M&A (1bn)
- Expanding our total addressable market through further sub-sectorisation and use of technology
- Unlocking opportunities in our core markets: nearly 75% still self-operated or managed by regional players

Resilient business model:

- Diverse sector portfolio, wide-ranging client base, flexible operating models and significant purchasing scale
- Decentralised business model with predominantly local sourcing and supply chain
- Well placed to benefit from any increase in outsourcing due to macroeconomic pressures
- Completed portfolio reshaping following divestments of Chile, Colombia, Mexico and Kazakhstan

Outlook unchanged:

- For 2025, we continue to expect high single-digit underlying operating profit growth² driven by organic revenue growth above 7.5% and ongoing margin progression
- Longer term, we remain confident in sustaining mid-to-high single-digit organic revenue growth, ongoing margin progression and profit growth ahead of revenue growth

Statutory results:

- Revenue increased by 8.8% reflecting the strong trading performance
- Operating profit, including charges relating to business acquisitions (mainly amortisation of acquired intangible assets), increased by 3.9% to 1,476m. The 30bps reduction in operating margin reflects these higher charges

1 . Reconciliation of statutory to underlying results can be found in notes 2 (segmental analysis) and 13 (non-GAAP measures) to the consolidated financial statements.

2. Measured on a constant-currency basis.

3. Organic revenue change.

4. Annual revenue of new business wins in the last 12 months.

Business review

Dominic Blakemore, Group Chief Executive, said:

"The Group achieved double-digit underlying operating profit growth driven by strong organic revenue and margin progression across both regions. We are now in the fourth year of net new business growth within our 4-5% target range, supported by an improved performance in Europe and client retention rate of over 96%.

The market opportunity is very attractive, with first-time outsourcing accounting for 45% of new business wins. Over the last 12 months, we have signed over 3.6bn¹ of new contracts, an increase of 8.5%² year on year, and we have a

the last 12 months, we have signed over 600¹ of new contracts, an increase of c.6% year on year, and we have a strong pipeline of future business across all our markets. Our size, and balance sheet strength, give us the most scope in the industry to invest as we further enhance our unique sectorised approach and technology capabilities.

We have a diverse sector portfolio, wide-ranging client base and significant local purchasing scale. Although not immune to macroeconomic pressures, we are confident in the resilience of our business model, strength of our value proposition and ability to capitalise on outsourcing opportunities.

This year, we continue to expect high single-digit underlying operating profit growth², driven by organic revenue growth above 7.5% and ongoing margin progression. Longer term, we remain confident in sustaining mid-to-high single-digit organic revenue growth with ongoing margin progression, leading to profit growth ahead of revenue growth."

Results presentation today

Today, 14 May 2025, management will present Compass Group's Half Year 2025 results.

At 9:00am (UK time), investors and analysts will be able to view a **video presentation** which will stream live on the Compass Group website at www.compass-group.com. An audio-only telephone option is available if you are unable to watch the video.

Following the video presentation, management will host a live **Q&A session** for investors and analysts. Participants must be connected by phone to ask a question during the conference call.

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Financial calendar

Ex-dividend date for 2025 interim dividend	19 June
Record date for 2025 interim dividend	20 June
Last day for dividend currency elections	7 July
Last day for DRIP elections	10 July
Sterling equivalent of 2025 interim dividend announced	15 July
Q3 trading update	22 July
2025 interim dividend date for payment	31 July
Full-year results	25 November

1. Annual revenue of new business wins in the last 12 months.
2. Measured on a constant-currency basis.

Business review (continued)

Basis of preparation

Following the completion of our portfolio reshaping, the former Rest of World region accounts for c.5% of the Group's revenue on a pro forma basis. As a result, the Group's internal management reporting structure has been changed to combine Rest of World with Europe to form a new International region.

Throughout the Half Year Results Announcement, and consistent with prior periods, underlying and other alternative performance measures are used to describe the Group's performance alongside statutory measures (see page 6).

Strategy

Compass is focused on the provision of food services, with targeted support services where appropriate. Having recently divested of several non-core markets, we have further improved the quality of our portfolio and now operate in around 30 countries in North America, Europe and Asia-Pacific.

Our addressable market is worth c. 320bn, nearly 75% of which is still self-operated or managed by regional players. More demanding consumer expectations and increased macroeconomic pressures continue to accelerate first-time outsourcing, and we have clear competitive advantages built over decades that help us capture these opportunities.

We have built a resilient business model with a diverse sector portfolio and a wide-ranging customer base. Our unique approach to the market through sectorisation enables us to better differentiate our offer compared to our competitors and create bespoke solutions for our clients.

We leverage our significant scale, particularly in food procurement, which is mainly locally sourced and are continuing to increase the flexibility of our offer, ranging from different food models to digital and sustainability initiatives.

Performance

Compass delivered a strong first-half performance, with double-digit underlying operating profit growth in both regions. Organic revenue growth was 8.5%¹ and underlying operating margin increased by 10bps to 7.2%¹.

Capital expenditure was 0.7bn¹, 3.0%¹ of underlying revenue, and net M&A expenditure was 1.0bn, the majority of which was spent on 4Service in Norway and Dupont Restauration in France. In addition, during the period, the Group acquired several small businesses mainly in the US and UK and completed its portfolio reshaping with the exit from

acquired several small businesses mainly in the US and UK and completed its portfolio reshaping with the exit from four countries (Chile, Colombia, Mexico and Kazakhstan).

Cash flow generation remains strong, with underlying operating cash flow of 1,161m¹ (2024: 1,114m) and underlying free cash flow of 743m¹ (2024: 704m). Leverage (net debt to EBITDA) remains within the Group's guided range at 1.5x¹ as at 31 March 2025.

Revenue

Organic revenue growth of 8.5%¹ was driven by strong net new business growth of 4.4%¹, with pricing at around 3% and like-for-like volume growth of around 1%. Client retention rates remained strong at 96.2%.

On a statutory basis, revenue increased by 8.8% to 22,568m (2024: 20,744m).

Profit

Underlying operating profit increased by 11.6%¹ on a constant-currency basis, to 1,627m¹, with underlying operating margin at 7.2%¹ (2024: 7.1%). Margin progression was achieved across both regions driven by continued operating efficiencies and the benefits of greater scale in our countries of operation.

Statutory operating profit was 1,476m (2024: 1,420m), an increase of 3.9%, with statutory operating margin of 6.5% (2024: 6.8%).

Statutory profit before tax of 1,283m (2024: 1,195m) includes net charges of 195m (2024: 168m) which are excluded from underlying profit before tax. During the period, acquisition-related charges totalled 147m (2024: 49m), which is mainly amortisation of acquired intangible assets, and we incurred a net charge of 44m (2024: 94m) in relation to the completion of our strategic portfolio review to focus on the Group's core markets, which includes the exit from four countries.

1 . Alternative Performance Measure (APM). The Group's APMs are defined in note 13 (non-GAAP measures) and reconciled to GAAP measures in notes 2 (segmental analysis) and 13 to the consolidated financial statements.

Business review (continued)

2025 guidance

The Group continues to expect to achieve high single-digit underlying operating profit growth¹ in 2025 with organic revenue growth above 7.5%². We expect underlying finance costs to be around 300m², with an underlying effective tax rate of around 25.5%².

Capital allocation

Our capital allocation framework is clear and unchanged. Our priority is to invest in the business to fund growth opportunities, target a strong investment-grade credit rating with a leverage target of around 1x-1.5x net debt to EBITDA and pay an ordinary dividend, with any surplus capital being returned to shareholders.

Growth investment consists of: (i) capital expenditure to support organic growth in both new business wins and retention of existing contracts; and (ii) bolt-on M&A opportunities that strengthen our capabilities and broaden our exposure. We have a proven track record of strong returns from our investment strategy as evidenced by our historical returns on capital employed.

Shareholder returns

Our dividend policy is to pay out around 50% of underlying earnings through an interim and final dividend, with the interim dividend reflecting around one-third of the total annual dividend. The Board has approved an interim dividend of 22.6c per share representing an increase of 9.2% on the prior year's interim dividend.

Shareholders appearing on the Register of Members or holding their shares through CREST will automatically receive their dividends in sterling, but have the option to elect to receive their dividends in US dollars. For shares held in certificated form on the register, US dollar elections can be made by contacting our share registrar, MUFG Corporate Markets. MUFG's contact details can be found on our website under Dividend Information.

The 500m share buyback announced in November 2023 was completed in December 2024, with a cash outflow of 115m during the period.

People

Our colleagues deliver outstanding experiences to clients and consumers in the countries in which we operate. They are the key to our success, and our people strategy is focused on identifying, attracting, developing and retaining the high-calibre talent essential for achieving our objectives.

We create lifelong opportunities for people from the communities we serve, ensuring they thrive in safe and positive working environments built on a foundation of respect, teamwork and growth.

We tailor our approach to recruitment to the requirements of each country and sector. For example, in North America, we use targeted campaigns, process automation, AI and other tools to make the hiring process as efficient and accessible as possible.

We aim to cultivate a caring, winning culture where we enable opportunities for all our employees. Our focus is on treating everyone with fairness and respect, providing opportunities for growth and development, and fostering a positive, supportive workplace throughout their careers.

Understanding the pressures of daily life, we offer a range of support measures to ensure our employees' wellbeing, encompassing physical, financial and mental health.

Purpose

We influence meaningful change and improve lives by harnessing our passion for food, advocating for responsible sourcing and reducing food waste.

As part of our Planet Promise, we are committed to achieving climate net zero globally by 2050 through culinary innovation, collaboration and partnerships. We are focused on reducing food waste across our value chain, with nearly 10,000 sites recording waste in 2024. Beyond our kitchens, we inspire global action through initiatives like Stop Food Waste Day.

We continue to make good progress towards our emissions targets, reducing our overall greenhouse gas intensity ratio by 4% in 2024 despite a 10% increase in underlying revenue. As the Group grows, we continue to refine our emissions measurement and work closely with suppliers and partners to address Scope 3 emissions, which primarily originate in the supply chain.

1. Measured on a constant-currency basis

2. Alternative Performance Measure (APM). The Group's APMs are defined in note 13 (non-GAAP measures) and reconciled to GAAP measures in notes 2 (segmental analysis) and 13 to the consolidated financial statements.

Business review (continued)

Summary

The Group delivered a strong first-half performance, with double-digit underlying operating profit growth and good progress in both regions. Net new business growth was within our 4-5% target range for the fourth year running and our client retention rate remains above 96%.

We are investing for future growth and have acquired attractive businesses which are helping to expand our addressable market through further sub-sectorisation. Following the reshaping of our portfolio, we are now even more focused on our core markets in which we have a strong pipeline of future business.

We are well placed to capitalise on any increased outsourcing opportunities given the continuing attractive market opportunities and our strong competitive advantages.

Our diverse sector portfolio, wide-ranging client base, flexible operating models and significant local purchasing scale all contribute to the resilience of our business.

We have flexibility to help mitigate potential macroeconomic challenges and remain confident in our longer-term growth algorithm of mid-to-high single-digit organic revenue growth with ongoing margin progression, leading to profit growth ahead of revenue growth.

Financial review

Group performance

We manage and assess the performance of the Group using various underlying and other Alternative Performance Measures (APMs). These measures are not defined by International Financial Reporting Standards (IFRS) or other generally accepted accounting principles (GAAP) and may not be directly comparable with APMs used by other companies. Underlying measures reflect ongoing trading and, therefore, facilitate meaningful year-on-year comparison. The Group's APMs, together with the results prepared in accordance with IFRS, provide comprehensive analysis of the Group's results. Accordingly, the relevant statutory measures are also presented where appropriate. Certain of the Group's APMs are financial Key Performance Indicators (KPIs) which measure progress against our strategy. The Group's APMs are defined in note 13 (non-GAAP measures) and reconciled to GAAP measures in notes 2 (segmental analysis) and 13 to the consolidated financial statements.

	2025	2024	Change
Revenue			
Underlying ¹	22,596m	20,887m	8.2%
Underlying (constant currency) ¹	22,596m	20,686m	9.2%
Organic ¹	22,087m	20,357m	8.5%
Statutory	22,568m	20,744m	8.8%
Operating profit			
Underlying ¹	1,627m	1,474m	10.4%
Underlying (constant currency) ¹	1,627m	1,458m	11.6%
Statutory	1,476m	1,420m	3.9%
Operating margin			
Underlying ¹	7.2%	7.1%	10bps
Statutory	6.5%	6.8%	(30)bps
Basic earnings per share			
Underlying ¹	64.5c	59.0c	9.3%
Underlying (constant currency) ¹	64.5c	58.3c	10.6%
Statutory	54.2c	50.4c	7.5%
Cash flow			
Underlying - free cash flow ¹	743m	704m	5.5%
Statutory - net cash flow from operating activities	1,336m	1,330m	0.5%
Dividend			
Interim dividend per ordinary share	22.6c	20.7c	9.2%

1. Alternative Performance Measure (APM) (see pages 37 to 44).

Financial review (continued)

Income statement

	2025			2024		
	Statutory m	Adjustments m	Underlying ¹ m	Statutory m	Adjustments m	Underlying ¹ m
Revenue	22,568	28	22,596	20,744	143	20,887
Operating profit	1,476	151	1,627	1,420	54	1,474
Net loss on sale and closure of businesses	(36)	36	-	(94)	94	-
Finance costs	(157)	8	(149)	(131)	20	(111)
Profit before tax	1,283	195	1,478	1,195	168	1,363
Tax expense	(357)	(20)	(377)	(327)	(21)	(348)
Profit for the period	926	175	1,101	868	147	1,015
Non-controlling interests	(7)	-	(7)	(7)	-	(7)
Attributable profit	919	175	1,094	861	147	1,008
Average number of shares	1,697m	-	1,697m	1,709m	-	1,709m
Basic earnings per share	54.2c	10.3c	64.5c	50.4c	8.6c	59.0c
EBITDA			2,245			2,030

1. Alternative Performance Measure (APM) (see pages 37 to 44).

Statutory income statement

Revenue

On a statutory basis, revenue increased by 8.8% to 22,568m (2024: 20,744m).

Operating profit

Statutory operating profit was 1,476m (2024: 1,420m), an increase of 3.9%, with statutory operating margin of 6.5% (2024: 6.8%). Statutory operating profit includes non-underlying item charges of 151m (2024: 54m), including acquisition-related charges of 141m (2024: 49m), which is mainly amortisation of acquired intangible assets. A full list of non-underlying items is included in note 13 (non-GAAP measures).

Net loss on sale and closure of businesses

The Group has recognised a net loss of 36m on the sale and closure of businesses (2024: 94m), including exit costs of 7m and a charge of 69m in respect of the reclassification of cumulative currency translation differences. The Group exited four countries during the period, which completed its strategic portfolio review.

Finance costs

Finance costs increased to 157m (2024: 131m) mainly reflecting higher net borrowings during the period.

Tax expense

Profit before tax was 1,283m (2024: 1,195m) giving rise to an income tax expense of 357m (2024: 327m), equivalent to an effective tax rate of 27.8% (2024: 27.4%). As the underlying effective tax rate is unchanged, the increase in the rate reflects the impact of the treatment of the different non-underlying items.

Earnings per share

Basic earnings per share was 54.2c (2024: 50.4c), an increase of 7.5%, reflecting the higher profit for the period.

Underlying income statement

Revenue

Organic revenue growth of 8.5% was driven by strong net new business growth of 4.4%, with pricing at around 3% and like-for-like volume growth of around 1%. Client retention rates remained strong at 96.2%.

Financial review (continued)

Operating profit

Underlying operating profit increased by 11.6% on a constant-currency basis, to 1,627m, with underlying operating margin at 7.2% (2024: 7.1%). Margin progression was achieved across both regions driven by continued operating efficiencies and the benefits of greater scale in our countries of operation.

Finance costs

Underlying finance costs increased to 149m (2024: 111m) mainly reflecting higher net borrowings during the period.

Tax expense

On an underlying basis, the tax charge was 377m (2024: 348m), equivalent to an effective tax rate of 25.5% (2024: 25.5%).

Earnings per share

On a constant-currency basis, underlying basic earnings per share increased by 10.6% to 64.5c (2024: 58.3c) reflecting the higher profit for the period.

Balance sheet

Intangible

Liquidity

The Group finances its operations through cash generated by the business and borrowings from a number of sources, including banking institutions, the public and the private placement markets. The Group has developed long-term relationships with a number of financial counterparties with the balance sheet strength and credit quality to provide credit facilities as required.

The Group seeks to avoid a concentration of debt maturities in any one period to spread its refinancing risk. A 100m US Private Placement (USPP) note matured and was repaid in December 2024. The maturity profile of the Group's principal borrowings at 31 March 2025 shows that the average period to maturity is 4.5 years (30 September 2024: 4.6 years).

The Group's USPP notes contain leverage and interest cover covenants which are tested semi-annually at 31 March and 30 September. The leverage covenant test stipulates that consolidated net debt must be less than or equal to 3.5 times consolidated EBITDA. The interest cover covenant test stipulates that consolidated EBITDA must be more than or equal to 3 times consolidated net finance costs. Consolidated EBITDA and net finance costs are based on the preceding 12 months. The leverage and interest cover ratios were 1.4 times and 17.4 times, respectively, at 31 March 2025. Net debt, consolidated EBITDA and net finance costs are subject to certain accounting adjustments for the purposes of the covenant tests.

At 31 March 2025, the Group had access to 3,731m (30 September 2024: 3,236m) of liquidity, including a Revolving Credit Facility (RCF) committed to February 2030 of 3,200m (30 September 2024: 2,683m), which was fully undrawn, and 531m (30 September 2024: 553m) of cash, net of overdrafts. The Group also had in issuance 1.3bn of commercial paper, which is backed up by the RCF. Our credit ratings remain strong investment grade: Standard & Poor's A/A-1 long-term/short-term (outlook Stable); and Moody's A2/P-1 long-term/short-term (outlook Stable).

Net debt

Net debt has increased by 1,201m to 6,592m (30 September 2024: 5,391m). The Group generated 692m of free cash flow, after capital expenditure of 671m, which was more than offset by 1,013m spent on the acquisition of businesses, net of disposal proceeds, dividends of 670m and the completion of the share buyback of 115m. Favourable exchange translation was 90m.

At 31 March 2025, the ratio of net debt to underlying EBITDA was 1.5x (30 September 2024: 1.3x). Our leverage policy is to maintain strong investment-grade credit ratings and to target net debt to underlying EBITDA in the range of 1x 1.5x.

Post-employment benefits

The accounting surplus in the Compass Group Pension Plan (UK Plan) is 312m at 31 March 2025 (30 September 2024: 542m). In December 2024, the UK Plan entered into a buy-in whereby c.98% of its liabilities of 1.7bn at 31 March 2025 are covered by an insurance arrangement which protects the Group's balance sheet from future volatility in financial markets and longevity rates in respect of these liabilities.

Financial review (continued)

The deficit in the rest of the Group's defined benefit pension schemes has decreased to 1,239m (30 September 2024: 1,274m). The net deficit in these schemes is 112m (30 September 2024: 154m) including investments of 1,127m (30 September 2024: 1,120m) held in respect of unfunded pension schemes and the US Rabbi Trust arrangements which do not meet the definition of pension assets under IAS 19 Employee Benefits.

Cash flow

Free cash flow

Free cash flow totalled 692m (2024: 675m). In the six months, we made cash payments totalling 15m (2024: 13m) in relation to strategic programmes and the one-off pension charge. Adjusting for this, and for acquisition transaction costs of 36m (2024: 16m) which are reported as part of operating cash flow, underlying free cash flow was 743m (2024: 704m), with underlying free cash flow conversion at 67.5% (2024: 69.4%).

Capital expenditure of 671m (2024: 693m) is equivalent to 3.0% (2024: 3.3%) of underlying revenue. The working capital outflow, excluding provisions and pensions, was 356m (2024: 167m). The net interest outflow increased to 132m (2024: 98m) consistent with the higher underlying finance costs in the period. The net tax paid was 295m (2024: 301m), which is equivalent to an underlying cash tax rate of 20.0% (2024: 22.1%).

Acquisition and disposal of businesses

The Group spent 1,131m (2024: 371m) on business acquisitions during the period, net of cash acquired, including 701m on Dupont Restauration in France and 4Service in Norway (including the repayment of acquired borrowings), 284m on bolt-on acquisitions and interests in joint ventures and associates, and 146m of deferred and contingent consideration and other payments relating to businesses acquired in previous years.

The Group received 118m (2024: 14m) in respect of disposal proceeds net of exit costs, which primarily comprises the sale of businesses in four countries during the period.

Including 36m (2024: 16m) of acquisition transaction costs included in net cash flow from operating activities, the total net cash spent on the acquisition and disposal of businesses is 1,049m (2024: 373m).

Dividends paid

Dividends paid represent the 2024 final dividend of 670m.

Purchase of own shares

The cash outflow in respect of the completion of the 500m share buyback announced in November 2023 totalled 115m during the period.

Foreign exchange translation

The 90m gain (2024: 24m loss) on foreign exchange translation of net debt primarily arises in respect of the Group's sterling and euro debt.

Related party transactions

Details of transactions with related parties are set out in note 11 to the consolidated financial statements. These transactions have not had, and are not expected to have, a material effect on the financial performance or position of the Group.

Going concern

The factors considered by the directors in assessing the ability of the Group to continue as a going concern are discussed on page 22.

The Group has access to considerable financial resources, together with longer-term contracts with a number of clients and suppliers across different geographic areas and industries. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

Based on the assessment discussed on page 22, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the period of 12 months from the date of approval of the consolidated financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Regional review

	Underlying revenue ¹		Change			Statutory revenue		Change	
	2025 m	2024 m	Reported rates %	Constant currency %	Organic %	2025 m	2024 m	Reported rates %	
North America	15,452	14,127	9.4%	9.6%	8.6%	15,444	14,114	9.4%	
International ²	7,144	6,760	5.7%	8.4%	8.2%	7,124	6,630	7.5%	
Total	22,596	20,887	8.2%	9.2%	8.5%	22,568	20,744	8.8%	

	Underlying operating profit ¹		Change Constant currency %	Underlying operating margin ¹		Statutory operating profit		Statutory operating margin	
	2025 m	2024 m		2025 %	2024 %	2025 m	2024 m	2025 %	2024 %
North America	1,289	1,165	10.8%	8.3%	8.2%	1,238	1,157	8.0%	8.2%
International ²	416	381	13.0%	5.8%	5.6%	316	335	4.4%	5.1%
Unallocated overheads	(78)	(72)				(78)	(72)		
Total	1,627	1,474	11.6%	7.2%	7.1%	1,476	1,420	6.5%	6.8%

1. Alternative Performance Measure (APM) (see pages 37 to 44).

2. Our former Rest of World region now accounts for c.5% of the Group's revenue on a pro forma basis. With effect from 1 October 2024, the Group's internal management reporting structure has been changed to combine Rest of World with Europe to form a new International region. Comparative segmental financial information for 2024 has been re-presented.

North America - 68% of Group underlying revenue (2024: 68%)

Underlying

Operating profit increased by 10.8% on a constant-currency basis, to 1,289m, primarily driven by strong organic revenue growth and further margin progress.

Organic revenue growth of 8.6% resulted from continued excellent net new business growth, appropriate pricing and ongoing like-for-like volume growth. Our client retention rate in North America remained very strong at 97%.

The region experienced good growth across all our main sectors. Business & Industry performed particularly well, underpinned by an excellent net new business performance and our compelling quality and value proposition, where we believe the gap continues to widen compared to high street alternatives.

Operating margin increased by 10bps to 8.3% as the region benefited from operational efficiencies and overhead leverage.

We continued to strengthen our market position through targeted acquisitions and investment in talent to unlock further growth opportunities, increasing our addressable market by targeting new and emerging sub-sectors. Vending and unattended markets remain an ongoing area of focus as we continue to expand our reach and capabilities.

Statutory

Statutory revenue increased by 9.4% to 15,444m reflecting the strong organic revenue growth.

Statutory operating profit was 1,238m (2024: 1,157m), with the difference from underlying operating profit being acquisition-related charges of 51m (2024: 8m).

Regional review (continued)

International - 32% of Group underlying revenue (2024: 32%)

Underlying

As previously announced, following the completion of our portfolio reshaping, our Europe and Rest of World regions have been combined to form one new International region.

Operating profit increased by 13.0% on a constant-currency basis, to 416m, driven by strong organic revenue growth and margin expansion.

Organic revenue growth of 8.2% was driven by net new business growth, strong like-for-like-volume growth and appropriate levels of pricing. Our client retention rate at 95% remains significantly higher than historic levels.

We experienced good growth across all sectors, particularly in Business & Industry and Sports & Leisure. Sports & Leisure is an area of focus for the Group as we further leverage our expertise across our International markets.

Operating margin increased by 20bps to 5.8% as the region benefited from increased efficiencies and greater scale within our operations.

We are continuing to invest in strategic M&A as we unlock growth opportunities in the region. During the period, we acquired Dupont Restauration in France and 4Service in Norway, further enhancing our ability to sub-sectorise and increasing the flexibility of our operating model

We also completed the exits of our operations in Chile, Columbia, Mexico and Kazakhstan.

Statutory

Statutory revenue increased by 7.5% to 7,124m, with the difference between statutory and underlying revenue being the presentation of the share of results of our joint ventures operating in the Middle East.

Statutory operating profit was 316m (2024: 335m), with the difference from underlying operating profit primarily reflecting acquisition-related charges of 90m (2024: 41m).

Risk management

The Board takes a proactive approach to risk management aimed at protecting the Group's employees, clients and consumers and safeguarding the interests of the Company and its shareholders in a constantly changing environment.

Risk management is an essential element of business governance. The Group has risk management policies, processes and procedures in place to ensure that risks are properly identified, evaluated and managed at the appropriate level.

The identification of risks and opportunities, the development of action plans to manage those risks and maximise the opportunities, and the continual monitoring of progress against agreed key performance indicators (KPIs) are integral parts of the business process and core activities throughout the Group.

Principal risks

Details of the principal risks facing the Group and mitigating actions are included on pages 24 to 28 of the 2024 Annual Report. Those risks and uncertainties are unchanged at the date of this Announcement, with the exception of the economic volatility risk. A description of the risks and uncertainties is set out below.

Risk and description

Climate change

The impact of climate change on the environment may lead to issues around food sourcing and security, and supply chain continuity in some of the Group's markets. Issues in these areas could affect the availability of some food products, and potentially may lead to food cost inflation.

Food safety

Compass Group companies feed millions of consumers every day. For that reason, setting the highest standards for food hygiene and safety is paramount. Safety breaches could cause serious business interruption and could result in criminal and/or civil prosecution, increased costs and potential damage to the Company's reputation.

Occupational safety

Compass Group companies employ hundreds of thousands of people globally. Ensuring the safety of our employees, consumers, and suppliers is our top priority. Failure to comply with workplace safety standards can result in injuries to employees, clients and consumers, or other third parties, potentially causing operational disruptions and adverse financial, legal, and reputational consequences.

Pandemic

The Group's operations were significantly disrupted due to the global COVID-19 pandemic and associated containment measures. Compass recovered well and learned from the pandemic, and this risk has now diminished. However, outbreaks of another pandemic, could cause further business risk.

Talent

Attracting, retaining and motivating the best people with the right skills, at all levels of the organisation, is key to the long-term success of the Group.

Changes to economic conditions may increase the risk of attrition at all levels of the organisation.

Sales and retention

The Group's growth ambitions rely on sustainably driving positive net new business through securing and retaining a diverse range of clients.

The Group's operating companies contract with a large number of clients. Failure to comply with the terms of these contracts, including proper delivery of services, could lead to the loss of business and/or claims.

The potential loss of material client contracts and the inability to secure additional new contracts in a competitive market is a risk to Compass' businesses.

The emergence of new industry participants and traditional competition using disruptive technology could adversely affect the Group's businesses.

Risk management (continued)

Principal risks (continued)

Risk and description (continued)

Geopolitical

The conflict in the Middle East and the ongoing Russia-Ukraine war have increased geopolitical risks, heightened national security threats in those regions, and disrupted the global energy market. These factors contribute to risks such as economic volatility including cost inflation and cybersecurity threats.

Economic volatility

Certain sectors of Compass' business could be susceptible to negative shifts in the economy and employment rates. Whilst Compass has strategically exited a number of countries with high economic volatility, the recent global market instability has increased the potential risks of economic volatility in our primary markets.

Business ethics and integrity

Ineffective compliance management systems, lack of an embedded business integrity culture or serious violation of our policies, relevant laws, or regulations (including but not limited to anti-bribery and corruption, anti-competitive behaviour, fraud, money laundering, tax evasion, trade and economic sanctions, human rights and modern slavery, and data protection), could result in civil and/or criminal proceedings leading to significant fines, sanctions, financial loss and reputational harm.

Regulatory expectations and new laws in these areas are being introduced in certain countries and regions, with a heightened focus on corporate enforcement, accountability and supply chain resilience.

Cybersecurity and data privacy

The digital world creates increasing risk for global businesses including, but not limited to, technology failures, loss of confidential data, data privacy breaches and damage to brand reputation through, for example, the increased threat of cyber-attacks, and use and instantaneous nature of social media.

Disruption caused by the failure of key software applications, security controls, or underlying infrastructure, or disruption caused by cyber-attacks could impact day-to-day operations and management decision-making or result in a regulatory fine or other sanction and/or third-party claims.

The incidence of sophisticated phishing and malware attacks (including ransomware) on businesses is rising with an increase in the number of companies suffering operational disruption, unauthorised access to and/or loss of data, including confidential, commercial, and personal identifiable data.

A combination of geopolitical instability and accessibility of sophisticated AI enabled tools and techniques have contributed to an increase in the risk of phishing and malware attacks including ransomware across all industries.

The democratisation of generative AI has given widespread access to powerful online AI services for content creation. This opportunity presents several risks including to data privacy and confidentiality.

Responsibility statement of the directors in respect of the half-yearly financial report

The Interim Report complies with the Disclosure Guidance and Transparency Rules (DTR) of the United Kingdom's Financial Conduct Authority in respect of the requirement to produce a half-yearly financial report. The Interim Management Report is the responsibility of, and has been approved by, the directors.

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the Interim Management Report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The directors have permitted the auditor to undertake whatever inspections it considers to be appropriate for the purpose of enabling the auditor to conduct its review.

On behalf of the Board



Dominic Blakemore
Group Chief Executive Officer



Petros Parris
Group Chief Financial Officer

14 May 2025

Conclusion

We have been engaged by Compass Group PLC ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2025 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated balance sheet, the condensed consolidated cash flow statement and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2025 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.



Jonathan Downer
for and on behalf of KPMG LLP

Chartered Accountants
15 Canada Square
London
E14 5GL

14 May 2025

Compass Group PLC Condensed Consolidated Financial Statements

Condensed consolidated income statement

For the six months ended 31 March 2025

		Six months ended 31 March			
		2025		2024	
	Notes	m	m	m	m
Revenue	2		22,568		20,744
Operating costs	3		(21,111)		(19,354)
Operating profit before joint ventures and associates			1,457		1,390
Share of results of joint ventures and associates			19		30
Underlying operating profit ¹	2, 13	1,627		1,474	
Acquisition-related charges	2, 13	(141)		(49)	
Charges related to the strategic portfolio review	2, 13	(8)		-	
Other ²	2, 13	(2)		(5)	
Operating profit	2		1,476		1,420

Net loss on sale and closure of businesses	9, 13	(36)	(94)
Finance income		18	18
Finance expense		(167)	(129)
Acquisition-related charges	13	(6)	-
Other financing items	13	(2)	(20)
Finance costs		(157)	(131)
Profit before tax		1,283	1,195
Income tax expense	4	(357)	(327)
Profit for the period		926	868
Attributable to			
Equity shareholders		919	861
Non-controlling interests		7	7
Profit for the period		926	868
Basic earnings per share	5	54.2c	50.4c
Diluted earnings per share	5	54.1c	50.4c

1. Operating profit excluding specific adjusting items (see note 13).

2. Other specific adjusting items include one-off pension charge and tax on share of profit of joint ventures (see note 13).

Compass Group PLC

Condensed Consolidated Financial Statements

Condensed consolidated statement of comprehensive income

For the six months ended 31 March 2025

		Six months ended 31 March	
	Notes	2025 m	2024 m
Profit for the period		926	868
Other comprehensive income			
Items that will not be reclassified to the income statement			
Remeasurement of post-employment benefit obligations		204	(259)
Return on plan assets, excluding interest income		(327)	101
Change in asset ceiling, excluding interest income		(1)	-
Change in fair value of financial assets at fair value through other comprehensive income		(35)	204
Tax credit/(charge) on items relating to the components of other comprehensive income		41	(16)
		(118)	30
Items that may be reclassified to the income statement			
Currency translation differences ¹		(106)	82
Change in fair value of financial assets at fair value through other comprehensive income		(8)	5
Reclassification of cumulative currency translation differences on sale of businesses	9	69	76
		(45)	163
Total other comprehensive (loss)/income for the period		(163)	193
Total comprehensive income for the period		763	1,061
Attributable to			
Equity shareholders		756	1,054
Non-controlling interests		7	7
Total comprehensive income for the period		763	1,061

1. Includes a loss of 61m in relation to the effective portion of net investment hedges (2024: gain of 96m).

Compass Group PLC

Condensed Consolidated Financial Statements

Condensed consolidated statement of changes in equity

For the six months ended 31 March 2025

		Attributable to equity shareholders					
	Notes	Share capital m	Share premium m	Other reserves m	Retained earnings m	Non-controlling interests m	Total equity m
At 1 October 2024		346	317	4,592	1,574	77	6,906
Profit for the period		-	-	-	919	7	926
Other comprehensive income							
Remeasurement of post-employment benefit obligations		-	-	-	204	-	204
Return on plan assets, excluding interest income		-	-	-	(327)	-	(327)
Change in asset ceiling, excluding interest income		-	-	-	(1)	-	(1)
Change in fair value of financial assets at fair value through other comprehensive income		-	-	-	(43)	-	(43)
Currency translation differences		-	-	(106)	-	-	(106)
Reclassification of cumulative currency translation differences on sale of	9	-	-	69	-	-	69

businesses						
Tax credit on items relating to the components of other comprehensive income	-	-	-	41	-	41
Total other comprehensive loss for the period	-	-	(37)	(126)	-	(163)
Total comprehensive (loss)/income for the period	-	-	(37)	793	7	763
Fair value of share-based payments	-	-	-	40	-	40
Changes to non-controlling interests due to acquisitions and disposals	9	-	-	-	5	5
Change in fair value of non-controlling interest put options	-	-	(2)	-	-	(2)
Cost of shares transferred to employees	-	-	71	(71)	-	-
Purchase of own shares - share buyback	-	-	4	-	-	4
Tax credit on items taken directly to equity	-	-	-	8	-	8
		346	317	4,628	2,344	89
Dividends paid to equity shareholders	6	-	-	-	(670)	(670)
Dividends paid to non-controlling interests	-	-	-	-	(2)	(2)
At 31 March 2025		346	317	4,628	1,674	87
						7,052

Compass Group PLC
Condensed Consolidated Financial Statements

Condensed consolidated statement of changes in equity
For the six months ended 31 March 2025

	Notes	Attributable to equity shareholders				Non-controlling interests m	Total equity m
		Share capital m	Share premium m	Other reserves m	Retained earnings m		
At 1 October 2023		346	317	4,582	1,018	37	6,300
Profit for the period		-	-	-	861	7	868
Other comprehensive income							
Remeasurement of post-employment benefit obligations		-	-	-	(259)	-	(259)
Return on plan assets, excluding interest income		-	-	-	101	-	101
Change in fair value of financial assets at fair value through other comprehensive income		-	-	-	209	-	209
Currency translation differences		-	-	82	-	-	82
Reclassification of cumulative currency translation differences on sale of businesses		-	-	76	-	-	76
Tax charge on items relating to the components of other comprehensive income		-	-	-	(16)	-	(16)
Total other comprehensive income for the period		-	-	158	35	-	193
Total comprehensive income for the period		-	-	158	896	7	1,061
Fair value of share-based payments		-	-	-	34	-	34
Change in fair value of non-controlling interest put options		-	-	7	-	-	7
Cost of shares transferred to employees		-	-	62	(62)	-	-
Purchase of own shares - share buyback		-	-	(253)	-	-	(253)
		346	317	4,556	1,886	44	7,149
Dividends paid to equity shareholders	6	-	-	-	(606)	-	(606)
Dividends paid to non-controlling interests	-	-	-	-	-	(4)	(4)
At 31 March 2024		346	317	4,556	1,280	40	6,539

Compass Group PLC
Condensed Consolidated Financial Statements

Condensed consolidated balance sheet
At 31 March 2025

	At 31 March 2025 m	At 30 September 2024 m
Non-current assets		
Goodwill	7,411	6,899
Other intangible assets	3,767	3,325
Costs to obtain and fulfil contracts	1,529	1,525
Right-of-use assets	1,269	1,144
Property, plant and equipment	1,450	1,411
Interests in joint ventures and associates	199	203
Other investments	1,180	1,149
Post-employment benefit assets	312	542
Trade and other receivables	406	410
Deferred tax assets	223	179
Derivative financial instruments	30	69
Non-current assets	17,776	16,856
Current assets		
Inventories	776	734
Trade and other receivables	5,855	5,686

Tax recoverable	114	141
Cash and cash equivalents	653	623
Derivative financial instruments	13	36
	7,411	7,220
Assets held for sale	-	273
Current assets	7,411	7,493
Total assets	25,187	24,349
Current liabilities		
Borrowings	(2,043)	(822)
Lease liabilities	(316)	(273)
Derivative financial instruments	(14)	(21)
Provisions	(390)	(370)
Current tax liabilities	(235)	(235)
Trade and other payables	(7,761)	(8,172)
	(10,759)	(9,893)
Liabilities held for sale	-	(179)
Current liabilities	(10,759)	(10,072)
Non-current liabilities		
Borrowings	(3,624)	(3,774)
Lease liabilities	(1,133)	(1,042)
Derivative financial instruments	(158)	(187)
Post-employment benefit obligations	(1,239)	(1,274)
Provisions	(341)	(344)
Deferred tax liabilities	(358)	(287)
Trade and other payables	(523)	(463)
Non-current liabilities	(7,376)	(7,371)
Total liabilities	(18,135)	(17,443)
Net assets	7,052	6,906
Equity		
Share capital	346	346
Share premium	317	317
Other reserves	4,628	4,592
Retained earnings	1,674	1,574
Total equity shareholders' funds	6,965	6,829
Non-controlling interests	87	77
Total equity	7,052	6,906

Compass Group PLC
Condensed Consolidated Financial Statements

Condensed consolidated cash flow statement
For the six months ended 31 March 2025

	Notes	Six months ended 31 March	
		2025 m	2024 m
Cash flow from operating activities			
Cash generated from operations	7	1,782	1,749
Interest paid		(151)	(118)
Tax received		2	3
Tax paid		(297)	(304)
Net cash flow from operating activities		1,336	1,330
Cash flow from investing activities			
Purchase of subsidiary companies	9	(986)	(366)
Purchase of interests in joint ventures and associates		-	(5)
Net proceeds from sale of subsidiary companies, joint ventures and associates net of exit costs	9	118	14
Purchase of intangible assets		(167)	(151)
Purchase of contract fulfilment assets		(174)	(202)
Purchase of property, plant and equipment		(245)	(263)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets		23	35
Purchase of other investments		(30)	(1)
(Payments)/proceeds from sale of other investments		(27)	1
Dividends received from joint ventures and associates		18	18
Interest received		19	20
Loans to third parties		-	(26)
Net cash flow from investing activities		(1,451)	(926)
Cash flow from financing activities			
Purchase of own shares - share buyback		(115)	(377)
Increase in borrowings		1,279	806
Repayment of borrowings		(108)	(352)
Repayment of borrowings acquired through business acquisitions	9	(145)	-
Net cash flow from derivative financial instruments		(53)	51
Repayment of principal under lease liabilities		(125)	(108)
Dividends paid to equity shareholders	6	(670)	(606)
Dividends paid to non-controlling interests		(2)	(4)
Net cash flow from financing activities		61	(590)
Cash and cash equivalents			
Net decrease in cash and cash equivalents		(54)	(186)
Cash and cash equivalents at 1 October ¹		593	830
Currency translation (losses)/gains on cash and cash equivalents		(8)	18
Cash and cash equivalents at 31 March		531	662
Cash and cash equivalents		552	605

Cash and cash equivalents	533	593
Bank overdrafts	(122)	(58)
Cash and cash equivalents²	531	637
Cash classified as held for sale	-	25
Cash and cash equivalents at 31 March	531	662

1. Cash and cash equivalents at 1 October 2024 include cash of 40m classified as held for sale and overdrafts of 70m in the consolidated balance sheet at 30 September 2024.
2. As per the consolidated balance sheet.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

1 Basis of preparation

Introduction

The unaudited condensed consolidated financial statements for the six months ended 31 March 2025:

- have been prepared in accordance with UK-adopted International Accounting Standard (IAS) 34 Interim Financial Reporting and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority;
- apply the accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the year ended 30 September 2024;
- do not comprise statutory accounts for the purpose of Section 434 of the Companies Act 2006;
- should be read in conjunction with the Annual Report for the year ended 30 September 2024; and
- were approved by the Board on 14 May 2025.

The comparative figures for the year ended 30 September 2024 are not the Group's statutory accounts for that financial year. Those financial statements have been reported on by the Group's auditor and delivered to the Registrar of Companies. The report of the auditor was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006.

The annual financial statements of the Group will be prepared in accordance with UK-adopted International Accounting Standards.

Going concern

The consolidated financial statements are prepared on a going concern basis for the reasons stated below.

At 31 March 2025, the Group's financing arrangements included Eurobonds (3.6bn) and US Private Placement (USPP) notes (0.6bn), together with a Revolving Credit Facility (RCF) of 3.2bn, committed to February 2030, which was fully undrawn, and 0.5bn of cash, net of overdrafts. The Group also had in issuance 1.3bn of commercial paper, which is backed up by the RCF. The USPP notes are subject to leverage and interest cover covenants which are tested on 31 March and 30 September each year. The Group met both covenants at 31 March 2025. The liquidity position of the Group has remained substantially unchanged at the date of approving the consolidated financial statements.

The directors have prepared monthly cash flow projections for a period of 12 months from the date of approval of the consolidated financial statements (assessment period). Debt maturities in the assessment period are, in the period to June 2025, 1.3bn of commercial paper and, in September 2025, a £250m (323m) Eurobond and 300m USPP note. No refinancing of debt is assumed in the going concern assessment.

The cash flow projections show that the Group has significant headroom against its committed facilities and meets its financial covenant obligations under the USPP notes. A stress test has been used to determine the performance level that would result in a reduction in headroom against the committed facilities to nil or a breach of the covenants. The Group's committed facilities would be reached in the event that underlying operating profit reduced by more than 70%, which the directors do not consider to be likely. The stress test assumes no new business acquisitions as the only mitigating action.

Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least the period of 12 months from the date of approval of the consolidated financial statements.

Changes in accounting policies

There are a number of changes to accounting standards, effective in future years, which are not expected to significantly impact the Group's consolidated financial statements.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

1 Basis of preparation (continued)

Judgements

The preparation of the consolidated financial statements requires management to make judgements in respect of the application of its accounting policies which impact the reported amounts of assets, liabilities, income and expenses.

Whilst there are no judgements that management considers to be critical in the preparation of these financial statements, there is a significant judgement in respect of the classification of cash payments relating to contract fulfilment assets in the cash flow statement.

With the exception of contract fulfilment assets, cash payments in respect of contract balances are classified as cash flows from operating activities. The Group classifies additions to contract fulfilment assets as cash flows from investing activities as they arise from cash payments in relation to assets that will generate long-term economic

investing activities as they arise from cash payments in relation to assets that will generate long-term economic benefits. During the period, the purchase of contract fulfilment assets in cash flows from investing activities was 174m (2024: 202m).

Estimates

The preparation of the consolidated financial statements requires management to make estimates which impact the reported amounts of assets, liabilities, income and expenses. These estimates are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Major sources of estimation uncertainty

The Group's major source of estimation uncertainty is in relation to goodwill in the UK cash-generating unit on the basis that a reasonably possible change in key assumptions could have a material effect on the carrying amount in the next 12 months.

Following a buy-in entered into in December 2024, whereby c.98% of the UK Plan's liabilities of 1.7bn at 31 March 2025 are covered by an insurance arrangement, post-employment benefit obligations are no longer considered to be a major source of estimation uncertainty.

Other sources of estimation uncertainty

In addition to the major source of estimation uncertainty, tax, acquisition intangibles and post-employment benefit obligations have been identified as other sources of estimation uncertainty. Whilst not considered to be major sources of estimation uncertainty as defined by IAS 1 Presentation of Financial Statements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties.

Climate change

Climate change is identified as a principal risk as its impact on the environment may lead to issues around food sourcing and security, and supply chain continuity in some of the Group's markets. The Group has a commitment to reach climate net zero greenhouse gas (GHG) emissions across its global operations and value chain by 2050. The potential impact of climate change and the Group's net zero commitments on the following areas has been considered: going concern; tax; goodwill; other intangible assets; and post-employment benefits. There was no impact on the reported amounts in the financial statements as a result of this review.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

2 Segmental analysis

The segmental information presented is consistent with management reporting provided to the Executive Committee (the chief operating decision maker). The Executive Committee monitors the underlying revenue and operating profit of the Group's two geographical segments, North America and International, to assess performance and allocate resources. The Group also has a separate segment for central activities which includes costs in respect of central functions, including finance, legal, commercial, IT and human resources. Underlying revenue and operating profit are reconciled to GAAP measures below. Finance costs and income tax expense are managed on a Group basis.

	Geographical segments		
	North America m	International ³ m	Total m
Revenue by sector and geographical segment^{1,2}			
Six months ended 31 March 2025			
Business & Industry	5,364	3,233	8,597
Education	3,525	1,011	4,536
Healthcare & Senior Living	4,245	1,007	5,252
Sports & Leisure	2,158	787	2,945
Defence, Offshore & Remote	160	1,106	1,266
Underlying revenue^{4,5}	15,452	7,144	22,596
Less: Share of revenue of joint ventures	(8)	(20)	(28)
Revenue	15,444	7,124	22,568
Six months ended 31 March 2024			
Business & Industry	4,727	2,997	7,724
Education	3,292	877	4,169
Healthcare & Senior Living	3,926	1,002	4,928
Sports & Leisure	2,008	637	2,645
Defence, Offshore & Remote	174	1,247	1,421
Underlying revenue^{4,5}	14,127	6,760	20,887
Less: Share of revenue of joint ventures	(13)	(130)	(143)
Revenue	14,114	6,630	20,744

1. There is no inter-segment trading.

2. An analysis of revenue recognised over time and at a point in time is not provided on the basis that the nature, amount, timing and uncertainty of revenue and cash flows are considered to be similar.

3. Our former Rest of World region now accounts for c.5% of the Group's revenue on a pro forma basis. With effect from 1 October 2024, the Group's internal management reporting structure has been changed to combine Rest of World with Europe to form a new International region. Comparative segmental financial information for 2024 has been re-presented.

4. Revenue plus share of revenue of joint ventures.

5. Underlying revenue arising in the UK, the Group's country of domicile, was 1,958m (2024: 1,519m). Underlying revenue arising in the US region was 14,675m (2024: 13,391m). Underlying revenue arising in all countries outside the UK from which the Group derives revenue was 20,638m (2024: 19,368m).

	Geographical segments			
	North America m	International m	Central activities m	Total m
Profit by geographical segment				
Six months ended 31 March 2025				
Underlying operating profit/(loss) before results of joint ventures and associates	1,278	408	(78)	1,608
Add: Share of results of associates	11	2	-	13

Adj. Share of results of associates	11	0	-	13
Underlying operating profit/(loss)¹	1,289	416	(78)	1,627
Less: Acquisition-related charges ²	(51)	(90)	-	(141)
Less: Charges related to the strategic portfolio review ²	-	(8)	-	(8)
Less: One-off pension charge ²	-	(2)	-	(2)
Operating profit/(loss)	1,238	316	(78)	1,476
Net loss on sale and closure of businesses ²				(36)
Finance costs				(157)
Profit before tax				1,283
Income tax expense				(357)
Profit for the period				926

1. Operating profit excluding specific adjusting items (see note 13).

2. Specific adjusting item (see note 13).

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For the six months ended 31 March 2025

2 Segmental analysis (continued)

	Geographical segments		Central activities	Total
	North America	International ¹	m	m
Profit by geographical segment				
Six months ended 31 March 2024				
Underlying operating profit/(loss) before results of joint ventures and associates	1,154	360	(72)	1,442
Add: Share of profit before tax of joint ventures	1	14	-	15
Add: Share of results of associates	10	7	-	17
Underlying operating profit/(loss) ²	1,165	381	(72)	1,474
Less: Acquisition-related charges ³	(8)	(41)	-	(49)
Less: One-off pension charge ³	-	(3)	-	(3)
Less: Tax on share of profit of joint ventures ³	-	(2)	-	(2)
Operating profit/(loss)	1,157	335	(72)	1,420
Net loss on sale and closure of businesses ³				(94)
Finance costs				(131)
Profit before tax				1,195
Income tax expense				(327)
Profit for the period				868

1. Our former Rest of World region now accounts for c.5% of the Group's revenue on a pro forma basis. With effect from 1 October 2024, the Group's internal management reporting structure has been changed to combine Rest of World with Europe to form a new International region. Comparative segmental financial information for 2024 has been re-presented.

2. Operating profit excluding specific adjusting items (see note 13).

3. Specific adjusting item (see note 13).

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3 Operating costs

	Six months ended 31 March	
	2025	2024
	m	m
Operating costs		
Food and materials		
Cost of inventories consumed	6,178	5,761
Labour		
Employee remuneration	10,739	9,682
Overheads		
Commissions and fees paid to clients	802	838
Amortisation - other intangible assets	85	74
Amortisation - contract fulfilment assets	166	147
Depreciation - right-of-use assets	122	106
Depreciation - property, plant and equipment	194	177
Impairment losses - non-current assets	-	7
Acquisition-related charges ¹ (see below)	141	49
Charges related to the strategic portfolio review ¹	8	-
Other	2,676	2,513
Total	21,111	19,354

1. Specific adjusting item (see note 13).

Acquisition-related charges

Amortisation and impairment charges in respect of intangible assets acquired through business combinations, direct costs incurred through business combinations or other strategic asset acquisitions, business integration costs, changes in consideration in relation to past acquisition activity and other acquisition-related items.

	Six months ended 31 March	
	2025	2024
	m	m
Acquisition-related charges		
Amortisation - acquisition intangibles	106	68
Acquisition transaction costs	32	16
Gains on bargain purchases	-	(35)
Other	3	-
Total	141	49

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4 Tax

	Six months ended 31 March	
	2025	2024
	m	m
Income tax expense		
Current tax		
Current period	340	349
Adjustment in respect of prior years	(15)	(18)
Current tax expense	325	331
Deferred tax		
Current period	32	(4)
Deferred tax charge/(credit)	32	(4)
Total	357	327

The income tax expense for the period is based on the effective UK statutory rate of corporation tax for the period of 25% (2024: 25%). Overseas tax is calculated at the rates prevailing in the respective jurisdictions.

The tax position in each country in which the Group operates is often not agreed with the tax authorities until some time after the relevant period end and, if subject to a tax audit, may be open for an extended period. In these circumstances, the recognition of tax liabilities and assets requires management estimation to reflect a variety of factors, including historical experience, interpretations of tax law and the likelihood of settlement.

The international corporate tax environment remains complex and the sustained increase in audit activity from tax authorities means that the potential for tax uncertainties and disputes remains high. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the results in the year in which such determination is made. In addition, the calculation and recognition of temporary differences giving rise to deferred tax assets requires estimates to be made of the extent to which future taxable profits are available against which these temporary differences can be utilised.

The Group is currently subject to audits and reviews in a number of countries that primarily relate to complex corporate tax issues. The Group does not currently anticipate any material changes to the amounts recorded at 31 March 2025.

Most of the Group's tax losses and other temporary differences recognised as deferred tax assets do not have an expiry date. The recognition of net deferred tax assets is based on the most recent financial budgets and forecasts approved by management.

Deferred tax assets have not been recognised in respect of tax losses of 68m (30 September 2024: 101m) and other temporary differences of 13m (30 September 2024: 13m). These deferred tax assets have not been recognised as the timing of recovery is uncertain.

The legislation implementing the Pillar Two Model Rules in the UK applies from the financial year ending 30 September 2025. The impact on the Group's effective tax rate is not expected to be material. The Group has applied the temporary exception under IAS 12 Income Taxes in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two Model Rules.

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For the six months ended 31 March 2025

5 Earnings per share

	Six months ended 31 March	
	2025	2024
	m	m
Profit for the period attributable to equity shareholders	919	861
	Six months ended 31 March	
	2025	2024
	Ordinary shares of 11 1/20p each millions	Ordinary shares of 11 1/20p each millions
Weighted average number of ordinary shares		
Weighted average number of ordinary shares for basic earnings per share	1,697	1,709
Dilutive effect of share-based payment plans	1	-
Weighted average number of ordinary shares for diluted earnings per share	1,698	1,709

	Six months ended 31 March	
Earnings per share	2025	2024
	cents	cents
Basic	54.2c	50.4c
Diluted	54.1c	50.4c

Underlying earnings per share for the six months ended 31 March 2025 was 64.5c (2024: 59.0c). Underlying earnings per share is calculated based on earnings excluding the effect of acquisition-related charges, charges related to the strategic portfolio review, one-off pension charge, gains and losses on sale and closure of businesses and other financing items, together with the tax attributable to these amounts (see note 13).

6 Dividends

The interim dividend of 22.6c per share (2024: 20.7c per share), 384m in aggregate¹, is payable on 31 July 2025 to shareholders on the register at the close of business on 20 June 2025. Other important dates to note are shown on page 2. The dividend will be paid gross and a Dividend Reinvestment Plan (DRIP) will be available. Shareholders appearing on the Register of Members or holding their shares through CREST will automatically receive their dividends in sterling, but have the option to elect to receive their dividends in US dollars. For shares held in certificated form on the register, US dollar elections can be made by contacting our share registrar, MUFG Corporate Markets. MUFG's contact details can be found on our website under Dividend Information.

The interim dividend was approved by the Board after the balance sheet date and, therefore, it has not been reflected as a liability in the interim financial statements.

	Six months ended 31 March 2025		Six months ended 31 March 2024	
Dividends on ordinary shares	Dividends per share cents	m	Dividends per share cents	m
Amounts recognised as distributions to equity shareholders during the period				
Final 2023	-	-	34.7c	606
Final 2024	39.1c	670	-	-
Total	39.1c	670	34.7c	606

1. Based on the number of ordinary shares in issue at 31 March 2025 excluding shares held in treasury and the Compass Group PLC All Share Schemes Trust (1,697m shares).

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For the six months ended 31 March 2025

7 Reconciliation of operating profit to cash generated from operations

	Six months ended 31 March	
	2025	2024
	m	m
Reconciliation of operating profit to cash generated from operations		
Operating profit before joint ventures and associates	1,457	1,390
<i>Adjustments for:</i>		
Acquisition-related charges ¹	109	33
Charges related to the strategic portfolio review	8	-
One-off pension charge	2	3
Amortisation - other intangible assets ²	85	74
Amortisation - contract fulfilment assets	166	147
Amortisation - contract prepayments	51	45
Depreciation - right-of-use assets	122	106
Depreciation - property, plant and equipment	194	177
Unwind of costs to obtain contracts	18	16
Impairment losses - non-current assets	-	7
Loss/(gain) on disposal of property, plant and equipment/intangible assets/contract fulfilment assets	5	(9)
Other non-cash changes	(1)	-
Increase in provisions	13	21
Investment in contract prepayments	(108)	(112)
Increase in costs to obtain contracts ³	(26)	(21)
Post-employment benefit obligations net of service costs	3	5
Share-based payments - charged to profit	40	34
Operating cash flow before movements in working capital	2,138	1,916
Increase in inventories	(40)	(23)
Increase in receivables	(72)	(226)
(Decrease)/increase in payables	(244)	82
Cash generated from operations	1,782	1,749

1. Includes amortisation and impairment of acquisition intangibles. Excludes acquisition transaction costs of 32m (2024: 16m) as acquisition transaction costs are included in net cash flow from operating activities.

2. Excludes amortisation of acquisition intangibles.

3. Cash payments in respect of contract balances are classified as cash flows from operating activities, with the exception of contract fulfilment assets which are classified as cash flows from investing activities as they arise out of cash payments in relation to assets that will generate long-term economic benefits. During the six months ended 31 March 2025, the purchase of contract fulfilment assets in cash flows from investing activities was 174m (2024: 202m).

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8 Financial instruments

Certain of the Group's financial instruments are held at fair value.

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the balance sheet date.

The fair value measurement hierarchy is as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

There were no transfers of financial instruments between levels of the fair value hierarchy in either the six months ended 31 March 2025 or 2024. The carrying amounts of financial instruments measured at fair value are shown in the table below:

		At 31 March 2025 m	At 30 September 2024 m
Financial instruments measured at fair value			
	Level		
Non-current			
Rabbi Trust investments ¹	1	1,040	1,022
Mutual fund investments ¹	1	51	62
Life insurance policies ¹	2	36	36
Derivative financial instruments - assets	2	30	69
Derivative financial instruments - liabilities	2	(158)	(187)
Trade investments ¹	3	53	29
Contingent consideration payable on business acquisitions ²	3	(116)	(102)
Non-controlling interest put options ²	3	(71)	(65)
Current			
Money market funds ³	1	31	126
Derivative financial instruments - assets	2	13	36
Derivative financial instruments - liabilities	2	(14)	(21)
Contingent consideration payable on business acquisitions ²	3	(134)	(250)
Non-controlling interest put options ²	3	(5)	(5)

1. Classified as other investments in the consolidated balance sheet.

2. Classified as trade and other payables in the consolidated balance sheet.

3. Classified as cash and cash equivalents in the consolidated balance sheet on the basis that they have a maturity of three months or less from the date of acquisition.

Due to the variability of the valuation factors, the fair values presented at 31 March 2025 may not be indicative of the amounts the Group would expect to realise in the current market environment. The fair values of financial instruments at levels 2 and 3 of the fair value hierarchy have been determined based on the valuation methodologies listed below:

Level 2

Life insurance policies Cash surrender values provided by third-party insurance providers.

Derivative financial instruments Present values determined from future cash flows discounted at rates derived from market-sourced data. The fair values of derivative financial instruments represent the maximum credit exposure.

Level 3

Trade investments Estimated values using income and market value approaches.

Contingent consideration payable on business acquisitions Estimated amounts payable based on the likelihood of specified conditions, such as earnings targets, being met.

Non-controlling interest put options Estimated amounts payable based on the likelihood of options being exercised by minority shareholders.

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8 Financial instruments (continued)

A reconciliation from opening to closing balances for Level 3 financial instruments is as follows:

	Six months ended 31 March 2025			Six months ended 31 March 2024		
	Trade investments m	Contingent consideration payable on business acquisitions m	Non- controlling interest put options m	Trade investments m	Contingent consideration payable on business acquisitions m	Non- controlling interest put options m
Level 3 financial instruments						
At 1 October	29	(352)	(70)	181	(158)	(22)
Change in fair value recognised in the statement of comprehensive income	(3)	-	-	100	-	-
Change in fair value recognised in the statement of changes in equity	-	-	(2)	-	-	7

Additions	30	(41)	(7)	-	(8)	-
Disposals	(3)	-	-	-	-	-
Payments relating to businesses acquired in previous years	-	140	-	-	27	-
Net present value adjustments	-	(6)	-	-	(3)	-
Currency translation	-	9	3	(1)	(1)	-
At 31 March	53	(250)	(76)	280	(143)	(15)

The directors do not consider that any reasonably possible changes in the key assumptions would cause the fair value of the Level 3 financial instruments to be materially higher or lower.

With the exception of borrowings, the carrying amounts of financial instruments measured at amortised cost approximate to their fair values. Borrowings are measured at amortised cost unless they are part of a fair value hedge, in which case amortised cost is adjusted for the fair value attributable to the risk being hedged. The carrying amount of borrowings at 31 March 2025 is 5,667m (30 September 2024: 4,596m). The fair value of borrowings at 31 March 2025, calculated by discounting future cash flows to net present values at current market rates for similar financial instruments (Level 2 inputs), is 5,704m (30 September 2024: 4,625m).

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9 Acquisition, sale and closure of businesses

Acquisition of businesses

The total cash spent on the acquisition of subsidiaries during the six months ended 31 March 2025, net of cash acquired, was 1,167m (2024: 382m), including 145m (2024: nil) on the repayment of borrowings acquired through business acquisitions, 146m (2024: 29m) of deferred and contingent consideration and other payments relating to businesses acquired in previous years, and 36m (2024: 16m) of acquisition transaction costs included in net cash flow from operating activities.

The Group made two individually material acquisitions during the six months ended 31 March 2025 (Dupont Restauration and 4Service). Detailed disclosures in respect of these acquisitions are provided below.

Dupont Restauration

On 31 October 2024, the Group acquired 100% of the issued share capital of DR Holding (trading as Dupont Restauration), a provider of contract catering services in France, for cash consideration of €198m (215m) net of cash acquired. The cash consideration excludes third-party debt acquired and repaid on the date of acquisition of €64m (69m).

The goodwill of 144m represents the premium the Group has paid to acquire a company that complements its existing businesses and creates significant opportunities for synergies, including economies of scale in purchasing and overhead cost savings.

The fair value of net assets acquired includes 160m in respect of other intangible assets which mainly relate to brands (28m) and client contracts (130m). The brands were valued using the relief from royalty method, with the key assumptions being forecast revenue, royalty rate, useful life and discount rate. The client contracts were valued using the multi-period excess earnings method, with the key assumptions being forecast operating profit, attrition rate, useful life and discount rate. The intangible assets were valued by independent valuation experts.

The acquisition did not have a material impact on the Group's revenue or profit for the period. If the acquisition had occurred on 1 October 2024, it would not have had a material impact on the Group's revenue or profit for the period.

4Service

On 17 January 2025, the Group acquired 100% of the issued share capital of 4Service Holding (trading as 4Service), a provider of catering and facility management services in Norway, for cash consideration of NOK 3,964bn (343m) net of cash acquired. The cash consideration excludes third-party debt acquired and repaid on the date of acquisition of NOK 854m (74m).

The goodwill of 335m represents the premium the Group has paid to acquire a company that complements its existing businesses and enhances its capabilities, as well as creating significant opportunities for synergies, including economies of scale in purchasing, overhead cost savings and cross-selling opportunities with existing clients.

The fair value of net assets acquired includes 176m in respect of other intangible assets which mainly relate to brands (57m) and client contracts (115m). The brands were valued using the relief from royalty method, with the key assumptions being forecast revenue, royalty rate, useful life and discount rate. The client contracts were valued using the multi-period excess earnings method, with the key assumptions being forecast operating profit, attrition rate, useful life and discount rate. The intangible assets were valued by independent valuation experts.

The acquisition did not have a material impact on the Group's revenue or profit for the period. If the acquisition had occurred on 1 October 2024, it would not have had a material impact on the Group's revenue or profit for the period.

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9 Acquisition, sale and closure of businesses (continued)

Acquisition of businesses (continued)

All acquisitions

A summary of the Dupont Restauration and 4Service acquisitions, together with all acquisitions completed during the period in aggregate, is presented below:

	Dupont Restauration m	4Service m	Other m	Total m
Net assets acquired				
Other intangible assets	160	176	189	525
Costs to obtain and fulfil contracts	-	-	4	4
Right-of-use assets	14	52	14	80
Property, plant and equipment	11	9	13	33
Trade and other receivables	78	64	18	160
Inventories	6	5	5	16
Cash and cash equivalents	37	47	18	102
Borrowings	(69)	(74)	(2)	(145)
Lease liabilities	(14)	(52)	(14)	(80)
Current tax liabilities	(1)	(2)	(2)	(5)
Trade and other payables	(68)	(120)	(38)	(226)
Provisions	(4)	(11)	-	(15)
Post-employment benefit obligations	(3)	-	-	(3)
Deferred tax liabilities	(39)	(34)	(10)	(83)
Fair value of net assets acquired	108	60	195	363
Less: Non-controlling interests	-	(5)	-	(5)
Goodwill	144	335	156	635
Total consideration	252	390	351	993
Satisfied by				
Cash consideration paid	252	390	300	942
Deferred and contingent consideration payable	-	-	44	44
Non-controlling interest put options payable	-	-	7	7
Total consideration	252	390	351	993
Cash flow				
Cash consideration paid	252	390	300	942
Less: Cash and cash equivalents acquired	(37)	(47)	(18)	(102)
Cash consideration net of cash acquired	215	343	282	840
Add: Repayment of borrowings acquired through business acquisitions ¹	69	74	2	145
Add: Acquisition transaction costs ²	4	7	25	36
Net cash outflow arising on acquisition	288	424	309	1,021
Deferred and contingent consideration and other payments relating to businesses acquired in previous years	-	-	146	146
Total cash outflow from purchase of subsidiary companies	288	424	455	1,167
Consolidated cash flow statement				
Net cash flow from operating activities ²	4	7	25	36
Net cash flow from investing activities	215	343	428	986
Net cash flow from financing activities ¹	69	74	2	145
Total cash outflow from purchase of subsidiary companies	288	424	455	1,167

1. Repayment of borrowings acquired through business acquisitions is included in net cash flow from financing activities.

2. Acquisition transaction costs are included in net cash flow from operating activities.

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9 Acquisition, sale and closure of businesses (continued)

Acquisition of businesses (continued)

Contingent consideration is an estimate at the date of acquisition of the amount of additional consideration that will be payable in the future. The actual amount paid can vary from the estimate depending on the terms of the transaction and, for example, the actual performance of the acquired business.

The fair value adjustments made in respect of acquisitions in the period are provisional and will be finalised within 12 months of the acquisition date.

The acquisitions did not have a material impact on the Group's revenue or profit for the period. If the acquisitions had occurred on 1 October 2024, they would not have had a material impact on the Group's revenue or profit for the period.

Goodwill

	Dupont Restauration m	4Service m	Other m	Total m
Goodwill				
Cost				
At 1 October 2024	-	-	7,681	7,681
Business acquisitions	144	335	156	635
Currency adjustment	1	33	(223)	(189)
At 31 March 2025	145	368	7,614	8,127
Impairment				
At 1 October 2024	-	-	782	782
Currency adjustment	-	-	(66)	(66)
At 31 March 2025	-	-	716	716
Net carrying amount				
At 1 October 2024	-	-	6,899	6,899

At 31 March 2025	145	368	6,898	7,411
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The goodwill arising on the acquisition of the businesses represents the premium the Group has paid to acquire companies that complement its existing businesses and create significant opportunities for synergies. The goodwill arising is not expected to be deductible for tax purposes.

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9 Acquisition, sale and closure of businesses (continued)

Sale and closure of businesses

The Group has recognised a net loss of 36m on the sale and closure of businesses (2024: 94m), including exit costs of 7m (2024: 17m). Activity in the period includes the sale of the Group's businesses in Chile, Colombia, Mexico and Kazakhstan.

A summary of business disposals completed during the period is presented in aggregate below:

	m
Net assets disposed	
Goodwill	13
Other intangible assets	1
Costs to obtain and fulfil contracts	1
Right-of-use assets	7
Property, plant and equipment	24
Trade and other receivables	162
Deferred tax assets	18
Inventories	13
Tax recoverable	12
Cash and cash equivalents	36
Lease liabilities	(6)
Current tax liabilities	(12)
Provisions	(8)
Trade and other payables	(156)
Net assets disposed	105
Consolidated income statement	
Cash consideration	171
Deferred consideration	(26)
Less: Net assets disposed	(105)
Less: Exit costs	(7)
Less: Reclassification of cumulative currency translation differences on sale of businesses	(69)
Net loss on sale and closure of businesses	(36)
Consolidated cash flow statement	
Cash consideration received	171
Tax payments arising on disposal of businesses	(10)
Exit costs paid	(7)
Cash and cash equivalents disposed	(36)
Net proceeds from sale of subsidiary companies, joint ventures and associates net of exit costs	118

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10 Contingent liabilities

Litigation and claims

The Group is involved in various legal proceedings incidental to the nature of its business and maintains insurance cover to reduce financial risk associated with claims related to these proceedings. Where appropriate, provisions are made to cover any potential uninsured losses.

Although it is not possible to predict the outcome or quantify the financial effect of these proceedings, or any claim against the Group related thereto, in the opinion of the directors, any uninsured losses resulting from the ultimate resolution of these matters will not have a material effect on the financial position of the Group. The timing of the settlement of these proceedings or claims is uncertain.

During the period of the Group's ownership of its business in Brazil, which was sold in 2024, the federal tax authorities issued notices of deficiency in respect of 2014 and 2017 relating primarily to the PIS/COFINS treatment of certain food costs which we formally objected to and which are proceeding through the appeals process. At 31 March 2025, the total amount assessed in respect of these matters is 83m (30 September 2024: 87m), including interest and penalties. The possibility of further notices of deficiency for subsequent years during the period of the Group's ownership cannot be ruled out and the judicial process is likely to take a number of years to conclude. Based on the opinion of our local legal advisers, we do not currently consider it likely that we will have to settle a liability with respect to these matters and, on this basis, no provision has been recorded.

The Group is currently subject to audits and reviews in a number of countries that primarily relate to complex corporate tax issues. None of these audits is currently expected to have a material impact on the Group's financial

position. We continue to engage with tax authorities and other regulatory bodies on payroll and sales tax reviews, and compliance with labour laws and regulations.

Food safety

In the ordinary course of business, food safety incidents are identified from time to time and our businesses' operations receive external reviews of their food hygiene and safety practices, both on a periodic basis and in connection with identified incidents. At any point, a number of reviews will be ongoing. Although it is not possible to predict the outcome or quantify the financial effect of the outcome of these reviews, or any claim against Group companies related thereto, in the opinion of the directors, any uninsured losses resulting from the ultimate resolution of these ongoing reviews are not expected to have a material effect on the financial position of the Group. The timing of the outcome of these reviews is generally uncertain.

11 Related party transactions

Full details of the Group's related party relationships, transactions and balances are provided in the Group's financial statements for the year ended 30 September 2024. There have been no material changes in these relationships during the six months ended 31 March 2025 or up to the date of this Announcement. Transactions with related parties have not had, and are not expected to have, a material effect on the financial performance or position of the Group.

12 Post-balance sheet events

On 14 May 2025, an interim dividend of 22.6c per share, 384m in aggregate, was approved by the Board.

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13 Non-GAAP measures

Introduction

The Executive Committee manages and assesses the performance of the Group using various underlying and other Alternative Performance Measures (APMs). These measures are not defined by International Financial Reporting Standards (IFRS) or other generally accepted accounting principles (GAAP) and may not be directly comparable with APMs used by other companies. Underlying measures reflect ongoing trading and, therefore, facilitate meaningful year-on-year comparison. The Group's APMs, together with the results prepared in accordance with IFRS, provide comprehensive analysis of the Group's results. Accordingly, the relevant statutory measures are also presented where appropriate. Certain of the Group's APMs are financial Key Performance Indicators (KPIs) which measure progress against our strategy.

In determining the adjustments to arrive at underlying results, we use a set of established principles relating to the nature and materiality of individual items or groups of items, including, for example, events which: (i) are outside the normal course of business; (ii) are incurred in a pattern that is unrelated to the trends in the underlying financial performance of our ongoing business; or (iii) are related to business acquisitions or disposals as they are not part of the Group's ongoing trading business and the associated cost impact arises from the transaction rather than from the continuing business.

Definitions

Measure	Definition	Purpose
Income statement		
Underlying revenue	Revenue plus share of revenue of joint ventures.	Allows management to monitor the sales performance of the Group's subsidiaries and joint ventures.
Underlying operating profit	Operating profit excluding specific adjusting items ² .	Provides a measure of operating profitability that is comparable over time.
Underlying operating margin¹	Underlying operating profit divided by underlying revenue.	An important measure of the efficiency of our operations in delivering great food and support services to our clients and consumers.
Organic revenue¹	Current year: Underlying revenue excluding businesses acquired, sold and closed in the year. Prior year: Underlying revenue including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.	Embodies our success in growing and retaining our customer base, as well as our ability to drive volumes in our existing businesses and maintain appropriate pricing levels in light of input cost inflation.
Organic operating profit	Current year: Underlying operating profit excluding businesses acquired, sold and closed in the year. Prior year: Underlying operating profit including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.	Provides a measure of operating profitability that is comparable over time.
Underlying finance costs	Finance costs excluding specific adjusting items ² .	Provides a measure of the Group's cost of financing excluding items outside of the control of management.
Underlying profit before tax	Profit before tax excluding specific adjusting items ² .	Provides a measure of Group profitability that is comparable over time.
Underlying income tax expense	Income tax expense excluding tax attributable to specific adjusting items ² .	Provides a measure of income tax expense that is comparable over time.

expense

Underlying effective tax rate	Underlying income tax expense divided by underlying profit before tax.	Provides a measure of the effective tax rate that is comparable over time.
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1. Key Performance Indicator.

2. See page 41 for definitions of the specific adjusting items and a reconciliation from the statutory to the underlying income statement.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Definitions (continued)

Measure	Definition	Purpose
Income statement (continued)		
Underlying profit for the year	Profit for the year excluding specific adjusting items ² and tax attributable to those items.	Provides a measure of Group profitability that is comparable over time.
Underlying profit attributable to equity shareholders (underlying earnings)	Profit for the year attributable to equity shareholders excluding specific adjusting items ² and tax attributable to those items.	Provides a measure of Group profitability that is comparable over time.
Underlying earnings per share¹	Earnings per share excluding specific adjusting items ² and tax attributable to those items.	Measures the performance of the Group in delivering value to shareholders.
Underlying EBITDA	Underlying operating profit excluding underlying impairment, depreciation and amortisation of intangible assets, tangible assets and contract-related assets.	Provides a measure of Group operating profitability that is comparable over time.
Balance sheet		
Net debt	Bank overdrafts, bank and other borrowings, lease liabilities and derivative financial instruments, less cash and cash equivalents.	Allows management to monitor the indebtedness of the Group.
Net debt to EBITDA	Net debt divided by underlying EBITDA.	Provides a measure of the Group's ability to finance and repay its debt from its operations.
Cash flow		
Capital expenditure	Purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment and investment in contract prepayments, less proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets.	Provides a measure of expenditure on long-term intangible, tangible and contract-related assets, net of the proceeds from disposal of intangible, tangible and contract-related assets.
Underlying operating cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, repayment of principal under lease liabilities and share of results of joint ventures and associates, and excluding interest and net tax paid, post-employment benefit obligations net of service costs, cash payments related to COVID-19 resizing costs, strategic portfolio review and one-off pension charge, and acquisition transaction costs.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying operating cash flow conversion	Underlying operating cash flow divided by underlying operating profit.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Free cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, purchase of other non-trade investments, proceeds from sale of other non-trade investments, dividends received from joint ventures and associates, interest received, repayment of principal under lease liabilities and dividends paid to non-controlling interests.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.

1. Key Performance Indicator.

2. See page 41 for definitions of the specific adjusting items and a reconciliation from the statutory to the underlying income statement.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Definitions (continued)

Measure	Definition	Purpose
Cash flow (continued)		
Underlying free cash flow¹	Free cash flow excluding cash payments related to COVID-19 resizing costs, strategic portfolio review and one-off pension charge, and acquisition transaction costs.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying free cash flow conversion	Underlying free cash flow divided by underlying profit for the year.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying cash tax rate	Net tax paid included in net cash flow from operating activities divided by underlying profit before tax.	Provides a measure of the cash tax rate that is comparable over time.
Business growth		
New business	Current year underlying revenue for the period in which no revenue had been recognised in the prior year.	The measure of incremental revenue in the current year from new business.
Lost business	Prior year underlying revenue for the period in which no revenue has been recognised in the current year.	The measure of lost revenue in the current year from ceased business.
Net new business	New business minus lost business as a percentage of prior year organic revenue.	The measure of net incremental revenue in the current year from business wins and losses.
Retention	100% minus lost business as a percentage of prior year organic revenue.	The measure of our success in retaining business.

1. Key Performance Indicator.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Reconciliations

Income statement

Underlying revenue and operating profit are reconciled to GAAP measures in note 2 (segmental analysis).

	Geographical segments		
	North America m	International ¹ m	Total m
Organic revenue			
Six months ended 31 March 2025			
Underlying revenue	15,452	7,144	22,596
Organic adjustments	(14)	(495)	(509)
Organic revenue	15,438	6,649	22,087
Six months ended 31 March 2024			
Underlying revenue	14,127	6,760	20,887
Currency adjustments	(30)	(171)	(201)
Underlying revenue - constant currency	14,097	6,589	20,686
Organic adjustments	113	(442)	(329)
Organic revenue	14,210	6,147	20,357
Increase in underlying revenue at reported rates - %	9.4%	5.7%	8.2%
Increase in underlying revenue at constant currency - %	9.6%	8.4%	9.2%
Increase in organic revenue - %	8.6%	8.2%	8.5%

	Geographical segments		Central activities	Total
	North America	International ¹	m	m
Organic operating profit				
Six months ended 31 March 2025				
Underlying operating profit/(loss)	1,289	416	(78)	1,627
Underlying operating margin - %	8.3%	5.8%		7.2%
Organic adjustments	(1)	(30)	-	(31)
Organic operating profit/(loss)	1,288	386	(78)	1,596

Six months ended 31 March 2024

Underlying operating profit/(loss)	1,165	381	(72)	1,474
Underlying operating margin - %	8.2%	5.6%		7.1%
Currency adjustments	(2)	(13)	(1)	(16)
Underlying operating profit/(loss) - constant currency	1,163	368	(73)	1,458
Organic adjustments	6	(33)	-	(27)
Organic operating profit/(loss)	1,169	335	(73)	1,431
Increase in underlying operating profit at reported rates - %	10.6%	9.2%		10.4%
Increase in underlying operating profit at constant currency - %	10.8%	13.0%		11.6%
Increase in organic operating profit - %	10.2%	15.2%		11.5%

1. Our former Rest of World region now accounts for c.5% of the Group's revenue on a pro forma basis. With effect from 1 October 2024, the Group's internal management reporting structure has been changed to combine Rest of World with Europe to form a new International region. Comparative segmental financial information for 2024 has been re-presented.

Compass Group PLC

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Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Reconciliations (continued)

	Six months ended 31 March 2025						
		Specific adjusting items					
Underlying income statement	Statutory m	1 m	2 m	3 m	4 m	5 m	Underlying m
Operating profit	1,476	141	2	-	8	-	1,627
Net loss on sale and closure of businesses	(36)	-	-	-	36	-	-
Finance costs	(157)	6	-	-	-	2	(149)
Profit before tax	1,283	147	2	-	44	2	1,478
Income tax expense	(357)	(31)	-	-	11	-	(377)
Profit for the period	926	116	2	-	55	2	1,101
Less: Non-controlling interests	(7)	-	-	-	-	-	(7)
Profit attributable to equity shareholders	919	116	2	-	55	2	1,094
Earnings per share (cents)	54.2c	6.9c	0.1c	-	3.2c	0.1c	64.5c
Effective tax rate (%)	27.8%						25.5%

	Six months ended 31 March 2024						
		Specific adjusting items					
Underlying income statement	Statutory m	1 m	2 m	3 m	4 m	5 m	Underlying m
Operating profit	1,420	49	3	2	-	-	1,474
Net loss on sale and closure of businesses	(94)	-	-	-	94	-	-
Finance costs	(131)	-	-	-	-	20	(111)
Profit before tax	1,195	49	3	2	94	20	1,363
Income tax expense	(327)	(12)	(1)	(2)	-	(6)	(348)
Profit for the period	868	37	2	-	94	14	1,015
Less: Non-controlling interests	(7)	-	-	-	-	-	(7)
Profit attributable to equity shareholders	861	37	2	-	94	14	1,008
Currency adjustments							(12)
Profit attributable to equity shareholders - constant currency							996
Earnings per share (cents)	50.4c	2.2c	0.1c	-	5.5c	0.8c	59.0c
Earnings per share - constant currency (cents)							58.3c
Effective tax rate (%)	27.4%						25.5%

Specific adjusting items are as follows:

1. Acquisition-related charges

Amortisation and impairment charges in respect of intangible assets acquired through business combinations, direct costs incurred through business combinations or other strategic asset acquisitions, business integration costs, changes in consideration in relation to past acquisition activity, other acquisition-related items (see note 3) and, from 2025, net present value adjustments on deferred and contingent consideration payable on business acquisitions.

2020, net present value adjustments on deferred and contingent consideration payable on business acquisitions.

2. One-off pension charge

Costs incurred in respect of the UK Plan insurance buy-in transaction.

3. Tax on share of profit of joint ventures

Reclassification of tax on share of profit of joint ventures to income tax expense.

4. Gains and losses on sale and closure of businesses and charges related to the strategic portfolio review

Profits and losses on the sale of subsidiaries, joint ventures and associates, exit costs on closure of businesses (see note 9) and charges in respect of a strategic portfolio review to focus on the Group's core markets.

5. Other financing items

Financing items, including hedge accounting ineffectiveness, change in the fair value of derivatives held for economic hedging purposes, change in the fair value of investments and financing items relating to post-employment benefits.

Compass Group PLC

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Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Reconciliations (continued)

	Six months ended 31 March	
	2025	2024
	m	m
Underlying EBITDA		
Underlying operating profit	1,627	1,474
<i>Add back:</i>		
Depreciation of property, plant and equipment and right-of-use assets	316	283
Amortisation of other intangible assets, contract fulfilment assets and contract prepayments ¹	302	266
Impairment losses - non-current assets	-	7
Underlying EBITDA	2,245	2,030

1. Excludes amortisation of acquisition intangibles.

Balance sheet

	At 31 March	
	2025	2024
	m	m
Components of net debt		
Borrowings	(5,667)	(4,608)
Lease liabilities	(1,449)	(1,232)
Derivative financial instruments	(129)	(150)
Gross debt	(7,245)	(5,990)
Cash and cash equivalents	653	695
Net debt	(6,592)	(5,295)

	Six months ended 31 March	
	2025	2024
	m	m
Net debt reconciliation		
Net decrease in cash and cash equivalents	(54)	(186)
<i>(Deduct)/add back:</i>		
Increase in borrowings	(1,279)	(806)
Repayment of borrowings	108	352
Repayment of borrowings acquired through business acquisitions	145	-
Net cash flow from derivative financial instruments	53	(51)
Repayment of principal under lease liabilities	125	108
Increase in net debt from cash flows	(902)	(583)
New lease liabilities and amendments	(198)	(155)
Borrowings acquired through business acquisitions	(145)	-
Amortisation of fees and discounts on issue of debt	(2)	(3)
Changes in fair value of borrowings in a fair value hedge	25	(103)
Lease liabilities acquired through business acquisitions	(80)	(26)
Lease liabilities derecognised on sale and closure of businesses	6	1
Changes in fair value of derivative financial instruments	(29)	79
Currency translation gains/(losses)	90	(24)
Increase in net debt	(1,235)	(814)
Net debt at 1 October ¹	(5,357)	(4,459)
Cash and lease liabilities classified as held for sale	-	(22)
Net debt at 31 March	(6,592)	(5,295)

1. Net debt at 1 October 2024 includes cash and lease liabilities of 34m classified as held for sale in the consolidated balance sheet at 30 September 2024.

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Reconciliations (continued)

	At 31 March	
	2025	2024
	m	m
Net debt to EBITDA		
Net debt	(6,592)	(5,295)
Prior year	4,145	3,620
Less: Prior half-year	(2,030)	(1,751)
Add: Current half-year	2,245	2,030
Underlying EBITDA (last 12 months)	4,360	3,899
Net debt to EBITDA (times)	1.5	1.4

Cash flow

	Six months ended 31 March	
	2025	2024
	m	m
Capital expenditure		
Purchase of intangible assets	167	151
Purchase of contract fulfilment assets	174	202
Purchase of property, plant and equipment	245	263
Investment in contract prepayments	108	112
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	(23)	(35)
Capital expenditure	671	693

	Six months ended 31 March	
	2025	2024
	m	m
Underlying operating cash flow		
Net cash flow from operating activities	1,336	1,330
Purchase of intangible assets	(167)	(151)
Purchase of contract fulfilment assets	(174)	(202)
Purchase of property, plant and equipment	(245)	(263)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	23	35
Repayment of principal under lease liabilities	(125)	(108)
Share of results of joint ventures and associates	19	30
Add back/(deduct):		
Interest paid	151	118
Net tax paid	295	301
Post-employment benefit obligations net of service costs	(3)	(5)
Cash payments related to COVID-19 resizing costs	2	5
Cash payments related to the strategic portfolio review	10	4
Cash payments related to the one-off pension charge	3	4
Acquisition transaction costs	36	16
Underlying operating cash flow	1,161	1,114

	Six months ended 31 March	
	2025	2024
	m	m
Underlying operating cash flow conversion		
Underlying operating cash flow	1,161	1,114
Underlying operating profit	1,627	1,474
Underlying operating cash flow conversion (%)	71.4%	75.6%

Compass Group PLC

Condensed Consolidated Financial Statements

Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

13 Non-GAAP measures (continued)

Reconciliations (continued)

	Six months ended 31 March	
	2025	2024
	m	m
Free cash flow		
Net cash flow from operating activities	1,336	1,330
Purchase of intangible assets	(167)	(151)
Purchase of contract fulfilment assets	(174)	(202)
Purchase of property, plant and equipment	(245)	(263)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	23	35
Purchase of other investments ¹	-	(1)
Proceeds from sale of other investments ^{1,2}	9	1
Dividends received from joint ventures and associates	18	18
Interest received	19	20
Repayment of principal under lease liabilities	(125)	(108)
Dividends paid to non-controlling interests	(2)	(4)
Free cash flow	692	675

1. Excludes trade investments.

2. 2025 excludes 39m of tax paid in respect of the sale of the Group's 19% effective interest in ASM Global Parent, Inc. in August 2024.

	Six months ended 31 March	
	2025	2024
	m	m
Underlying free cash flow		

Free cash flow	692	675
<i>Add back:</i>		
Cash payments related to COVID-19 resizing costs	2	5
Cash payments related to the strategic portfolio review	10	4
Cash payments related to the one-off pension charge	3	4
Acquisition transaction costs	36	16
Underlying free cash flow	743	704

	Six months ended 31 March	
	2025	2024
Underlying free cash flow conversion	m	m
Underlying free cash flow	743	704
Underlying profit for the period	1,101	1,015
Underlying free cash flow conversion (%)	67.5%	69.4%

	Six months ended 31 March	
	2025	2024
Underlying cash tax rate	m	m
Tax received	2	3
Tax paid	(297)	(304)
Net tax paid	(295)	(301)
Underlying profit before tax	1,478	1,363
Underlying cash tax rate (%)	20.0%	22.1%

Business growth

	Six months ended 31 March	
	2025	2024
Net new business	m	m
New business less lost business	889	680
Prior period organic revenue	20,357	18,545
Net new business (%)	4.4%	3.7%

Compass Group PLC

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Notes to the condensed consolidated financial statements

For the six months ended 31 March 2025

14 Exchange rates

Average rates are used to translate the income statement and cash flow statement. Closing rates are used to translate the balance sheet. Only the most significant currencies are shown.

Exchange rates	Average		Period end		Year end
	Six months ended 31 March 2025	Six months ended 31 March 2024	At 31 March 2025	At 31 March 2024	At 30 September 2024
Australian dollar	1.56	1.53	1.60	1.53	1.44
Brazilian real	5.83	4.96	5.73	5.01	5.45
Canadian dollar	1.42	1.35	1.44	1.35	1.35
Euro	0.94	0.93	0.93	0.93	0.90
Japanese yen	151.03	148.06	149.53	151.35	143.04
Pound sterling	0.78	0.80	0.77	0.79	0.75
Turkish lira	35.55	29.73	37.96	32.35	34.19

Forward-looking statements

Certain information included in this Announcement is forward-looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, the direct and indirect future impacts and implications of: public health crises such as the COVID-19 pandemic on the economy, nationally and internationally, and on the Group, its operations and prospects; risks associated with changes in environmental scenarios and related regulations including (without limitation) the evolution and development of the global transition to a low carbon economy (including increasing societal and investor expectations); disruptions and inefficiencies in supply chains (such as resulting from the wars in Ukraine and the Middle East); future domestic and global political, economic and business conditions (such as inflation or the UK's exit from the EU); projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans and expected expenditures and divestments; risks associated with changes in economic conditions, levels of economic growth and the strength of the food and support services markets in the jurisdictions in which the Group operates; fluctuations in food and other product costs and labour costs; prices and changes in exchange and interest rates; and the impacts of technological advancements. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as 'believes', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'plans', 'projects', 'goal', 'target', 'aim', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology.

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