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RS Group PLC
21 May 2025

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RS GROUP PLC

RESULTS FOR THE YEAR ENDED 31 MARCH 2025

RESULTS IN-LINE: A YEAR OF SIGNIFICANT UNDERLYING PROGRESS

SIMON PRYCE, CHIEF EXECUTIVE OFFICER, COMMENTED:
"I am extremely grateful for the continuing efforts of our great people. This enabled us to deliver a resilient performance this year, particularly given the challenging macro-economic backdrop. RS is now executing more effectively, performing as it should and taking market share. We are delivering restructuring and integration benefits, improving efficiency and managing costs appropriately whilst continuing to invest in our people, customers, product, experience, infrastructure and technology. This is strengthening our value proposition for all stakeholders.

We are focusing on what we can control in markets that remain challenging, and we will continue to be agile in our execution and cost management whilst investing selectively for the future. We have a solid pipeline of acquisition opportunities to accelerate our strategy, supported by our strong balance sheet, and will remain value disciplined.

Importantly, we are making significant underlying progress. This gives us increased confidence in our ability to deliver our medium-term financial targets through accelerated growth and much improved operating leverage once markets recover."

Highlights	2025	2024 Restated[1]	Change	Like-for-like[2] change
Revenue	£2,904m	£2,942m	(1)%	(2)%
Adjusted operating profit[2]	£274m	£306m	(10)%	(8)%
Adjusted operating profit margin[2]	9.4%	10.4%	(1.0) pts	(0.7) pts
Adjusted profit before tax[2]	£248m	£275m	(10)%	(7)%
Adjusted earnings per share[2]	39.1p	42.9p	(9)%	(6)%
Operating profit	£233m	£275m	(15)%	
Operating profit margin	8.0%	9.3%	(1.3) pts	
Profit before tax	£206m	£243m	(15)%	
Earnings per share	32.5p	37.9p	(14)%	
Full-year dividend	22.4p	22.0p	2%	
Adjusted free cash flow[2]	£214m	£151m	42%	
Cash generated from operations	£349m	£301m	16%	
Net debt[2]	£364m	£418m		
Net debt to adjusted[2] EBITDA	1.1x	1.2x		

Performance in line with expectations
- Revenue down 1% with 2% like-for-like decline, 2% acquisition benefit and 1% negative currency and trading days
- Growth accelerators: like-for-like revenue +2% at RS PRO, +6% across services and solutions, (2)% in digital
- Gross margin flat as anticipated at 42.8%
- Adjusted operating profit margin 9.4%, with cost inflation and organic investment partially offset by cost savings
- Distrelec and Risoul integration benefit well ahead of plan
- Final dividend of 13.9p; full-year dividend increased 2% to 22.4p

Significant underlying progress
- Much improved execution and operating performance; £31 million of strategic investment improving differentiated proposition and operating efficiency
- Generated £29 million in cost savings; a total of £38 million savings delivered over last two years
- Extra £13m of one-off cost benefits within the year, partly offsetting £17m of restructuring and integration charges
- Increased focus on working capital delivered excellent adjusted operating cash flow conversion of 111% (2023/24: 83%)
- Strong balance sheet, net debt to adjusted EBITDA of 1.1x

Outlook
Markets remain challenging with Americas and Asia Pacific more resilient than EMEA and particularly the UK reflecting softer PMIs[3]. We are monitoring the evolving global tariff environment which we expect to have limited direct impact on RS but are mindful of the indirect effect that tariffs might have on industrial production and confidence.

We remain confident that once PMIs recover, structural industry trends will return our markets to growth. We are therefore focusing on what we can control and will remain agile in our execution and cost management and value disciplined in pursuing acquisition opportunities. We will also continue to make selective strategic investments to strengthen RS so that we are best placed to accelerate our growth, with much improved operating leverage, when markets recover.

Importantly, we are making significant underlying strategic and operational progress. This gives us increased confidence in our ability to deliver our medium-term financial targets of growing revenues at twice the market with mid-teen adjusted operating margins, over 80% cash conversion and over 20% return on capital employed.

1. 2023/24 has been restated in the US to reflect the correct application of the Group inventory provisioning policy. See further details in Note 12.
2. See Note 11 for definitions and reconciliations of all alternative performance measures, including like-for-like change and adjusted measures.
3. Purchasing Managers' Index (PMI).
4. Consensus for the year ended 31 March 2025 is revenue of £2,899 million, adjusted operating profit of £275 million and adjusted profit before tax of £244 million. Source: rsgroup.com/investors/analyst-consensus/.

Enquiries:

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Please find a link to a video message from Simon reflecting on the year's underlying progress:

RS Group CEO Simon Pryce, FY25 full-year results

There will be an analyst presentation today at 9am (UK time) at the London Stock Exchange, 10 Paternoster Square, London

There will be an analyst presentation today at 9am (UK time) at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS. We will also provide a video webcast, which can be accessed live and later as a recording on the RS Group website at www.rsgroup.com.

Webcast link: https://www.investis-live.com/rsgroup/681deee5b64a850015245103/rsgfyr25

It is advisable to pre-register early to avoid any delays in joining the audio webcast. To ask an audible question, participants will need to be connected by phone.

Operator Assisted Dial-In:
United Kingdom (Local): +44 20 3936 2999
United Kingdom (Toll-Free): +44 800 358 1035
All other locations: Global Dial-In Numbers
Participant access code: 710397

Presentation details:
Date: Wednesday, 21 May 2025
Time: 9.00am UK time
Venue: London Stock Exchange, 10 Paternoster Square, London EC4M 7LS

Notes to editors:

RS is a high-service global product and service solutions provider for industrial customers, enabling them to operate efficiently and sustainably. We operate in 36 markets, stock over 830,000 industrial and specialist products and list an additional five million relevant for our industrial customers, sourced from over 2,500 suppliers. This extensive range supports our customers across the industrial lifecycle of designing, building, and maintaining equipment and operations. We enhance their experience through a tailored service model, leveraging our efficient physical, digital and process infrastructure sustainably. We combine a technically led and digitally enabled approach with an exceptional team of experts; ultimately, it's our people that make the difference. Our purpose, making amazing happen for a better world, reflects our focus on delivering results for people planet and profit.

RS Group plc is listed on the London Stock Exchange with stock ticker RS1 and in the year ended 31 March 2025 reported revenue of £2,904 million.

BUSINESS REVIEW

It has been a year of significant underlying progress at RS Group. We are executing a clear and focused plan to improve performance and deliver sustainable value for all stakeholders. Our aligned teams are addressing organisational and process inefficiencies and prioritising our investment to position RS for accelerated strategic growth and sustainable value creation. RS is executing more effectively, with improving operating metrics, although more difficult markets mean this has yet to be reflected in absolute financial performance. I am extremely grateful and hugely proud of our great people who continue to embrace the changes we are making and are working extremely hard to deliver them.

This year, we have faced weaker than anticipated global industrial demand and geopolitical uncertainties that continue to impact business confidence as reflected in weak manufacturing PMI data. This uncertainty continues and is delaying recovery in industrial production. Against this difficult market back drop, RS is performing as it should. Proxy market data, such as supplier information and digital search enquiries, is showing that RS continues to take share across most of our technical product categories. We are also managing better the things we can control, making continued selective strategic investment and improving our execution. The cost savings we have delivered were greater than originally planned, and we have improved cash generation through better focus. Our strong balance sheet also gives us the opportunity to accelerate our strategy through continued but disciplined consolidation within a fragmented market.

During the year, we provided more detail on our business, our strategy, our plan of action to position RS for accelerated growth and ways to improve operating leverage and business efficiency at our Investor Event in September 2024 (full details on our corporate website www.rsgroup.com/investors). We made good progress this year and have greater confidence in our ability to deliver strong and more sustainable performance as markets recover and generate significant value for all our stakeholders over time.

Our 2024/25 financial performance

During 2024/25, our revenue declined 1% with like-for-like revenue down 2% reflecting the difficult industrial markets. Our performance improved during the second half of the year, especially within Americas and Asia Pacific, partly due to easier comparable data and a more stable electronics market, and in the fourth quarter delivered a small increase in like-for-like revenue albeit with continued variability month to month.

Our average order value declined slightly to £252 (2023/24: £257) but the average order frequency increased as supply chain dependability improved and customers ordered for immediate need rather than for inventory and availability. Our industrial product categories continued to outperform the broader Group reflecting the relative resilience of these categories, the importance of our products to customers' operations and increased focus by our teams on a more curated and specialist offer. Our Semis & Passives and Cables & Connectors product ranges performance remained weak, reflecting a more competitive electronics market.

Our growth accelerators continue to outperform the wider Group: our own-brand RS PRO grew by 2% like-for-like and our revenue associated with our service solutions increased by 6% like-for-like. Digital revenue in total declined by 2% like-for-like, but this included 4% like-for-like revenue growth in digital procurement solutions, such as eProcurement, used by larger customers requiring a more integrated and automated procurement method. Pure web revenue decreased despite improved conversion, reflecting reduced web enquiries and lower demand from more transactional customers. We are capturing some of this transactional web traffic with the continued adoption of our digital procurement solutions.

We generated £29 million of cost savings through actions, including labour, as we improve our productivity; with over £38 million of accumulated savings over the last two years. Additionally, we delivered £13 million of one-off cost benefit as we flexed our spending to reflect the difficult economic backdrop and accelerated the integration of our acquisition of Distrelec, partly offsetting charges relating to the restructuring and integration programme. Our actions are helping offset cost inflation, more normalised employee performance-based incentives, higher variable costs from customers ordering more frequently and an increase in organic investment to support RS for further market share growth and future cost efficiencies. Our adjusted operating profit margin fell 0.7 percentage points on a like-for-like basis to 9.4%.

A much-improved cash focus led to an adjusted operating cash flow conversion of 111% from improved working capital management. Our balance sheet remains strong, with net debt to adjusted EBITDA of 1.1x.

Executing our strategy

We have made significant progress over the last two years. Our strengthened leadership team, greater strategic focus and more relevant operating model is improving consistency and delivery. We have developed an integrated action plan to deliver accelerated growth, improved operating leverage and more operating efficiency. This has aligned our teams and improved the way the Group interacts and functions with clarified accountability enabling more agile decision making and more disciplined investment and resource allocation. We are now one year into the execution and delivery of this multi-year action plan, including continued investment in our key strategic areas of focus to further differentiate our proposition and drive efficiency benefits and are already seeing operational improvements.

People

Be first choice for employees through creating an inclusive and engaging environment where everyone is proud and excited to come to work, can perform at their best, thrive and grow.

This year, we continued to strengthen our senior leadership capability through a mix of external hires, internal promotions and increased investment in training and mobility. We launched a refreshed employee value proposition 'Go beyond amazing' and improved our recruitment capability leading to over 95% of roles now being filled via our in-house talent acquisition team, reducing our agency recruitment costs and time to hire. We have also enhanced our early careers programme, achieving a platinum award with the 5% Club in the UK.

Our new values have been successfully embedded and we are maintaining high engagement levels despite the significant amount of change taking place across the organisation and an uncertain external environment. We enhanced and improved the effectiveness of our Employee Resource Groups which support the culture of belonging and overall wellbeing at RS which is core to our future success.

Our redesigned employee incentive schemes and our team recognition tools are proving effective in creating stronger alignment of individual objectives with key strategic outcomes and business performance. This has led to greater focus, empowerment, accountability and responsibility. Our key employee operational metrics remain strong with our voluntary employee turnover at 9%, better than plan and target.

Customers

Focus on higher value customers through harnessing data, embracing strategic engagement and ensuring a suitable cost to serve for all customers.

In 2024/25, we continued to invest in tools that better utilise the extensive data we have on our customers and their transactions. This is to better support and serve customers with their infrequent and difficult to predict but critical demand for a broad range of technical products across multiple categories, in small volumes at often relatively high frequency, and where availability is valued and key. This typically helps customers to fulfil their maintenance, repair and operations (MRO) needs for small batch and highly configured production and design requirements. These investments also aim to improve our focus on high lifetime value customers, whilst continuing to support all customers but ensuring that we serve them in a cost-effective way.

In the year, we completed the roll out of a common customer relationship management tool across EMEA and the US, built a global customer database for a single view of customers and segmented our customers into industry verticals and value, enabling us to provide them with a more tailored sales, service and marketing offer in the future. We also enhanced our Voice of Customer platform to better differentiate feedback between transactional customers and those receiving sales account input. Being able to identify transaction-only customers means we will be able to provide a more relevant digital offer and service, whilst optimising human touch for our high lifetime value customers, and an appropriate cost-to-serve.

Revenue from our high lifetime value corporate customers grew by 4% driven by higher average order value and average order frequency.

Product and supply chain

Offer technically led and specialist product ranges supported by strong supplier relationships.

We continue to invest in strong supplier relationships, and in our technical product categories to develop more curated and relevant ranges for our customers and suppliers. We are also investing in global supply chain processes and infrastructure to optimise supply and delivery to customers, whilst ensuring we manage inventory and anticipated demand effectively.

Key areas of progress this year include the successful launch of our new product management solution which has tripled the products that can be uploaded to our websites and reduced onboarding time of technical data materially. The development of strategic supplier partnership programmes better support our growth in MRO, particularly in the Americas.

Ongoing investment in RS PRO, our quality-assured own-brand offer and accounting for 14% of Group revenue, grew new product revenue by 8%. Our Better World product offer has been enhanced further including development of a green alternative selling tool aimed at higher lifetime value customers. We also increased local sourcing and stocking within Asia Pacific to lower freight costs and associated carbon footprint benefits, cut delivery times and improve availability for customers.

Revenue from new product introductions is ahead of target, growing by c. 40% in EMEA and Asia Pacific, and now accounting for 4% of revenue. Our enhanced supplier programme is driving stronger revenue performance in their brands and delivering procurement benefits.

Solutions and services

Deliver valued, scalable solutions which builds greater strategic engagement and drives product pull-through.

We have focused our wide solutions and services offer better, prioritising our digital procurement and inventory management offer. During the year we re-platformed our eProcurement offer in Americas and Asia Pacific enhancing content and order processes through new software planning tools and expanded and digitalised our custom order solution, particularly in the US.

A refreshed strategy at RS Integrated Supply included cutting unprofitable clients, development of new client acquisitions, implementing robust cash management and delivering standardisation and automation to drive cost efficiencies and scalability.

During the year we have seen 4% growth in eProcurement revenue. RS Integrated Supply has delivered c. 140% increase in order book and improved commerciality.

Experience

Strengthen and tailor our customer experience to provide a digitally led, seamless omnichannel service.

RS has a strong digital presence, which is a source of competitive advantage especially within the industrial business-to-business market. We are investing to unify our digital platform across the Group to provide a seamless omnichannel experience and remove complexity and inefficiencies.

In 2024/25, we upgraded and enhanced our digital platform in Americas which will then be rolled out across EMEA and most markets in Asia Pacific over the next three years. We also invested in best-in-class digital tools such as AI-powered search capabilities globally and upgraded our browse facilities within EMEA and Asia Pacific.

Our real-time product tracking system, which was several years in development, was launched in the first half with full rollout expected after we complete the customer pilot. This should materially improve our customer experience and reduce customer service enquiries, open orders and returned or cancelled orders. We are also tailoring a localised digital infrastructure for Asia Pacific to enhance our customer experience that reflects local customer needs, provides more infrastructure for Asia Pacific to enhance our customer experience that reflects local customer needs, provides more tailored content and facilitates easier compliance with regional regulations and standards.

AI search is enabling us to optimise the 84 million search queries per annum we receive and redirect our customer service into value-added sales functions, enhancing customer experience. There has been a 3.3% increase in search visits adding to basket and 3.4% improved search revenue generation from our AI search tools.

Operational excellence

Delivering efficient physical, digital and process infrastructure, improved operating leverage and marginal drop-through.

We are making significant progress in improving operational efficiency and reducing complexity as we harmonise and upgrade our systems, processes, technology and digital infrastructure.

We continued to invest in our physical infrastructure: expanding our distribution centre (DC) in France, increasing capacity in our US DC through increased automation and scale and accelerating the closure of the Distrelec DC to improve efficiency and reduce the cost of the RS distribution network quicker than originally planned.

We are simplifying and upgrading our technology infrastructure and digital landscape, aligning our data and moving to standardised and globally harmonised, cloud native technology platforms. This is a multi-year programme that has only just commenced but moving to best-in-class applications for each function, module-by-module, will deliver significant operational and financial benefits in the medium term, create increased capacity, reduce project risk and importantly improve agility and scalability.

As we upgrade our technology platform and applications estate, we are standardising and modernising our middle and back-office processes which will ultimately reduce our cost base and improve productivity, scalability and flexibility. We are consolidating and better leveraging our global shared business services, strengthening our resource allocation planning and processes and improving our operational oversight and control environment. Standardising and streamlining our project management procedures will drive greater efficiency, consistency and collaboration across the Group.

During the year we rationalised c. 40 technology applications, reduced our headcount by c. 4%, began the migration of our Distrelec customers and rationalised our global shared business services delivering improved productivity and associated cost benefits. We are well on the way to delivering the operational efficiencies, cost savings and increased scalability, that will equate to a c. 150bp (equivalent to c. £45 million) of operating margin improvement over the medium term.

Acquisitions that accelerate our strategy

There is a solid pipeline of acquisition opportunities that can accelerate our strategy in a value disciplined way, supported by our strong balance sheet. Selective acquisitions can enhance our presence in key markets, accelerate our operating leverage, strengthen product specialisation and expand our solutions and services portfolio. We are, however, mindful of the current macro uncertainty and will remain value disciplined in the way we assess opportunities.

Integration of our recent acquisitions has continued at pace and remain on track to deliver returns that more than cover our cost of capital within three years. We are particularly pleased with the progress our teams are making in integrating Distrelec and RS EMEA, which is materially exceeding the initial benefits case. This has included migrating customers to RS, exiting the Distrelec third-party managed DC in the Netherlands and utilising our facilities across Europe. At the end of the year, we agreed the divestment of Distrelec's sales activities in Finland and the Baltics, for c. £5 million, to our long-term distribution partner in the region, Boreo Plc. RS will continue to supply Distrelec customers in these markets through an expanded distribution agreement.

The acquisition of Trident in Perth, Australia, in April 2024 has expanded our service capability, provided local fulfilment centre capacity in the region and opened opportunities with customers in the resources sector. Trident is performing ahead of our investment case despite challenging markets in Australia.

Focusing on sustainability for stronger value creation

We continue to accelerate the delivery of our 2030 ESG action plan to protect people and the planet, whilst leveraging opportunities for commercial growth for RS and our stakeholders. Sustainability remains an important opportunity for RS and a priority for our high-value customers who expect a choice of sustainable products and services that enhance operational efficiency and reduce costs, with detailed and transparent ESG reports to comply with tightening regulations.

Working closer with our suppliers to develop an industry-leading sustainable product framework is enabling our customers to make more sustainable and responsible product choices. This includes a dedicated range of c. 30,000 Better World products from over 132 suppliers, digitally tagged on RS websites.

We made significant progress in delivering a more sustainable distribution service (DCs, packaging and logistics) to provide a better service to our customers and reduce our environmental impacts. During the year, we reduced our Scope 1 and 2 emissions by 7% on a like-for-like basis from 2023/24; logistics emissions intensity in Europe has fallen by 6% and in Asia Pacific by 15%, and 94% of packaging is recyclable with 93% of group electricity from renewable sources. Due to existing outperformance, we have extended our 2030 ambitions to reduce packaging intensity and transport emissions intensity from our 2019/20 baseline to 45% and 35% respectively.

I was delighted that our progress towards advancing sustainability resulted in us making the CDP A list this year, improving from A- to A and maintaining our Platinum EcoVadis status. These top-tier ESG ratings recognise the strength of our commitment, action and disclosure, and the robustness of our ESG action plan.

Exciting long-term potential

RS provides the essential link between suppliers of industrial products and a diverse customer base that displays common buying behaviour associated with infrequent and difficult to predict but critical demand for a broad range of technical products across multiple categories, in small volumes at often relatively high frequency where availability and service is valued and key. Our wide product offer, specialist expertise, digital-led proposition, strong distribution capabilities and global infrastructure, combined with our growing focus on solutions and services, are driving ongoing market share growth. We also continue to invest to improve our operational effectiveness and drive better operating efficiencies.

Our underlying progress to date gives us increased confidence in delivering our medium-term financial targets when the market recovers as volume growth delivers additional leverage to a more efficient operating model.

Our investment thesis remains compelling. RS is:

- uniquely positioned in fragmented markets with attractive through-cycle growth characteristics;
- driving market share gains through a differentiated technical and digital product and service solutions offer;
- investing to improve efficiency and operating leverage of our global infrastructure to drive significant margin expansion;
- accelerating growth through disciplined acquisitions; and
- a significant and sustainable value creation opportunity.

We remain confident of delivering our targeted financial outcomes in the medium term of revenue growth of twice our market, mid-teen adjusted operating margin, cash conversion of 80% and a sustainable return on capital of more than 20%.

FINANCIAL REVIEW

	2025	2024 Restated[1]	Change	Like-for-like[2] change
Revenue	£2,904m	£2,942m	(1)%	(2)%
Gross profit	£1,243m	£1,258m	(1)%	(1)%

Gross margin	**42.8%**	**42.8%**	(0.0) pts	(0.1) pts
Operating profit	**£233m**	**£275m**	(15)%	(12)%
Adjusted operating profit[2]	**£274m**	**£306m**	(10)%	(8)%
Adjusted operating profit margin[2]	**9.4%**	**10.4%**	(1.0) pts	(0.7)pts
Adjusted operating profit conversion[2]	**22.1%**	**24.3%**	(2.2) pts	(1.6) pts
Digital revenue[3,4]	**£1,754m**	**£1,782m**	(2)%	(2)%
RS PRO revenue[3]	**£392m**	**£386m**	2%	2%
Service solutions revenue[3,4]	**£738m**	**£697m**	6%	6%

1. 2023/24 has been restated in the US to reflect the correct application of the Group inventory provisioning policy. See further details in Note 12.
2. See Note 11 for definitions and reconciliations of all alternative performance measures, including like-for-like change and adjusted measures.
3. See Note 2 for disaggregation of revenue analysis and reconciliations.
4. Digital revenue and service solutions revenue have been restated, see Note 2.

Revenue
Group revenue decreased by 1% to £2,904 million. Like-for-like revenue declined 2% after adjusting for a £50 million contribution from acquisitions, £66 million in adverse exchange rate movements and a positive benefit of £28 million from more trading days. Trading overall was stronger in the second half with like-for-like revenue flat with some improvements in external market indicators including PMI particularly in the final quarter in Americas and Asia Pacific, although market uncertainty increased in the last few weeks of the year.

	Share of Group revenue	Like-for-like[1] revenue growth
A&C and Electrification, Test & Measurement	48%	(2)%
Facilities & Maintenance, Mechanical & Fluid Power, PPE & Site Safety, Other	35%	3%
Semis & Passives (inc. Single Board Computing), Cables & Connectors	17%	(8)%
Total	100%	(2)%

Our diverse product category portfolio reduced performance volatility as we have significant share in categories that are more industrial and tend to be less volatile (Facilities & Maintenance, Mechanical & Fluid Power, PPE & Site Safety, Other). Those correlated to the electronics market (such as Automation & Control (A&C) and Electrification) and the more electronics-specific categories, Semi & Passives and Cables & Connectors, remained under pressure in 2024/25.

During the second half of the year, we benefited from product expansion as we increased the rate of new product introductions following the update of our product management solution which allowed us to expand our technical product offer and expand our range with our strategic suppliers.

Digital, accounting for 60% of Group revenue, declined by 2% on a like-for-like basis. Digital solutions such as eProcurement, which are predominantly used by our larger customers and is a key strategic goal, grew by 4%. Web revenue, which tends to reflect smaller, more transactional purchases, decreased by 5% on a like-for-like basis as we move larger customers onto our eProcurement platform and see reduced demand from standard customers that tend to be more transactional in nature and have higher digital costs of acquisition.

Revenue driven by service solutions accounted for 25% of Group revenue and increased by 6% like-for-like, with a strong performance in digital procurement solutions and design, technical and custom order services. RS Integrated Supply delivered full-year positive like-for-like revenue growth reflecting a strategic repositioning, new contract wins and strong customer retention rates in both EMEA and Americas with our order book more than doubling during the year. We have written off the carrying value of customer relationships where we generate no value. We continue to strengthen our RS Integrated Supply proposition and operating model, transitioning from purely contractual unit price savings to value generation through innovative data and technology solutions.

RS PRO, which is our main own-brand product range, now 14% of Group revenue, grew by 2% on a like-for-like basis, due to extending its product breadth and end-to-end sales and marketing focus. Our competitively priced offer continues to gain traction as a quality but non-competing value alternative to third-party branded ranges as we demonstrate quality through our quality assurance qualifications and design and test facilities.

Gross margin
Gross margin was flat at 42.8%, as anticipated. Supply-side cost inflation is normalising and is largely being passed through although there has been some additional competitive activity within the Semis & Passives product category. We continue to focus on gross margin optimisation through direct procurement initiatives, commercial discipline, expanding our own-brand ranges and by managing foreign exchange volatility.

During the year, we conducted a detailed assessment of our inventory as part of the Group-wide focus on tightening working cash discipline and cash management. Following this review, instances of non-adherence to the Group's inventory provisioning policy were identified, and in order to correct its application we restated our 2023/24 gross profit to £1,258 million (previously reported at £1,264 million). These prior year adjustments do not impact 2024/25 gross profit. For further information please refer to Note 12.

Operating costs
Operating costs, including regional and central costs, increased 3%. Adjusted operating costs, which excludes the impact of acquisitions, currency movements, amortisation and impairment of acquired intangibles and acquisition-related items, increased 1% on a like-for-like basis. Cost management actions have helped to offset inflation, specifically within labour, ongoing strategic investment, integration costs and the restructuring charges relating to our cost-savings programme. Higher average order frequency has increased variable costs and in particular freight costs as a percentage of our revenue.

We delivered £19 million of restructuring benefits by improving our productivity and removing labour and facility duplication within the Group and a further £10 million of structural integration cost savings. There was a £17 million in-year charge to deliver these restructuring and integration benefits which is included within our operating costs. Over the last two years we delivered £38 million of ongoing structural cost savings, above our original expectations of over £30 million.

During the year, we also delivered £13m of one-off benefit which includes £5m from the early exit of a DC lease in the Netherlands operated by Distrelec and then in-year savings relating to management actions such as vacancy freezes and extending the life of our technology hardware.

A large proportion of our operating costs relate to our people. We awarded a low-single digit pay increase across the Group and returned to more normalised employee performance incentive awards. As sales volumes have reduced, we have flexed our variable people costs and taken additional actions in specific areas, such as removing duplicate roles as a result of our new operating model and to improve productivity.

We spent £31 million on organic strategic investment (a £7 million increase year on year but lower than anticipated at the beginning of the year as we actively managed investment levels in a difficult trading environment) focused on strengthening our digital and commercial capabilities, technology platform, product and service solutions capacity and improving our operating basics. This will support ongoing market share growth and ensure we are well-positioned to benefit when market conditions improve. We are monitoring our investment spend closely and implementing greater oversight around execution, progress and delivery.

As previously reported, our central costs now relate solely to supporting Group head office activities with all other costs within the Group's operating segments allocated to the regions. Central costs, under the new definition, increased by £3 million to £14 million, largely reflecting the normalisation of annual incentive and share-based payments. Details on the reallocation are set out in Note 2.

Operating costs as a percentage of revenue increased by 1.4 percentage points to 34.8% and on an adjusted basis increased by 1.0 percentage points to 33.4%. Adjusted operating profit conversion is like-for-like 1.6 percentage points lower at 22.1% reflecting the ongoing organic investment and cost of the restructuring and integration programmes, with cost reductions broadly offsetting input cost inflation and normalisation of incentives. Operating profit conversion is 3.1 percentage points lower at 18.7%, impacted by impairment in RS Integrated Supply and other adjusting items.

Items excluded from adjusted profit
To improve the comparability of information between reporting periods, we exclude certain items from adjusted profit measures. The items excluded are described below (see Note 11 for definitions and reconciliations of adjusted measures).

<u>Amortisation and impairment of acquired intangibles</u>
Amortisation and impairment of acquired intangibles was £37 million (2023/24 amortisation of acquired intangibles: £27 million) and relates to the intangible assets arising from acquisitions. During the year customer contracts, relationships and distribution agreements at RS Integrated Supply (previously IESA) were assessed for impairment and given we are not generating a profit in respect of the customer relationships acquired with the EMEA business we have written off the carrying value in full. As a result of that review, assets related to the acquisition of IESA were fully impaired, with a net book value of £11 million.

<u>Acquisition-related items</u>
Acquisition-related items were £4 million, with £2 million related to legal fees in connection with the acquisition of Synovos and £2 million associated with agreements reached at the time of acquisition for retention payments to former owners and key employees of those businesses (2023/24: £5 million directly attributable to the acquisition of Distrelec).

Operating profit
Operating profit decreased by 15% to £233 million. Adjusted operating profit, which excludes the impact of acquisitions and adverse impact of currency movements, saw a like-for-like decrease of 8%. Operating profit margin declined by 1.3 percentage points to 8.0% and on an adjusted basis declined by 0.7 percentage points on a like-for-like basis to 9.4%.

<u>REGIONAL PERFORMANCE</u>

EMEA

	2025	**2024**	**Change**	**Like-for-like[1] change**
Revenue	£1,777m	£1,795m	(1)%	(3)%
Operating profit[2]	£201m	£223m	(10)%	(9)%
Operating profit margin[2]	11.3%	12.4%	(1.1) pts	(0.9) pts
Digital revenue[3,4]	£1,330m	£1,341m	(1)%	(2)%
Service solutions revenue[3]	£557m	£532m	5%	4%
RS PRO revenue[3]	£352m	£346m	2%	2%

1. Like-for-like adjusted for currency and to exclude the impact of acquisitions; revenue also adjusted for trading days.
2. See Note 2 for reconciliation to Group operating profit. Regional operating profit has been restated in the prior period as shown in Note 2.
3. See Note 2 for disaggregation of revenue analysis and reconciliations to region's revenue.
4. Digital revenue has been restated, see Note 2.

Like-for-like revenue declined 3% reflecting decreases in industrial production output and ongoing economic weakness across the region. Throughout the year, PMI in the Eurozone has been below 50 signalling continued contraction in the manufacturing sector.
The performance in UK and Ireland (38% of the region's revenue) was in line with the EMEA average. Production output has been in decline throughout the year and UK PMI was below 50 across the second half, weakening from the start of November in line with declining business confidence. We have seen stability in the number of our larger customer accounts and an increase in average order value, however, there has been reduction in the number of smaller transactional customers.

France (19% of the region's revenue) continued to outperform the region with like-for-like revenue growing by low single digit percentage despite weak business confidence and industrial production. Our more focused MRO product and sales offer, aligned to specific industry verticals, initiated in France and in the process of being rolled out across all three regions, is resulting in stronger relationships with our suppliers, improved product range curation and a focus by our teams on the more resilient industry verticals.

DACH (Germany, Austria and Switzerland, 15% of the region's revenue) has been impacted by weakness in the German economy and particularly within original equipment manufacturers. Throughout the year production volumes have been in decline and industrial production has been one of the weakest in Europe. In Germany, we have a higher exposure to the manufacturing sector and the automotive industry where production volumes have been weak with extended shutdowns and site closures. Additionally, there is a higher participation from A&C and Electrification, and Semis & Passives product categories.

During the second half of the year, we increased the rate of new product introductions significantly following the update of our product management solution and associated technology estate. This has allowed us to accelerate progress in our strategy to have a more technical product offer and expand our range with our strategic suppliers. This has supported growth in our more resilient product categories of Facilities & Maintenance, Mechanical & Fluid Power, and PPE & Site Safety which delivered small like-for-like growth. A&C and Electrification products, with demand correlated to the weaker industry sectors and the electronics market, declined by mid-single digit percentage, but data from our suppliers indicates that we are still outperforming distribution peers. Demand for Semis & Passives remains weak with high levels of stock in the distribution network keeping prices suppressed.

We are making significant progress with our customer strategy focusing on high lifetime value customers. Our corporate customer revenue grew, benefitting from several account wins with many using our eProcurement and Purchasing Manager solutions which grew by 4%. These solutions are integrated within our customers' systems, pulling through product purchases and generating customer loyalty and recurring revenue. Web revenue has been impacted by reduced demand from more transactional customers.

RS Integrated Supply delivered strong revenue growth, driven by higher client pass-through spend, new contract wins and rigorous review of customer contractual terms driving gross margin improvements. We have written off the carrying value of customer relationships where we generate little value. We have continued to invest in our multi-year programme to optimise customer engagement and experience, simplify our operations to maximise efficiency and support our growth ambitions, whilst in parallel implementing robust working capital strategies.

RS PRO remains strong, gaining 0.5 percentage points of revenue share during the year.

The integration of Distrelec (acquired 30 June 2023) is continuing well with the merger of our operations in Italy, including

The integration of Distrelec (acquired 30 June 2023) is continuing well with the merger of our operations in Italy, including customer migration, completed in February. Within the year we delivered £10 million of integration cost savings, with a further one-off £5 million benefit relating to the early exit of a DC lease in the Netherlands operated by Distrelec. Against this, we incurred £9 million of integration costs.

EMEA's like-for-like gross margin was flat due to the lag effect of product cost inflation with minimal sales price inflation and some pricing activity across Semis & Passives.

Operating costs marginally increased on a like-for-like basis. Headcount reductions and cutbacks in discretionary spend have helped to offset labour cost inflation and ongoing investments in our strategic portfolio and the expenditure relating to our cost savings programme. This is despite increased order frequency adversely impacting variable costs and in particular freight costs relative to sales.

Operating profit margin fell by 0.9 percentage points like-for-like to 11.3%.

EMEA's rolling 12-month NPS was 48.5, down from 50.9 in 2023/24. The decline was anticipated and reflects the implementation of our new product tracking system which had a temporary and small impact on order fulfilment scheduling. We expect the monthly NPS score to increase once Release 2 of our product tracking is rolled out which makes availability and delivery information much more accurate and visible to the customer.

Americas

	2025	2024 Restated[5]	Change	Like-for-like[1] change
Revenue	£907m	£934m	(3)%	0%
Operating profit[2]	£82m	£89m	(9)%	(4)%
Operating profit margin[2]	9.0%	9.6%	(0.6) pts	(0.5) pts
Digital revenue[3,4]	£305m	£318m	(4)%	(3)%
Service solutions revenue[3,4]	£134m	£122m	10%	12%
RS PRO revenue[3]	£7m	£7m	6%	8%

1. Like-for-like adjusted for currency and to exclude the impact of acquisitions; revenue also adjusted for trading days.
2. See Note 2 for reconciliation to Group operating profit. Regional operating profit has been restated in the prior period as shown in Note 2.
3. See Note 2 for disaggregation of revenue analysis and reconciliations to region's revenue.
4. Digital revenue and service solutions revenue have been restated, see Note 2.
5. 2023/24 has been restated in the US to reflect the correct application of the Group inventory provisioning policy. See further details in Note 12.

Americas revenue declined 3%, with like-for-like revenue, adjusted for currency and trading days, being flat.

Economic weakness in the US and Canada markets (71% of region's revenue) and broader uncertainty has impacted business confidence as reflected in PMI data. This improved in the fourth quarter, with like-for-like revenue turning positive, in part reflecting expectations of improving business outlook.

Our operations in Latin America (23% of region's revenue) have grown strongly, helped by a market continuing to benefit from increased capital investment in private and public sectors (mining, chemical, personal care, pharmaceutical and energy) and our proposition resonating well with our existing customer base as we expand our product and service solutions offer.

Our business in Americas has a higher proportion of builders of industrial assets, including discrete manufacturers, within the customer base than the rest of the Group. This results in greater sensitivity to capital investment expenditure and project-related sales and so was affected by the reduction in manufacturing production and market uncertainty for much of the year. Our key growth accelerators (product expansion, RS PRO, solutions, strategic suppliers and targeting specific customer verticals) outperformed as we implement our strategic action plan.

A large proportion of revenue relates to industrial A&C and Electrification products (c. 70% of the region's revenue versus 41% across the Group) which delivered a low single digit percentage like-for-like growth. Semis & Passives and Cables & Connectors (c. 10% of the regions revenue) saw high single digit like-for-like decline.

Revenue from digital declined by 3% like-for-like. Our eProcurement solution outperformed, particularly in Latin America, as we migrated larger customers onto the technology, driving increased customer loyalty. We look forward to continued momentum in 2025/26 with the roll out of our new digital platform in US and Canada and further development of our eProcurement solution.

Revenue attributed to service solutions grew 12% like-for-like driven by our investment and sales team focus in ramping up our design and technical services and delivery offers.

RS PRO revenue increased from a low base, as we increased management focus and marketing effort on some key product categories. In Latin America, we are beginning to introduce RS PRO to our customers with curated product offerings and increased promotional activities.

RS Integrated Supply delivered flat like-for-like revenue growth, despite a small reduction in customer pass-through spend, reflecting the blend of new contract wins and customer retention rates. We continue to drive efficiency in our operating costs delivering in-year savings as we move to a global platform and operating model, sharing best practice.

Americas' gross margin was slightly lower (0.1 percentage points on a like-for-like basis) due to some competitive pricing pressure, largely offset by focused margin-improvement activities and expansion into margin accretive product lines. During the year, we conducted a detailed assessment of our inventory as part of the Group-wide focus on tightening working cash discipline and cash management. Following this review, it was identified that some inventory was miscategorised against which more stringent provision rates should have been applied, along with further instances of non-adherence to the Group Policy. As a result, we increased the inventory provision by £19 million. We restated our 2023/24 gross profit to £89.2 million (previously reported at £95 million). These prior year adjustments do not impact 2024/25 gross profit. For further information please refer to Note 12.

Our operating costs are up 2% like-for-like reflecting investments in initiatives focused on customer experience, service-based solutions and product offer expansion offset by structural cost reductions and efficiencies to better align the region with current demand. A portion of the investments was related to expansion and process investments in Latin America to support continued growth.

Americas' operating profit margin declined year on year mainly due to flat revenue coupled with limited pricing pressures, partially offset by favourable operating cost reductions and discipline. Operating profit margin was 9.0%.

Americas' rolling twelve-month NPS was 65.2, an increase from 64.8 in 2023/24 reflecting steady increases to the monthly scores from improved offerings and processes. Our high NPS score reflects our strong customer experience with fast response rates and high levels of consistent service.

Asia Pacific

	2025	2024	Change	Like-for-like[1] change
Revenue	£219m	£214m	2%	0%
Operating profit[2]	£6m	£5m	22%	43%
Operating profit margin[2]	2.8%	2.3%	0.5 pts	0.9 pts
Digital revenue[3]	£118m	£123m	(4)%	(2)%
Service solutions revenue[3]	£47m	£43m	8%	10%
RS PRO revenue[3]	£34m	£33m	2%	3%

1. Like-for-like adjusted for currency and to exclude the impact of acquisitions; revenue also adjusted for trading days.
2. See Note 2 for reconciliation to Group operating profit. Regional operating profit has been restated in the prior period as shown in Note 2.
3. See Note 2 for disaggregation of revenue analysis and reconciliations to region's revenue.

Asia Pacific's revenue increased by 2% benefiting from the acquisition of Trident and more working days. Like-for-like revenue was flat with improved momentum and signs of recovery across most markets in the second half.

Southeast Asia accounts for 32% of regional revenue and is, for the first time, our largest sub-region by revenue. Performance accelerated in the second half to deliver high single-digit revenue growth as we focused on larger corporate customers, marketing RS PRO, a strong reception to our e-Procurement solution push and the expansion of our network of fulfilment centres and inventory capacity. Our services strategy has been effective in adding value and capturing market share and delivering strong growth. We have expanded our product offer through enhanced vendor management capabilities and are sourcing more products locally to reduce freight costs.

Australia and New Zealand (35% of region's revenue) saw a slight like-for-like revenue decline reflecting the challenging economic environment with large corporate customers' performance most impacted. Macroeconomic indicators including PMI showed improvement in the fourth quarter, with revenue performance strengthening. The acquisition of Trident in Perth, Australia in April 2024 expands our service capability, local fulfilment centre capacity and opens opportunities with customers in the resources sector which delivered strong growth.

Greater China (22% of the region's revenue) performance strengthened as the market showed signs of recovery despite a higher exposure to the electronics markets and intensified US sanctions; like-for-like revenue growth was flat. China ended the year in growth due to our improved industrial offer, high lifetime value customer focus and increased RS PRO traction which offset the significant loss of electronics business as an impact of the sanctions placed on Chinese customers.

Suppressed market demand has continued to impact Japan and Korea which saw like-for-like revenue decline. Positively, RS PRO and our eProcurement solution both performed well.

Digital like-for-like revenue declined mainly impacted by web performance, particularly in Greater China, Japan and Korea due to local digital infrastructure challenges and weaker electronics' market demand. However, our eProcurement performance grew by high single-digit percentage.

RS PRO like-for-like revenue outperformed the region, supported by an enhanced go-to-market strategy, including targeted product marketing campaigns and focused product range catalogues.

Our gross margin improved by 0.5 percentage points like-for-like due to effective cashflow hedging processes and lower inventory provisions.

Operating costs were flat like-for-like, benefitting from restructuring initiatives in adjusting our cost base in the prior year partially offset by the continued investment in growth initiatives focusing on customer experience, digital marketing campaigns and local fulfilment capacity.

The operating profit margin increased by 0.9 percentage points on a like-for-like basis, reflecting favourable gross margin drop-through and operational cost efficiencies we delivered to improve the region's profit conversion.

Asia Pacific's rolling 12-month NPS score declined 2.8 points to 19.0 compared with 2023/24. As with EMEA, the decline was anticipated and reflects the implementation of our new product tracking system which had a temporary and small impact on order fulfilment scheduling. We expect the monthly NPS score to increase when Release 2 of our product tracking is rolled out which makes availability and delivery information much more accurate and visible to the customer.

FINANCIAL REVIEW

Net finance costs
Net finance costs were £27 million, down from £32 million in 2023/24 mainly due to the full-year impact of reduced net debt. At 31 March 2025, 34% of the Group's gross borrowings excluding lease liabilities (2023/24: 26%) was at fixed rates, with surplus cash deposited at variable rates.

Profit before tax
Profit before tax declined 15% to £206 million. Adjusted profit before tax was down 10% to £248 million, down 7% on a like-for-like basis.

Taxation
The Group's income tax charge was £54 million (2023/24: £64 million). The adjusted income tax charge, which excludes the impact of tax relief on items excluded from adjusted profit before tax, was £64 million (2023/24: £72 million), resulting in an effective tax rate of 25.8% on adjusted profit before tax (2023/24: 26.2%). Going forward, we expect the full-year 2025/26 effective tax rate on adjusted profit before tax to be c. 26.0%.

Earnings per share
Earnings per share declined by 14% to 32.5p. Adjusting for items excluded from adjusted profit and associated income tax effects, adjusted earnings per share of 39.1p declined 6% on a like-for-like basis.

Cash flow
Adjusted operating cash flow conversion improved to 111%, significantly exceeding our target rate of over 80%. Cash generated from operations was £349 million (2023/24: £301 million). A £63 million improvement in adjusted free cash flow benefitted from actively managed working capital including a c. £20 million one-off reduction in receivables in EMEA and focused capital expenditure, which mitigated lower EBITDA.

Net capital expenditure was £49 million as we continued to invest in optimising our distribution network, launching a new product management solution, augmenting digital commerce capabilities and strengthening our technology platforms. As a result, capital expenditure was at 1.2 times depreciation (2023/24: 1.3 times), in line with our typical maintenance capital expenditure levels of 1.0 - 1.5 times depreciation. We anticipate capital expenditure in 2025/26 to be c. £50 million including strategic investments in our warehouse management systems, additional distribution capabilities in Italy and Ireland and other system upgrades.

Net interest paid decreased by £2 million to £29 million due to a reduction in net debt resulting from strong operating cash generation due to the improvement in working capital and lease disposals as part of Distrelec integration.

generation due to the improvement in working capital and lease disposals as part of Distrelec integration.

Adjusted free cash flow increased to £214 million. Whilst some one-off cash benefits are expected not to repeat, we remain committed to conserving cash whilst ensuring we continue to invest in our business to enable a swift recovery when the economic conditions improve.

Intangible assets
Intangible assets have decreased from £983 million at March 2024 to £899 million (see Note 6), with translation differences driving £60 million of the decrease. Goodwill of £6 million was recognised on the acquisition of Trident, there were additions of £33 million and an amortisation charge and impairment cost for the year totalling £64 million. Of the impairment cost, £11 million related to the impairment of customer relationships and software that were part of the acquisition of IESA (now RS Integrated Supply EMEA), where the value in use was less than the carrying value of the assets.

Working capital
Working capital as a percentage of revenue improved and was 1.1 percentage points lower year on year at 23.9%, reflecting the improvement in working capital management.

Trade and other receivables have decreased by £13 million to £689 million. The collection of receivables is our greatest short-term liquidity sensitivity, and we continue to manage our exposure through tight credit policies, proactive monitoring and collections.

Inventories were £617 million, decreasing by £20 million. Our inventory turn of 2.7 times is 0.1 times higher (2023/24 2.6 times). Inventory provisions were in line with 2023/24 (restated - see Note 12 for further details) at £87million, representing a slight increase in the overall provision rate from 12.0% to 12.3%.

Overall trade and other payables increased by £8 million to £611 million from £603 million in 2023/24.

Looking forward, we continue to manage our working capital position actively and optimising cash conversion is a key area of focus. We remain focused on receivables collection. We will continue to seek to manage our inventory levels to take account of changing demand dynamics and supply chain behaviour, whilst anticipating our customers' expectations. We will continue to invest in the right inventory to ensure that we remain well positioned to maintain service levels and deliver strong growth as markets recover. We pay our suppliers to terms and continue to work with some of our larger suppliers to improve terms where possible.

Net debt
Our net debt has decreased to £364 million from £418 million (see Note 9). This was due to a reduction in lease liabilities following the disposal of the Distrelec DC lease and partial repayment of the multicurrency revolving facility as we generated strong operating cash flow.

The £400 million multicurrency revolving facility, the €150 million term loan and the private placement loan notes form our committed debt facilities of £679 million, down from £685 million last year due to the impact of exchange rates, of which £287 million was undrawn at 31 March 2025 (2023/24: £245 million undrawn). In October 2024, our request to take up a one-year term extension to the multicurrency revolving facility was approved by the lenders and so this facility now matures in October 2029. We have also extended the €150 million term loan end date from April 2026 to October 2028.

The Group's financial metrics, as set out in the Alternative Performance Measures in Note 11, remain strong, with net debt to adjusted EBITDA of 1.1x and EBITA to interest of 10.9x, leaving significant headroom for the Group's banking covenants of net debt to adjusted EBITDA less than 3.25 times and EBITA to interest greater than 3 times.

Return on Capital Employed (ROCE)
ROCE is the adjusted operating profit for the 12 months ended 31 March 2025, expressed as a percentage of the monthly average capital employed (net assets excluding net debt and retirement benefit obligations). ROCE was 15.2% compared to 17.1% last year. The decrease is predominantly driven by decline in adjusted operating profit (1.9 percentage points). The negative impact of recent acquisitions (0.8 percentage points) was fully offset by a lower level of capital employed.

Retirement benefit obligations
Overall, the retirement benefit net obligations of the Group's defined benefit schemes at 31 March 2025 were £14 million compared to £26 million at 31 March 2024 due mainly to the additional annual £11 million deficit contributions in respect of the previous triennial valuation. The UK defined benefit scheme (our largest scheme) had a net obligation of £5 million under International Accounting Standard 19 'Employee Benefits', reflecting the present value of the agreed future deficit contributions agreed following the March 2022 triennial funding valuation and payable to September 2025.

Dividend
The Board intends to continue to pursue a progressive dividend policy whilst remaining committed to a healthy dividend cover over time by driving improved results and stronger cash flow. The Board proposes a final dividend at 13.9p per share. This will be paid on 25 July 2025 to shareholders on the register on 13 June 2025. As a result, the total proposed dividend for 2024/25 will be 22.4p per share, representing an increase of 2% over the 2023/24 full-year dividend. Adjusted earnings dividend cover for 2024/25 is 1.7 times.

Foreign exchange risk
The Group does not hedge translation exposure on the income statements of overseas subsidiaries. Based on the mix of non-sterling denominated revenue and adjusted operating profit, a one cent movement in the euro would impact annual adjusted profit before tax by £1.7 million and a one cent movement in the US dollar would impact annual adjusted profit before tax by £0.5 million.

During the year, there were foreign exchange losses arising on translation of £84 million, recognised within Other Comprehensive Income, of which £60 million related to the translation of intangible assets as set out in Note 6. These losses were then offset by £7 million gains on net investment hedges.

The Group is also exposed to foreign currency transactional risk because most operating companies have some level of payables in currencies other than their functional currency. Some operating companies also have receivables in currencies other than their functional currency. Group Treasury maintains three to seven months hedging against freely tradable currencies to smooth the impact of fluctuations in currency. The Group's largest exposures relate to euros and US dollars.

2030 ESG ACTION PLAN - NON-FINANCIAL KEY PERFORMANCE INDICATORS (KPIs)

We have eight reported non-financial KPIs to measure progress against the commitments of our 2030 ESG action plan - For a Better World. To provide greater transparency on our performance in the period, a summary of our progress is included below with further details available in the ESG section on our website: www.rsgroup.com/sustainability.

	2025	2024
Carbon intensity [1,2,3] (tonnes of CO_2e due to Scope 1 and 2 emissions / £m revenue)	**2.2**	2.4
Carbon emissions[1,2,3] (tonnes of CO_2e due to Scope 1 and 2 emissions)	**6,500**	6,800
Packaging intensity[1,2] (tonnes / £m revenue)	**1.55**	1.61
Waste[1] (% of waste recycled)	**84%**	82%
Group rolling 12-month Net Promoter Score (NPS)	**48.5**	50.6
Employee engagement	**72**	75
Percentage of management that are women	**37%**	34%

All accidents (per 200,000 hours)	**0.44**	0.37

1. Includes post-acquisition data from businesses acquired in 2023/24 and 2024/25.
2. KPI is on a constant exchange rate basis and updated to reflect changes in reporting methodology and emissions factors.
3. Scope 2 market-based emissions calculated with electricity purchased from renewable sources at zero CO2e per kWh and residual-mix CO2e per kWh for all other sources.

RISKS AND UNCERTAINTIES

The Board has overall accountability for the Group's risk management, which is delegated to the ExCo and supported by the Group's risk team. The principal elements of the process are: identifying potential risks, assessing the risk, determining and treating the risk and then monitoring and reviewing these risks.

The Group has a defined risk appetite, which has been agreed by ExCo and the Board.

Principal risks and uncertainties

The principal risks and mitigations to be disclosed in the 2025 Annual Report and Accounts (pages 36 to 42) are:

1. Cyber security
2. Geopolitical and macroeconomic environment
3. Legal and regulatory compliance
4. Business resilience
5. Change initiatives
6. Talent and capability
7. Market disruption
8. Climate change
9. M&A activity

FORWARD-LOOKING STATEMENTS

This financial report contains certain statements, statistics and projections that are or may be forward-looking. The accuracy and completeness of all such statements, including, without limitation, statements regarding the future financial position, strategy, projected costs, plans and objectives for the management of future operations of RS Group plc and its subsidiaries is not warranted or guaranteed. These statements typically contain words such as "may", "will", "should", "project", "intends", "expects", "anticipates", "estimates" and words of similar import are forward looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Although RS Group plc believes that the expectations reflected in such statements are reasonable, no assurance can be given that such expectations will prove to be correct. There are a number of factors, which may be beyond the control of RS Group plc, which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be listed, RS Group plc has no intention or obligation to update forward-looking statements contained herein.

GROUP INCOME STATEMENT

For the year ended 31 March 2025

	Notes	**2025** £m	2024 restated[1] £m
Revenue	2	**2,903.5**	2,942.4
Cost of sales		**(1,660.3)**	(1,684.1)
Gross profit		**1,243.2**	1,258.3
Operating costs		**(1,010.4)**	(983.8)
Operating profit	2	**232.8**	274.5
Finance income		**4.7**	4.8
Finance costs		**(32.0)**	(36.7)
Share of profit of joint venture		**0.6**	0.6
Profit before tax	2	**206.1**	243.2
Income tax expense		**(53.5)**	(63.8)
Profit for the year attributable to owners of the Company		**152.6**	179.4
Earnings per share attributable to owners of the Company			
Basic	3	**32.5p**	37.9p
Diluted	3	**32.5p**	37.8p

1. Please refer to Note 12 for further details of the restatement.

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	2025 £m	2024 restated[1] £m
Profit for the year	**152.6**	179.4
Other comprehensive income/(expense)		
Items that will not be reclassified subsequently to the income statement		
Remeasurement of retirement benefit obligations	**1.5**	0.8

Related income tax	**(0.3)**	(0.1)
Items that may be reclassified subsequently to the income statement		
Foreign exchange translation differences of joint venture	**(0.1)**	(0.2)
Foreign exchange translation differences	**(84.1)**	(3.6)
Fair value gain on net investment hedges	**6.6**	3.4
Movement in cash flow hedges	**1.4**	(0.1)
Related income tax	**(0.2)**	-
Other comprehensive expense for the year	**(75.2)**	0.2
Total comprehensive income for the year	**77.4**	179.6
Total comprehensive income is attributable to:		
Owners of the Company	**77.5**	179.7
Non-controlling interests	**(0.1)**	(0.1)
Total comprehensive income for the year	**77.4**	179.6

1. Please refer to Note 12 for further details of the restatement.

GROUP BALANCE SHEET

As at 31 March 2025

	Notes	2025 £m	2024 restated[1] £m	2023 restated[1] £m
Non-current assets				
Intangible assets	6	**898.9**	982.6	704.8
Property, plant and equipment		**176.7**	180.9	186.3
Right-of-use assets		**54.3**	72.8	46.9
Investment in joint venture		**1.2**	1.3	1.5
Other receivables		**4.6**	8.4	6.5
Retirement benefit net assets	5	**2.5**	1.5	0.8
Deferred tax assets		**11.1**	9.5	6.9
Total non-current assets		**1,149.3**	1,257.0	953.7
Current assets				
Inventories	7	**617.3**	637.4	603.1
Trade and other receivables	8	**688.5**	701.4	692.0
Cash and cash equivalents - cash and short-term deposits	9	**147.7**	258.7	260.3
Derivative assets		**1.9**	2.6	1.8
Current income tax receivables		**15.9**	22.7	19.9
Total current assets		**1,471.3**	1,622.8	1,577.1
Total assets		**2,620.6**	2,879.8	2,530.8
Current liabilities				
Trade and other payables		**(611.0)**	(602.7)	(658.9)
Cash and cash equivalents - bank overdrafts	9	**(41.7)**	(162.7)	(139.8)
Borrowings		**(23.5)**	-	-
Lease liabilities	9	**(15.5)**	(16.0)	(14.6)
Derivative liabilities		**(1.8)**	(1.1)	(1.7)
Provisions		**(5.0)**	(5.0)	(1.8)
Current income tax liabilities		**(17.9)**	(27.8)	(22.1)
Total current liabilities		**(716.4)**	(815.3)	(838.9)
Non-current liabilities				
Other payables		**(7.4)**	(17.3)	(9.3)
Retirement benefit obligations	5	**(16.4)**	(27.2)	(37.2)
Borrowings	9	**(390.0)**	(440.3)	(184.6)
Lease liabilities	9	**(41.2)**	(57.9)	(34.3)
Provisions		**(3.1)**	(4.2)	(4.7)
Deferred tax liabilities		**(91.6)**	(98.7)	(86.9)
Total non-current liabilities		**(549.7)**	(645.6)	(357.0)
Total liabilities		**(1,266.1)**	(1,460.9)	(1,195.9)
Net assets		**1,354.5**	1,418.9	1,334.9
Equity				
Share capital and share premium		**287.1**	286.9	283.3
Own shares held by Employee Benefit Trust (EBT)		**(42.3)**	(1.8)	(2.2)
Other reserves		**32.0**	108.9	109.1
Retained earnings		**1,077.2**	1,024.3	944.0
Equity attributable to owners of the Company		**1,354.0**	1,418.3	1,334.2
Non-controlling interests		**0.5**	0.6	0.7
Total equity		**1,354.5**	1,418.9	1,334.9

1. Please refer to Note 12 for further details of the restatement.

GROUP CASH FLOW STATEMENT

For the year ended 31 March 2025

	Notes	2025 £m	2024 restated[1] £m
Cash flows from operating activities			
Profit before tax		**206.1**	243.2
Depreciation and amortisation		**85.4**	83.7

Impairment of intangible assets		**12.8**	4.6
Impairment of property, plant and equipment		**0.4**	-
Impairment of right-of-use assets		**-**	0.4
Loss on disposal of non-current assets		**0.1**	1.6
Equity-settled share-based payments		**9.9**	7.8
Net finance costs		**27.3**	31.9
Share of profit of and dividends received from joint venture		**-**	-
Decrease in inventories		**7.6**	10.5
(Increase) decrease in trade and other receivables		**(2.0)**	8.1
Increase (decrease) in trade and other payables		**12.3**	(82.2)
(Decrease) increase in provisions		**(0.4)**	1.1
Defined benefit retirement contributions in excess of charge		**(10.7)**	(9.8)
Cash generated from operations		**348.8**	300.9
Interest received		**4.7**	4.8
Interest paid		**(34.0)**	(35.8)
Income tax paid		**(60.4)**	(73.3)
Net cash from operating activities		**259.1**	196.6
Cash flows from investing activities			
Acquisition of businesses	10	**(8.4)**	(313.1)
Cash and cash equivalents acquired with businesses	10	**-**	9.0
Total cash impact on acquisition of businesses		**(8.4)**	(304.1)
Purchase of intangible assets		**(33.1)**	(35.7)
Purchase of property, plant and equipment		**(16.2)**	(15.9)
Proceeds on sale of property, plant and equipment		**-**	-
Net cash used in investing activities		**(57.7)**	(355.7)
Cash flows from financing activities			
Proceeds from the issue of share capital		**0.2**	3.6
Purchase of own shares by EBT		**(46.5)**	(1.5)
Net (decrease)/increase in revolving facility and short-term loans[2]	9	**(42.3)**	130.2
Other loans drawn down[2]	9	**24.0**	131.7
Other loans repaid[2]	9	**(0.4)**	(2.5)
Principal elements of lease payments	9	**(15.7)**	(18.5)
Dividends paid	4	**(104.7)**	(104.1)
Net cash (used in)/generated from financing activities		**(185.4)**	138.9
Net increase/(decrease) in cash and cash equivalents		**16.0**	(20.2)
Cash and cash equivalents at the beginning of the year		**96.0**	120.5
Effects of exchange rate changes		**(6.0)**	(4.3)
Cash and cash equivalents at the end of the year	9	**106.0**	96.0

1. Please refer to Note 12 for further details of the restatement.
2. Cash flows relating to borrowings eligible for net presentation are now presented within the line "net (decrease)/increase in revolving facility and short-term loans". The 2023/24 comparative of £130.2 million consists of inflow of £155.0 million
re-presented from "other loans drawn down" and outflow of £24.8 million re-presented from "other loans repaid".

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company						
	Share capital and share premium £m	Own shares held by EBT £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
At 1 April 2023 (as reported)	283.3	(2.2)	108.8	954.3	1,344.2	0.7	1,344.9
Effect of prior period restatement (Note 12)	-	-	0.3	(10.3)	(10.0)	-	(10.0)
At 1 April 2023 (restated)[1]	283.3	(2.2)	109.1	944.0	1,334.2	0.7	1,334.9
Profit for the year (as reported)	-	-	-	183.7	183.7	-	183.7
Prior period restatement (Note 12)	-	-	-	(4.3)	(4.3)	-	(4.3)
Profit for the year (restated)[1]	-	-	-	179.4	179.4	-	179.4
Other comprehensive income/(expense) (as reported)	-	-	(0.7)	0.7	-	(0.1)	(0.1)
Prior period restatement (Note 12)	-	-	0.3	-	0.3	-	0.3
Other comprehensive income/(expense) (as restated[1])	-	-	(0.4)	0.7	0.3	(0.1)	0.2
Total comprehensive income/(expense) (restated)[1]	-	-	(0.4)	180.1	179.7	(0.1)	179.6
Cash flow hedging gains transferred to inventories	-	-	(1.6)	-	(1.6)	-	(1.6)
Cash flow hedging losses transferred to acquisition purchase price	-	-	1.8	-	1.8	-	1.8
Dividends (Note 4)	-	-	-	(104.1)	(104.1)	-	(104.1)
Equity-settled share-based payments	-	-	-	7.8	7.8	-	7.8
Settlement of share awards	3.6	1.9	-	(1.9)	3.6	-	3.6
Purchase of own shares by EBT	-	(1.5)	-	-	(1.5)	-	(1.5)
Tax on equity-settled share-based payments	-	-	-	(1.6)	(1.6)	-	(1.6)

At 31 March 2024 (restated)[1]	286.9	(1.8)	108.9	1,024.3	1,418.3	0.6	1,418.9
Profit for the year	-	-	-	152.7	152.7	(0.1)	152.6
Other comprehensive income/(expense)	-	-	(76.4)	1.2	(75.2)	-	(75.2)
Total comprehensive income/(expense)	-	-	(76.4)	153.9	77.5	(0.1)	77.4
Cash flow hedging gains transferred to inventories	-	-	(0.6)	-	(0.6)	-	(0.6)
Tax on cash flow hedging transferred to inventories	-	-	0.1	-	0.1	-	0.1
Dividends (Note 4)	-	-	-	(104.7)	(104.7)	-	(104.7)
Equity-settled share-based payments	-	-	-	9.4	9.4	-	9.4
Settlement of share awards	0.2	6.0	-	(5.5)	0.7	-	0.7
Purchase of own shares by EBT	-	(46.5)	-	-	(46.5)	-	(46.5)
Tax on equity-settled share-based payments	-	-	-	(0.2)	(0.2)	-	(0.2)
At 31 March 2025	**287.1**	**(42.3)**	**32.0**	**1,077.2**	**1,354.0**	**0.5**	**1,354.5**

1. Please refer to Note 12 for further details of the restatement.

NOTES TO THE PRELIMINARY ACCOUNTS

1. Basis of preparation

The financial information contained in this release does not constitute the Company's statutory accounts for the years ended 31 March 2025 or 31 March 2024 but is derived from those accounts. The accounts are prepared in accordance with UK-adopted international accounting standards (UK IAS) and the requirements of the Companies Act 2006. None of the new accounting standards, amendments or revisions to existing standards or interpretations which have become effective have had a material impact on the reported results or financial position of the Group. Statutory accounts for the year ended 31 March 2024 have been delivered to the Registrar of Companies and those for the year ended 31 March 2025 will be delivered following the Company's Annual General Meeting. The auditors appointed in respect of each of the financial years have reported on these sets of accounts. Their reports were unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain any statement under sections 498(2) or 498(3) of the Companies Act 2006. The accounts for the year ended 31 March 2025 were approved by the Board of Directors on 20 May 2025.

2. Segmental reporting

The Group's operating segments comprise three regions: EMEA, Americas and Asia Pacific.

During the first half of the year the Group reviewed the methodology for the allocation of central costs which has resulted in an increased level of costs apportioned to the regions and a lower level of central costs, and the prior year's segmental operating profits and central costs have been restated below. The level of costs reallocated from / (to) central costs to / (from) the regions as a result of the change was £37.7 million (EMEA: £32.3 million; Americas: £6.6 million; partially offset by Asia Pacific: (£1.2 million)) in the year ended 31 March 2024.

Due to a prior period error, there is an additional restatement of the prior year. Further details can be found in Note 12.

	EMEA £m	Americas £m	Asia Pacific £m	Group £m
Year ended 31 March 2025				
Revenue from external customers	**1,777.3**	**907.4**	**218.8**	**2,903.5**
Segmental operating profit	**200.5**	**81.6**	**6.1**	**288.2**
Central costs				**(14.0)**
Adjusted operating profit				**274.2**
Amortisation and impairment of acquired intangibles				**(37.3)**
Acquisition-related items				**(4.1)**
Operating profit				**232.8**
Net finance costs				**(27.3)**
Share of profit of joint venture				**0.6**
Profit before tax				**206.1**
Year ended 31 March 2024 (restated)				
Revenue from external customers	1,794.8	933.7	213.9	2,942.4
Segmental operating profit	223.4	89.2	5.0	317.6
Central costs				(11.4)
Adjusted operating profit				306.2
Amortisation and impairment of acquired intangibles				(26.6)
Acquisition-related items				(5.1)
Operating profit				274.5
Net finance costs				(31.9)
Share of profit of joint venture				0.6
Profit before tax				243.2

2. Segmental reporting (continued)

In the table below, revenue is disaggregated by sales channels, by own-brand products or other product and service solutions, and also by service solutions or other. Service solutions includes procurement solutions, maintenance solutions and other solutions. The Group's largest own-brand is RS PRO. £2,805.2 million of revenue is recognised at a point in time (2023/24: £2,850.7 million) and £98.3 million over time (2023/24: £91.7 million).

Sales channels, brands and service solutions

During the year the Group reviewed what it classes as digital revenue which has resulted in an overall increase to digital revenue and corresponding decrease to offline revenue in EMEA for the year ended 31 March 2024 of £18.4 million, and in Americas a decrease in digital revenue and a corresponding increase in offline revenue of £18.5 million. The Group has also reviewed its categorisation of service solutions revenue, which has resulted in a decrease in service solutions revenue in Americas of £11.2 million in the year ended 31 March 2024. The information below reflects the new classifications.

Sales channel

	EMEA £m	Americas £m	Asia Pacific £m	Group £m
Year ended 31 March 2025				
Web	**851.2**	**269.5**	**81.9**	**1,202.6**
eProcurement and other digital	**479.1**	**35.7**	**36.5**	**551.3**
Digital	**1,330.3**	**305.2**	**118.4**	**1,753.9**
Offline	**447.0**	**602.2**	**100.4**	**1,149.6**
Revenue	**1,777.3**	**907.4**	**218.8**	**2,903.5**
Year ended 31 March 2024 (restated)				
Web	881.1	281.6	88.5	1,251.2
eProcurement and other digital	459.6	36.1	34.6	530.3
Digital	1,340.7	317.7	123.1	1,781.5
Offline	454.1	616.0	90.8	1,160.9
Revenue	1,794.8	933.7	213.9	2,942.4

Own-brand / other products and service solutions

	EMEA £m	Americas £m	Asia Pacific £m	Group £m
Year ended 31 March 2025				
Own-brand product and service solutions	**359.6**	**7.1**	**33.7**	**400.4**
Other product and service solutions	**1,417.7**	**900.3**	**185.1**	**2,503.1**
Revenue	**1,777.3**	**907.4**	**218.8**	**2,903.5**
Year ended 31 March 2024				
Own-brand product and service solutions	364.9	6.7	33.2	404.8
Other product and service solutions	1,429.9	927.0	180.7	2,537.6
Revenue	1,794.8	933.7	213.9	2,942.4

Service solutions / other

	EMEA £m	Americas £m	Asia Pacific £m	Group £m
Year ended 31 March 2025				
Service solutions	**557.1**	**133.7**	**46.7**	**737.5**
Other	**1,220.2**	**773.7**	**172.1**	**2,166.0**
Revenue	**1,777.3**	**907.4**	**218.8**	**2,903.5**
Year ended 31 March 2024 (restated)				
Service solutions	532.3	121.6	43.4	697.3
Other	1,262.5	812.1	170.5	2,245.1
Revenue	1,794.8	933.7	213.9	2,942.4

3. Earnings per share

	2025 Number	2024 restated[1] Number
Weighted average number of shares	**470,022,152**	473,300,106
Dilutive effect of share-based payments	**214,829**	781,177
Diluted weighted average number of shares	**470,236,981**	474,081,283
Basic earnings per share	**32.5p**	37.9p
Diluted earnings per share	**32.5p**	37.8p

1. Please refer to Note 12 for further details of the restatement.

4. Dividends

	2025 £m	2024 £m
Final dividend for the year ended 31 March 2024 - 13.7p (2023: 13.7p)	**64.9**	64.8
Interim dividend for the year ended 31 March 2025 - 8.5p (2024: 8.3p)	**39.8**	39.3
	104.7	104.1

The trustees of the EBT have waived their right to receive dividends and this amounts to £0.8 million (2023/24: £nil).

A proposed final dividend for the year ended 31 March 2025 of 13.9p is subject to approval by shareholders at the Annual General Meeting on 17 July 2025 and the estimated amount to be paid of £65.1 million has not been included as a liability in these accounts. This will be paid on 25 July 2025 to shareholders on the register on 13 June 2025 with an ex-dividend date of 12 June 2025.

5. Retirement benefit obligations

The Group operates defined benefit schemes in the United Kingdom and Europe.

	2025 £m	2024 £m
Fair value of scheme assets	**432.9**	452.0
Present value of defined benefit obligations	**(379.3)**	(421.8)
Effect of asset ceiling / onerous liability	**(67.5)**	(55.9)
Retirement benefit net obligations	**(13.9)**	(25.7)
Amount recognised on the balance sheet - liability	**(16.4)**	(27.2)
Amount recognised on the balance sheet - asset	**2.5**	1.5

A change would have the following increase / (decrease) on the UK defined benefit obligations as at 31 March 2025:

	Increase in assumption £m	Decrease in assumption £m
Effect on obligation of a 0.5 pts change to the assumed discount rate	**(19.8)**	**21.9**
Effect on obligation of a 0.25 pts change in the assumed inflation rate	**9.5**	**(9.2)**
Effect on obligation of a change of one year in assumed life expectancy	**8.9**	**(8.9)**

6. Intangible assets

	Goodwill £m	Other intangibles £m	Total £m
Cost			
At 1 April 2023	463.3	546.2	1,009.5
Acquired with businesses	182.3	106.2	288.5
Additions	-	35.6	35.6
Disposals	-	(1.0)	(1.0)
Translation differences	0.7	5.0	5.7
At 31 March 2024	646.3	692.0	1,338.3
Acquired with businesses	5.9	0.5	6.4
Additions	-	33.0	33.0
Disposals	-	(2.4)	(2.4)
Reclassifications	-	3.0	3.0
Translation differences	(35.8)	(29.0)	(64.8)
At 31 March 2025	**616.4**	**697.1**	**1,313.5**
Amortisation			
At 1 April 2023	-	304.7	304.7
Charge for the period	-	48.2	48.2
Impairment losses	-	4.6	4.6
Disposals	-	(0.8)	(0.8)
Translation differences	-	(1.0)	(1.0)
At 31 March 2024	-	355.7	355.7
Charge for the period	-	50.7	50.7
Impairment losses	-	12.8	12.8
Disposals	-	(2.1)	(2.1)
Reclassifications	-	2.4	2.4
Translation differences	-	(4.9)	(4.9)
At 31 March 2025	-	**414.6**	**414.6**
Net book value			
At 31 March 2025	**616.4**	**282.5**	**898.9**
At 31 March 2024	646.3	336.3	982.6

During the year the customer contracts, relationships and distribution agreements were assessed for impairment. As a result of the recoverable amount being lower than the asset carrying values, the asset related to the acquisition of IESA was fully impaired, with an impairment cost of £10.9 million. In addition, £0.4 million of software acquired with IESA and other software of £1.5 million were also impaired.

7. Inventories

	2025 £m	2024 restated[1] £m	2023 restated[1] £m
Gross inventories	**704.1**	724.3	659.7
Inventory provisions	**(86.8)**	(86.9)	(56.6)
Net inventories	**617.3**	637.4	603.1

Net inventories	**[illegible]**	[illegible]	[illegible]

[1] Please refer to Note 12 for further details of the restatement.

8. Trade and other receivables

	2025 £m	2024 £m
Gross trade receivables	**615.9**	624.0
Impairment allowance	**(11.5)**	(11.1)
Net trade receivables	**604.4**	612.9
Other receivables (including prepayments and accrued income)	**84.1**	88.5
Trade and other receivables	**688.5**	701.4

Trade receivables are written off when there is no reasonable expectation of recovery, for example when a customer enters liquidation or the Group agrees with the customer to write off an outstanding invoice. During the year £4.2 million was recognised as a loss from the impairment of trade receivables (2023/24: £3.4 million).

9. Net debt

	2025 £m	2024 £m
Cash and short-term deposits	**147.7**	258.7
Bank overdrafts	**(41.7)**	(162.7)
Cash and cash equivalents	**106.0**	96.0
Non-current private placement loan notes	**(153.2)**	(157.1)
Non-current multicurrency revolving facility	**(112.6)**	(155.0)
Non-current term loan	**(124.2)**	(128.2)
Unsecured bank facility repayable within one year	**(23.5)**	-
Current lease liabilities	**(15.5)**	(16.0)
Non-current lease liabilities	**(41.2)**	(57.9)
Net debt	**(364.2)**	(418.2)

The £400 million multicurrency revolving facility has a maturity of October 2029 and the €150 million term loan has a maturity of October 2028.

Movements in net debt were:

	Borrowings £m	Lease liabilities £m	Total liabilities from financing activities £m	Cash and cash equivalents £m	Net debt £m
Net debt at 1 April 2023	(184.6)	(48.9)	(233.5)	120.5	(113.0)
Cash flows	(259.4)	18.5	(240.9)	(20.2)	(261.1)
Acquired with businesses	-	(28.5)	(28.5)	-	(28.5)
Net lease additions	-	(15.2)	(15.2)	-	(15.2)
Translation differences	3.7	0.2	3.9	(4.3)	(0.4)
Net debt at 31 March 2024	(440.3)	(73.9)	(514.2)	96.0	(418.2)
Cash flows	18.7	15.7	34.4	16.0	50.4
Acquired with businesses	-	(2.3)	(2.3)	-	(2.3)
Net lease disposals	-	3.1	3.1	-	3.1
Translation differences	8.1	0.7	8.8	(6.0)	2.8
At 31 March 2025	**(413.5)**	**(56.7)**	**(470.2)**	**106.0**	**(364.2)**

10. Acquisitions

On 2 April 2024 the Group acquired 100% of the issued share capital of Trident Australia Pty Ltd, a specialist MRO distribution and rental, calibration and mechanical services partner for the energy and natural resource industry in Australia. Trident adds to the Group's Australian presence by increasing the Group's access to the energy and natural resources sector with associated customer and product synergies and provides distribution infrastructure and service capacity in Western Australia. The goodwill is attributable to the revenue synergies which are expected to arise from combining Trident's established presence in Western Australia and its highly specialised services for customers in the energy sector with the Group's global customer base and range of complementary products.

The fair value of the net assets acquired, consideration paid and goodwill arising, plus transaction costs and contribution to the Group's results since acquisition were:

	£m
Intangible assets - customer relationships	**0.5**
Property, plant and equipment	**1.8**
Right-of-use assets	**2.4**
Inventories (gross £2.0 million less provisions of £1.3 million)	**0.7**
Current trade and other receivables	**1.8**
Current trade and other payables	**(1.1)**
Current lease liabilities	**(0.3)**
Non-current lease liabilities	**(2.0)**
Non-current other provisions	**(0.1)**
Current income tax liabilities	**(0.1)**
Deferred tax liabilities	**(0.8)**
Net assets acquired	**2.8**
Goodwill	**5.9**
Consideration paid - cash	**8.2**
Contingent consideration payable	**0.5**
Total consideration	**8.7**

11. Alternative Performance Measures (APMs)

The Group uses a number of APMs in addition to those measures reported in accordance with UK IAS. Such APMs are not defined terms under UK IAS and are not intended to be a substitute for any UK IAS measure. The Directors believe that the APMs are important when assessing the financial and operating performance of the Group. The APMs are used internally for performance analysis and in employee incentive arrangements, as well as in discussions with the investment analyst community.

The APMs improve the comparability of information between reporting periods by adjusting for factors such as fluctuations in foreign exchange rates, number of trading days and items, such as reorganisation costs, that are substantial in scope and impact and do not form part of operational or management activities that the Directors would consider when assessing performance. The Directors also believe that excluding recent acquisitions and acquisition-related items aids comparison of the performance between reporting periods and between businesses with similar assets that were internally generated.

11. Alternative Performance Measures (APMs) (continued)

Adjusted profit measures

These are the equivalent UK IAS measures adjusted to exclude amortisation and impairment of intangible assets arising on acquisition of businesses, acquisition-related items, substantial reorganisation costs, substantial asset write-downs, one-off pension credits or costs, significant tax rate changes and, where relevant, associated income tax effects. Adjusted profit before tax is a performance measure for the annual incentive and the all employee Long Term Incentive Plan (LTIP) called the RS YAY! Award. Adjusted earnings per share is a performance measure for the LTIP and Journey to Greatness (J2G) LTIP award. Adjusted operating profit conversion, adjusted operating profit margin and adjusted earnings per share are financial key performance indicators (KPIs) which are used to measure the Group's progress in delivering the successful implementation of its strategy and monitor and drive its performance.

	Operating profit £m	Operating profit margin[1] %	Operating profit conversion[2] %	Profit before tax £m	Profit for the year £m	Basic earnings per share p	Diluted earnings per share p
Year ended 31 March 2025							
Reported	**232.8**	**8.0%**	**18.7%**	**206.1**	**152.6**	**32.5p**	**32.5p**
Amortisation and impairment of acquired intangibles	**37.3**			**37.3**	**28.0**	**6.0p**	**6.0p**
Acquisition-related items	**4.1**			**4.1**	**3.0**	**0.6p**	**0.6p**
Adjusted	**274.2**	**9.4%**	**22.1%**	**247.5**	**183.6**	**39.1p**	**39.1p**
Year ended 31 March 2024 restated[3]							
Reported	274.5	9.3%	21.8%	243.2	179.4	37.9p	37.8p
Amortisation of acquired intangibles	26.6			26.6	19.8	4.2p	4.2p
Acquisition-related items	5.1			5.1	3.8	0.8p	0.8p
Adjusted	306.2	10.4%	24.3%	274.9	203.0	42.9p	42.8p

(1) Operating profit margin is operating profit expressed as a percentage of revenue.

(2) Operating profit conversion is operating profit expressed as a percentage of gross profit.

(3) Please refer to Note 12 for further details of the restatement.

Acquisition-related items comprise transaction costs directly attributable to the acquisition of businesses, any deferred consideration payments relating to the retention of former owners and key employees of acquired businesses expensed as remuneration, adjustments to acquisition-related indemnification assets and the related liabilities that result from events after the acquisition date and any remeasurements of contingent consideration payable on acquisition of businesses that result from events after the acquisition date.

Like-for-like revenue and profit measures

Like-for-like revenue and profit measures are adjusted to exclude the effects of changes in exchange rates on translation of overseas profits. They exclude acquisitions in the relevant years until they have been owned for a year, at which point they start to be included in both the current and comparative years for the same number of months. These measures enable management and investors to track more easily, and consistently, the performance of the business.

The principal exchange rates applied in preparing the Group accounts and in calculating the following like-for-like measures are:

	2025 Average	**2025 Closing**	2024 Average	2024 Closing
US dollar	**1.276**	**1.293**	1.257	1.264
Euro	**1.189**	**1.198**	1.159	1.170

11. Alternative Performance Measures (APMs) (continued)

Like-for-like revenue change

Like-for-like revenue change is also adjusted to eliminate the impact of trading days year on year. It is calculated by comparing the revenue of the base business for the current year with the prior year converted at the current year's average exchange rates and pro-rated for the same number of trading days as the current year. It is a performance measure for the annual incentive and a financial KPI.

	£m
Revenue for 2024	2,942.4
Effect of exchange rates	(65.9)
Effect of trading days	27.5
Revenue for 2024 at 2025 rates and trading days	2,904.0

	2025 Group £m	**Less: acquisitions owned <1 year £m**	**2025 base business £m**	2024 £m	2024 at 2025 rates and trading days £m	Like-for-like change %
EMEA	**1,777.3**	**41.1**	**1,736.2**	1,794.8	1,788.0	(3)%
Americas	**907.4**	**-**	**907.4**	933.7	905.7	0%
Asia Pacific	**218.8**	**8.5**	**210.3**	213.9	210.3	0%
Revenue	**2,903.5**	**49.6**	**2,853.9**	2,942.4	2,904.0	(2)%

Revenue	**2,903.5**	**49.6**	**2,853.9**	2,942.4	2,904.0	(2)%

Gross margin and like-for-like gross margin change
Gross margin is gross profit expressed as a percentage of revenue. Like-for-like change in gross margin is calculated by taking the difference between gross margin for the base business for the current year and gross margin for the prior year with reported revenue and reported gross profit converted at the current year's average exchange rates.

	2025 Group £m	**Less: acquisitions owned <1 year £m**	**2025 base business £m**	2024 restated[1] £m	2024 restated[1] at 2025 rates £m	Like-for-like change pts
Revenue	**2,903.5**	**49.6**	**2,853.9**	2,942.4	2,876.5	
Gross profit	**1,243.2**	**22.5**	**1,220.7**	1,258.3	1,233.2	
Gross margin	**42.8%**	**45.4%**	**42.8%**	42.8%	42.9%	(0.1) pts

(1) Please refer to Note 12 for further details of the restatement.

Like-for-like profit change
Like-for-like change in profit is calculated by comparing the base business for the current year with the prior year converted at the current year's average exchange rates.

	2025 Group £m	**Less: acquisitions owned <1 year £m**	**2025 base business £m**	2024 restated[1] £m	2024 restated[1] at 2025 rates £m	Like-for-like change %
Segmental operating profit						
EMEA	**200.5**	**2.3**	**198.2**	223.4	217.0	(9)%
Americas	**81.6**	**-**	**81.6**	89.2	85.4	(4)%
Asia Pacific	**6.1**	**0.1**	**6.0**	5.0	4.2	43%
Segmental operating profit	**288.2**	**2.4**	**285.8**	317.6	306.6	(7)%
Central costs	**(14.0)**	**-**	**(14.0)**	(11.4)	(11.4)	23%
Adjusted operating profit	**274.2**	**2.4**	**271.8**	306.2	295.2	(8)%
Adjusted profit before tax	**247.5**	**2.1**	**245.4**	274.9	264.0	(7)%
Adjusted earnings per share	**39.1p**	**0.4p**	**38.7p**	42.9p	41.2p	(6)%
Adjusted diluted earnings per share	**39.1p**	**0.5p**	**38.6p**	42.8p		

(1) Please refer to Note 12 for further details of the restatement.

11. Alternative Performance Measures (APMs) (continued)

Adjusted free cash flow and adjusted operating cash flow conversion
Adjusted free cash flow is net cash from operating activities less purchases of intangible assets, property, plant and equipment plus any proceeds on sale of intangible assets, property, plant and equipment, adjusted for the cash impact of substantial reorganisation and acquisition-related items and is a performance measure for the annual incentive.

Adjusted operating cash flow is adjusted free cash flow before income tax and net interest paid. Adjusted operating cash flow conversion is adjusted operating cash flow expressed as a percentage of adjusted operating profit and is a financial KPI.

	2025 £m	2024 restated[1] £m
Net cash from operating activities	**259.1**	196.6
Purchase of intangible assets	**(33.1)**	(35.7)
Purchase of property, plant and equipment	**(16.2)**	(15.9)
Add back: impact of substantial reorganisation cash flows	**0.2**	0.7
Add back: impact of acquisition-related items cash flows	**4.1**	5.5
Adjusted free cash flow	**214.1**	151.2
Add back: income tax paid	**60.4**	73.3
Add back: net interest paid	**29.3**	31.0
Adjusted operating cash flow	**303.8**	255.5
Adjusted operating profit	**274.2**	306.2
Adjusted operating cash flow conversion	**110.8%**	83.4%

(1) Please refer to Note 12 for further details of the restatement.

Earnings before interest, tax, depreciation and amortisation (EBITDA), net debt and net debt to adjusted EBITDA
EBITDA is operating profit excluding depreciation and amortisation. Net debt to adjusted EBITDA (one of the Group's debt covenants) is the ratio of net debt to EBITDA excluding impairment of intangible assets arising on acquisition of businesses, acquisition-related items, substantial reorganisation costs, substantial asset write-downs and one-off pension credits or costs. Net debt comprises cash and cash equivalents, borrowings and lease liabilities and is reconciled in Note 9.

	2025 £m	2024 restated[1] £m
Operating profit	**232.8**	274.5
Add back: depreciation and amortisation	**85.4**	83.7
EBITDA	**318.2**	358.2
Add back: impairment of acquired intangibles	**11.3**	-
Add back: acquisition-related items	**4.1**	5.1
Adjusted EBITDA	**333.6**	363.3
Net debt	**364.2**	418.2
Net debt to adjusted EBITDA	**1.1x**	1.2x

(1) Please refer to Note 12 for further details of the restatement.

Earnings before interest, tax and amortisation (EBITA) and EBITA to interest
EBITA is adjusted EBITDA after depreciation. EBITA to interest (one of the Group's debt covenants) is the ratio of EBITA to finance costs including capitalised interest less finance income (interest per debt covenants).

	2025 £m	2024 restated[1] £m
Adjusted EBITDA	**333.6**	363.3
Less: depreciation	**(34.7)**	(35.5)
EBITA	**298.9**	327.8
Finance costs	**32.0**	36.7
Less: finance income	**(4.7)**	(4.8)
Interest (per debt covenants)	**27.3**	31.9
EBITA to interest	**10.9x**	10.3x

(1) Please refer to Note 12 for further details of the restatement.

11. Alternative Performance Measures (APMs) (continued)

Return on capital employed (ROCE)

ROCE is adjusted operating profit expressed as a percentage of monthly average net assets excluding net cash / debt and retirement benefit obligations and is an underpin for the LTIP and J2G LTIP Award and a financial KPI.

	2025 £m	2024 restated[1] £m
Average net assets	**1,374.9**	1,387.5
Add back: average net debt	**414.7**	371.5
Add back: average retirement benefit net obligations	**20.2**	31.2
Average capital employed	**1,809.8**	1,790.2
Adjusted operating profit	**274.2**	306.2
ROCE	**15.2%**	17.1%

(1) Please refer to Note 12 for further details of the restatement.

Working capital as a percentage of revenue

Working capital is inventories, current trade and other receivables and current trade and other payables.

	2025 £m	2024 restated[1] £m
Inventories	**617.3**	637.4
Current trade and other receivables	**688.5**	701.4
Current trade and other payables	**(611.0)**	(602.7)
Working capital	**694.8**	736.1
Revenue	**2,903.5**	2,942.4
Working capital as a percentage of revenue	**23.9%**	25.0%

(1) Please refer to Note 12 for further details of the restatement.

Inventory turn

Inventory turn is cost of sales divided by inventories.

	2025 £m	2024 restated[1] £m
Cost of sales	**1,660.3**	1,684.1
Inventories	**617.3**	637.4
Inventory turn	**2.7**	2.6

(1) Please refer to Note 12 for further details of the restatement.

Ratio of capital expenditure to depreciation

Ratio of capital expenditure to depreciation is capital expenditure divided by depreciation and amortisation excluding amortisation of acquired intangibles and depreciation of right-of-use assets.

	2025 £m	2024 £m
Depreciation and amortisation	**85.4**	83.7
Less: amortisation of acquired intangibles	**(26.0)**	(26.6)
Less: depreciation of right-of-use assets	**(17.2)**	(18.6)
Adjusted depreciation and amortisation	**42.2**	38.5
Capital expenditure	**48.9**	51.2
Ratio of capital expenditure to depreciation	**1.2 times**	1.3 times

12. Prior Period Adjustments

The Group identified a prior period adjustment, impacting the opening position at 1 April 2023, the year ended 31 March 2024 and the year ended 31 March 2025. The impact of the prior period adjustment on the primary statements is presented in the tables below.

Inventory and related tax balances

During the year ended 31 March 2025, the Group identified errors in relation to the calculation of the inventory obsolescence provision. In order to determine the value of the inventory provision, inventory is allocated into different categories based on the number of years required to sell the amounts held, based on the current "run rate" of sales. Depending on the number of years sales required, different provisioning percentages are applied to each category in order to estimate the recoverable value. During the year, the Group identified that certain inventory lines had been allocated to the incorrect category and as a result, an incorrect provisioning percentage had been applied in determining the inventory provision in previous periods. In addition, it was identified that the Group provisioning policy was not being consistently applied across the Group. As a result, comparative financial information has been restated to correct for the incorrect classification of amounts between categories, and the failure of certain components to comply with the Group's internal provisioning policies. The aggregate impact of the two errors is an overstatement of the Group inventory in the opening balance sheet and comparative period.

The restatement decreases the Group's inventory balance by £13.2 million at 1 April 2023 and by a further £5.4 million in the year 2023/24.

As a consequence of the above change there is an impact on taxation. There is an additional credit to the deferred tax balance of £3.2 million as at 1 April 2023 and a further £1.3 million credit recognised in 2023/24.

The net impact on opening reserves as at 1 April 2023 was £10.0 million including £0.3 million impact on the translation reserve. In the year 2023/24, the impact on profit after tax was £4.3 million and on total comprehensive income was £0.3 million.

The table below details the impact of the prior year adjustment on the affected line items in the opening balance sheet (year ended 31 March 2023) and the comparative period (year ended 31 March 2024):

	Inventory £m	Tax £m	Net impact £m
Year ended 31 March 2023			
Inventory	(13.2)	-	(13.2)
Deferred tax asset/(liability)	-	3.2	3.2
Net assets	(13.2)	3.2	(10.0)
Total equity	(13.2)	3.2	(10.0)

	Cumulative impact as at 1 April 2023 £m	Inventory £m	Tax £m	Net impact £m
Year ended 31 March 2024				
Cost of sales		(5.6)	-	(5.6)
Tax credit/(charge)		-	1.3	1.3
Profit for the year		(5.6)	1.3	(4.3)
Other comprehensive income		0.2	0.1	0.3
Inventory	(13.2)	(5.4)	-	(18.6)
Deferred tax asset/(liability)	3.2	-	1.4	4.6
Net assets	(10.0)	(5.4)	1.4	(14.0)
Total equity	(10.0)	(5.4)	1.4	(14.0)

The following tables summarise the Group's primary financial statements for the periods indicated, giving effect to the restatements described above.

Group Income Statement restated
For the year ended 31 March 2024

	Reported £m	Inventory £m	Tax £m	Restated £m
Revenue	2,942.4	-	-	2,942.4
Cost of sales	(1,678.5)	(5.6)	-	(1,684.1)
Gross profit	1,263.9	(5.6)	-	1,258.3
Operating costs	(983.8)	-	-	(983.8)
Operating profit	280.1	(5.6)	-	274.5
Finance income	4.8	-	-	4.8
Finance costs	(36.7)	-	-	(36.7)
Share of profit of joint venture	0.6	-	-	0.6
Profit before tax	248.8	(5.6)	-	243.2
Income tax expense	(65.1)	-	1.3	(63.8)
Profit for the year attributable to owners of the Company	183.7	(5.6)	1.3	179.4

Group Statement of Comprehensive Income restated
For the year ended 31 March 2024

	Reported £m	Inventory £m	Tax £m	Restated £m
Profit for the year	183.7	(5.6)	1.3	179.4
Other comprehensive income				
Items that will not be reclassified subsequently to the income statement				
Remeasurement of retirement benefit obligations	0.8	-	-	0.8
			-	(0.1)

Related income tax	(0.1)	-		
	0.7	-	-	0.7
Items that may be reclassified subsequently to the income statement				
Foreign exchange translation differences of joint venture	(0.2)	-	-	(0.2)
Foreign exchange translation differences	(3.9)	0.2	0.1	(3.6)
Fair value gain on net investment hedges	3.4	-	-	3.4
Movement in cash flow hedges	(0.1)	-	-	(0.1)
	(0.8)	0.2	0.1	(0.5)
Other comprehensive expense for the year	**(0.1)**	**0.2**	**0.1**	**(0.2)**
Total comprehensive income for the year	**183.6**	**(5.4)**	**1.4**	**179.6**
Total comprehensive income is attributable to:				
Owners of the Company	183.7	(5.4)	1.4	179.7
Non-controlling interests	(0.1)	-	-	(0.1)
Total comprehensive income for the year	**183.6**	**(5.4)**	**1.4**	**179.6**

Group Balance Sheet restated

As at 31 March 2023

	Reported £m	Inventory £m	Tax £m	Restated £m
Non-current assets				
Intangible assets	704.8	-	-	704.8
Property, plant and equipment	186.3	-	-	186.3
Right-of-use assets	46.9	-	-	46.9
Investment in joint venture	1.5	-	-	1.5
Other receivables	6.5	-	-	6.5
Retirement benefit net assets	0.8	-	-	0.8
Deferred tax assets	6.9	-	-	6.9
Total non-current assets	**953.7**	**-**	**-**	**953.7**
Current assets				
Inventories	616.3	(13.2)	-	603.1
Trade and other receivables	692.0	-	-	692.0
Cash and cash equivalents - cash and short-term deposits	260.3	-	-	260.3
Derivative assets	1.8	-	-	1.8
Current income tax receivables	19.9	-	-	19.9
Total current assets	**1,590.3**	**(13.2)**	**-**	**1,577.1**
Total assets	**2,544.0**	**(13.2)**	**-**	**2,530.8**
Current liabilities				
Trade and other payables	(658.9)	-	-	(658.9)
Cash and cash equivalents - bank overdrafts	(139.8)	-	-	(139.8)
Lease liabilities	(14.6)	-	-	(14.6)
Derivative liabilities	(1.7)	-	-	(1.7)
Provisions	(1.8)	-	-	(1.8)
Current income tax liabilities	(22.1)	-	-	(22.1)
Total current liabilities	**(838.9)**	**-**	**-**	**(838.9)**
Non-current liabilities				
Other payables	(9.3)	-	-	(9.3)
Retirement benefit obligations	(37.2)	-	-	(37.2)
Borrowings	(184.6)	-	-	(184.6)
Lease liabilities	(34.3)	-	-	(34.3)
Provisions	(4.7)	-	-	(4.7)
Deferred tax liabilities	(90.1)	-	3.2	(86.9)
Total non-current liabilities	**(360.2)**	**-**	**3.2**	**(357.0)**
Total liabilities	**(1,199.1)**	**-**	**3.2**	**(1,195.9)**
Net assets	**1,344.9**	**(13.2)**	**3.2**	**1,334.9**
Equity				
Share capital and share premium	283.3	-	-	283.3
Own shares held by Employee Benefit Trust (EBT)	(2.2)	-	-	(2.2)
Other reserves	108.8	0.4	(0.1)	109.1
Retained earnings	954.3	(13.6)	3.3	944.0
Equity attributable to owners of the Company	**1,344.2**	**(13.2)**	**3.2**	**1,334.2**
Non-controlling interests	**0.7**	**-**	**-**	**0.7**
Total equity	**1,344.9**	**(13.2)**	**3.2**	**1,334.9**

Group Balance Sheet restated

As at 31 March 2024

	Reported £m	Inventory £m	Tax £m	Restated £m
Non-current assets				
Intangible assets	982.6	-	-	982.6
Property, plant and equipment	180.9	-	-	180.9
Right-of-use assets	72.8	-	-	72.8
Investment in joint venture	1.3	-	-	1.3
Other receivables	8.4	-	-	8.4
Retirement benefit net assets	1.5	-	-	1.5
Deferred tax assets	9.5	-	-	9.5
Total non-current assets	**1,257.0**	**-**	**-**	**1,257.0**
Current assets				
Inventories	656.0	(18.6)	-	637.4
Trade and other receivables	701.4	-	-	701.4
Cash and cash equivalents - cash and short-term deposits	258.7	-	-	258.7
Derivative assets	2.6	-	-	2.6
Current income tax receivables	22.7	-	-	22.7
Total current assets	**1,641.4**	**(18.6)**	**-**	**1,622.8**
Total assets	**2,898.4**	**(18.6)**	**-**	**2,879.8**
Current liabilities				
Trade and other payables	(602.7)	-	-	(602.7)
Cash and cash equivalents - bank overdrafts	(162.7)	-	-	(162.7)
Lease liabilities	(16.0)	-	-	(16.0)
Derivative liabilities	(1.1)	-	-	(1.1)
Provisions	(5.0)	-	-	(5.0)
Current income tax liabilities	(27.8)	-	-	(27.8)
Total current liabilities	**(815.3)**	**-**	**-**	**(815.3)**
Non-current liabilities				
Other payables	(17.3)	-	-	(17.3)
Retirement benefit obligations	(27.2)	-	-	(27.2)
Borrowings	(440.3)	-	-	(440.3)
Lease liabilities	(57.9)	-	-	(57.9)
Provisions	(4.2)	-	-	(4.2)
Deferred tax liabilities	(103.3)	-	4.6	(98.7)
Total non-current liabilities	**(650.2)**	**-**	**4.6**	**(645.6)**
Total liabilities	**(1,465.5)**	**-**	**4.6**	**(1,460.9)**
Net assets	**1,432.9**	**(18.6)**	**4.6**	**1,418.9**
Equity				
Share capital and share premium	286.9	-	-	286.9
Own shares held by Employee Benefit Trust (EBT)	(1.8)	-	-	(1.8)
Other reserves	108.3	0.6	-	108.9
Retained earnings	1,038.9	(19.2)	4.6	1,024.3
Equity attributable to owners of the Company	**1,432.3**	**(18.6)**	**4.6**	**1,418.3**
Non-controlling interests	**0.6**	**-**	**-**	**0.6**
Total equity	**1,432.9**	**(18.6)**	**4.6**	**1,418.9**

Group Cash Flow Statement restated

For the year ended 31 March 2024

	Reported £m	Inventory £m	Tax £m	Restated £m
Cash flows from operating activities				
Profit before tax	248.8	(5.6)	-	243.2
Depreciation and amortisation	83.7	-	-	83.7
Impairment of intangible assets	4.6	-	-	4.6
Impairment of property, plant and equipment	-	-	-	-
Impairment of right-of-use assets	0.4	-	-	0.4
Loss on disposal of non-current assets	1.6	-	-	1.6
Equity-settled share-based payments	7.8	-	-	7.8
Net finance costs	31.9	-	-	31.9
Share of profit of and dividends received from joint venture	-	-	-	-
Decrease in inventories	4.9	5.6	-	10.5
(Increase) decrease in trade and other receivables	8.1	-	-	8.1
Increase (decrease) in trade and other payables	(82.2)	-	-	(82.2)
(Decrease) increase in provisions	1.1	-	-	1.1
Defined benefit retirement contributions in excess of charge	(9.8)	-	-	(9.8)

Cash generated from operations	**300.9**			**300.9**
Interest received	4.8	-	-	4.8
Interest paid	(35.8)	-	-	(35.8)
Income tax paid	(73.3)	-	-	(73.3)
Net cash from operating activities	**196.6**	**-**	**-**	**196.6**
Cash flows from investing activities				
Acquisition of businesses	(313.1)	-	-	(313.1)
Cash and cash equivalents acquired with businesses	9.0	-	-	9.0
Total cash impact on acquisition of businesses	(304.1)	-	-	(304.1)
Purchase of intangible assets	(35.7)	-	-	(35.7)
Purchase of property, plant and equipment	(15.9)	-	-	(15.9)
Proceeds on sale of property, plant and equipment	-	-	-	-
Net cash used in investing activities	**(355.7)**	**-**	**-**	**(355.7)**
Cash flows from financing activities				
Proceeds from the issue of share capital	3.6	-	-	3.6
Purchase of own shares by EBT	(1.5)	-	-	(1.5)
Net (decrease)/increase in revolving facility and short-term loans	130.2	-	-	130.2
Other loans drawn down	131.7	-	-	131.7
Other loans repaid	(2.5)	-	-	(2.5)
Principal elements of lease payments	(18.5)	-	-	(18.5)
Dividends paid	(104.1)	-	-	(104.1)
Net cash (used in)/generated from financing activities	**138.9**	**-**	**-**	**138.9**
Net increase/(decrease) in cash and cash equivalents	**(20.2)**	**-**	**-**	**(20.2)**
Cash and cash equivalents at the beginning of the year	120.5	-	-	120.5
Effects of exchange rate changes	(4.3)	-	-	(4.3)
Cash and cash equivalents at the end of the year	**96.0**	**-**	**-**	**96.0**

The impact of the restatement on earnings per share is set out below:

For the year ended 31 March 2024

	Reported £m	Inventory £m	Tax £m	Restated £m
Basic earnings per share	38.8p	(1.2)p	0.3p	37.9p
Diluted earnings per share	38.7p	(1.2)p	0.3p	37.8p

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