

Kitwave Group plc

("Kitwave", the "Group" or the "Company")

Unaudited interim results for the year ended 31 October 2025

Kitwave Group plc (AIM: KITW), the delivered wholesale business, is pleased to announce its unaudited interim results for the year ended 31 October 2025 ("the period", "FY 2025").

The tables and commentary below include comparatives for the year ended 31 October 2024 (FY 2024).

Financial Highlights

- Revenues up 20.9% (1% down like-for-like ⁽²⁾) to £802.7 million (FY 2024: £663.7 million).
- Consolidated gross margin up 0.6% to 22.9% (FY 2024: 22.3%).
- Adjusted operating profit⁽¹⁾ up 11.7% to £38.0 million (FY 2024: £34.0m).
- Cash generation from operating activities of £46.4 million (FY 2024: £31.4 million).
- Pre-tax operational cash conversion of 104% (FY 2024: 90%).
- Robust balance sheet with leverage reducing to 2.3x (FY 2024: 2.8x) including IFRS 16 lease liabilities, and reducing to 1.4x (FY 2024: 1.9x) excluding IFRS 16 lease liabilities.
- As previously communicated, it is the Board's intention to distribute a single dividend for the 8-month period to 31 December 2025, which, together with the interim dividend of 4.0 pence per share previously announced on 1 July 2025, will cover dividend distributions for the 14-month period to 31 December 2025.

Operational Highlights

- The Retail & Wholesale division outperformed FY 2024 in both revenue and adjusted operating profit.
- The integration of Total Foodservice and Miller Foodservice was completed, and progress is being made on the operational integration of the combined business into Creed Foodservice.
- The new South West distribution centre is now operating at the required service levels, following capital and operational investment made during the period.
- As previously announced, the Group took the proactive decision to incur some additional operational investment in the new South West distribution centre. These costs continued into H2 as expected.
- Creed Foodservice achieved growth in both revenue and adjusted operating profit, despite facing economic headwinds in retail and leisure spend.

Outlook

Trading has been in line with management expectations since the Group's last trading update. Kitwave continues to pursue operational and commercial synergies from the integration of its Foodservice business to mitigate cost headwinds and provide a platform for future growth.

The Board acknowledges the current trading environment, which is characterised by macroeconomic uncertainty and inflationary pressures affecting margins and costs, driven by compound minimum wage increases and changes to National Insurance contributions.

The Company has today announced the terms of its proposed Acquisition by OEP Capital Advisors L.P. representing an attractive proposition for shareholders and stakeholders.

Financial summary

	Year ended 31 October 2025 Unaudited £m	Year ended 31 October 2024 Audited £m
Revenue	802.7	663.7
Gross profit	183.2	147.8
Gross profit margin %	22.8%	22.3%
Adjusted EBITDA⁽¹⁾	53.4	45.2
Adjusted operating profit⁽¹⁾	38.0	34.0
Profit before tax	22.4	22.5
Net cash inflow from operating activities	46.4	31.4
Pre-tax operational cash conversion⁽¹⁾	104%	90%

(1) For more information on alternative performance measures please see the glossary at the end of the announcement.

(2) Like -for-like revenue excludes revenue from Creed Foodservice but includes acquired revenue from Total Foodservice now financially integrated with Miller Foodservice.

Ben Maxted, Chief Executive Officer of Kitwave, commented:

"During this period, Kitwave has achieved record revenue and adjusted operating profit. Additionally, significant operational changes have been implemented across its expanded foodservice division through the integration of Creed Foodservice with our Northern and South West foodservice businesses. This work will create opportunities for operational synergies and provide a platform for sustainable growth.

"Our Retail and Wholesale division continues to deliver robust performance, benefitting from underlying consumer demand and leveraging its expertise in service excellence.

"The Group remains highly cash generative, maintaining a strong balance sheet and facility headroom, and has de-levered in the period through reduction in net debt as expected. "

- Ends-

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Company Overview

Founded in 1987, following the acquisition of a single-site confectionery wholesale business based in North Shields, United Kingdom, Kitwave is a delivered wholesale business, specialising in selling and delivering impulse products, frozen, chilled and fresh foods, alcohol, groceries and tobacco to approximately 46,000, mainly independent, customers.

With a network of 37 depots, Kitwave is able to support delivery throughout the UK to a diverse customer base, which includes independent convenience retailers, leisure outlets, vending machine operators, foodservice providers and other wholesalers, as well as leading national retailers.

The Group's growth to date has been achieved both organically and through a strategy of acquiring smaller, predominantly family-owned, complementary businesses in the fragmented UK grocery and foodservice wholesale market.

Kitwave Group plc (AIM: KITW) was admitted to trading on AIM of the London Stock Exchange on 24 May 2021.

For further information, please visit: www.kitwave.co.uk.

Chief Executive Officer's statement

Introduction

The Group has continued to progress the integration of the foodservice division. While weaker demand in the hospitality sector has impacted revenues, particularly in Foodservice, the Retail & Wholesale division has demonstrated robust performance. Additionally, Creed Foodservice has shown growth, supported by its integration with the wider Foodservice division. Overall trading was in line with the Board's expectations for the year.

Financial summary

	FY 2025 Unaudited £m	FY 2024 Audited £m
Revenue	802.7	663.7
Gross profit	183.2	147.8
Gross profit margin %	22.8%	22.3%
Operating profit	31.7	28.8
Operating margin %	3.9%	4.3%

In the year to 31 October 2025, the Group achieved revenue of £802.7 million (*FY 2024: £663.7 million*) and an operating profit of £31.7 million (*FY 2024: £28.8 million*).

The gross profit margin improved to 22.8% (*FY 2024: 22.3%*), driven by an increased revenue mix towards the higher-margin Foodservice division, following the full year effect of the FY24 acquisitions.

During the reporting period, the Group decided to incur additional short-term costs in order to maintain service levels in the South West while consolidating operations from three depots into a single distribution centre. The Group also accelerated the planned operational integrations in the Northern Foodservice business by reducing the number of distribution centres from four to two. These operational integrations resulted in exceptional restructuring expenses of £2.4 million (*FY 2024: £0.1 million*). This activity will allow the Group to drive synergies and operational benefits to mitigate future cost headwinds. Excluding these costs, the Group's cost base remained in line with expectations.

Basic earnings per ordinary share was 20.1 pence (*FY 2024: 23.5 pence*). Despite an increase in operating profit and EBITDA, the reduction in basic earnings per ordinary share is primarily due to the increase in share capital.

Cash generation remained strong in the period with £46.4 million generated from operating activities (*FY 2024: £31.4 million*).

The Group's cash and cash equivalents decreased by £3.2 million during the period, following cash outflows related to deferred consideration paid on the Creed acquisition, a reduction in trade loans and

invoice discounting advances of £9.5 million, as well as debt service payments and dividends.

The Group's balance sheet as of 31 October 2025 had reserves of £132.0 million (31 October 2024: £124.5 million) and net debt of £122.0 million (31 October 2024: £127.8 million).

Net debt has reduced by £5.8 million since 31 October 2024. The reduction in bank facilities was offset by an increase in lease liabilities of £6.0m principally relating to leased fleet replacement. Leverage reduced to 2.3x (31 October 2024: 2.8x) including IFRS 16 lease liabilities, and reduced to 1.4x (FY 2024: 1.9x) excluding IFRS 16 lease liabilities.

Divisional summary

Set out below is the financial performance of the business by division:

	FY 2025 Unaudited £m	FY 2024 Audited £m
Group revenue	802.7	663.7
<i>Ambient</i>	205.8	204.6
<i>Frozen & Chilled</i>	247.3	235.5
Retail & wholesale	453.1	440.1
Foodservice	349.6	223.6
Corporate	-	-
Group adjusted EBITDA ⁽⁴⁾	53.4	45.2
<i>Ambient</i>	14.1	13.1
<i>Frozen & Chilled</i>	16.8	15.2
Retail & wholesale	30.9	28.3
Foodservice	28.0	22.8
Corporate	(5.5)	(5.9)
Group adjusted operating profit ⁽⁴⁾	38.0	34.0
<i>Ambient</i>	12.0	11.1
<i>Frozen & Chilled</i>	11.8	10.4
Retail & wholesale	23.8	21.5
Foodservice	19.9	18.7
Corporate	(5.7)	(6.1)

⁽⁴⁾ Group and divisional EBITDA and operating profit/(loss) adjusted for management charge, acquisition, restructuring expenses, amortisation of intangible assets arising on acquisition, share-based payments and compensation for post-combination services. For more information on alternative performance measures please see the glossary at the end of the announcement.

Retail & Wholesale division

The Group's Ambient and Frozen & Chilled product businesses, which serve the Retail & Wholesale sector of the grocery market, saw combined revenue increase by 3.0% reaching £475.1 million (FY 2024: £440.1 million). The growth was driven by new customers as well as higher ice cream sales, which coincided with the prolonged dry weather through the summer trading period.

Foodservice division

Set out below is the financial performance of the division for the period included in the like for like is revenue and associated profit from Total Foodservice (TFS) that is now within the combined business numbers for Miller Foodservice because of the financial integration of the two businesses:

FY 2025 Unaudited £m	FY 2024 Audited £m
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	£m	£m
Divisional revenue	349.6	223.6
<i>Like for like (including TFS)</i>	<i>203.2</i>	<i>210.5</i>
<i>Creed</i>	<i>146.4</i>	<i>13.1</i>
	FY 2025 Unaudited £m	FY 2024 Audited £m
Divisional adjusted EBITDA ⁽⁴⁾	28.0	22.8
<i>Like for like (including TFS)</i>	<i>15.2</i>	<i>21.5</i>
<i>Creed</i>	<i>12.8</i>	<i>1.3</i>
	FY 2025 Unaudited £m	FY 2024 Audited £m
Divisional adjusted operating profit ⁽⁴⁾	19.9	18.7
<i>Like for like (including TFS)</i>	<i>10.0</i>	<i>17.6</i>
<i>Creed</i>	<i>9.9</i>	<i>1.1</i>

Creed Foodservice produced a robust performance with year-on-year growth in both revenue and operating profit. The Foodservice division benefitted from the operational and commercial integration with Creed, which supported sales growth through the utilisation of the Group's nationwide delivery infrastructure.

The division's performance was affected by softer demand from leisure and hospitality customers. Like-for-like revenues were c.£203.2 million for the period (including the full period revenues from TFS) resulting in a decrease in reported like-for-like sales from £210.5 million.

As previously reported, the move to the South West distribution centre incurred some unplanned costs in the period, as well as additional right of use asset depreciation, with two freeholds being replaced by the new leasehold premises.

Operational review

The integration of Creed Foodservice, the consolidation of foodservice depots in the North and the consolidation of operations into the new 80,000 sq. ft Foodservice distribution centre in the South West have been the key operational projects during the period.

The new South West distribution centre is fully operational and meeting the required service levels. Although the integration took longer than anticipated, the higher-than-expected costs have been worked through and are being managed. The implementation of IT and technological improvements will provide future opportunities for growth and operational efficiency.

Strategy

Kitwave remains committed to its strategy of pursuing strategic acquisitions to sustainable growth, while also fostering organic growth through investment in infrastructure and technology.

The national footprint and integration work completed during the period provides the platform to further our long-term strategic aims. We would expect further opportunities to enhance operational efficiencies across the Group, ensuring we continue to provide service excellence to all our customers while maintaining sustainable growth.

Ben Maxted

Chief Executive Officer
22 January 2026

	Note	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Revenue	2	802,685	663,652
Cost of sales		(619,472)	(515,832)
Gross profit		183,213	147,820
Other operating income	3	92	603
Distribution expenses		(80,559)	(63,473)
Administrative expenses		(71,058)	(56,146)
Operating profit		31,688	28,804
<i>Analysed as:</i>			
Adjusted EBITDA		53,423	45,229
Amortisation of intangible assets	4	(3,563)	(1,527)
Depreciation	4	(15,246)	(11,068)
Acquisition expenses	4	(77)	(2,153)
Compensation for post combination services	4	(131)	(324)
Share based payment expense	4	(312)	(1,244)
Restructuring expenses	4	(2,406)	(109)
Total operating profit		31,688	28,804
Finance expenses		(9,317)	(6,276)
Profit before tax		22,371	22,528
Tax on profit on ordinary activities		(5,746)	(5,810)
Profit for the financial period		16,625	16,718
Other comprehensive income		-	-
Total comprehensive income for the period		16,625	16,718
Basic earnings per share (pence)	5	20.1	23.5
Diluted earnings per share (pence)	5	20.1	22.5

Condensed consolidated balance sheet

	31 October 2025 Unaudited £000	31 October 2024 Audited £000
Non-current assets		
Goodwill	105,967	105,717
Intangible assets	27,163	30,554
Tangible assets	28,809	29,096
Right-of-use assets	57,138	50,869
Investments	27	42
	219,104	216,278
Current assets		
Inventories	44,651	47,749
Trade and other receivables	95,528	91,122
Cash and cash equivalents	952	4,137
	141,131	143,008
Total assets	360,235	359,286
Current liabilities		
Other interest bearing loans and borrowings	(18,295)	(27,821)
Lease liabilities	(12,224)	(10,244)
Trade and other payables	(99,647)	(102,083)
Tax payable	(1,290)	(1,127)
	(131,456)	(141,275)
Non-current liabilities		
Other interest bearing loans and borrowings	(40,000)	(40,000)
Lease liabilities	(47,395)	(43,323)

Deferred tax liabilities	31 October 2023 Unaudited (96,293)	31 October 2024 Audited (93,600)
Total liabilities	(228,251)	(234,741)
Net assets	131,984	124,545
Equity attributable to equity holders of the Parent Company		
Called up share capital	837	804
Share premium account	94,324	94,185
Consolidation reserve	(33,098)	(33,098)
Share based payment reserve	359	3,240
Retained earnings	69,562	59,414
Equity	131,984	124,545

Condensed consolidated statement of change in equity

	Called up share capital £000	Share premium account £000	Consolidation reserve £000	Share based payment reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 November 2023 (audited)	700	64,183	(33,098)	2,042	50,618	84,445
<i>Total comprehensive income for the year</i>						
Profit	-	-	-	-	16,718	16,718
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	16,718	16,718
New share issuance	104	31,563	-	-	-	31,667
Costs directly attributable to new shares issues	-	(1,561)	-	-	-	(1,561)
Dividends	-	-	-	-	(7,922)	(7,922)
Share based payment expense	-	-	-	1,198	-	1,198
Total contribution by and transactions with the owners	104	30,002	-	1,198	(7,922)	23,382
Balance at 31 October 2024 (audited)	804	94,185	(33,098)	3,240	59,414	124,545
<i>Total comprehensive income for the year</i>						
Profit	-	-	-	-	16,625	16,625
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	16,625	16,625
<i>Transaction with owners, recorded directly in equity</i>						
New share issuance	33	139	-	(3,104)	3,104	172
Dividends	-	-	-	-	(9,581)	(9,581)
Share based payment expense	-	-	-	223	-	223
Total contribution by and transactions with the owners	33	139	-	(2,881)	(6,477)	(9,186)
Balance at 31 October 2025 (unaudited)	837	94,324	(33,098)	359	69,562	131,984

Condensed consolidated cash flow statement

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Cash flow from operating activities		
Profit for the period	16,625	16,718
<i>Adjustments for:</i>		
Depreciation and amortisation	18,809	12,595

	Year ended 31 October 2025 Unaudited	Year ended 31 October 2024 Audited
Financial expense	8,317	6,278
Profit on sale of property, plant and equipment	(49)	(973)
Net gain on remeasurement of right-of-use assets and lease liabilities	£000	£000
Compensation for post combination services	131	324
Equity settled share based payment expense	270	1,244
Taxation	5,746	5,810
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	50,802	42,364
(Increase) in trade and other receivables	(2,351)	(8,712)
Decrease/(increase) in inventories	3,098	(2,392)
Increase in trade and other payables	1,191	6,755
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	52,740	38,015
Tax paid	(6,324)	(6,612)
	<hr/>	<hr/>
Net cash inflow from operating activities	46,416	31,403
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Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,978)	(7,275)
Proceeds from sale of property, plant and equipment	409	3,513
Acquisition of subsidiary undertakings (including overdrafts and cash acquired)	(6,287)	(73,329)
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Net cash outflow from investing activities	(9,856)	(77,091)
	<hr/>	<hr/>
Cash flows from financing activities		
Issuance of new shares	120	30,106
Proceeds from new loan	-	20,000
Net movement in bank trade loan	(7,750)	7,750
Net movement in invoice discounting	(1,776)	13,666
Interest paid	(9,085)	(6,121)
Repayment of lease liabilities	(11,673)	(8,327)
Dividends paid	(9,581)	(7,922)
	<hr/>	<hr/>
Net cash (outflow)/inflow from financing activities	(39,745)	49,152
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(3,185)	3,464
Opening cash and cash equivalents	4,137	673
	<hr/>	<hr/>
Cash and cash equivalents at period end	952	4,137
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Notes

1 Accounting policies

Kitwave Group plc (the "Company") is a public company limited by shares and incorporated, domiciled and registered in England in the UK. The registered number is 9892174 and the registered address is Unit S3, Narvik Way, Tyne Tunnel Trading Estate, North Shields, Tyne and Wear, NE29 7XJ.

The Company's principal activity is to act as a holding company for its subsidiaries (together "the Group"), which together make up the Group's consolidated financial information.

The condensed consolidated financial information presented in this statement for the twelve months ended 31 October 2025 are neither audited nor reviewed.

The comparative financial information in the condensed consolidated financial information in respect of the year ended 31 October 2024 have been extracted from the 2024 financial statements. The statutory accounts for the year ended 31 October 2024 have been delivered to the Registrar of Companies and the report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated financial information does not constitute statutory accounts as defined in

Section 435 of the Companies Act 2006 and does not include all the information required for the full annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

There have been no new accounting standards or changes to existing accounting standards applied for the first time which have a material effect on these interim results.

1.1 Critical accounting estimates and judgements

The critical accounting estimates and judgements affecting the Group are unchanged from those set out in the Group's last annual consolidated financial statements for the year ended 31 October 2024.

The Directors have reviewed financial forecasts and are satisfied that the Group has sufficient levels of financial resources available to both fund operations and to pursue its stated growth strategy. The Directors are confident that the Group will have sufficient funds to meet its liabilities as they fall due for the foreseeable future and therefore adopt the going concern basis in preparing the condensed consolidated interim financial information.

1.2 Accounting policies

The accounting policies applied in preparing the condensed consolidated interim financial information are the same as those applied in the preparation of the consolidated financial statements for the year ended 31 October 2024, as described in those financial statements.

2 Segmental information

The following analysis by segment is presented in accordance with IFRS 8 on the basis of those segments whose operating results are regularly reviewed by the Executive Board (the Chief Operating Decision Maker as defined by IFRS 8) to assess performance and make strategic decisions about allocation of resources.

The Group has the following operating segments:

- **Ambient:** Provides delivered wholesale of ambient food, drink and tobacco products;
- **Frozen & Chilled:** Provides delivered wholesale of frozen and chilled food products; and
- **Foodservice:** Provides delivered wholesale of alcohol, frozen and chilled food to trade customers.

Corporate contains the central functions that are not devolved to the business units.

These segments offer different products that attract different margins. They each have separate management teams.

The segments share a commonality in service being delivered wholesale of food and drink products. The Group therefore benefits from a range of expertise, cross-selling opportunities and operational synergies in order to run each segment as competitively as possible.

The Group's forward-looking strategy is to provide enhanced customer service by making available the wider Group product range to its existing customer base. As a result, the Board assess the segments based on customer type with the customers in the Ambient and Frozen & Chilled divisions operating in the retail and wholesale channels.

The following analysis shows how this is monitored whilst demonstrating the link to the previously reported segmental information which continues to be monitored by the Board alongside the segments based on customer type.

Each segment is measured on its adjusted operating profit and internal management reports are reviewed monthly by the Board. This performance measure is deemed the most relevant by the Board to evaluate the results of the segments relative to entities operating in the same industry.

2 Segmental information (continued)

Year ended 31 October 2025	Ambient	Frozen & Chilled	Total retail & wholesale	Foodservice	Corporate	Total
	£000	£000	£000	£000	£000	£000

	2022	2021	2022	2021	2022	2021
Revenue	205,755	247,365	453,120	349,565	-	802,685
Inter-segment revenue	17,194	4,816	22,010	3,556	-	25,566
Segment revenue	222,949	252,181	475,130	353,121	-	828,251
Segment gross profit	32,084	52,705	84,789	98,424	-	183,213
Adjusted EBITDA*	14,088	16,845	30,933	27,997	(5,507)	53,423
Amortisation of intangibles	-	(70)	(70)	(28)	(53)	(151)
Depreciation	(2,076)	(5,013)	(7,089)	(8,010)	(147)	(15,246)
Adjusted operating profit*	12,012	11,762	23,774	19,959	(5,707)	38,026
Group management charge	(1,968)	(2,051)	(4,019)	(2,751)	6,770	-
Amortisation of intangible assets arising on acquisition	-	-	-	-	(3,412)	(3,412)
Acquisition expense	-	-	-	(77)	-	(77)
Compensation for post combination services	-	(131)	(131)	-	-	(131)
Share based payment expense	-	-	-	-	(312)	(312)
Restructuring costs	(28)	(336)	(364)	(1,864)	(178)	(2,406)
Interest expense	(1,200)	(2,101)	(3,301)	(2,763)	(3,253)	(9,317)
Segment profit/(loss) before tax	8,816	7,143	15,959	12,504	(6,092)	22,371
Segment assets	54,483	62,830	117,313	121,195	121,727	360,235
Segment liabilities	(35,235)	(54,314)	(89,549)	(85,133)	(53,621)	(228,303)
Segment net assets	19,248	8,516	27,764	36,062	68,106	131,932

Within Corporate assets is £105,967,000 of goodwill on consolidation. This is allocated to the trading segments as follows:

Goodwill by segment	13,516	12,539	26,055	79,912	-	105,967
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2 Segmental information (continued)

Year ended 31 October 2024	Ambient	Frozen & Chilled	Total retail & wholesale	Foodservice	Corporate	Total
	£000	£000	£000	£000	£000	£000
Revenue	204,568	235,511	440,079	223,573	-	663,652
Inter-segment revenue	18,463	4,355	22,818	1,242	-	24,060
Segment revenue	223,031	239,866	462,897	224,815	-	687,712
Segment gross profit	31,613	52,353	83,966	63,854	-	147,820
Adjusted EBITDA*	13,125	15,215	28,340	22,797	(5,908)	45,229
Amortisation of intangibles	-	(74)	(74)	(6)	(50)	(130)
Depreciation	(2,010)	(4,781)	(6,791)	(4,118)	(159)	(11,068)
Adjusted operating profit*	11,115	10,360	21,475	18,673	(6,117)	34,031
Group management charge	(1,968)	(2,051)	(4,019)	(2,751)	6,770	-
Amortisation of intangible assets arising on acquisition	-	-	-	-	(1,397)	(1,397)
Acquisition expense	-	-	-	(447)	(1,706)	(2,153)
Compensation for post combination services	-	(324)	(324)	-	-	(324)
Share based payment expense	-	-	-	-	(1,244)	(1,244)
Restructuring costs	-	(103)	(103)	(6)	-	(109)
Interest expense	(1,099)	(1,948)	(3,047)	(1,204)	(2,025)	(6,276)
Segment profit/(loss) before tax	8,048	5,934	13,982	14,265	(5,719)	22,528
Segment assets	49,876	61,691	111,567	111,927	135,792	359,286

Segment assets	70,970	91,001	111,001	111,921	100,102	800,200
Segment liabilities	(37,363)	(58,531)	(95,894)	(79,212)	(59,635)	(234,741)
Segment net assets	12,513	3,160	15,673	32,715	76,157	124,545

Within Corporate assets is £105,717,000 of goodwill on consolidation. This is allocated to the trading segments as follows:

Goodwill by segment	13,516	12,539	26,055	79,662	-	105,717
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An analysis of revenue by destination is given below:

Geographical information:

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
United Kingdom	800,310	659,833
Overseas	2,375	3,819
Group revenue	802,685	663,652

No one customer accounts for more than 7% (FY 2024: 8%) of Group revenue.

3 Other operating income

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Net gain on disposal of fixed assets	48	573
Net gain on remeasurement of right-of-use assets and lease liabilities	48	30
Net (loss) on foreign exchange	(4)	-
	92	603

4 Expenses

Included in profit/loss are the following:

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Depreciation of tangible assets:		
Owned	3,742	3,052
Right-of-use assets	11,504	8,016
Amortisation of intangible assets	151	1,527
Expenses relating to short term leases and low value assets	2,570	2,155

The Group incurred a number of expenses not relating to the principal trading activities of the Group as follows:

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Exceptional expenses		

Acquisition expenses	77	2,153
Compensation for post combination services	131	324
Restructuring expenses	2,406	109
Total exceptional expenses	2,614	2,586
Share based payment expense	312	1,244
Total exceptional expenses and share based payments	2,926	3,830

The Board consider the exceptional items to be non-recurring in nature. Both exceptional and share-based payment expenses are adjusted for in the statement of profit and loss to arrive at the adjusted EBITDA. This measure provides the Board with a better understanding of the Group's operating performance.

Acquisition expenses in the prior period include the legal and professional fees connected to the acquisition of WLG (Holdings) Limited, Total Foodservice Solutions Limited and Creed Catering Supplies Limited.

Compensation for post-combination services relates to the value of a liability in connection to the acquisition of the remaining share capital of Central Supplies (Brierley Hill) Ltd. The remaining share capital has now been acquired in full.

Share-based payments relate to the Management Incentive Plan ("MIP") and Long-Term Incentive Plan ("LTIP") and are non-cash expenses.

Restructuring expenses in the period relate to redundancy and operational restructuring costs across the Group.

5 Earnings per share

Basic earnings per share

Basic earnings per share for the year ended 31 October 2025, and the previous year ended 31 October 2024 is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during each period (as calculated below).

Diluted earnings per share

Diluted earnings per share for the year ended 31 October 2025, and the previous year ended 31 October 2024 is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares, adjusted for the effects of all dilutive potential ordinary shares. In this case, dilutive potential ordinary shares include issued equity warrants outstanding during each period and shares that may vest under the terms of equity incentive plans (as calculated below).

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Profit attributable to all shareholders	16,625	16,718
	pence	pence
Basic earnings per ordinary share	20.1	23.5
Diluted earnings per ordinary share	20.1	22.5

Weighted average number of ordinary shares

Year ended 31 October 2025 Unaudited Number	Year ended 31 October 2024 Audited Number
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Weighted average number of ordinary shares (basic) during the period	82,586,976	71,034,498
Weighted average number of ordinary shares (diluted) during the period	<u>82,726,767</u>	<u>74,453,758</u>

Adjusted earnings per share

Adjusted earnings per share is calculated below on the grounds that it is a metric used by the market in monitoring the Group and similar businesses. These figures are relevant to the Group and are provided to enable comparison to similar businesses. Amortisation of acquired intangibles and share based payment charges are deemed to be non-cash at the point of recognition, and exceptional items by their very nature are considered non-recurring by the Board. Together with acquisition costs, these are excluded to derive the adjusted earnings per share and to assist with the understanding of underlying trading.

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Profit attributable to all shareholders	16,625	16,718
Exceptional and share based payment expenses net of tax	4,806	4,559
Adjusted profit attributable to ordinary shareholders	21,431	21,277
Basic adjusted earnings per ordinary share	Pence 25.9	pence 30.0

For more information on this alternative performance measure, please see the glossary at the end of the announcement.

Alternative performance measure glossary

This report provides alternative performance measures ("APMs"), which are not defined or specified under the requirements of International Financial Reporting Standards. The Board believes that these APMs provide readers with important additional information on the Group.

Alternative performance measure	Definition and purpose		
Adjusted operating profit	Represents the operating profit prior to exceptional expenses, share based payment expenses and amortisation of intangible assets recognised on acquisitions. This measure is consistent with how the Group measures performance and is reported to the Board.		
		Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
	Total operating profit	31,688	28,804
	Amortisation of intangible assets arising on acquisition	3,412	1,397
	Acquisition expenses	77	2,153
	Compensation for post combination services	131	324
	Share based payment expense	312	1,244
	Restructuring expenses	2,406	109
	Adjusted operating profit	<u>38,026</u>	<u>34,031</u>

Adjusted EBITDA	Represents the operating profit prior to exceptional (income) / expenses, share based payment expenses, fixed asset depreciation and intangible amortisation. This measure is consistent with how the Group measures trading and cash generative performance and is reported to the Board.		
		Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
	Total operating profit	31,688	28,804
	Amortisation of intangible assets	3,563	1,527
	Depreciation	15,246	11,068
	Acquisition expenses	77	2,153
	Compensation for post combination services	131	324
	Share based payment expense	312	1,244
	Restructuring expenses	2,406	109
	Adjusted EBITDA	53,423	45,229
Pre-tax operational cash conversion	Represents the cash generated from operating activities pre-tax as a proportion of cash flow from operating activities pre-movements in working capital and tax. This measure informs the Board of the Group's cash conversion from operating activities and is used to monitor liquidity by the Board.		
		Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
	Net cash inflow from operating activities	46,416	31,403
	Tax paid	<u>6,324</u>	<u>6,612</u>
	Cash flow from operating activities pre- tax and compensation for post combination services (1)	52,740	38,015
	Movement in working capital	<u>(1,938)</u>	<u>4,349</u>
	Cash flow from operating activities pre- tax and compensation for post combination services and movement in working capital (2)	<u>50,802</u>	<u>42,364</u>
	Pre-tax operational cash conversion (1) divided by (2)	104%	90%
After tax return on invested capital	Represents adjusted profit after tax for the 12 months ending on the period end date as a proportion of invested capital as at the period end date. This measure informs the Board of how effective the Group is in generating returns from the capital invested.		
		Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
	Adjusted operating profit	38,026	34,031
	Operating lease interest	(3,567)	(2,167)
		<u>34,459</u>	<u>31,864</u>

Tax charge at effective rate of tax of 25% (2024: 25%)	(8,615)	(7,966)
Adjusted operating profit after tax (1)	25,844	23,898
Invested capital comprising:		
Invoice discounting facilities	18,295	20,071
Lease liabilities	59,619	53,567
Revolving Credit Facility	40,000	40,000
Trade loan	-	7,750
Share capital	837	804
Share premium	94,324	94,185
Less cash at bank and in hand	(952)	(4,137)
Total invested capital (2)	212,123	212,240
After tax return on invested capital (1) divided by (2)	12%	11%

Return on net assets Represents adjusted profit after tax as a proportion of the Group's investment in fixed assets and working capital. This measure informs the Board of how effective the Group is in generating returns from its fixed assets and net working capital.

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Adjusted operating profit	38,026	34,031
Tax charge at effective rate of tax of 25% (2024: 25%)	(9,507)	(8,508)
Adjusted operating profit after tax (1)	28,519	25,523
Fixed assets and net working capital comprising:		
Intangible assets*	639	618
Fixed assets	28,809	29,096
Right-of-use assets	57,138	50,869
Investments	27	42
Inventories	44,651	47,749
Trade and other receivables	95,528	91,122
Trade and other payables	(99,699)	(102,083)
Liability for post combination services**	-	906
Total invested capital (2)	127,093	118,319
After tax return on invested capital (1) divided by (2)	22%	22%

*excluding acquired intangibles arising on acquisition

**adjustment to exclude the liability for post combination services from trade and other payables

Leverage Management assess leverage by reference to adjusted EBITDA against net debt including and excluding IFRS 16 lease liabilities and including the liability for post combination services held within other creditors. This indicates how much income is available to service debt before interest, tax, depreciation and amortisation.

	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Adjusted EBITDA	53,423	45,229
Invoice discounting advances	18,295	20,071
Lease liabilities	59,619	53,567
Revolving Credit Facility	40,000	40,000
Trade loans	-	7,750

Liability for post combination services	-	906
Contingent consideration	5,000	9,614
Cash at bank and in hand	(952)	(4,137)
Net debt	121,962	127,771
Leverage (including IFRS 16 debt)	2.3	2.8
IFRS 16 lease liabilities	47,854	43,151
Net debt excluding IFRS 16 lease liabilities	74,108	84,620
Leverage (excluding IFRS 16 lease debt)	1.4	1.9

In addition to the assessment of leverage as aligned to the bank leverage covenant calculation including all lease liabilities, Management also assess leverage excluding lease liabilities arising on application of IFRS 16.

Included in the above are the total lease liabilities, and separately those arising on application of IFRS 16 ("IFRS 16 lease liabilities") to calculate both metrics.

Adjusted earnings per share	Profit attributable to the equity holders of the Group prior to exceptional items and share based payments through the consolidated statement of profit and loss, divided by the weighted average number of ordinary shares during the financial year.	
	Year ended 31 October 2025 Unaudited £000	Year ended 31 October 2024 Audited £000
Profit attributable to all shareholders	16,625	16,718
Amortisation of intangible assets arising on acquisition	3,412	1,397
Acquisition expenses	77	2,153
Compensation for post combination services	131	324
Share based payment expense	312	1,244
Restructuring expenses	2,406	109
Tax effect of above items	(1,533)	(668)
Adjusted profit attributable to ordinary shareholders	21,430	21,277
	Number	Number
Weighted average number of ordinary shares (basic) during the period	82,586,976	71,034,498
	Pence	pence
Basic adjusted earnings per ordinary share	25.9	30.0

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