The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

23 July 2024

Marlowe plc

Preliminary unaudited results for the year ended 31 March 2024

Marlowe's strategy moving forward is focussed on the highly attractive and regulated business-critical service markets across Testing, Inspection & Certification and Occupational Health

Performance in line with market expectations

Marlowe plc ("**Marlowe**", the "**Group**" or the "**Company**"), the leader in business-critical services which assure safety and regulatory compliance, announces its preliminary unaudited results for year ended 31 March 2024 ("**FY24**").

Financial performance of the Group

ADJUSTED RESULTS - GROUP	FY24	FY23	Change
Revenue	£503.2m	£465.7m	8%
Operating profit[2]	£65.4m	£64.3m	2%
Profit before tax[2]	£46.8m	£53.6m	(13)%
Earnings per share – basic[2]	36.4p	45.3p	(20)%
Net debt (excluding lease liabilities)	£176.6m*	£160.8m	

STATUTORY RESULTS - GROUP	FY24	FY23
Revenue	£503.2m	£465.7m
Operating profit[3]	£9.6m	£6.4m
(Loss) before tax[3]	£(10.9)m	£(6.9)m
(Loss) per share – basic[3]	(10.6)p	(3.9)p
Net debt	£203.2m*	£188.9m

**Net debt position prior to the completion of the Group's £430 million Divestment and the return of £150 million via a special dividend*

On the 3 June 2024, the Group announced the completion of the sale of certain Governance, Risk & Compliance ("GRC") software and services assets for an Enterprise Value of £430 million in cash. Marlowe's continuing operations since 3 June 2024 comprise the Testing, Inspection & Certification ("TIC") and Occupational Health ("OH") divisions on which the Group's forward strategy is focussed.

Financial performance of continuing operations

ADJUSTED RESULTS – CONTINUING OPERATIONS	FY24	FY23	Change
Revenue	£402.9m	£381.9m	5%
Adjusted EBITDA[1,2]	£49.0m	£51.3m	(4)%
Adjusted EBITDA margin[1,2]	*12.2%*	*13.4%*	*(120)bps*
Adjusted operating profit[2]	£32.1m	£36.0m	(11)%

STATUTORY RESULTS – CONTINUING OPERATIONS	FY24	FY23
Revenue	£402.9m	£381.9m
Operating (loss)/profit[3]	£(5.0)m	£3.3m
(Loss) before tax[3]	£(16.9)m	£(4.5)m
(Loss) per share – basic[3]	(14.2)p	(4.9)p

[1] Earnings before interest, taxes, depreciation and amortisation ("EBITDA")
[2] Explanation of non-IFRS measures are contained within the Financial Review and note 2
[3] Further details shown in consolidated statement of comprehensive income

STRATEGY AND TRADING PERFORMANCE

A leading business-critical service provider

- Marlowe's forward looking strategy is to focus on regulated business-critical service markets across TIC and Occupational Health with highly-recurring revenues based on non-discretionary customer spend and underpinned by regulatory and insurance requirements
- The primary focus in the near term remains on driving margin enhancement and organic growth
- In addition, the business-critical service markets the Group occupies are extremely fragmented and bolt-on acquisitions remain an attractive route to delivering additional shareholder value in due course

Completed strategic review creating significant shareholder value

- Following the strategic review announced in November 2023, the Company completed the sale of certain GRC software and services assets (the "**Divestment**") for an enterprise value of £430 million
- The Group is returning up to an aggregate of £225 million of proceeds, with £150 million already returned via a special dividend, equating to £1.55 per share, paid on 5 July 2024, and by way of a share buy-back programme commenced on that same day to return up to £75 million
- Marlowe's Board will continue to execute the delivery of the Group's strategy while regularly evaluating ways to further maximise shareholder value

Financial review of Group

- **Revenue up 8% to £503.2 million**
    - Increased as a result of both organic growth and contributions from bolt-on acquisitions during the period

- **Statutory operating profit of £9.6 million and loss before tax of £10.9 million**
    - Total finance costs of £20.5 million (FY23: £13.3 million) primarily driven by the increased costs of borrowing driven by higher interest rates and higher levels of utilisation of the Group's debt facilities
    - Loss primarily relates to acquisition and disposal costs (including strategic review costs) and restructuring adjusting items amounting to £26.0 million (FY23: £23.8 million) which are expected to reduce materially in the current financial year

- **Statutory loss per share of 10.6 pence** (FY23: 3.9 pence)

- **Strong balance sheet following Divestment**
  - Net debt (excluding leases) reducing in the second half of the year to £176.6 million at 31 March 2024 from £192.7 million as at 30 September 2023 (31 March 2023: £160.8 million)
  - Following the Divestment and payment of a £150 million special dividend and the commencement of the share buy-back programme, the Group now has a material net cash balance
  - Group generated £83.8 million (FY23: £74.3 million) adjusted net cash from operations before acquisitions & restructuring investment (including strategic review costs) during FY24
  - Cash generated from operations of £57.8 million (FY23: £50.5 million)

Business review of continuing operations

- **Continuing operations revenue up 5% to £402.9m**
  - Organic growth of 1%[1]

- **TIC revenue up 10% to £292.3 million**
  - Organic growth of 4%[2] against strong prior year comparator
  - Deepening our presence across Fire Safety & Security through four bolt-on acquisitions in H1

- **Occupational Health revenue down 4% to £110.6 million**
  - Revenue reflects short-term volume of contract losses
  - Good performance across the rest of the division
  - The business has since secured £13.8 million of new business since the start of FY24

- **Adjusted EBITDA from continuing operations down 4% to £49.0 million**
  - Adjusted EBITDA margins decreased 120bps to 12.2% (FY23: 13.4%)
  - Occupational Health EBITDA reflects short-term volume impact of contract losses
  - TIC margins diluted by a short -term increased use of subcontractors, temporary changes in revenue mix and a one-off accounting adjustment following a review of the recoverability of certain current assets in our Water and Air Hygiene business
  - Adjusted EBITDA margins expected to continue to improve in both divisions and have a medium-term Group target of 15% as we focus on operational efficiencies and revenue mix

- **Statutory operating loss from continuing operations £5.0 million**
  - Loss primarily as a result of the short-term revenue reduction and margin dilution impact in Occupational Health, an increase in acquisition and disposal costs (including strategic review costs) and restructuring adjusting items amounting to £19.7 million (FY23: £16.6 million)

- **Successful execution of integration programme and M&A**
  - £16 million of capital invested[3] during FY24 across four bolt-on acquisitions in Fire Safety & Security
  - Strong progress on integration programmes, with all costs associated with restructuring investments expected to conclude by 30 September 2024, in line with market expectation

Current trading and outlook

- The new financial year has started well, and we expect to deliver mid-single digit organic revenue growth driven by our TIC division
- Marlowe forward strategy focussed on highly attractive and regulated business-critical service markets across Testing, Inspection & Certification and Occupational Health

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[1] Based on an adjusted prior year comparable of £397.4m which includes performance of acquisition made in year

[2] Based on an adjusted prior year comparable of £282.4m which includes performance of acquisition made in year

[3] Based on enterprise value of £16.3 million and excludes the recently disposed of acquisition of IMSM made within the year

- Occupational Health revenue expected to be flat in FY25, with prior year contracts losses offset by recent contract wins
- All associated restructuring investments are expected to conclude by 30 September 2024, incurring costs estimated at £5 million in the first half of the current year
- We have made good progress with the ongoing share buyback programme, having acquired 7,364,035 million shares for a total consideration of £30.9 million as at 19 July 2024
- We expect remaining net cash proceeds of the Divestment and the Group's strong cash generation will be used either to return further capital to shareholders or, when appropriate, invest in bolt-on acquisitions
- The Group is focussed on driving organic growth while improving margins and delivering attractive free cash flow and it expects to deliver strong adjusted EBITDA growth

Lord Ashcroft, Interim Non-Executive Chair, commented:

"The Group is now focussed on the highly attractive and regulated business-critical service markets following the significant divestment of a number of GRC software and service assets post year end. The enterprise value of £430 million achieved on exit was a good outcome for Marlowe and its shareholders and significantly exceeded Marlowe's market capitalisation prior to announcement."

"Marlowe now consists of two market-leading divisions in TIC and Occupational Health. Within TIC we implement testing and inspection regimes to certify business premises and ensure critical systems are safe and compliant across fire safety & security and water & air hygiene. Our Occupational Health business assures regulatory compliance across our customers' employees, implementing health surveillance, absence management and employee wellbeing initiatives."

"Looking forward the Group has a clear focus on driving organic growth, delivering margin improvement and converting this into strong cash flow performance. This focus and our strong balance sheet supports the Board's confidence in the business going forward."

"I would like to thank all of Marlowe's employees for all their commitment and hard work throughout the year and we would like to wish all the best to those who left us with the divestment."

Marlowe has today published a full year results presentation which has been made available on the Marlowe plc website.

For further information:

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BUSINESS REVIEW

This has been a pivotal year for Marlowe. In November 2023, we announced a review of the Group's structure. It had become clear that as the Group had grown and evolved, its operational activities had diversified into sectors with varying operational and financial characteristics.

Following the announcement of the strategic review we received an offer for a number of our GRC software and service assets. Consequently, in February 2024, we announced a binding agreement for the divestment of these assets for an enterprise value of £430 million, a valuation that represented 121% of Marlowe's market capitalisation on the day prior to announcement.

The sale proceeds from the Divestment are expected to be c.£405 million after relevant adjustments, including estimated transaction costs, settlement of certain transaction-related liabilities and earn-outs, reorganisation and separation costs.

On 3 June 2024 we announced the completion of the Divestment and the return of up to £225 million of proceeds to shareholders. We have subsequently repaid the Group's entire debt facilities and returned £150 million to shareholders via a special dividend paid on 5 July 2024. As of 5 July 2024, the Board initiated a share buy-back programme of up to £75 million, and this is ongoing.

Marlowe now comprises of two market-leading compliance service divisions in Testing, Inspection and Certification ("TIC") and Occupational Health ("OH"). These markets have strong structural tailwinds, with many of the services we provide being non-discretionary to our customers and leading to an estimated 80% of recurring revenues across the Group.

We continue to see significant opportunity for further growth as we look ahead. We are focussed on driving organic revenues, improving margins and delivering attractive free cash flow. We have a refocused strategy and are well positioned to capitalise on the attractive compliance service markets we serve.

Financial results – continuing operations

The results for the Group reflect a year of significant integration and transformation. Against that backdrop, the Group performed well and made strong operational progress within its divisions. Revenue from continuing operations grew 5% to £402.9 million benefiting from 4% organic growth in TIC and the contribution from acquisitions during the period. Occupational Health revenue decreased due to the impact of contract losses. The division has since won £13.8 million of new business which has started or will start during FY25.

Adjusted EBITDA of £49.0 million (FY23: £51.3 million) reflects the retained Group operations. The reduction on the prior year has been driven by contract losses within Occupational Health, increased use of subcontractors and a one-off accounting adjustment relating to a review of the recoverability of certain current assets within our Water & Air Hygiene business. This resulted in a 120bps compression of adjusted EBITDA margins year-on-year. Adjusted EBITDA margins in TIC improved towards the year end as we transitioned work from subcontractors to in-house fee-earners. We expect adjusted EBITDA margins to continue to improve in both divisions and have a medium-term Group target of 15% as we focus on delivering operational efficiencies and improving revenue mix.

Statutory operating loss was £5.0 million (FY23 operating profit: £3.3 million), with the reduction resulting from temporary revenue reduction and margin dilution in Occupational Health as described in the Business Review, the costs relating to the strategic review in the year and an increase in fair value loss on contingent consideration and acquisition-related incentive schemes.

Our business is highly cash generative and free cash flow is a key metric the Board and management are focussed on. The Group, including the divested assets, generated £83.8 million of adjusted cash from operations before acquisition and restructuring costs with a particular strong performance in the second half. Adjusted net debt (excluding leases) increased from £160.8 million as at 31 March 2023 to £176.6 million as at 31 March 2024 following £30.4 million being deployed on M&A (including purchase and repayment of subsidiary undertakings) in the first half of the year which was offset by the strong cash generation noted above. Following the completion of the Divestment and the return of £150 million via a special dividend paid on 5 July 2024, the Group has a material net cash balance.

Attractive and resilient business model

The compliance markets we serve are underpinned by regulation and are therefore predominantly non-discretionary to our customers and essential throughout the economic cycle. An estimated 80% of our revenues are recurring with customers typically contracted on 3-to-5-year agreements, providing us with secure and highly visible revenue streams.

Each of our markets have structural growth characteristics and benefit from onerous and evolving regulations with increasing enforcement action from regulators. Compliance spending continues to grow at attractive rates from the increasing focus on ESG and the health & safety and wellbeing of staff.

The Group has low customer concentration and operates across a broad range of sectors. We serve 30,000 customers from SMEs to large multinationals and public sector organisations, with no customer representing more than 4% of Group revenues.

Strong balance sheet and disciplined approach to capital allocation

We completed five acquisitions in the first half of the year for a total enterprise value of £37 million. Our largest acquisition was IMSM which was subsequently disposed of as part of the Divestment. We completed four bolt on-acquisitions within our Fire Safety & Security business for an enterprise value of £16.3 million, deepening our presence in this attractive vertical.

The Group retained a material net cash position following completion of the Divestment, the retirement of the debt facility and the return of £150 million to shareholders via a special dividend. The Group will return up to £75 million of further capital via a share buyback programme and this commenced on 5 July 2024. On 24 June 2024, the Group entered into a new unsecured 3-year Revolving Credit Facility ("RCF") of £50 million with an uncommitted accordion facility of £50 million, and these facilities are currently undrawn.

The Board anticipates that the remaining net cash proceeds of the Divestment and the Group's strong cash generation will be used either to return further capital to shareholders or, when appropriate, invest in bolt-on acquisition opportunities across TIC and Occupational Health in due course.

Strengthening and integrating

We have made significant operational progress in the year with all integration programmes. We have now built the clear market leader in Occupational Health and Water & Air Hygiene and are a top 3 player in Fire Safety & Security. During the year, we continued to deliver extensive synergy benefits across each of our businesses. We invested £14.6 million into restructuring (FY23: £15.2 million) and successfully removed 200 duplicated roles, exited several properties and discontinued several legacy IT systems.

We are on target to complete all current programmes by 30 September 2024 with total expected costs of £5 million in the current financial year.

Marlowe's primary focus in the near term remains on driving margin enhancement and organic growth across these integrated platforms within the highly attractive and defensive compliance service markets.

Board Changes

On the completion of the Divestment, Alex Dacre transferred with the Divestment and resigned as Chief Executive of Marlowe. Additionally, on 3 June 2024, the Group announced the resignation of Kevin Quinn as Executive Chairman with Lord Ashcroft KCMG PC assuming the role of Non-Executive Chairman on an interim basis having joined the Board on 18 March 2024.

The Board would like to thank Kevin who has made a significant contribution to the development of Marlowe and extends its sincere thanks for his dedicated service and commitment. Additionally, the Board would like to thank Charles Skinner, who stepped down from the Marlowe Board in March 2024, for his support and advice over his 8-year tenure.

Finally, we would like to welcome Julia Robertson as Independent Non-Executive Director. Julia is Group Chief Executive Officer of Headfirst Global plc and brings a wealth of experience.

Outlook

The year has started well, and we continue to see strong demand for our business-critical services. We expect to deliver mid-single digit organic revenue growth across our TIC division and maintain Occupational Health revenues as strong new business wins are onboarded and replace the impact of the lost contracts. The Group is focused on driving margin enhancement and expects to deliver high single digit adjusted EBITDA growth.

The Group expects to finalise the remaining integration programmes across TIC and OH by 30 September 2024 with no further integration costs expected in H2 FY25. The Board retains the flexibility to use the remaining net cash proceeds from the Divestment alongside the Group's strong cash generation to return further return capital or to pursue carefully selected bolt-on acquisitions where appropriate.

In the medium term we expect both businesses to deliver mid-single digit organic growth as we leverage our scale and upsell, in addition to cross-sell within our TIC division.

Testing, Inspection & Certification

The services we provide within our Testing, Inspection and Certification ("TIC") division largely revolve around keeping our customers' business premises safe and compliant with relevant regulation and legislation. Our services address compliance requirements across Fire Safety & Security, and Water & Air Hygiene.

	FY24	FY23	Change
Revenue	£292.3m	£266.3m	10%
Adjusted EBITDA[1,2]	£35.2m	£34.3m	3%
Adjusted operating profit[2]	£23.2m	£23.4m	(1)%
Adjusted EBITDA margin[1,2]	*12.0%*	*12.9%*	*(90)bps*

[1] Earnings before interest, taxes, depreciation and amortisation ("EBITDA")

[2] Explanation of non-IFRS measures are contained within the Financial Review and note 2

Performance Review

Revenues increased 10% to £292.3 million (FY23: £266.3 million). We delivered organic growth in-line with the market of 4% in FY24 against a very strong prior-year period in FY23 when revenues grew 11% organically. Our performance also benefited from four acquisitions made in year. Adjusted EBITDA was up 3% as a result of organic growth and the contribution of acquisitions. Following a review of the recoverability of certain current assets in our Water and Air business the Group took the decision to make a one-off adjustment to bring them in line with their expected value. The total one-off adjustment resulted in a £1.5 million reduction in adjusted EBITDA.

Fire Safety & Security, which represent nearly half of the divisional revenues, delivered mid-single digit organic growth. This was driven by good organic growth in our mechanical business (which includes the installation, maintenance and inspection of smoke ventilation, sprinkler and gas suppression systems) slightly offset by slower growth within our higher margin passive fire[4] solutions. Additionally, a now-concluded integration programme resulted in some attrition of field-based fee earners from a recently acquired business. Consequently, this impacted revenue and margins and required an increased reliance on subcontractors to manage the work being transferred. We have taken steps to address the issue and subcontractor usage has now returned to prior levels. This margin dilution was slightly offset by continuing route density benefits and IT related improvements in scheduling, which resulted in an increase in revenue per day per fee earner to over £660 (FY23: £610).

Water & Air Hygiene, which makes up just over half of the divisional revenues, delivered low single-digit organic growth. Our main water business performed well in the year with good levels of new business. However, this was offset by our chemical business, which accounts for around 10% of revenues and was impacted by a reduction in commodity prices especially after a strong performance in FY23. Overall adjusted EBITDA was flat in the year due to some pricing challenges within a portion of our legacy longer-term fixed contacts (which we are transitioning away from), the weaker performance of our chemical business and the one-off current asset adjustment.

Operational Review

Fire Safety & Security made four bolt-on acquisitions during the year for a total enterprise value of £16.3 million. Integration programmes are now concluding, with acquired businesses performing well despite the attrition of field-based fee earners earlier in the year.

We have continued to benefit from strong customer retention with our customers retained on average for more than 10 years. We believe this is attributable to continuous improvements in our customer service levels, innovative new solutions and our dedication to ensuring our customers' ongoing compliance with legislation. Compliance rates[5] received unwavering focus during the year, with compliance levels improving to 98% (FY23:

[4] Passive fire protection is a barrier or shield, stopping the spread of fire from one area to another

[5] Inspection and remedial work completed within deadline or deadline +45 days.

97%) as we continued to benefit from improved scheduling, and our ability to multi skill our engineers through Marlowe Academy, our inhouse training facility.

Over the year we have continued to develop innovative solutions for our customers, underpinned by our 24/7 alarm monitoring centres based in Manchester. Connected services provide the division with the ability to design and deliver bespoke loss prevention programmes which are supported by a robust return on investment.

During the year we placed strong emphasis on improving our data analytics which has resulted in greater visibility over our customers' portfolio and profitability. We expect the improved transparency on the financial performance of our operations to result in more effective contract pricing and negotiations across the business.

Additionally, we have increasingly focussed on employee retention. Given the nature of Marlowe's business, retaining and hiring talent is crucial in fulfilling any new work and an effective HR programme is critical to reducing constraints on our growth and use of subcontractors, which in turn dilutes margins. An example of this focus can be seen in our ability to train and qualify maintenance engineers through Marlowe Academy. We trained 30 maintenance engineers during the year, which not only reduces our reliance on external candidates, but also facilitates longer retention rates through the development of homegrown talent.

Water & Air Hygiene delivered a number of integration programmes during the year and removed 124 duplicated roles, exited 5 premises and removed 10 legacy systems from previous acquisitions. We are now coming to the end of this process and expect integration expense to be concluded by 30 September 2024.

The Group appointed a new CEO of the Water & Air Hygiene division in December 2023 who brings a wealth of operational experience having spent the three previous years as the division's Chief Operating Officer. Since this appointment we have been focusing on a new five-point plan, which aims to simplify the business, drive margins and improve cash generation. The business is already seeing strong margin improvements from the initiatives put in place.

As with Fire Safety & Security, our integration process has led to better management information and therefore clearer visibility of the business, which in turn allows us to take more informed decisions and cost controls measures. Now that restructuring programme are concluding, the near-term strategy is to continue to implement operational improvements and drive margins.

Additionally, we are starting to see the full benefits of our proprietary end-to-end ERP system, Wave, which was implemented last year. Wave is now delivering over half a million tasks per year which has further supported our market-leading compliance rates and when coupled with our national scale, allows us to deliver the same level of service across all our clients on a National scale.

Occupational Health

We are the UK leader in the occupational health and wellbeing sector. We assure regulatory compliance for our clients, improving the health & wellbeing of their employees, minimising workplace risk and maximising corporate productivity.

	FY24 £m	**FY23 £m**	**Change**
Revenue	£110.6m	£115.6m	(4)%
Adjusted EBITDA[1,2]	£18.1m	£22.0m	(18)%
Adjusted operating profit[2]	£13.6m	£18.0m	(24)%
Adjusted EBITDA margin[1,2]	*16.4%*	*19.0%*	*(260)bps*

[1] *Earnings before interest, taxes, depreciation and amortisation ("EBITDA")*

[2] *Explanation of non-IFRS measures are contained within the Financial Review and note 2*

Performance Review

Revenue was down 4% following the impact of the loss of customer contracts including the previously announced impact of the insourced customer loss. The business however achieved 93% customer retention[6] during FY24, delivered strong new business wins in the year, securing £9.9 million of revenue which has commenced or is scheduled to start in the coming months and. The business has subsequently won an additional £3.9 million since year end which has more than compensated for the business lost during the prior year.

EBITDA decreased by 18% due to the contract losses noted above. On the transfer of contracts, TUPE did not apply, allowing us to retain our clinical specialists for redeployment on new contracts and across our operations. This resulted in a short-term margin impact but has allowed us to successfully bid and fulfil all new contract wins. This margin impact has been slightly offset through the benefits of our integration programmes as we are able to deliver more efficient scheduling and service delivery through our leading technology platforms.

Operational review

Occupational Health is coming to the end of a large integration programme having combined nine occupational health acquisitions since entering the market in early 2020. Occupational Health now operates under one management team and one brand, Optima Health. We are the market leader, with 900 clinical specialists, servicing 5 million employees and delivering over 1 million interventions each year. Customers, clinicians, and delivery teams are now on common IT platforms, which allows us to benefit from efficient delivery of service, consistent clinical governance, and best practice across our operation.

Throughout the integration programme, we have removed 140 duplicated roles, rationalised our property portfolio by exiting six premises, and removing several duplicated and legacy IT systems**.** Furthermore, we have deployed our leading clinical CPD programme to improve our people's training and development opportunities with over 100 people being inducted onto our class leading GROW programme. This in turn leads to better outcomes for our customers, through industry-leading turnaround times for services. Additionally, through investment in leadership & development more than 50 of our people have achieved a professional qualification and we have seen a 20% improvement in our employee Net Promoter Score.

Since the year end, we have retired the final legacy systems after transferring the remaining tranche of customers onto the Optima Health platform and are set to exit an additional premises in the half. We expect all restructuring expense to have concluded by 30 September 2024.

We achieved 93% customer retention in year as we continue to deliver best-in-class clinical governance rates and continue to showcase our value to our customers, through tangible improvements in the productivity of their workforce.

[6] Based on number of customers in year

FINANCIAL REVIEW

Financial review of Group

Revenue, from continuing and discontinued operations, grew in the year to £503.2 million (FY23: £465.7 million). The increase reflects organic growth and contribution from acquisitions completed in the year, offset by reduction in revenue in Occupational Health as a result of the impact of contract losses. Organic revenue growth % on a like-for-like basis is defined as the year-on-year growth of our entire business. This includes the growth or decline of acquisitions from the day of completion, by including their performance from the corresponding prior period. The benefit of this approach is that it provides insight as to how recently acquired businesses, along with our existing business, are performing.

Adjusted profit before tax decreased by 13% to £46.8 million (FY23: £53.6 million) driven by a weakening in Occupational Health following the contract losses and higher finance costs on the Group's debt facilities resulting from the increased costs of borrowing.

Statutory loss before tax was £10.9 million (FY23 loss before tax: £6.9 million) with the increased loss resulting from the reduction in adjusted EBITDA margin noted in the business review combining with higher finance costs and an increase in acquisition and disposal costs to £7.8 million (FY23: £2.7m) which include the strategic review costs conducted in the year.

Looking forward, following the completion of the Divestment in May 2024, the Group is in a strong position to deliver meaningful improvement in both the statutory and adjusted key financial metrics in FY25.

Non-IFRS measures

IFRS measures ensure that the financial statements contain all the information and disclosures required by all accounting standards and regulatory obligations that apply to the Group. The Annual Report and financial statements also include measures which are not defined by generally accepted accounting principles such as IFRS. We believe this information, along with comparable IFRS measures, is useful as it provides investors with a basis for measuring the performance of the Group on an underlying basis. The Board and our managers use these financial measures to evaluate our operating performance. Non-IFRS financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Similarly, non-IFRS measures as reported by us may not be comparable with similar measures reported by other companies.

Due to the nature of acquisitions, costs associated with those acquisitions, subsequent integration costs and the non-cash element of certain charges, the Directors believe that adjusted measures provide shareholders with a useful representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group.

A reconciliation between statutory loss before tax and the adjusted profit before tax performance measure is shown below:

	FY24	**FY23**
	£'m	**£'m**
Statutory (loss) before tax	**(10.9)**	**(6.9)**
Acquisition and disposal costs (including strategic review costs)	7.8	2.7
Restructuring costs	18.2	21.1
Amortisation of acquired intangibles	25.6	24.0
Share-based payments (excluding SAYE schemes)	(0.8)	1.7
Fair value losses in contingent consideration and acquisition related incentive schemes	5.0	8.4
Exceptional finance costs	1.9	2.6
Adjusted profit before tax	**46.8**	**53.6**

Adjusting items

Acquisition and disposal costs (including strategic review costs) totalled £7.8 million in the year (FY23: £2.7 million). During the first half of the year the Group undertook a strategic review to assess the merits of a potential separation of certain businesses across its TIC and GRC Divisions. Strategic Review costs include professional fees, legal fees and staff costs. These costs are non-recurring and not considered to be reflective of the underlying trading performance.

Restructuring investment, being the costs associated with the integration of acquisitions, remain a key component of delivering shareholder value by increasing future returns made on acquired businesses. Restructuring costs for the year were £18.2 million (FY23: £21.1 million) reflecting acquisitions made in year and the two key integration programmes within Occupational Health and Water & Air Hygiene. Restructuring programmes relating to continuing operations are now being finalised and we expect all restructuring expense to have ceased by 30 September 2024. Restructuring costs primarily consist of:

- The cost of duplicated staff roles during the integration and restructuring period;
- The implementation and redundancy cost of delivering the post completion staff structures; and
- IT costs associated with the integration and transfer to Group IT systems, including costs of third party software used in the delivery of customer contracts where there is a programme to transition such software to one of the Group's existing platforms.

Amortisation of acquired intangible assets for the year was £25.6 million (FY23: £24.0 million) with the increase attributable to the higher carrying value of intangible assets resulting from acquisition made in year.

Non-cash share-based payment credit for the year was £0.8 million (FY23: £1.7 million charge) and largely relates to the charge for the Executive Incentive Plan. The credit in the year relates to an adjustment to reflect leavers from the scheme.

Certain long term incentive schemes for platform businesses have been established to incentivise key members of our platform acquisition's senior management to create shareholder value through the successful acquisition, restructuring and integration of businesses in their chosen service sectors. These schemes have similar characteristics to earn out structures in place within the Group and have a similar purpose. As such, these schemes are considered to be part of the investing activities of the group and are not-recurring in nature. The total charge for these schemes and for movements in contingent consideration provisions during the year totalled £5.0 million (FY23: £8.4 million).

Exceptional finance costs for the year were £1.9 million (FY22: £2.6 million) and relate to the non-cash unwinding of the discount applied to contingent consideration to reflect the time value of money.

Further details on the items considered when arriving at adjusted performance measures can be found in Note 3.

Earnings per share

Basic adjusted earnings per share are calculated as adjusted profit for the Group, including the divested assets, for the year less a standard tax charge divided by the weighted average number of shares in issue in the year. Basic earnings per share reflect the actual tax charge.

Earnings per share* (EPS)	**FY24**	**FY23**
Basic adjusted earnings per share	36.4p	45.3p
Basic (loss) per share	(10.6)p	(3.9)p

*Refer to note 5

Interest

Finance costs, excluding exceptional finance costs, amounted to £18.6 million in the year (FY23: £10.7 million). This movement reflects the increased costs of borrowing driven by interest rates and higher levels of utilisation of the Group's debt facilities.

As of 5 July 2024, the Group retained a material net cash position following completion of the Divestment, the retirement of the debt facility and the return of £150 million to shareholders via a special dividend. The Group will return up to £75 million of further capital via a share buyback programme with programme having commenced on 5 July 2024.

On 24 June 2024, the Group entered into a new unsecured 3-year Revolving Credit Facility ("RCF") of £50 million, which is currently undrawn and an uncommitted accordion facility of £50 million.

Taxation

UK Corporation Tax is calculated at 25% (FY23: 19%) of the estimated assessable profit for the year. In addition, deferred taxes at the statement of financial position date were remeasured to reflect the 25% tax rate from 1 April 2023.

Statement of financial position

The Group maintains a strong balance sheet with net assets as at 31 March 2024 of £437.5 million (31 March 2023: £443.3 million). At the same date total assets were £890.3 million (2023: £851.4 million), and total liabilities were £458.7 million (2023: £408.1 million). Total assets primarily consist of assets held for sale of £398.2 million related to the Divestment and intangible assets of £343.2 million and trade and other receivable of £98.0 million. Total liabilities include bank loans of £206.0 million, which were repaid following the transaction, and trade and other payables of £83.5 million and liabilities directly associated with assets classified as held for sale of £82.3 million.

As at 31 March 2024, contingent consideration of £16.3m in respect of the disposal group, had been classified as discontinued operations and shown within liabilities held for sale. The continuing operations have contingent consideration of £3.5 million as at 31 March 2024.

Cash flow, net debt and financing

The Group benefits from revenues which have beneficial underlying working capital characteristics. As a result, working capital as a percentage of FY24 revenue at the full year was less than 1%.

Across the whole year the Group generated adjusted net cash from operations of £83.8 million (FY23: £74.3 million) before £26.0 million of acquisition & restructuring investment (including strategic review costs).

	FY24 £m	**FY23 £m**
Adjusted cash generated from operations before acquisition and restructuring costs (inc. strategic review)	**83.8**	**74.3**
Acquisition & restructuring costs (inc. strategic review)	(26.0)	(23.8)
Cash generated from operations	**57.8**	**50.5**
Lease repayments	(11.9)	(11.1)
Net finance costs	(17.8)	(8.6)
Tax	(2.0)	(8.3)
M&A (inc. purchase and repayment of subsidiary undertakings)	(30.4)	(59.5)
Net capex	(13.0)	(15.0)
Proceeds from share issuance	1.5	-
Movement in net debt	**(15.8)**	**(52.0)**
Opening net debt (excluding leases)	(160.8)	(108.8)
Closing net debt (excluding leases)	(176.6)	(160.8)

The increase in net debt reflects the execution of the M&A strategy with £30 million deployed on M&A and the significant investment in restructuring programmes. This was partially offset by strong cash generation, particularly in the second half of the year.

During the year, the Group had £11.9 million (FY23: £11.1 million) of lease expenses of which just below £11 million relates to continuing operations. Capital expenditure totalled £13.0 million (FY23: £15.0 million) of which £5.5 million relates to the continuing operations.

Net debt as at 31 March 2024, including inter alia £26.6 million of lease liabilities, was £203.2 million (FY23: £188.9 million). Adjusted net debt (excluding lease liabilities) at year was £176.6 million (FY23: £160.8 million). Since the year end the Group repaid its old debt facility and now has a material net cash position following the completion of the Divestment and subsequent £150 million payment of a special dividend on 5 July 2024. The Group has subsequently initiated a share buyback scheme where it will buy-back up to £75 million of shares.

On 24 June 2024, the Group entered into a new unsecured 3-year Revolving Credit Facility ("RCF") of £50 million with an uncommitted accordion facility of £50 million, these facilities are currently undrawn.

Key Performance Indicators ('KPIs')

The Group uses many different KPIs at an operational level which are specific to the business and provide information to management. The Board uses KPIs that focus on the financial performance of the Group such as revenue, adjusted EBITDA, adjusted EPS and net cash generated from operations.

Unaudited consolidated statement of comprehensive income

For the year ended 31 March 2024

				2024			2023
	Note	Continuing operations	Discontinued operations	Total	Continuing Operations	Discontinued operations	Total
		£'m	£'m	£'m	£'m	£'m	£'m
Revenue	2	**402.9**	**100.3**	**503.2**	381.9	83.8	465.7
Cost of sales		**(251.3)**	**(34.2)**	**(285.5)**	(243.5)	(33.2)	(276.7)
Gross profit		**151.6**	**66.1**	**217.7**	138.4	50.6	189.0
Administrative expenses excluding acquisition and other costs		**(119.5)**	**(32.8)**	**(152.3)**	(102.4)	(22.3)	(124.7)
Acquisition and disposal costs (including strategic review)	3	**(5.1)**	**(2.7)**	**(7.8)**	(1.4)	(1.3)	(2.7)
Restructuring costs	3	**(14.6)**	**(3.6)**	**(18.2)**	(15.2)	(5.9)	(21.1)
Amortisation of acquired intangibles	3	**(13.2)**	**(12.4)**	**(25.6)**	(12.2)	(11.8)	(24.0)
Share based payments (excluding SAYE schemes) and legacy long-term incentives	3	**0.8**	**-**	**0.8**	(1.7)	-	(1.7)
Fair value losses in contingent consideration and acquisition related incentive schemes	3	**(5.0)**	**-**	**(5.0)**	(2.2)	(6.2)	(8.4)
Total administrative expenses		**(156.6)**	**(51.5)**	**(208.1)**	(135.1)	(47.5)	(182.6)
Operating (loss)/profit		**(5.0)**	**14.6**	**9.6**	3.3	3.1	6.4
Finance costs		**(11.8)**	**(6.8)**	**(18.6)**	(6.9)	(3.8)	(10.7)
Exceptional finance costs		**(0.1)**	**(1.8)**	**(1.9)**	(0.9)	(1.7)	(2.6)
Total finance costs		**(11.9)**	**(8.6)**	**(20.5)**	(7.8)	(5.5)	(13.3)
(Loss)/profit before tax		**(16.9)**	**6.0**	**(10.9)**	(4.5)	(2.4)	(6.9)
Income tax credit/(charge)	4	**3.2**	**(2.5)**	**0.7**	2.8	0.3	3.1
(Loss)/profit for the year		**(13.7)**	**3.5**	**(10.2)**	(1.7)	(2.1)	(3.8)
Other comprehensive income		**-**	**-**	**-**			-
Total comprehensive (loss)/profit for the year		**(13.7)**	**3.5**	**(10.2)**	(1.7)	(2.1)	(3.8)
Attributable to owners of the parent		**(13.7)**	**3.5**	**(10.2)**	(1.7)	(2.1)	(3.8)
Loss per share attributable to owners of the parent (pence)							
Total							
Basic	5	**(14.2)p**		**(10.6)p**	(1.8)p		(3.9)p
Diluted	5	**(14.2)p**		**(10.6)p**	(1.8)p		(3.9)p

Unaudited consolidated statement of changes in equity

For the year ended 31 March 2024

	Note	Share capital £m	Share premium £m	Merger reserve £m	Other reserves £m	Retained earnings /(deficit) £m	Total equity £m
Balance at 1 April 2022		47.9	384.8	9.9	3.5	(0.1)	446.0
Loss for the year		-	-	-	-	(3.8)	(3.8)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(3.8)**	**(3.8)**
Transaction with owners							
Share-based payments		-	-	-	2.3	-	2.3
Deferred tax on share-based payments		-	-	-	(1.2)	-	(1.2)
		-	**-**	**-**	**1.1**	**-**	**1.1**
Balance at 31 March 2023		**47.9**	**384.8**	**9.9**	**4.6**	**(3.9)**	**443.3**
Loss for the year		**-**	**-**	**-**	-	(10.2)	(10.2)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(10.2)**	**(10.2)**
Transaction with owners							
Share-based payments		-	-	-	(0.1)	-	(0.1)
Issue of shares during the year	11	0.5	1.4	2.6	-	-	4.5
Cancellation of share premium	12	-	(384.9)	-	-	384.9	-
		0.5	**(383.5)**	**2.6**	**(0.1)**	**384.9**	**4.4**
Balance at 31 March 2024		**48.4**	**1.3**	**12.5**	**4.5**	**370.8**	**437.5**

Unaudited consolidated statement of financial position

As at 31 March 2024

	Note	2024 £'m	2023 £'m
ASSETS			
Non-current assets			
Intangible assets		**343.2**	644.1
Property, plant and equipment		**10.1**	11.7
Right-of-use assets		**25.4**	27.4
Trade and other receivables	8	**-**	4.8
Deferred tax asset		**4.4**	4.4
		383.1	692.4
Current assets			
Inventories		**9.7**	9.3
Trade and other receivables	8	**98.0**	116.4
Cash and cash equivalents		**-**	30.2
Current tax asset		**1.3**	1.8
Assets classified as held for sale		**398.2**	1.3
Total current assets		**507.2**	159.0
Total assets		**890.3**	851.4
LIABILITIES			
Current liabilities			
Trade and other payables	9	**(83.5)**	(123.2)
Financial liabilities - bank overdrafts	10	**(25.8)**	-
Financial liabilities - borrowings	10	**(206.0)**	-
Financial liabilities - lease liabilities	10	**(9.4)**	(9.7)
Provisions		**(1.2)**	(1.4)
Liabilities directly associated with assets classified as held for sale		**(82.3)**	-
Total current liabilities		**(408.2)**	(134.3)
Non-current liabilities			
Trade and other payables	9	**(0.7)**	(12.0)
Financial liabilities - borrowings		**-**	(191.0)
Financial liabilities - lease liabilities	10	**(16.9)**	(18.4)
Deferred tax liabilities		**(26.0)**	(51.2)
Provisions		**(1.0)**	(1.2)
Total non-current liabilities		**(44.6)**	(273.8)
Total liabilities		**(452.8)**	(408.1)
Net assets		**437.5**	443.3

Unaudited consolidated statement of financial position

As at 31 March 2024

	Note	2024 £'m	2023 £'m
EQUITY			
Share capital	11	**48.4**	47.9
Share premium	12	**1.3**	384.8
Merger reserve		**12.5**	9.9
Other reserves		**4.5**	4.6
Retained earnings/(deficit)		**370.8**	(3.9)
Equity attributable to owners of parent		**437.5**	443.3

Unaudited consolidated statement of cash flows

For the year ended 31 March 2024

	Note	2024 £'m	2023 £'m
Cash generated from operations	13	**57.8**	50.5
Net finance costs		**(17.8)**	(8.6)
Income taxes paid		**(2.0)**	(8.3)
Net cash generated from operations		**38.0**	33.6
Cash flows used in investing activities			
Purchase of property, plant and equipment and non-acquisition intangibles		**(14.4)**	(16.4)
Disposal of property, plant and equipment		**1.4**	1.4
Contingent consideration received		**4.3**	-
Purchase of subsidiary undertakings net of cash acquired	7	**(31.7)**	(59.0)
Cash flows used in investing activities		**(40.4)**	(74.0)
Cash flows from financing activities			
Proceeds from share issues		**1.5**	-
Utilisation of debt facility		**51.3**	65.0
Repayment of debt facility		**(36.3)**	(14.0)
Repayment of debt upon purchase of subsidiary undertakings		**(0.5)**	(0.5)
Lease repayments		**(11.9)**	(11.1)
Settlement of contingent consideration		**(2.5)**	-
Net cash generated in financing activities		**1.6**	39.4
Net (decrease) in cash and cash equivalents in relation to continuing operations		**(0.8)**	(1.0)
Cash and cash equivalents at start of year		**30.2**	31.2
Cash and cash equivalents in relation to discontinued operations		**(55.2)**	-
Cash and cash equivalents at the end of year		**(25.8)**	30.2
Cash and cash equivalents shown above comprise:			
Cash at bank		**-**	30.2
Bank overdrafts	10	**(25.8)**	-

Notes to the financial information for the year ended 31 March 2024

1. Basis of Preparation

Basis of preparation

This preliminary announcement has been prepared in accordance with the recognition and measurement requirements of UK-adopted international accounting standards (IFRS) and the Companies Act 2006 and the applicable legal requirements of the Companies Act 2006.

The financial information for the year ended 31 March 2024 and 31 March 2023 does not constitute statutory financial information as defined in Section 434 of the Companies Act 2006 and does not contain all of the information required to be disclosed in a full set of IFRS financial statements. Statutory accounts for the year ended 31 March 2023 have been delivered to the registrar of companies and those for the year ended 31 March 2024 will be delivered to the registrar in due course. This announcement was approved by the Board of Directors and authorised for issue on 22 July 2024. Statutory accounts for the year ended 31 March 2024 have not yet been reported on by the Group's Independent Auditor, RSM UK Audit LLP.

The consolidated preliminary results are presented in pounds sterling and, unless stated otherwise, shown in pounds million to one decimal place.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance, financial position, its cash flows, liquidity position, principal risks and uncertainties affecting the business are set out in the Business Review.

The Group meets its day-to-day working capital requirements through its financing facilities which were due to expire in February 2025 but were fully extinguished on 5 June 2024 following the Divestment.

On 24 June 2024, a new financing facility was put in place allowing the Group to draw up to a maximum of £100 million subject to certain covenants. To date there have been no drawdowns against the facility. Given that the underlying business is cash generating and having considered FY25 budgets and FY26 forecasts, the Directors are comfortable that the Group has adequate resources to meet its ongoing financing requirements.

Details of the Group's borrowing facilities are given in note 10 of the financial information. The Group's budget for 2025 and forecasts for 2026, show that the Group should be able to operate within the level of its new facility and comply with the relevant covenants.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the approval date of this report and accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements. In making this assessment, the Directors have considered the financing arrangements available to the Group and the Group's cashflow forecasts, taking into account significant but plausible downside trading scenarios

2. Segmental analysis

The Group has been organised into two main reporting segments, Occupational Health ("OH") and Testing, Inspection & Certification ("TIC"). At each reporting date, the Group reviews its reporting segments to determine if the segment disclosure continues to be appropriate.

As described in the business review, the Board announced in February 2024 that it had entered into a binding agreement for the sale of certain Governance, Risk & Compliance ("GRC") software and services assets. This included all assets from the Worknest, Health and Safety compliance and Elogbooks operating segments. The disposal completed on 31 May 2024 and the disposal group assets were classified as held for sale at 31 March 2024 and trading results classified as discontinued operations.

During the year, there has not been a significant change to the underlying nature of the retained business, nor did the impact of acquisitions change this. However, the disposal noted above has resulted in a change to the reportable segments with Occupational Health being the only operating segment continuing in the GRC division. Other than this, the results and economic characteristics of the business remains consistent with the prior year and therefore continuing to disclose the reportable segments consistently is appropriate for FY24. Given the disposal, however for clarity the continuing GRC segment has been renamed Occupational Health (“OH”).

Services per segment as described in the business review. The key profit measures are revenue, adjusted EBITDA and adjusted profit before tax and are shown before acquisition and disposal costs, restructuring costs, amortisation of acquired intangibles, fair value gains/losses in contingent consideration, acquisition related incentive schemes, and share based payments and legacy long-term incentives.

The vast majority of trading of the Group is undertaken within the United Kingdom. Segment assets include intangibles, property, plant and equipment, inventories, receivables and cash. Central assets include deferred tax and head office assets. Segment liabilities comprise operating liabilities. Central liabilities include deferred tax, corporate borrowings and head office liabilities. Capital expenditure comprises additions to application software, property, plant and equipment. Segment assets and liabilities are allocated between segments on an actual basis.

	2024				**2023**			
	TIC	**OH**	**Head Office**	**Total**	**TIC**	**OH**	**Head Office**	**Total**
Continuing operations	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Revenue	**303.7**	**112.1**	**-**	**415.8**	276.6	116.7	-	393.3
Inter-segment elimination	**(11.4)**	**(1.5)**	**-**	**(12.9)**	(10.3)	(1.1)	-	(11.4)
Revenue from external customers	**292.3**	**110.6**	**-**	**402.9**	266.3	115.6	-	381.9
Segment adjusted operating profit/(loss)	**23.2**	**13.6**	**(4.7)**	**32.1**	23.4	18.0	(5.4)	36.0
Acquisition and disposal costs (including strategic review costs)				**(5.1)**				(1.4)
Restructuring costs				**(14.6)**				(15.2)
Amortisation of acquired intangibles				**(13.2)**				(12.2)
Share based payments (excluding SAYE schemes) and legacy long-term incentives				**0.8**				(1.7)
Fair value gains/(losses) in contingent consideration and acquisition related incentive schemes				**(5.0)**				(2.2)
Operating (loss)/profit				**(5.0)**				3.3
Finance costs				**(11.8)**				(6.9)
Exceptional finance costs				**(0.1)**				(0.9)
Loss before tax				**(16.9)**				(4.5)
Tax credit				**3.2**				2.8
Loss after tax				**(13.7)**				(1.7)
Segment assets	**89.3**	**23.4**	**379.4**	**492.1**	152.2	38.9	575.1	766.2
Segment liabilities	**(79.6)**	**(24.8)**	**(266.1)**	**(370.5)**	(58.5)	(22.8)	(284.2)	(365.5)
Capital expenditure	**(3.8)**	**(3.1)**	**-**	**(6.9)**	(5.7)	(1.1)	(0.2)	(7.0)
Depreciation and amortisation	**(12.0)**	**(4.5)**	**(13.6)**	**(30.1)**	(10.9)	(3.8)	(24.4)	(39.1)

	2024		2023	
	GRC	Total	GRC	Total
Discontinued operations	£'m	£'m	£'m	£'m
Revenue	102.8	102.8	86.1	86.1
Inter-segment elimination	(2.5)	(2.5)	(2.3)	(2.3)
Revenue from external customers	100.3	100.3	83.8	83.8
Segment adjusted operating profit	33.3	33.3	28.3	28.3
Acquisition and disposal costs (including strategic review costs)		(2.7)		(1.3)
Restructuring costs		(3.6)		(5.9)
Amortisation of acquired intangibles		(12.4)		(11.8)
Fair value (losses) in contingent consideration and acquisition related incentive schemes		-		(6.2)
Operating profit		14.6		3.1
Finance costs		(6.8)		(3.8)
Exceptional finance costs		(1.8)		(1.7)
Profit/(loss) before tax		6.0		(2.4)
Tax (charge)/credit		(2.5)		0.3
Profit/(loss) after tax		3.5		(2.1)
Segment assets	398.2	398.2	85.2	85.2
Segment liabilities	(82.3)	(82.3)	(42.6)	(42.6)
Capital expenditure	(7.6)	(7.6)	(9.4)	(9.4)
Depreciation and amortisation	(16.4)	(16.4)	(3.1)	(3.1)

The revenue from external customers was derived from the Group's principal activities primarily in the UK (where the Company is domiciled).

Reconciliation of segment adjusted operating profit to adjusted EBITDA

	2024				2023			
	TIC	OH	Head Office	Total	TIC	OH	Head Office	Total
Continuing operations	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Segment adjusted operating profit/(loss)	23.2	13.6	(4.7)	32.1	23.4	18.0	(5.4)	36.0
Depreciation and amortisation of non-acquisition intangibles	12.0	4.5	0.4	16.9	10.9	4.0	0.4	15.3
Adjusted EBITDA	35.2	18.1	(4.3)	49.0	34.3	22.0	(5.0)	51.3

	2024		2023	
	GRC	Total	GRC	Total
Discontinued operations	£'m	£'m	£'m	£'m
Segment adjusted operating profit	33.3	33.3	28.3	28.3
Depreciation and amortisation of non-acquisition intangibles	4.0	4.0	3.1	3.1
Adjusted EBITDA	37.3	37.3	31.4	31.4

The above tables reconcile segment adjusted operating profit/(loss) to adjusted EBITDA, which excludes separately disclosed acquisition and other costs, to the standard profit measure under IFRS (Operating Profit). This is the Group's Alternative Profit Measure used when discussing the performance of the Group. The Directors believe that adjusted EBITDA and operating profit is the most appropriate approach for ascertaining the underlying trading performance and trends as it reflects the measures used internally by senior management for all discussions of performance and also reflects the starting profit measure when calculating the Group's banking covenants.

Adjusted EBITDA is not defined by IFRS and therefore may not be directly comparable with other companies' adjusted profit measures. It is not intended to be a substitute, or superior to, IFRS measurements of profit.

Major customers

For the year ended 31 March 2024, no customers (2023: nil) individually accounted for more than 10% of the Group's total revenue.

3. Adjusting items on continuing operations

Due to the nature of acquisition and other costs in relation to each acquisition and the non-cash element of certain charges, the Directors believe that adjusted operating profit, adjusted EBITDA and adjusted measures of profit before tax and earnings per share provide shareholders with a more appropriate representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group. The adjusting items shown on the consolidated statement of comprehensive income and the rationale behind the Director's view that these should be included as adjusting items are detailed below:

Adjusting item	Rationale
Acquisition and disposal costs (including strategic review costs)	Acquisition and disposal costs (including strategic review costs) totalled £5.1 million in the year (2023: £1.4 million). During the first half of the year the Group undertook a strategic review to assess the merits of a potential separation of certain businesses across its TIC and GRC Divisions. Strategic review costs include professional fees, legal fees and staff costs. These costs are non-recurring and not considered to be reflective of the underlying trading performance.
Restructuring costs	Restructuring costs, being the costs associated with the integration of acquisitions, remain a key component of delivering shareholder value by increasing returns made on acquired businesses. Restructuring costs for the year were £14.6 million (2023: £15.2 million) reflecting the three key integration programmes within Occupational Health, Fire and Security and Water & Air Hygiene. These programmes are now being finalised and we expect all restructuring expense to have ceased by 30 September 2024. Restructuring costs primarily consist of: • The cost of duplicated staff roles during the integration and restructuring period; • The implementation and redundancy cost of delivering the post completion staff structures; and • IT costs associated with the integration and transfer to Group IT systems, including costs of third- party software used in the delivery of customer contracts where there is a programme to transition such software to one of the Group's existing platforms.
Amortisation of acquired intangibles	The amortisation charge is primarily in relation to acquired intangible assets resulting from fair value adjustments under IFRS 3. Given the overall size of the amortisation charge and it being non-cash in nature, this cost is adjusted for in deriving the Group's alternative performance measures. For transparency, we note that the Group does not similarly adjust for the related revenue and results generated from its business combinations in its alternative profit measures.

Share-based payments (excluding SAYE schemes) and legacy long-term incentives	Charges associated with share-based payment schemes (excluding SAYE schemes which remain are classed as administrative expenses) and legacy long-term incentives have been included as adjusting items. Although share-based compensation is an important aspect of the compensation of our employees and executives, management believes it is useful to exclude share-based compensation expenses from adjusted profit measures to better understand the long-term performance of our underlying business. Share-based compensation expenses are non-cash charges and are determined using several factors, including expectations surrounding future performance, employee forfeiture rates and, for employee payroll-related tax items, the share price. As a result, these charges are not reflective of the value ultimately received from the awards.
Fair value losses in contingent consideration and acquisition related incentive schemes	Movements in contingent consideration are considered to be part of the investing activities of the Group and are therefore not considered to be reflective of the underlying trading performance. Further, share based compensation expenses are not reflective of the value ultimately received by the recipients of the awards. In addition, certain legacy long terms incentives are considered to be part of the investing activities of the Group and non-recurring in nature.
Exceptional finance costs	Exceptional finance costs of £0.1m (2023: £0.9m) relate to the non-cash unwinding of the discount applied to contingent consideration to reflect the time value of money. Therefore, it is not considered part of the underlying trading of the Group.

4. Taxation

	Continuing operations		**Discontinued operations**		**Total**	
	2024 £'m	**2023 £'m**	**2024 £'m**	**2023 £'m**	**2024 £'m**	**2023 £'m**
Current tax:						
UK corporation tax on loss for the year	**(0.1)**	1.4	**5.6**	2.6	**5.5**	4.0
Foreign tax	**0.1**	0.1	**0.7**	0.3	**0.8**	0.4
Adjustment in respect of previous periods	**(0.7)**	(0.6)	**0.1**	(0.1)	**(0.6)**	(0.7)
Total current tax	**(0.7)**	0.9	**6.4**	2.8	**5.7**	3.7
Deferred tax:						
Current year	**(3.7)**	(3.9)	**(3.1)**	(3.0)	**(6.8)**	(6.9)
Adjustment in respect of previous periods	**1.2**	0.2	**(0.8)**	(0.1)	**0.4**	0.1
Total deferred tax	**(2.5)**	(3.7)	**(3.9)**	(3.1)	**(6.4)**	(6.8)
Total tax (credit)/charge	**(3.2)**	(2.8)	**2.5**	(0.3)	**(0.7)**	(3.1)

The charge for the year can be reconciled to the profit in the Consolidated Statement of Comprehensive income as follows:

	Continuing operations		Discontinued operations		Total	
	2024 £'m	**2023 £'m**	**2024 £'m**	**2023 £'m**	**2024 £'m**	**2023 £'m**
(Loss)/profit before tax	**(16.9)**	(4.5)	**6.0**	(2.4)	**(10.9)**	(6.9)
(Loss)/profit before tax multiplied by the rate of corporation tax of 25% (FY23: 19%)	**(4.2)**	(0.8)	**1.5**	(0.5)	**(2.7)**	(1.3)
Effects of:						
Expenses not deductible for tax purposes	**0.4**	(0.1)	**2.1**	1.0	**2.5**	0.9
Effect of foreign tax	**(0.1)**	0.1	**(0.3)**	(0.1)	**(0.4)**	-
Recognition of previously unrecognised deferred tax assets on losses	**-**	(1.5)	**-**	-	**-**	(1.5)
Prior year adjustments	**0.7**	(0.4)	**(0.8)**	(0.2)	**(0.1)**	(0.6)
Change in tax rates	**-**	(0.1)	**-**	(0.5)	**-**	(0.6)
Tax (credit)/charge	**(3.2)**	(2.8)	**2.5**	(0.3)	**(0.7)**	(3.1)

In the Spring Budget 2021, the UK Government announced that the corporation tax rate would increase to 25% with effect from 1 April 2023. Deferred taxes at the statement of financial position date have been remeasured at 25% as the announced change has been enacted.

5. Earnings per ordinary share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the parent company (Marlowe plc) as the numerator, i.e. no adjustments to profit were necessary in 2024 or 2023.

	2024	**2023**
Group		
Loss after tax for the period	**£(10.2)m**	£(3.8)m
Basic earnings per share	**(10.6)p**	(3.9)p
Fully diluted earnings per share	**(10.6)p**	(3.9)p
Continuing		
Loss after tax for the period	**£(13.7)m**	£(1.7)m
Basic earnings per share	**(14.2)p**	(1.8)p
Fully diluted earnings per share	**(14.2)p**	(1.8)p
Weighted average number of shares in issue	**96,418,045**	95,868,871
Potential dilution of share options	**-**	-
Weighted average fully diluted number of shares in issue	**96,418,045**	95,868,871

As at 31 March 2024, 579,564 options (2023: 1,291,637) were excluded from the diluted weighted-average number of ordinary shares calculation for the continuing operations because their effect would have been anti-dilutive.

Adjusted earnings per share

The Directors believe that the adjusted earnings per share provide a more appropriate representation of the underlying earnings derived from the Group's business. The adjusting items are shown in the table below:

	2024 £'m	2023 £'m
(Loss) before tax for the period	**(10.9)**	(6.9)
Adjustments:		
Acquisition and disposal costs (including strategic review costs)	**7.8**	2.7
Restructuring costs	**18.2**	21.1
Amortisation of acquired intangibles	**25.6**	24.0
Share-based payments (excluding SAYE schemes)	**(0.8)**	1.7
Fair value losses in contingent consideration and acquisition related incentive schemes	**5.0**	8.4
Exceptional finance costs	**1.9**	2.6
Adjusted profit before tax for the period	**46.8**	53.6

The adjusted earnings per share, based on weighted average number of shares in issue during the year, is calculated below:

	2024	2023
Adjusted profit before tax (£'m)	**46.8**	53.6
Tax at 25% (2023: 19%)	**(11.7)**	(10.2)
Adjusted profit after taxation (£'m)	**35.1**	43.4
Adjusted basic earnings per share (pence)	**36.4**	45.3
Adjusted fully diluted earnings per share (pence)	**36.4**	45.3

6. Dividends

On 3 June 2024, the Company declared a special dividend in respect of the current year. The dividend of £1.55 per Marlowe ordinary share amounted to £150.3m and was paid on 5 July 2024.

7. Business Combinations

During the year the Group completed five acquisitions to create shareholder value by adding depth and breadth to the Group's compliance-based platforms.

If the acquisitions had been completed on the first day of the financial year, Group revenue would have been £506.9m and Group loss before tax would have been £10.3m. Post completion, the acquisitions made during the year contributed £26.0m revenue and £4.3m profit before tax. As explained in note 3, following acquisition a number of restructuring costs are incurred, and after this post acquisition restructuring the acquisitions have a positive impact on Group profit before tax.

Goodwill acquired in the business combinations represent a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. Goodwill is not deductible for tax purposes. Acquisition balance sheets are deemed provisional when the post-acquisition integration period, typically up to 12 months post-acquisition, has yet to complete.

Acquisition of Victory Fire Limited

On 6 April 2023 the Group acquired Victory Fire Limited ("Victory Fire"), a provider of fire & security installation and maintenance services for a total consideration of £6.6m, satisfied by the payment of £5.5m in cash on completion, £0.1m payable subject to the satisfactory completion of certain integration tasks and £1.0m payable subject to the achievement of certain performance targets by the acquired business 12 months post-acquisition. The £1.0m contingent consideration payable has been discounted to its present value of £0.8m by applying the weighted average cost of capital used in the purchase price allocation.

One hundred percent of the equity of Victory Fire was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £0.1m have been charged to profit or loss.

	Fair value at acquisition
	£'m
Intangible assets – customer relationships	1.1
Trade and other receivables	0.3
Cash	2.1
Inventories	0.1
Property, plant and equipment	0.1
Trade and other payables	(0.2)
Deferred tax liabilities	(0.3)
Tax liabilities	(0.1)
Net assets acquired	**3.1**
Goodwill	3.3
Consideration	**6.4**
Satisfied by:	
Cash to vendors	5.5
Contingent cash consideration to vendors	0.9

If the acquisition had been completed on the first day of the financial year Victory Fire would have contributed £2.0m revenue and £0.7m profit before tax.

Post completion, the acquisition of Victory Fire contributed £2.0m revenue and £0.7m profit before tax.

Acquisition of Clymac Limited

On 13 April 2023 the Group acquired Clymac Limited (“Clymac”), a provider of fire installation and maintenance services for a total consideration of £8.5m, satisfied by the payment of £8.2m in cash on completion, £0.3m payable subject to the satisfactory completion of certain integration tasks by the acquired business 3 months post-acquisition.

One hundred percent of the equity of Clymac was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £0.1m have been charged to profit or loss.

	Fair value at acquisition £'m
Intangible assets – customer relationships	4.8
Trade and other receivables	1.9
Cash	0.4
Inventories	0.3
Right-of-use assets	0.1
Property, plant and equipment	0.1
Trade and other payables	(3.0)
Deferred tax liabilities	(1.2)
Tax liabilities	(0.1)
Net assets acquired	**3.3**
Goodwill	5.2
Consideration	**8.5**
Satisfied by:	
Cash to vendors	8.2
Contingent cash consideration to vendors	0.3

If the acquisition had been completed on the first day of the financial year Clymac would have generated £11.1m revenue and £0.8m profit before tax.

Post completion, the acquisition of Clymac contributed £11.1m revenue and £0.8m profit before tax.

<u>Acquisition of JCR Security Limited</u>

On 20 April 2023 the Group acquired JCR Security Limited ("JCR Security"), a provider of fire installation and maintenance services for a total consideration of £0.7m, satisfied by the payment of £0.4m in cash on completion and £0.3m payable subject to the achievement of certain performance targets by the acquired business 36 months post-acquisition. The £0.3m contingent consideration payable has been discounted to its present value of £0.1m by applying the weighted average cost of capital used in the purchase price allocation.

One hundred percent of the equity of JCR Security was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £nil have been charged to profit or loss.

	Fair value at acquisition £'m
Intangible assets – customer relationships	0.2
Trade and other receivables	0.2
Cash	0.1
Trade and other payables	(0.2)
Net assets acquired	**0.3**
Goodwill	0.2
Consideration	**0.5**
Satisfied by:	
Cash to vendors	0.4
Contingent cash consideration to vendors	0.1

If the acquisition had been completed on the first day of the financial year JCR Security would have generated £1.9m revenue and £0.5m profit before tax.

Post completion, the acquisition of JCR Security contributed £1.9m revenue and £0.5m profit before tax.

Acquisition of Trans-Fire Holdings Ltd

On 13 June 2023 the Group acquired Trans-Fire Holdings Ltd (“Merryweather”), a provider of fire & security maintenance services for a total consideration of £0.9m, satisfied by the payment of £0.7m in cash on completion and £0.2m payable subject to the achievement of certain performance targets by the acquired business 6 months post-acquisition.

One hundred percent of the equity of Merryweather was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £nil have been charged to profit or loss.

	Fair value at acquisition £’m
Intangible assets – customer relationships	0.4
Trade and other receivables	0.1
Cash	0.1
Deferred tax liabilities	(0.1)
Net assets acquired	**0.5**
Goodwill	0.4
Consideration	**0.9**
Satisfied by:	
Cash to vendors	0.7
Contingent cash consideration to vendors	0.2

If the acquisition had been completed on the first day of the financial year Merryweather would have generated £0.8m revenue and £0.3m profit before tax.

Post completion, the acquisition of Merryweather contributed £0.4m revenue and £0.2m profit before tax.

Acquisition of IMSM Holdings Limited & International Management Systems Marketing Limited

On 25 July 2023 the Group acquired IMSM Holdings Limited & International Management Systems Marketing Limited (together “IMSM”), a provider of ISO certification and consultancy services for a total consideration of £20.6m, satisfied by the payment of £15.6m in cash and issuance of £3.0m of share-based consideration upon completion and £2.0m payable subject to the achievement of certain performance targets by the acquired business 12 months post acquisition. The £2.0m contingent consideration payable has been discounted to its present value of £1.7m by applying the weighted average cost of capital used in the purchase price allocation.

One hundred percent of the equity of IMSM was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £0.2m have been charged to profit or loss.

	Fair value at acquisition £'m
Intangible assets – customer relationships	4.3
Intangible assets – trade names	0.8
Trade and other receivables	1.2
Cash	3.8
Property, plant and equipment	0.1
Tax assets	0.3
Trade and other payables	(2.1)
Deferred tax liabilities	(1.3)
Net assets acquired	**7.1**
Goodwill	13.2
Consideration	**20.3**
Satisfied by:	
Cash to vendors	15.6
Share-based consideration	3.0
Contingent cash consideration to vendors	1.7

If the acquisition had been completed on the first day of the financial year IMSM would have generated £13.9m revenue and £2.6m profit before tax.

Post completion, the acquisition of IMSM contributed £10.6m revenue and £2.1m profit before tax.

8. Trade and other receivables

	2024 £'m	2023 £'m
Current		
Trade receivables	**69.2**	81.9
Less: provision for impairment of trade receivables	**(2.1)**	(1.9)
Trade receivables – net	**67.1**	80.0
Other receivables	**1.0**	2.8
Contract assets	**3.1**	2.1
Accrued income	**20.9**	22.8
Prepayments	**5.9**	8.1
Contingent consideration receivable in less than one year	**-**	0.6
	98.0	116.4
Non-current		
Contingent consideration receivable in more than one year	**-**	4.8
	-	4.8

Contingent consideration represented the divestment of non-core activities within the Group's Air Quality business following the sale of Ductclean (UK) Limited in March 2020 for a consideration of up to £7.0m and additional amounts receivable on projects concluded before the transaction. These were financial assets classified as measured at fair value through profit or loss. As at 31 March 2024, the contingent consideration amounted to £nil (2023: £4.8m). During the year, a settlement agreement was made with the counterparty to settle the outstanding amount of contingent consideration.

Trade receivables, accrued income and contract assets are provided for based on, and in accordance with IFRS 9, an expected credit loss ("ECL") model. The Group have utilised a simplified approach which is permitted by the standard, which applies a credit risk percentage based against receivables that are grouped in age brackets, which range from 18% of those over 120 days past due to 1% of those between 0 and 30 days past due. The expected credit loss percentages have been calculated by reference to the credit losses experienced by age bracket in the previous 12 months. These percentages have been reviewed against our expectations of lifetime credit losses expected for certain customers, alongside considering the expected future economic outlook in the UK.

As at 31 March 2024, the remaining balance of trade receivables which were past due, after applying the ECL model to the age buckets was £33.6m (2023: £33.5m). No further provision has been recognised on these amounts because it has been deemed immaterial. These relate to a number of independent customers with no recent history of default.

9. Trade and other payables

	2024 **£'m**	**2023** **£'m**
Current		
Trade payables	**29.1**	33.7
Other taxation and social security	**15.0**	19.9
Other payables	**6.7**	4.0
Accruals	**22.4**	28.9
Contract liabilities	**7.5**	28.7
Contingent consideration payable in less than one year	**2.8**	8.0
	83.5	123.2
Non-current		
Contingent consideration payable in one to three years	**0.7**	12.0
	0.7	12.0

Trade and other payables principally comprise amounts outstanding for trade purchases, ongoing costs and contingent consideration. Included within accruals is £9.9m (2023: £8.6m) in respect of Long Term Incentive Plans.

Contingent consideration consists of the following amounts payable in respect of previous acquisitions:

	2024 **£'m**	**2023** **£'m**
Core Stream	**-**	12.0
VinciWorks	**-**	1.8
Skill Boosters	**-**	1.5
Optima	**1.1**	-
Victory Fire	**1.3**	-
JCR	**1.1**	-
Other (comprising 17 acquisitions in FY23)	**-**	4.7
	3.5	20.0

At 31 March 2024, contingent consideration of £16.3m (2023: £nil) in respect of the disposal group had been reclassified as discontinued operations and shown within liabilities held for sale.

10. Net debt and borrowing facilities

	2024 £'m	2023 £'m
Continuing Operations:		
Cash at bank and in hand	**-**	30.2
Bank overdrafts due within one year	**(25.8)**	-
Bank loans due within one year	**(206.0)**	-
Bank loans due after one year	**-**	(191.0)
Leases due within one year	**(9.4)**	(9.7)
Leases due after one year	**(16.9)**	(18.4)
Net debt for continuing operations	**(258.1)**	(188.9)
Discontinuing Operations:		
Cash at bank and in hand	**55.2**	-
Leases due within one year	**(0.1)**	-
Leases due after one year	**(0.2)**	
Net debt for total Group	**(203.2)**	(188.9)

Borrowing facilities

At 31 March 2024, the Group has a £180m revolving credit facility and an additional accordion facility of £60m with HSBC UK Bank plc, National Westminster Bank plc, Citibank, N.A., Credit Industriel et Commercial, Fifth Third Bank, and The Governor and Company of the Bank of Ireland which was due to expire on 9 February 2025. £206m of the total facility was drawn as at 31 March 2024. All of the Group's borrowings are in sterling.

Following the disposal of the GRC business this facility was repaid in full on 5 June 2024 and fully extinguished.

On 24 June 2024, the Group entered into a new unsecured 3-year Revolving Credit Facility (RCF) for £50m with Barclays Bank PLC and HSBC UK Bank plc. The RCF includes two 1-year extension options and an uncommitted accordion facility of £50m.

11. Called up share capital

	2024 £'m	2023 £'m
Allotted, issued and fully paid: 96,807,718 ordinary shares of 50p each (2023: 95,882,065 ordinary shares of 50p each)	**48.4**	47.9

The issued ordinary share capital is as follows:

	Allotted, issued and fully paid £'m	Number of ordinary shares	Issue price
1 April 2022	47.9	95,833,853	
11 April 2022 - Share Options ("SAYE 2020")		1,630	460p
26 April 2022 - Share Options ("SAYE 2020")		2,065	460p
23 May 2022 - Share Options ("SAYE 2020")		923	460p
4 July 2022 - Marlowe plc Long Term Incentive Plan 2019		37,879	50p
5 July 2022 - Share Options ("SAYE 2020")		1,173	460p
18 August 2022 - Share Options ("SAYE 2020")		413	460p
19 October 2022 - Share Options ("SAYE 2020")		1,195	460p
24 November 2022 - Share Options ("SAYE 2020")		2,934	460p
31 March 2023	**47.9**	**95,882,065**	
18 August 2023 - Share-based consideration for IMSM acquisition		597,609	502p
11 August 2023 - Share Options ("SAYE 2020")		2,217	460p
2 October 2023 - Share Options ("SAYE 2020")		211,141	460p
9 October 2023 - Share Options ("SAYE 2020")		16,256	460p
16 October 2023 - Share Options ("SAYE 2020")		5,789	460p
23 October 2023 - Share Options ("SAYE 2020")		12,438	460p
30 October 2023 - Share Options ("SAYE 2020")		10,129	460p
13 November 2023 - Share Options ("SAYE 2020")		10,332	460p
27 November 2023 - Share Options ("SAYE 2020")		26,878	460p
14 March 2024 - Share Options ("SAYE 2020")		22,693	460p
18 March 2023 - Share Options ("SAYE 2020")		10,171	460p
31 March 2024	**48.4**	**96,807,718**	

12. Share premium

	2024 £'m	2023 £'m
1 April	**384.8**	384.8
Premium on shares issued during the year	**1.4**	-
Cancellation of share premium	**(384.9)**	-
31 March	**1.3**	384.8

In the year, the Company gained shareholder and court approval to release £384.9m (2023: £nil) from the share premium account to retained earnings.

13. Cash generated from operations

	2024 £'m	2023 £'m
Loss before tax	**(10.9)**	(6.9)
Depreciation of property, plant and equipment, depreciation of right-of-use assets and amortisation of non-acquisition intangibles	**20.9**	18.4
Amortisation of acquired intangibles	**25.6**	24.0
Loss on sale of fixed assets	**(0.2)**	-
Share based payments (excluding SAYE schemes)	**(0.8)**	1.7
Fair value losses in contingent consideration and acquisition related incentive schemes	**5.0**	8.4
Net finance costs	**20.5**	13.3
Increase in inventories	**-**	(1.7)
Increase in trade and other receivables	**(1.2)**	(12.0)
Increase in trade and other payables	**(1.1)**	5.3
Cash generated from operations	**57.8**	50.5

14. Related party transactions
There were no related party transactions during the current or prior period.

15. Post balance sheet events

Disposal of certain GRC Software & Service Assets
On the 3 June 2024, the Group announced the completion of the sale of certain GRC Software & Service Assets ("The Divestment") for an Enterprise value of £430m.

Return of capital
On the 5 July 2024 and following receipt of the cash proceeds of the Divestment, the Group paid a special dividend of £1.55 per Marlowe ordinary share equating to £150.3m. Additionally, the Group commenced a share buyback programme on the 5 July 2024, to return up to £75m to Marlowe shareholders ("Buyback Programme"). The terms of the Buyback Programme were announced by the Company on 22 May 2024.

As at the 19 July 2024, the Group, as part of the Buyback Programme, has bought 7,364,035 ordinary shares of 50 pence each in the capital of the Company for a weighted average price of 458.16 pence for a total price of £30.9 million. The shares acquired will, in due course, be cancelled.