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**NWF Group plc**

# NWF Group plc: Final results for the year ended 31 May 2026

*"The Group has demonstrated its resilience in operating through challenging and unforeseen market conditions, whilst continuing to make further strategic progress, building a platform for growth in Food, making two acquisitions in Fuels, and implementing its business improvement initiatives."*

NWF Group plc ('NWF', 'the Company' or 'the Group'), a specialist distributor operating in UK markets, today announces its audited final results for the year ended 31 May 2026.

| | **2026** | 2025 | % |
|---|---|---|---|
| **Financial highlights** | | | |
| Revenue | **£920.3m** | £903.1m | +1.9% |
| Headline operating profit[1] | **£16.8m** | £16.3m | +3.1% |
| Headline profit before taxation[1] | **£12.5m** | £13.2m | -5.3% |
| Diluted headline earnings per share[1] | **17.9p** | 18.5p | -3.2% |
| Total dividend per share | **8.7p** | 8.4p | +3.6% |
| Headline EBITDA[1] | **£22.8m** | £22.2m | +2.7% |
| Net cash (excluding IFRS 16 lease liabilities) | **£9.0m** | £6.3m | +42.9% |
| ROCE[1] | **17.8%** | 17.5% | +1.7% |
| **Statutory results** | | | |
| Operating profit | **£16.8m** | £12.6m | +33.3% |
| Profit before taxation | **£12.4m** | £9.3m | +33.3% |
| Diluted earnings per share | **18.3p** | 12.3p | +48.8% |
| Net debt (including IFRS 16 lease liabilities) | **£60.5m** | £53.9m | +12.2% |

1 Headline operating profit is statutory operating profit before exceptional items and amortisation of acquired intangibles. Headline profit before tax is statutory profit before tax after adding back the net finance costs in respect of the Group's defined benefit pension scheme, exceptional items and amortisation of acquired intangibles. Headline EBITDA is statutory operating profit after adding back exceptional items, amortisation of all intangibles and depreciation of property, plant and equipment. Net cash represents cash and cash equivalents less borrowings. Diluted headline earnings per share also takes into account the taxation effect thereon. ROCE is segment headline operating profit over segmental net operating assets. These measures are disclosed and reconciled to statutory measures on page 7.

## Financial highlights:

- Resilient performance delivering a full year result only slightly below initial market expectations.
- **Fuels:** small reduction in headline operating profit reflected fluctuating market conditions; two bolt-on acquisitions for total cash consideration of £4.8 million completed and integrated into the new regional operating model.
- **Food:** 19% increase in headline operating profit reflected increased customer demand combined with operational improvements and investment in capability.
- **Feeds:** stable headline operating profit reflected positive market conditions combined with continued effective management of gross margin and operational costs resulted in another good year of performance.
- Strong balance sheet, with the pension scheme now in accounting surplus, providing ongoing flexibility to fund the Group's growth strategy.
- Excellent cash generation resulting in a year end net cash position of £9.0 million, having invested in acquisitions, business improvement and organic initiatives.
- Proposed increase in the total dividend of 3.6% to 8.7p per share, representing the 15th consecutive year of increases reflecting the Board's confidence in the future prospects of the Group.

## Operating highlights:

- Business improvement initiatives being implemented across the Group to strengthen capability and enhance systems and processes.
- **Fuels:** continues to embed the regional operating model whilst managing the demand and oil price volatility resulting from the conflict in the Middle East.
- **Food:** strategic options being actively pursued, in tandem with business improvement initiatives, to develop a national network of scale, to provide growth and transport efficiency benefits.
- **Feeds:** the business is focused on delivering operational efficiency gains whilst managing volume and margin as lower milk prices are expected to impact market demand over the next few months.

## Current trading and outlook:

- Performance in the current financial year to date has seen the normalisation of trading conditions in Fuels, albeit with lower demand for domestic heating oil.
- Assuming the reversion to normalised trading conditions in Fuels continues, the Board expects the Group's performance in the current financial year to be broadly in line with that of FY26.
- Continue to focus on growth strategy through targeted acquisitions, organic investment and business improvement initiatives, supported by our strong financial position.

## Business highlights:

**Fuels** – headline operating profit of £8.1 million (2025: £8.4 million). Demand for heating oil and commercial gas oil was suppressed in the first half which impacted volume and margin on all products. With the arrival of colder weather in December, demand for heating oil normalised leading to a corresponding positive impact on Fuels' performance. The outbreak of the conflict in the Middle East at the start of March resulted in volatile trading conditions with significant short-term movements in oil price, and variable demand. The new regional operating model was rolled out nationally in July 2025. Despite market conditions affecting the speed of implementation, the business continues to embed the model and improve its processes. Two bolt on acquisitions were made in the year which were integrated into the North-West region.

**Food –** headline operating profit of £5.1 million (2025: £4.3 million). Additional business was secured from both new and existing customers over the period which led to increased storage levels and higher pallet throughput. The business benefitted throughout the year from the cost base restructuring undertaken in June 2025, and the first year of the Lymedale warehouse operating at full capacity. The management team has continued to improve business processes and strengthen capability within the organisation in order to create a scalable platform to develop a national network of scale to take advantage of the considerable market opportunity in ambient grocery consolidation.

**Feeds** – headline operating profit of £3.6 million (2025: £3.6 million). Feeds benefitted from strong demand in the first half supported by the strong milk price. Market sentiment softened in the second half as the milk price reduced in line with expectations. Volumes were in line with the prior year with the new moist feed product line continuing to perform ahead of plan. The business managed margins and the operating cost base effectively during the period.

**Chris Belsham, Chief Executive Officer, NWF Group plc, commented:**

"NWF Group has demonstrated its resilience in operating through challenging and unforeseen market conditions, whilst continuing to make significant strategic progress, building a platform for growth in Food, making two acquisitions in Fuels, and by implementing its business improvement initiatives."

"The strategy we have identified to grow the Food business represents an exciting opportunity to take advantage of NWF's expertise in a highly fragmented and expanding market."

"We continue to focus on our long-term growth strategy of development through organic investment, targeted acquisitions and business improvement initiatives, supported by our strengthened balance sheet and confidence in NWF's potential and prospects."

A presentation video will be available today at 08.00am. Please contact MHP Group for further details at nwf@mhpgroup.com.

Information for investors, including analyst consensus forecasts, can be found on the Group's website at www.nwf.co.uk.


| | | |
|---|---|---|
| Chris Belsham, Chief Executive Officer<br>Katie Shortland, Chief Financial Officer | Reg Hoare<br>Catherine Chapman | Ed Allsopp<br>Asha Chotai |
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# Chair's statement

**Overview**
After a year which saw volatile market conditions in the Fuels business that initially resulted in a weaker first half, I am pleased to report that the Group produced a final set of results slightly below initial market expectations, and comparable with the prior year, which is better than the Board anticipated at the end of the first half. This demonstrates the resilience of the Group. Against this backdrop, I am pleased to report that we have continued to make strategic progress with the work to create a platform for growth in Food and the change in operating model and two bolt-on acquisitions in Fuels.

As a consequence of the Group's strong cash generation, and the confidence in its future prospects, the Board is recommending a final dividend of 7.7p per share, to be paid to shareholders on 4 December 2026 (2025: 7.4p), giving a total dividend for the year of 8.7p per share (2025: 8.4p).

**Our business**
NWF is a specialist distributor operating in UK markets. Each of our trading businesses is a leading player in its chosen market and benefits from scale and capability barriers to entry. All three businesses are profitable and cash generative. Each business trades under different brands:

| | |
|---|---|
| Fuels | NWF Fuels Limited |
| Food | Boughey Distribution Limited |
| Feeds | NWF Agriculture Limited and New Breed (UK) Limited |

Key areas of focus for the Board in 2026 were:

***Developing and delivering on strategy***
The Group has a long-term strategy of growth through organic investment, targeted acquisitions and business improvement initiatives focused on commercial effectiveness and operational efficiency.

In Fuels, the roll-out of the regional operating model was initiated early in the financial year and the Group completed two bolt-on acquisitions which were immediately integrated into the North-West region. The challenging market conditions in the first half of the year, with low demand for heating oil, and the subsequent volatility caused by the Middle East conflict in the final quarter have meant that the process of embedding the new operating model has taken longer than anticipated; once fully embedded, the business will be better placed to deliver organic volume growth whilst improving operational efficiency and fleet utilisation.

The Board has identified a significant market opportunity to grow the Food business from its current estimated market share of approximately 4.4% in a more than £1.5 billion market through developing a national network of scale, diversifying from its traditional base in the North-West of England. This will enable the business to grow through expanding its customer base whilst also realising significant synergy opportunities in its transport operations. This requires the Food business to be a scalable platform; accordingly, during the year the business has focused on fully utilising its existing warehouses and growing the customer pipeline, standardising and improving processes, strengthening capability throughout the organisation, and commencing investment in a new transport management system and a customer portal. In parallel, the Group has also started to develop a pipeline of opportunities to expand the network through M&A, warehouse investment and strategic partnerships.

Across the Group, numerous business improvement initiatives have been successfully implemented both within the individual businesses and on a Group-wide basis. These have included investment in IT and data, centralisation of standardised processes in finance and IT and further strengthening of senior and middle management capability.

***Responding proactively to market conditions and trading performance***
The Group has responded proactively to fluid, and sometimes very challenging market conditions throughout the year. In Fuels, there was highly variable demand for heating oil and commercial gas oil in the first half of the year and a significant increase in, and volatility of, the oil price in the final quarter. The Group sought to manage these mixed market conditions through a focus on sales activity and sales conversion, margin management and cost control.

The Food business saw strong demand throughout the year which led to an increase in both storage level and throughput. The business has continued to secure new contracted business, providing confidence in our ability to secure additional customers to deliver growth, albeit this has resulted in the temporary use of less efficient offsite third-party storage as we move into the new financial year.

In Feeds, the strong milk price at the start of the financial year softened through the winter. Our nutritional advisors worked with our farming customers to maximise the yield from their herds whilst the milk price was high, then managed their input costs as the milk price reduced. This resulted in consistent volumes, which combined with good margin management and cost control, delivered a strong result.

***Cash generation***
Cash generation remains a key focus for the Group, and it is good to report a strong year end net cash balance of £9.0 million (excluding lease liabilities) after the strategic investment in the year. This highlights both the cash-generative nature of our business and the ability to identify and execute on growth investment opportunities and value accretive acquisitions in line with our capital allocation policy.

***Competition and Markets Authority***
On 20 March 2026, the Competition and Markets Authority ('CMA') launched a market study into the retail supply of heating oil for domestic use in the UK. As the third largest bulk fuel distributor in the UK, albeit with less than five percent market share, the Group proactively engaged with this review and responded to the CMA statement of scope.

On 15 July 2026, the CMA published the final report of its market study. The CMA concluded that the market for the retail supply of heating oil for domestic use is broadly competitive, while recommending a new, proportionate regulatory regime and enhanced protections for domestic heating oil customers. The Group welcomes the outcome of the study and will continue to engage constructively with the CMA, Government and the wider industry as any new measures are developed. Based on the CMA's findings and recommendations, the Board does not currently expect the market study to have a material impact on the Group's operations or financial performance.

***ESG framework***

The Board recognises the importance and value of ESG. We have continued the focus on our four sustainability pillars across the Group. An executive steering committee meets regularly, reviewing detailed performance measures. During the year we have reviewed our ESG objectives to confirm that these are focused on areas within our control where we are able to make tangible and measurable improvements.

We continue to adopt the Quoted Companies Alliance Corporate Governance Code (the ‘QCA Code’), which we believe has been constructed in a simple, practical and effective style. Meaningful compliance with its ten principles should provide shareholders with confidence in how the Group operates.

***Employees***

The Group continues to employ more than 1,400 people across its three businesses and Head Office. I would like to offer my personal thanks to all our employees for their outstanding efforts and commitment to the Group over the last year.

I look forward to updating shareholders on the Group’s continuing progress at the time of the Annual General Meeting on 24 September 2026.

**Amanda Burton**
***Chair***
*28 July 2026*

# Business and financial review

NWF has delivered a solid result, comparable with prior year, consistent with current market expectations and only slightly below market expectations at the beginning of the year.

The continued focus on cash has maintained a year end net cash position of £9.0 million (excluding lease liabilities) after the two Fuels acquisitions totalling £4.8 million. This continues to demonstrate the ongoing cash-generative nature of our business, providing a strong platform to fund growth initiatives and targeted acquisitions. We are once again proposing an increased dividend as part of our continuing focus on delivering shareholder returns.

Fuels navigated challenging market conditions throughout the year with low demand in the first half followed by the volatility caused by the Middle East conflict in the final quarter of the financial year.

The Food business performed well with increases in storage levels and throughput as new business was secured. The business made significant progress in developing as a scalable platform through business improvement initiatives.

Feed volumes in FY26 were in line with prior year and the business continued to manage margins and the operational cost base effectively.

The Group reported headline operating profit of £16.8 million (2025: £16.3 million) and headline profit before tax of £12.5 million (2025: £13.2 million). Operating profit was £16.8 million (2025: £12.6 million). Net financing costs increased by £1.1 million to £4.4 million reflecting increases in IFRS 16 interest. Diluted headline earnings per share was 17.9p (2025: 18.5p).

**Exceptional costs**

The Group reported net exceptional income in the year of £1.4 million (2025: £2.9 million cost), comprising income related to an insurance claim which was partly offset by the transaction costs associated with the two acquisitions and ERP implementation costs.

**Fuels**

Fuels experienced very challenging market conditions. The warm weather in late spring 2025 and autumn 2025 resulted in UK heating oil demand being 16% lower in the first half versus the prior year whilst UK demand for commercial gas oil was 6% lower. This suppressed market demand resulted in volume and margin pressure on all products throughout that period.

The arrival of colder weather in December and January led to improving demand for heating oil with a corresponding positive impact on Fuels' performance.

The start of the conflict in the Middle East in March resulted in a significant increase in oil prices combined with significant day-to-day volatility. This was particularly marked for heating oil which is closely related to the global price and availability of aviation fuel. After some initial panic buying, UK demand for heating oil fell sharply for the remainder of the financial year. Demand for commercial diesel and gas oil remained consistent and the business performance benefitted from the volatility. The Group experienced a similar demand profile in 2022 at the outset of the war in Ukraine.

Volumes were slightly below the prior year at 647 million litres (2025: 660 million litres). Revenue increased by 4.0% to £636.7 million (2025: £612.3 million) driven by the increased oil price in the latter quarter of the year. The average Brent Crude oil price in the year was consistent with the prior year at $75 per barrel. However, the volatility during the year was very high compared to prior years, with a high of $118 per barrel in April 2026 and a low of $59 per barrel in December 2025. This volatility largely occurred in the fourth quarter as a result of the conflict in the Middle East, and it resulted in additional benefit for the Group in this period of the year. Headline operating profit was £8.1 million (2025: £8.4 million), which resulted in a reported net profit of 1.25p per litre (2025: 1.27p per litre).

Two acquisitions were completed in the first half of the financial year, both in the North-West of England: Noel Booth & Sons Limited for £1.6 million cash paid (July 2025) and Harrison Oils limited for £3.2 million paid net of cash acquired (September 2025). These acquisitions were integrated into the new regional operating model as part of the North-West region providing the opportunity to realise cost synergies over time.

The Fuels business currently provides a service to domestic and SME commercial customers across England and Wales from 32 depots. Historically, the depots have operated as individual businesses which has provided the opportunity to respond flexibly to local market conditions, albeit it has made it difficult to deliver improvements in its sales processes and operational efficiency. During the year, and in response to these challenges, the Group has rolled out a regional operating model nationally to centralise its sales and operational activities into regional hub offices whilst maintaining the individual depots as delivery locations. This model allows the Group to enhance its domestic and commercial sales processes, provide an improved and consistent customer experience, and utilise its tanker fleet more effectively.

The challenging market conditions meant that fully embedding the new operating model has taken longer than anticipated; however, the visibility and control offered by the new model has enhanced the ability of the business to react accordingly and deliver the associated benefits going forward. Utilising this new model the Board believes there is opportunity to grow NWF's market share organically and improve its efficiency, delivering a higher margin business. The extensive depot network also provides the opportunity to supply larger, more complex, commercial customers which require reliable service in multiple or difficult locations.

With 117,000 customers (2025: 109,000) being supplied across England and Wales, Fuels operates in large and robust markets, and as a business has consistently proved it can effectively manage the impact of volatility in oil prices. The industry remains highly fragmented, with many small operators, which provides NWF with further opportunities to consolidate the market and/or increase its market share organically, subject to investment elsewhere in the Group.

**Food**

Food delivered a strong performance reflecting higher storage volumes and increased throughput. The business secured new contracted volumes from both existing and new customers which filled the current warehouse network and supports the building of a pipeline for future growth. The business benefitted throughout the year from a lower relative cost base as a result of the restructuring programme completed in June 2025.

During the year the Group has focused on developing the business as a scalable growth platform through a range of business improvement initiatives and strengthening of capability throughout the organisation. This has included the efficiency improvement and standardisation of processes, investment in the commercial, warehouse and transport teams, and commencing the implementation of a new transport management system and a customer portal.

Revenue increased by 5.1% to £90.6 million (2025: £86.2 million). Storage utilisation overall was at an average of 165,000 pallets representing 90.4% of total capacity (2025: 156,000 pallets), with the first year of the Lymedale warehouse operating at full capacity. Total throughput was 4.0% higher than prior year. At the year-end storage utilisation was 174,000 pallets leading to the use of offsite third party storage which creates short-term inefficiency but enables the customer pipeline for future growth.

Headline operating profit was £5.1 million (2025: £4.3 million).

Demand for our customers' products continues to be strong and the outlook for most product categories handled by the business is resilient. The business operates in a competitive supply chain and needs to continually demonstrate the value and service that it provides to grocery manufacturers and importers. We are a leading specialist in consolidating ambient grocery products in the UK, with high service levels and a consistent operating performance being the key components of the customer proposition. This is resulting in strong demand for our service and provides an opportunity to grow market share.

The Group estimates that the UK demand for ambient grocery consolidation is more than £1.5 billion with the Food business having a market share of approximately 4.4%. The Board believes that there is significant scope to grow the business and meet additional customer demand through expanding its warehouse network to a national footprint, diversifying from Food's traditional base in the North-West of England. This would enable the business to materially grow its customer base and realise significant transport synergy benefits.

In tandem with the activity to make the business scalable, the Group has started to explore the opportunities for developing this national network which may include a combination of targeted acquisitions, securing additional warehouse facilities and strategic partnerships, all supported by contracted customer relationships. Overall, the strategy we have identified to grow the Food business represents an exciting opportunity to take advantage of NWF's expertise in a highly fragmented and expanding market.

**Feeds**

Total feed volume was in line with prior year increasing by 2.4% to 559,000 tonnes (2025: 546,000 tonnes). This reflected the positive milk price in the first half of the year along with strong market prices for both beef and lamb. As a result, ruminant farmers were incentivised to maximise yield for most of the financial year and our nutritional advisors were able to support them in achieving this goal. The milk price softened over the winter as milk supply outstripped demand, and as a result the business then helped farmers as they switched focus to input cost management going into the summer season.

The overall ruminant market volume increased by 5.9%, according to DEFRA data.

Across the year, average commodity prices were 3.1% lower than the prior year but experienced a price range of 18.3% (2025: 12.2%) as the prices rose in the final quarter with the commencement of the conflict in the Middle East.

Revenue was lower at £193.0 million (2025: £204.6 million) reflecting the increase in volume being offset by the lower average commodity prices. Headline operating profit was £3.6 million (2025: £3.6 million) because of the solid volume, strong margin management and operational costs control.

The extension of the product range through the prior year investment in moist feed production has gone well with customer demand exceeding plan. This £0.8 million investment involved the installation of new equipment into an existing Group facility, which enabled a cost-effective way to develop an additional revenue stream through the sale of moist feed to existing customers who had previously been buying the product from third party suppliers.

The average milk price for the year of 39.4p per litre compared to an average in the prior year of 44.2p per litre. The peak milk price in the year was 43.0p per litre compared to 47.2p per litre in the prior year. At the end of the financial year the milk price was 35.5p per litre. UK milk production was 4.8% higher at 13.0 billion litres (2025: 12.4 billion litres).

Feeds is the second largest ruminant feed provider in the UK and has a very broad customer base, working with over 4,300 farmers across the UK. This base, and the underlying robust demand for milk and dairy products, results in a reasonably stable overall demand for ruminant feed deliveries in most market conditions.

**Capital allocation**

During the year the Group maintained its disciplined approach to capital allocation. Net cash from operating activities (including lease payments) of £15.3 million was generated in the period which, in line with the Group's capital allocation policy, was reinvested in operational capex (£3.9 million), the payment of dividends to shareholders (£4.2 million), and the targeted acquisitions in Fuels (£4.8 million). The Group will continue to follow this policy with capital allocated to organic growth investment and acquisition opportunities which are in line with the Group's strategy and provide the best return on capital employed.

**Outlook**

In Fuels, there continues to be short-term market uncertainty reflecting the fragility of the situation in the Middle East. Assuming a reversion to usual trading conditions through the first half of our current financial year, we will seek to leverage our position as the third largest bulk fuel distributor in the UK to pursue our clear strategy to drive greater efficiency and margin improvement, whilst delivering organic volume growth.

In Food, the business continues to manage high levels of demand and the utilisation of offsite storage, as it develops a scalable platform and pursues step change growth through building a national network of scale.

In Feeds, the lower milk price is expected to persist across the summer, before strengthening in the autumn. The business is focused on maintaining volumes, managing margins and delivering operational cost improvements.

Overall, assuming the reversion to normalised trading conditions in Fuels continues, the Board expects the Group's performance in the current financial year to be broadly in line with last year.

The Group continues to focus on its long-term growth strategy of development through organic growth investment, targeted acquisitions, and business improvement initiatives focused on commercial effectiveness and operational efficiency, supported by our strong financial position and confidence in NWF's potential and prospects.

**Group results**

***For the year ended 31 May 2026***

| | **2026 £m** | 2025 £m |
|---|---|---|
| **Revenue** | **920.3** | 903.1 |
| Cost of sales and administrative expenses | **(903.5)** | (890.5) |
| Headline operating profit[1] | **16.8** | 16.3 |
| Exceptional income | **2.0** | — |
| Exceptional expenses | **(0.6)** | (2.9) |
| Amortisation of acquired intangibles | **(1.4)** | (0.8) |
| **Operating profit** | **16.8** | 12.6 |
| Finance income | **0.1** | 0.1 |
| Finance costs | **(4.5)** | (3.4) |
| Headline profit before tax[1] | **12.5** | 13.2 |
| Exceptional income | **2.0** | — |
| Exceptional expenses | **(0.6)** | (2.9) |
| Amortisation of acquired intangibles | **(1.4)** | (0.8) |
| Net finance cost in respect of defined benefit pension scheme | **(0.1)** | (0.2) |
| **Profit before taxation** | **12.4** | 9.3 |
| Income tax expense | **(3.2)** | (3.1) |
| **Profit for the year** | **9.2** | 6.2 |
| **Headline EPS[1] (pence)** | **18.1** | 18.6 |
| **Diluted headline EPS[1] (pence)** | **17.9** | 18.5 |
| **Dividend per share (pence)** | **8.7** | 8.4 |
| **Headline dividend cover[1] (times)** | **2.1** | 2.2 |
| **Headline interest cover (times)** | **21.0** | 40.8 |

1 Headline operating profit is statutory operating profit of £16.8 million (2025: £12.6 million) before exceptional income of £2.0 million (2025: £Nil), exceptional expenses of £0.6 million (2025: £2.9 million) and amortisation of acquired intangibles of £1.4 million (2025: £0.8 million). Headline profit before taxation is statutory profit before taxation of £12.4 million (2025: £9.3 million) after adding back the net finance cost in respect of the Group's defined benefit pension scheme of £0.1 million (2025: £0.2 million), the exceptional items and amortisation of acquired intangibles. Headline dividend cover is diluted headline EPS of 17.9 pence (2025: 18.5 pence) divided by the dividend per share of 8.7 pence (2025: 8.4 pence). Headline EPS also takes into account the taxation effect thereon. Headline interest cover is headline operating profit of £16.8 million (2025: £16.3 million) divided by bank interest of £0.8 million (2025: £0.4 million).

Group revenue increased by 1.9% to £920.3 million (2025: £903.1 million) largely reflecting the higher price of oil in the latter quarter of the year. Headline operating profit was £16.8 million, an increase of 3.1% (2025: £16.3 million). Operating profit increased by 33.3% to £16.8 million (2025: £12.6 million) principally because of exceptional income in the year.

During the year the Group recognised net exceptional income of £1.4 million (2025: exceptional costs of £2.9 million). Exceptional income of £2.0 million comprises £1.2 million relating to an insurance receipt under the Group's commercial crime policy following the conflict of interest investigation disclosed in the prior year and £0.8 million arising from the write off of negative goodwill recognised on the acquisition of Noel Booth & Sons. This was partially offset by £0.6 million of exceptional costs principally relating to advisory fees associated with acquisitions made during the year and system implementation costs within the Food and Feeds businesses.

Net financing costs increased by £1.1 million to £4.4 million reflecting increases in IFRS 16 interest of £0.9 million from £2.7 million to £3.6 million and £0.3 million in other bank interest offset by a decrease of £0.1 million in interest on the net defined benefit scheme. Headline interest cover was 21.0x (excluding IAS 19 net pension finance costs and IFRS 16 lease interest) (2025: 40.8x).

Headline profit before taxation decreased by 5.3% to £12.5 million (2025: £13.2 million). Profit before taxation increased by £3.1 million to £12.4 million (2025: £9.3 million).

The tax charge for the year was £3.2 million (2025: £3.1 million). The effective tax rate for the year was 25.8% (2025: 33.3%) which is higher than the standard rate of corporation tax in UK largely because of disallowed expenditure in part associated with acquisitions. The post-tax profit for the year was £9.2 million (2025: £6.2 million).

The headline earnings per share of 18.1p represented a decrease of 2.7% (2025: 18.6p); diluted headline earnings per share decreased by 3.2% to 17.9p (2025: 18.5p). The proposed full-year dividend per share increased by 3.6% to 8.7p (2025: 8.4p) and equates to a dividend cover ratio of 2.1x (2025: 2.2x).

The cash finance costs in respect of the defined benefit pension scheme were £0.1 million (2025: £0.2 million).

**Balance sheet summary**

***As at 31 May 2026***

| | **2026 £m** | 2025 £m |
|---|---|---|
| Property, plant and equipment, and intangible assets | **95.0** | 94.1 |
| Right of use assets | **65.1** | 57.2 |
| Net working capital | **5.3** | 3.6 |
| Current income tax assets | **0.2** | — |
| Reimbursement assets | **2.8** | 2.9 |
| Derivative financial instruments | **0.1** | 0.2 |
| Cash and cash equivalents | **9.0** | 10.9 |
| Borrowings | — | (4.6) |
| Lease liabilities | **(69.5)** | (60.2) |
| Provision for liabilities | **(4.3)** | (4.5) |
| Current income tax liabilities | — | (0.1) |
| Deferred income tax liabilities | **(12.0)** | (10.0) |
| Retirement benefit surplus/(obligations) | **2.7** | (2.3) |
| **Net assets** | **94.4** | 87.2 |

The Group increased net assets by £7.2 million to £94.4 million (2025: £87.2 million) reflecting a profit for the year of £9.2 million (2025: £6.2 million) and the dividend paid of £4.2 million. Group level ROCE (based on segmental headline operating profit over segmental net operating assets) was 17.8% (2025: 17.5%).

Net cash (excluding lease liabilities) increased by £2.7 million to £9.0 million (2025: net cash £6.3 million) after completion of two acquisitions in the year.

Tangible and intangible assets increased by £0.9 million to £95.0 million (2025: £94.1 million) largely as a result of the intangibles arising on acquisitions made in the first half of the year of £3.6 million, fixed assets acquired through business combinations of £0.8 million, assets transferred in from right of use assets of £0.4 million and net capital expenditure of £3.9 million less depreciation, amortisation and disposals of £7.8 million. Right of use assets increased by £7.9 million to £65.1 million (2025: £57.2 million) mainly as a result of commercial vehicles replacement in Fuels and Food and reassessment of the Crewe lease term. Depreciation (excluding IFRS 16 depreciation on right of use assets) and amortisation charges for the year were £5.9 million and £1.5 million respectively (2025: £5.8 million and £0.9 million respectively).

The Group’s defined benefit pension scheme moved into a surplus position increasing by £5.0 million to £2.7 million surplus (2025: £2.3 million deficit). The value of pension scheme assets increased by £4.9 million to £37.3 million (2025: £32.4 million) as a result of higher investment returns. The value of the scheme liabilities decreased by £0.1 million to £34.6 million (2025: £34.7 million). There was an increase in the discount rate used to calculate the present value of the future obligations (2026: 5.95%; 2025: 5.75%). The discount rate is based on the yield available on AA rated corporate bonds, which decreased during the year.

**Cash flow and banking facilities**

***For the year ended 31 May 2026***

| | 2026 £m | 2025 £m |
|---|---|---|
| **Operating cash flows before movements in working capital and provisions** | **36.4** | 28.8 |
| Working capital movements | **0.1** | (1.1) |
| Finance income | **0.1** | 0.1 |
| Other finance costs | **(0.9)** | (0.5) |
| IFRS 16 interest | **(3.4)** | (1.5) |
| Tax paid | **(2.9)** | (0.7) |
| **Net cash generated from operating activities** | **29.4** | 25.1 |
| Capital expenditure (net of receipts from disposals) | **(3.6)** | (4.3) |
| Acquisition of subsidiaries – cash paid (net of cash acquired) | **(4.8)** | (9.9) |
| **Net cash used in investing activities** | **(8.4)** | (14.2) |
| Principal element of lease payments | **(14.1)** | (10.6) |
| Invoice discounting | **(4.6)** | (1.8) |
| Dividends paid | **(4.2)** | (4.0) |
| **Net cash used in financing activities** | **(22.9)** | (16.4) |
| **Net decrease in cash and cash equivalents** | **(1.9)** | (5.5) |
| Cash and cash equivalents at beginning of year | **10.9** | 16.4 |
| **Cash and cash equivalents at end of year** | **9.0** | 10.9 |

The closing net cash (excluding IFRS 16 lease liabilities) was £9.0 million (2025: net cash £6.3 million; this comprised cash available of £10.9 million less utilised invoice discounting facilities of £4.6 million).

Headline operating cash flow was £16.0 million (2025: £19.4 million) representing a cash conversion of 95.2% (2025: 119.0%). FY25 continued to benefit from a rent-free period on the Lymedale warehouse reflecting a lower IFRS16 interest payable than FY26.

The Group's banking facilities, provided by NatWest Group, were renewed in January 2025 and are committed until 31 May 2028, and comprise a credit facility of £61.0 million including a £1.0 million overdraft that is renewed annually. The Group is profitable and cash generative, and has a strong balance sheet position and a good relationship with its lender. As at 31 May 2026 the Group had available funds of £71.0 million (based on cash balances, invoice discounting availability, RCF and overdraft facilities).

**Principal risks and uncertainties**

As with all businesses, the Group is affected by a number of risks and uncertainties, some of which are beyond our control. The principal risks and uncertainties which could have a material adverse impact on the Group are:

- Commodity prices and volatility in raw material prices – The Group's Feeds and Fuels businesses operate in sectors which are vulnerable to volatile commodity prices both for fuel and for raw materials.
- Transitional risks of climate change – The long-term profitability of our current businesses is more likely to be impacted by Government strategy and policy in relation to the decarbonisation of the economy, rather than as a direct impact of climate change. The view of the Board is that the main risk to the Group is a transitional risk as the Government introduces policies which could negatively impact the Group. There are also potential additional costs to the Group, arising from the need to redesign and replace infrastructure as the UK economy seeks to decarbonise.
- Pension scheme volatility – Decreases in the surplus associated with the Group's defined benefit pension scheme would adversely impact on the strength of the Group's balance sheet and could lead to an increase in cash contributions payable by the Group.
- Infrastructure and IT systems – IT system failures or business interruption events (such as cyber incidents) could have a material impact on the Group's ability to operate effectively.
- Non-compliance with legislation and regulations – The Group operates in diverse markets, and each sector has its own regulatory and compliance frameworks which require ongoing monitoring to ensure that the Group maintains full compliance with all legislative and regulatory requirements. Any incident of major injury or fatality or which results in significant environmental damage could result in reputational or financial damage to the Group.
- Impact of weather on earnings volatility – The demand for both the Fuels and Feeds businesses is impacted by weather conditions and the severity of winter conditions, which directly affect the short-term demand for heating oil and animal feeds. The inherent uncertainty regarding weather conditions represents a risk of volatility in the profitability of the Fuels and Feeds businesses.
- Strategic development and change management – Significant development of the Group is only achievable via material acquisitions or investment. The current strategic plan is focused on Fuel and Food acquisitions and warehouse investment. The Group has a well-established acquisition and integration process.

Further information on the Group's mitigating actions against risks and uncertainties will be detailed in the Annual Report.

**Going concern**

The Board has prepared cash flow forecasts for the period to 31 May 2028. Under this base case scenario, the Group is expected to continue to have significant headroom relative to the funding available to it and to comply with its banking covenants.

The Board has also considered a severe but plausible downside scenario based on a significant and sustained reduction in Fuels' profitability alongside underperformance in Food and Feeds. This downside scenario excludes any mitigating actions that the Board would be able to take to reduce costs. Under this scenario, the Group would still expect to have sufficient headroom in its financing facilities.

Accordingly, the Directors, having made suitable enquiries, and based on financial performance to date and forecasts along with the available banking facilities, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

**Share price**
The market price per share of the Company's shares at 31 May 2026 was 135.0p (2025: 168.0p) and the range of market prices during the year was between 110.0p and 187.5p.

| **Chris Belsham** | **Katie Shortland** |
| --- | --- |
| ***Chief Executive Officer*** | ***Chief Financial Officer*** |

# Consolidated income statement
for the year ended 31 May 2026

| | Note | **2026 £m** | 2025 £m |
|---|---|---|---|
| **Revenue** | 4 | **920.3** | 903.1 |
| Cost of sales | | **(865.5)** | (852.8) |
| **Gross profit** | | **54.8** | 50.3 |
| Administrative expenses | | **(38.0)** | (37.7) |
| Headline operating profit[1] | | **16.8** | 16.3 |
| Exceptional income | 5 | **2.0** | — |
| Exceptional expenses | 5 | **(0.6)** | (2.9) |
| Amortisation of acquired intangibles | | **(1.4)** | (0.8) |
| **Operating profit** | | **16.8** | 12.6 |
| Finance income | 6 | **0.1** | 0.1 |
| Finance costs | 6 | **(4.5)** | (3.4) |
| Headline profit before taxation[1] | | **12.5** | 13.2 |
| Net finance cost in respect of the defined benefit pension scheme | 6 | **(0.1)** | (0.2) |
| Exceptional income | 5 | **2.0** | — |
| Exceptional expenses | 5 | **(0.6)** | (2.9) |
| Amortisation of acquired intangibles | | **(1.4)** | (0.8) |
| **Profit before taxation** | | **12.4** | 9.3 |
| Income tax expense | 7 | **(3.2)** | (3.1) |
| **Profit for the year attributable to equity shareholders** | | **9.2** | 6.2 |
| **Earnings per share (pence)** | | | |
| Basic | 8 | **18.6** | 12.4 |
| Diluted | 8 | **18.3** | 12.3 |
| **Headline earnings per share (pence)[1]** | | | |
| Basic | 8 | **18.1** | 18.6 |
| Diluted | 8 | **17.9** | 18.5 |

1 Headline operating profit is statutory operating profit of £16.8 million (2025: £12.6 million) before exceptional income of £2.0 million (2025: £Nil), exceptional expenses of £0.6 million (2025: £2.9 million) and amortisation of acquired intangibles of £1.4 million (2025: £0.8 million). Headline profit before taxation is statutory profit before taxation of £12.4 million (2025: £9.3 million) after adding back the net finance cost in respect of the Group's defined benefit pension scheme of £0.1 million (2025: £0.2 million), the exceptional items and amortisation of acquired intangibles. Headline earnings per share also takes into account the taxation effect thereon.

The results relate to continuing operations.

# Consolidated statement of comprehensive income
for the year ended 31 May 2026

| | **2026 £m** | 2025 £m |
|---|---|---|
| Profit for the year attributable to equity shareholders | **9.2** | 6.2 |
| Items that will never be reclassified to income statement: | | |
| Remeasurement gain/(loss) on defined benefit pension scheme | **2.6** | (0.2) |
| Tax on items that will never be reclassified to income statement | **(0.6)** | 0.1 |
| **Total other comprehensive income/(expense)** | **2.0** | (0.1) |
| **Total comprehensive income for the year** | **11.2** | 6.1 |

# Consolidated balance sheet
as at 31 May 2026

| | Note | **2026 £m** | 2025 £m |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **47.9** | 49.1 |
| Right of use assets | | **65.1** | 57.2 |
| Intangible assets | | **47.1** | 45.0 |
| Retirement benefit surplus | 13 | **2.7** | — |
| | | **162.8** | 151.3 |
| **Current assets** | | | |
| Inventories | | **10.4** | 8.4 |
| Trade and other receivables | | **100.6** | 86.5 |
| Current income tax assets | | **0.2** | — |
| Reimbursement assets | | **2.8** | 2.9 |
| Cash and cash equivalents | 12 | **9.0** | 10.9 |
| Derivative financial instruments | | **0.1** | 0.2 |
| | | **123.1** | 108.9 |
| **Total assets** | | **285.9** | 260.2 |
| **Current liabilities** | | | |
| Borrowings | | **—** | (4.6) |
| Trade and other payables | | **(105.7)** | (91.3) |
| Current income tax liabilities | | **—** | (0.1) |
| Lease liabilities | | **(12.8)** | (12.3) |
| Provisions for liabilities | | **(2.8)** | (3.0) |
| | | **(121.3)** | (111.3) |
| **Non-current liabilities** | | | |
| Lease liabilities | | **(56.7)** | (47.9) |
| Provisions for liabilities | | **(1.5)** | (1.5) |
| Deferred income tax liabilities | | **(12.0)** | (10.0) |
| Retirement benefit obligations | 13 | **—** | (2.3) |
| | | **(70.2)** | (61.7) |
| **Total liabilities** | | **(191.5)** | (173.0) |
| **Net assets** | | **94.4** | 87.2 |
| **Equity** | | | |
| Share capital | 10 | **12.4** | 12.4 |
| Share premium | | **0.9** | 0.9 |
| Retained earnings | | **81.1** | 73.9 |
| **Total equity** | | **94.4** | 87.2 |

# Consolidated statement of changes in equity

for the year ended 31 May 2026

| | Share capital £m | Share premium £m | Retained earnings £m | Total equity £m |
|---|---|---|---|---|
| **Balance at 1 June 2024** | 12.4 | 0.9 | 72.1 | 85.4 |
| Profit for the year attributable to equity shareholders | — | — | 6.2 | 6.2 |
| Items that will never be reclassified to income statement: | | | | |
| Remeasurement loss on defined benefit pension scheme (note 13) | — | — | (0.2) | (0.2) |
| Tax on items that will never be reclassified to income statement | — | — | 0.1 | 0.1 |
| Total other comprehensive expense | — | — | (0.1) | (0.1) |
| Total comprehensive income for the year | — | — | 6.1 | 6.1 |
| Transactions with owners: | | | | |
| Dividends paid (note 9) | — | — | (4.0) | (4.0) |
| Debit to equity for equity-settled share-based payments | — | — | (0.3) | (0.3) |
| Total transactions with owners | — | — | (4.3) | (4.3) |
| **Balance at 31 May 2025** | 12.4 | 0.9 | 73.9 | 87.2 |
| Profit for the year attributable to equity shareholders | **—** | **—** | **9.2** | **9.2** |
| Items that will never be reclassified to income statement: | | | | |
| Remeasurement gain on defined benefit pension scheme (note 13) | **—** | **—** | **2.6** | **2.6** |
| Tax on items that will never be reclassified to income statement | **—** | **—** | **(0.6)** | **(0.6)** |
| Total other comprehensive income | **—** | **—** | **2.0** | **2.0** |
| Total comprehensive income for the year | **—** | **—** | **11.2** | **11.2** |
| Transactions with owners: | | | | |
| Dividends paid (note 9) | **—** | **—** | **(4.2)** | **(4.2)** |
| Credit to equity for equity-settled share-based payments | **—** | **—** | **0.2** | **0.2** |
| Total transactions with owners | **—** | **—** | **(4.0)** | **(4.0)** |
| **Balance at 31 May 2026** | **12.4** | **0.9** | **81.1** | **94.4** |

# Consolidated cash flow statement

for the year ended 31 May 2026

| | **2026 £m** | 2025 £m |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before tax | **12.4** | 9.3 |
| Adjustments for: | | |
| Depreciation – property, plant and equipment | **5.9** | 5.8 |
| Depreciation – right of use assets | **14.6** | 12.5 |
| Amortisation of intangible assets | **1.5** | 0.9 |
| Impairment of intangible assets | **—** | 0.1 |
| Profit on disposal of property, plant and equipment | **(0.1)** | (0.3) |
| Finance income | **(0.1)** | (0.1) |
| Finance costs | **4.5** | 3.4 |
| Share-based payment debit/(credit) | **0.2** | (0.3) |
| Fair value loss on financial derivative | **—** | 0.1 |
| Contribution to pension scheme not recognised in income statement | **(2.5)** | (2.6) |
| **Operating cash flows before movements in working capital and provisions** | **36.4** | 28.8 |
| Movements in working capital: | | |
| (Increase)/decrease in inventories | **(1.4)** | 0.1 |
| (Increase)/decrease in trade and other receivables | **(10.7)** | 4.0 |
| Increase/(decrease) in trade and other payables | **12.2** | (5.2) |
| **Net cash generated from operations** | **36.5** | 27.7 |
| Finance income | **0.1** | 0.1 |
| Interest paid – bank borrowings and pension scheme | **(0.9)** | (0.5) |
| Interest paid – IFRS 16 leases | **(3.4)** | (1.5) |
| Income tax paid | **(2.9)** | (0.7) |
| **Net cash generated from operating activities** | **29.4** | 25.1 |
| **Cash flows used in investing activities** | | |
| Purchase of property, plant and equipment | **(3.9)** | (5.2) |
| Acquisition of subsidiaries – cash paid (net of cash acquired) | **(4.8)** | (9.9) |
| Proceeds on sale of property, plant and equipment | **0.3** | 0.9 |
| **Net cash used in investing activities** | **(8.4)** | (14.2) |
| **Cash flows used in financing activities** | | |
| Principal element of lease payments | **(14.1)** | (10.6) |
| Invoice discounting | **(4.6)** | (1.8) |
| Dividends paid | **(4.2)** | (4.0) |
| **Net cash used in financing activities** | **(22.9)** | (16.4) |
| **Net decrease in cash and cash equivalents** | **(1.9)** | (5.5) |
| Cash and cash equivalents at beginning of year | **10.9** | 16.4 |
| **Cash and cash equivalents at end of year** | **9.0** | 10.9 |

# Notes to the Group financial statements
for the year ended 31 May 2026

**1. General information**
NWF Group plc ('the Company') is a public limited company incorporated and domiciled in England and Wales under the Companies Act 2006. The principal activities of NWF Group plc and its subsidiaries (together 'the Group') are the sale and distribution of fuel oils, the warehousing and distribution of ambient groceries and the manufacture and sale of animal feeds. Further information on the nature of the Group's operations and principal activities is set out in note 4 of the Group financial statements.

The address of the Company's registered office is Wardle, Nantwich, Cheshire CW5 6BP. The Company has its primary listing on AIM, part of the London Stock Exchange.

**2. Material accounting policies**
Details of all material accounting policies are set out in the Group's Annual Report for the year ended 31 May 2026.

***Basis of preparation***
The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS') and with the requirements of the Companies Act 2006 applicable to companies reporting under those standards. The Group financial statements have been prepared under the going concern basis and on the historical cost convention modified for the revaluation of certain financial instruments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, which are outlined in note 15 below. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The accounting policies have been applied consistently throughout the period, other than where new policies have been adopted.

***Going concern***
Based on financial performance to date and forecasts along with the available banking facilities, there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

The Board has prepared cash flow forecasts for the period to 31 May 2028. Under this base case scenario, the Group is expected to continue to have significant headroom relative to the funding available to it and to comply with its banking covenants.

The Board has also considered a severe but plausible downside scenario based on a significant and sustained reduction in Fuels' profitability alongside underperformance in Food and Feeds. This downside scenario excludes any mitigating actions that the Board would be able to take to reduce costs. Under this scenario, the Group would still expect to have sufficient headroom in its financing facilities.

The Group therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

***Alternative performance measures ('APMs')***
The Directors consider that headline operating profit, headline profit before taxation, headline EBITDA, headline ROCE, headline earnings per share and underlying cash conversion measures referred to in the Group financial statements provide useful information for shareholders on underlying trends and performance.

- Headline operating profit is reported operating profit after adding back exceptional items and amortisation of acquired intangibles. Headline profit before taxation is reported profit before taxation after adding back the net finance cost in respect of the Group's defined benefit pension scheme, exceptional items and amortisation of acquired intangibles, to show the underlying performance of the Group. As the headline operating profit and headline profit before taxation exclude the income and costs detailed above, the Directors acknowledge this may result in the headline metrics being materially higher or lower than the statutory operating profit and profit before tax.
- Headline EBITDA refers to reported operating profit after adding back exceptional items, depreciation on property, plant and equipment and amortisation of intangibles.
- Headline ROCE refers to the return on capital employed calculated as the segmental headline operating profit as a proportion of segmental year end net assets. The calculation of headline ROCE is shown in note 4 of the Group financial statements.
- Headline earnings per share includes any exceptional impact of remeasuring deferred tax balances. The calculations of basic and diluted headline earnings per share are shown in note 10 of the Group financial statements.
- Underlying cash conversion is the underlying operating cash flow as a proportion of headline operating profit. This measure takes into account movements in working capital, along with lease capital and interest payments and capital expenditure in the year.
- Segment assets principally comprises Property, Plant and Equipment, Right of Use Assets, Inventories and Trade Receivables. Segment liabilities principally comprises Trade Payables, Accruals, Lease Liabilities and Provisions.
- Net cash represents cash and cash equivalents less borrowings.

The use of alternative performance measures compared to statutory IFRS measures does gives rise to limitations including a lack of comparability across companies and the potential for them to present a more favourable view.

### *Exceptional items*

The Group's income statement separately identifies exceptional items. Such items are those that, in the Directors' judgement, are one-off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence and may include, but are not limited to, restructuring costs, acquisition-related costs, costs of implementing new systems, cyber-related costs, impairment of assets and income from legal or insurance settlements. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative as well as qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board. Disclosing exceptional items separately provides additional understanding of the performance of the Group.

### *Forward-looking statements*

Certain statements in this results announcement are forward looking. The terms 'expect', 'anticipate', 'should be', 'will be' and similar expressions identify forward-looking statements. Although the Board of Directors believes that the expectations reflected in these forward-looking statements are reasonable, such statements are subject to a number of risks and uncertainties and events could differ materially from those expressed or implied by these forward-looking statements.

### *Adoption of new and revised standards*

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 June 2025.

The Company has adopted the following new standards, amendments and interpretations now applicable. None of these standards and interpretations have had any material effect on the Company's results or net assets.

| Standard or interpretation | Content | Applicable for financial year beginning on |
|---|---|---|
| Amendments to IAS 21 | Lack of exchangeability | 1 January 2025 |

The following standards, amendments and interpretations are not yet effective and have not been adopted early by the Company:

| Standard or interpretation | Content | Applicable for financial year beginning on |
|---|---|---|
| Amendments to IFRS 7 | Expanded credit risk and fair value disclosures | 1 January 2026 |
| IFRS 18 | Presentation and disclosure in financial statements | 1 January 2027 |

The Company is currently assessing the effect of these new accounting standards and amendments and with the exception of IFRS 18, none of the amendments are expected to have a significant impact on the Company. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the income statement, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

## 3. Group Annual Report and statutory accounts

The financial information set out above does not constitute the Group's statutory accounts for the years ended 31 May 2026 or 31 May 2025 but is derived from those accounts.

Statutory accounts for 2025 have been delivered to the Registrar of Companies. The auditors, PricewaterhouseCoopers LLP, have reported on the 2025 accounts; the report (i) was unqualified; (ii) did not include a reference to any matters to which the auditors 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 statutory accounts for 2026 will be delivered to the Registrar of Companies following the Annual General Meeting. The auditors, PricewaterhouseCoopers LLP, have reported on these accounts and their report is unqualified, does not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and does not include a statement under either Section 498(2) or (3) of the Companies Act 2006.

The Annual Report and full financial statements will be made available to shareholders during the week commencing 3 August 2026 and can be viewed on the Company's website: www.nwf.co.uk. Copies will be posted to those shareholders who have elected to receive them in hard copy. Further copies will be available to the public, free of charge, from the Company's registered office at NWF Group plc, Wardle, Nantwich, Cheshire CW5 6BP.

## 4. Segment information

The chief operating decision-maker has been identified as the Board of Directors ('the Board'). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined that the operating segments, based on these reports, are Fuels, Food and Feeds.

The Board considers the business from a products/services perspective. In the Board's opinion, all of the Group's operations are carried out in the same geographical segment, namely the UK.

The nature of the products/services provided by the operating segments is summarised below:

Fuels – sale and distribution of domestic heating, industrial and road fuels

Food – warehousing and distribution of clients' ambient groceries and other products to supermarkets and other retail distribution centres

Feeds – manufacture and sale of animal feeds and other agricultural products

Segment information about the above businesses is presented below.

The Board assesses the performance of the operating segments based on a measure of operating profit ('headline operating profit'). Finance income and costs are not included in the segment result that is assessed by the Board. Other information provided to the Board is measured in a manner consistent with that in the financial statements.

Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets exclude deferred taxation assets and cash and cash equivalents. Segment liabilities exclude taxation, borrowings and retirement benefit obligations. Excluded items are part of the reconciliation to consolidated total assets and liabilities.

| 2026 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| **Revenue** | | | | |
| Total revenue | **645.8** | **90.7** | **193.0** | **929.5** |
| Inter-segment revenue | **(9.1)** | **(0.1)** | **—** | **(9.2)** |
| Revenue | **636.7** | **90.6** | **193.0** | **920.3** |
| **Result** | | | | |
| Headline operating profit | **8.1** | **5.1** | **3.6** | **16.8** |
| Amortisation of acquired intangibles | **(1.4)** | **—** | **—** | **(1.4)** |
| Exceptional income | **0.8** | **1.2** | **—** | **2.0** |
| Exceptional expenses | **(0.4)** | **(0.1)** | **(0.1)** | **(0.6)** |
| Operating profit as reported | | | | **16.8** |
| Finance income (note 6) | **—** | **—** | **0.1** | **0.1** |
| Finance costs (note 6) | **(1.6)** | **(2.4)** | **(0.5)** | **(4.5)** |
| Profit before taxation | | | | **12.4** |
| Income taxation expense (note 7) | **(2.4)** | **(0.5)** | **(0.3)** | **(3.2)** |
| Profit for the year | | | | **9.2** |
| **Other information** | | | | |
| Depreciation and amortisation | **8.3** | **10.1** | **3.6** | **22.0** |
| Property, plant and equipment additions | **1.2** | **0.8** | **1.9** | **3.9** |

| 2026 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| **Balance sheet** | | | | |
| **Assets** | | | | |
| Segment assets | **144.0** | **82.1** | **47.9** | **274.0** |
| Cash and cash equivalents (note 12) | | | | **9.0** |
| Corporation tax asset | | | | **0.2** |
| Retirement benefit surplus (note 13) | | | | **2.7** |
| Consolidated total assets | | | | **285.9** |
| **Liabilities** | | | | |
| Segment liabilities | **(105.2)** | **(50.8)** | **(23.5)** | **(179.5)** |
| Deferred income tax liabilities | | | | **(12.0)** |
| Consolidated total liabilities | | | | **(191.5)** |

| 2026 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| **Return on capital employed ('ROCE')** | | | | |
| Operating assets | **144.0** | **82.1** | **47.9** | **274.0** |
| Operating liabilities | **(105.2)** | **(50.8)** | **(23.5)** | **(179.5)** |
| **Net operating assets** | **38.8** | **31.3** | **24.4** | **94.5** |
| **Headline operating profit** | **8.1** | **5.1** | **3.6** | **16.8** |
| Headline return on capital employed | **20.9%** | **16.3%** | **14.8%** | **17.8%** |

| 2025 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| Revenue | | | | |
| Total revenue | 620.4 | 86.3 | 204.6 | 911.3 |
| Inter-segment revenue | (8.1) | (0.1) | — | (8.2) |
| Revenue | 612.3 | 86.2 | 204.6 | 903.1 |
| Result | | | | |
| Headline operating profit | 8.4 | 4.3 | 3.6 | 16.3 |
| Amortisation of acquired intangibles | (0.8) | — | — | (0.8) |
| Exceptional income | — | — | — | — |
| Exceptional expenses | (1.4) | (1.5) | — | (2.9) |
| Operating profit as reported | | | | 12.6 |
| Finance income (note [6]) | — | — | 0.1 | 0.1 |
| Finance costs (note [6]) | (0.6) | (2.3) | (0.5) | (3.4) |
| Profit before taxation | | | | 9.3 |
| Income taxation expense (note [7]) | (1.3) | (1.5) | (0.3) | (3.1) |
| Profit for the year | | | | 6.2 |
| Other information | | | | |
| Depreciation and amortisation | 6.0 | 9.8 | 3.4 | 19.2 |
| Property, plant and equipment additions | 0.6 | 2.8 | 1.8 | 5.2 |

| 2025 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| Balance sheet | | | | |
| Assets | | | | |
| Segment assets | 120.2 | 77.6 | 51.5 | 249.3 |
| Cash and cash equivalents (note [12]) | | | | 10.9 |
| Consolidated total assets | | | | 260.2 |
| Liabilities | | | | |
| Segment liabilities | (87.4) | (45.4) | (25.9) | (156.0) |
| Borrowings | | | | (4.6) |
| Deferred income tax liabilities | | | | (10.0) |
| Current income tax liabilities | | | | (0.1) |
| Retirement benefit obligations (note [13]) | | | | (2.3) |
| Consolidated total liabilities | | | | (173.0) |

| 2025 | Fuels £m | Food £m | Feeds £m | Group £m |
|---|---|---|---|---|
| Return on capital employed (‘ROCE’) | | | | |
| Operating assets | 120.2 | 77.6 | 51.5 | 249.3 |
| Operating liabilities | (84.7) | (45.4) | (25.9) | (156.0) |
| Net operating assets | 35.5 | 32.2 | 25.6 | 93.3 |
| Headline operating profit | 8.4 | 4.3 | 3.6 | 16.3 |
| Headline return on capital employed | 23.7% | 13.4% | 14.1% | 17.5% |

**5. Profit before taxation – exceptional items**

Exceptional items by type are as follows:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Insurance receipt[1] | **1.2** | — |
| Negative goodwill[2] | **0.8** | — |
| ERP and system implementation costs[3] | **(0.2)** | — |
| Acquisition costs[4] | **(0.4)** | (0.5) |
| Professional fees related to conflict of interest[5] | — | (0.9) |
| Restructuring costs in Fuels business[6] | — | (0.9) |
| Restructuring costs in Foods business[7] | — | (0.6) |
| Net exceptional income/(costs) | **1.4** | (2.9) |
| Tax effect of exceptional items | **(0.3)** | 0.7 |

1 During the year ending 31 May 2025 the Group became aware of a conflict of interest in its Food business relating to a commercial arrangement. The Group informed its insurers on 30 September 2024 under its Commercial Crime policy and claimed under that policy. On 26 June 2025, the Group entered into and signed a Memorandum of Agreement with its insurers such that the Group received £1.2 million in respect of the claim on 18 July 2025.

2 The usual assessment of intangibles between customer base and brand was carried out following the acquisition of Noel Booth & Sons which resulted in a negative goodwill amount which is all taken to the profit and loss statement on recognition.

3 ERP and system implementation costs comprise initial preliminary appraisals relating to a future ERP implementation within the Group and a new transport management system in the Food business. The costs incurred in the design and implementation will be expensed in line with the IFRS Interpretations Committee’s decision clarifying how arrangements in respect of cloud-based Software as a Service (‘SaaS’) systems should be accounted for and, in accordance with the Group’s accounting policy, will be treated as exceptional costs in the years in which they are incurred.

4 The Group made two acquisitions during the year incurring professional fees related to those acquisitions. These costs were all paid in the year.

5 In the year ending 31 May 2025 the Group became aware of a conflict of interest in its Food business. The professional fees incurred comprised a fact-finding investigation into the whistleblower allegations, support in understanding the tax implication of the allegation including tax disclosure work in relation to HMRC, advice on the legal HR implications of the investigation and related expenses. Of the total costs, £0.1 million was paid in the year.

6 The Group's Fuels business undertook a comprehensive review of its operations during 2025 resulting in a restructuring to streamline operations which comprised: professional fees in assisting with the review and designing the new business model of £0.4 million and redundancy costs of £0.5 million. The implementation of the new business model was carried out in two phases: a pilot in one region which was completed on 30 April 2025 and the announcement of a Company-wide roll out on 20 May 2025. Of the total costs, £0.3 million was paid in the year.

7 The Group's Food business undertook a comprehensive review of its management workforce structure, which followed on from the conflict of interest investigation and the subsequent change in management. The changes made will ensure a scalable platform for future growth. This has resulted in a restructuring of the business which was announced on 6 May 2025. Total costs of £0.6 million were paid in the year.

## 6. Net finance costs

| | **2026 £m** | 2025 £m |
|---|---|---|
| **Finance income** | | |
| Other interest receivable | **0.1** | 0.1 |
| Total finance income | **0.1** | 0.1 |

| **Finance costs** | **2026 £m** | 2025 £m |
|---|---|---|
| Interest on bank loans and overdrafts | **0.8** | 0.5 |
| Finance costs on lease liabilities relating to IFRS 16 | **3.6** | 2.7 |
| Total interest expense | **4.4** | 3.2 |
| Interest on the net defined benefit liability (note 13) | **0.1** | 0.2 |
| Total finance costs | **4.5** | 3.4 |

## 7. Income taxation expense

| | **2026 £m** | 2025 £m |
|---|---|---|
| **Current taxation** | | |
| UK corporation taxation on profits for the year | **2.5** | 1.7 |
| Adjustments in respect of prior years | **0.2** | (0.3) |
| Current tax expense | **2.7** | 1.4 |
| **Deferred taxation** | | |
| Origination and reversal of temporary differences | **0.6** | 0.8 |
| Adjustments in respect of prior years | **(0.1)** | 0.9 |
| Deferred taxation expense | **0.5** | 1.7 |
| Total income taxation expense | **3.2** | 3.1 |

Pillar Two legislation has been enacted in the UK, the jurisdiction in which the Group operates in. The legislation is effective for the Group's financial year ended 31 May 2026. The Group is in scope of the enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax provisioning and financial statements for the constituent entities in the Group. The Group operates and pays income tax solely within the United Kingdom: the profit before tax for the year ended 31 May 2026 was £12.4 million (2025: £9.3 million) and taxation expense recognised in the income statement was £3.2 million (2025: £3.1 million), giving an effective taxation rate of 25.8% (2025: 33.3%). Based on this assessment, there is no material exposure to Pillar Two income taxes for any of the entities within the Group. The Group has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two rules.

During the year ended 31 May 2026, corporation tax has been calculated at 25% of estimated assessable profits for the year (2025: 25%).

The tax charge for the year can be reconciled to the profit per the income statement as follows:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Profit before taxation | **12.4** | 9.3 |
| Profit before taxation multiplied by the standard rate of UK corporation tax of 25% (2025: 25%) | **3.1** | 2.3 |
| Effects of: | | |
| – income not taxable | **(0.1)** | — |
| – expenses not deductible for tax purposes | **0.1** | 0.1 |
| – research and development deduction | — | (0.1) |
| – non-qualifying depreciation | — | 0.2 |
| – adjustments in respect of prior years | **0.1** | 0.6 |
| Total income tax expense | **3.2** | 3.1 |

A debit of £0.6 million (2025: credit of £0.1 million) has been recognised in other comprehensive income. This relates to the deferred tax movement on the actuarial gain on the defined benefit pension scheme of £2.6 million (2025: £0.2 million loss).

The tax charge in the current year is higher than (2025: higher) the standard tax charge as a result of adjustments in respect of prior years and the level of the Group's disallowable expenses, which are largely related to acquisition costs and other non-qualifying depreciation.

## 8. Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

| | **2026** | 2025 |
|---|---|---|
| **Earnings (£m)** | | |
| Earnings for the purposes of basic and diluted earnings per share being profit for the year attributable to equity shareholders | **9.2** | 6.2 |
| **Number of shares ('000)** | | |
| Weighted average number of shares for the purposes of basic earnings per share | **49,592** | 49,448 |
| Weighted average dilutive effect of conditional share awards | **669** | 465 |
| Weighted average number of shares for the purposes of diluted earnings per share | **50,261** | 49,913 |
| **Earnings per ordinary share (pence)** | | |
| Basic earnings per ordinary share | **18.6** | 12.4 |
| Diluted earnings per ordinary share | **18.3** | 12.3 |
| **Headline earnings per ordinary share (pence)** | | |
| Basic headline earnings per ordinary share | **18.1** | 18.6 |
| Diluted headline earnings per ordinary share | **17.9** | 18.5 |

The calculation of basic and diluted headline earnings per share is based on the following data:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Profit for the year attributable to equity shareholders | **9.2** | 6.2 |
| Add back/(deduct): | | |
| Net finance cost in respect of defined benefit pension scheme | **0.1** | 0.2 |
| Non-taxable exceptional items | **(1.2)** | 0.6 |
| Taxable exceptional items | **(0.2)** | 2.3 |
| Amortisation of acquired intangibles | **1.4** | 0.8 |
| Tax effect of the above | **(0.3)** | (0.8) |
| **Headline earnings** | **9.0** | 9.3 |

## 9. Dividends paid

| | **2026 £m** | 2025 £m |
|---|---|---|
| Final dividend for the year ended 31 May 2025 of 7.4p (2024: 7.1p) per share | **3.7** | 3.5 |
| Interim dividend for the year ended 31 May 2026 of 1.0p (2025: 1.0p) per share | **0.5** | 0.5 |
| Amounts recognised as distributions to equity shareholders in the year | **4.2** | 4.0 |
| Proposed final dividend for the year ended 31 May 2026 of 7.7p (2025: 7.4p) per share | **3.8** | 3.7 |

The proposed final dividend is subject to approval at the AGM on 24 September 2026 and has not been included as a liability in these Group financial statements.

## 10. Share capital

| | Number of shares '000 | Total £m |
|---|---|---|
| **Allotted and fully paid: ordinary shares of 25p each** | | |
| Balance at 1 June 2024 | 49,439 | 12.4 |
| Issue of shares (see below) | 149 | — |
| Balance at 31 May 2025 | 49,588 | 12.4 |
| Issue of shares (see below) | 10 | — |
| **Balance at 31 May 2026** | **49,598** | **12.4** |

During the year ended 31 May 2026, no shares (2025: 148,764 shares) with an aggregate nominal value of £nil (2025: £37,191) were issued under the Group's conditional Performance Share Plan.

The maximum total number of ordinary shares, which may vest in the future in respect of conditional Performance Share Plan awards outstanding at 31 May 2026, amounted to 1,538,603 (31 May 2025: 1,114,209). These shares will only be issued subject to satisfying certain performance criteria.

There is a single class of ordinary shares in issue. There are no restrictions on dividends or the repayment of capital.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Retained earnings includes all current and prior periods retained profits and losses.

## 11. Business combinations

On 28 November 2025, the process for completing the accounts of Northern Energy Oil Limited at the date of acquisition was concluded, resulting in an increase in acquired net assets and consequently a decrease in goodwill of £1.1 million.

During the year ended 31 May 2026, the provisional accounting for the acquisition of Pinnock Brothers (Thatcham & Kintbury) Limited was completed, resulting in a decrease in goodwill of £0.4 million due to a reallocation of goodwill to customer relationships and brand (£0.7 million) and a decrease in other net assets (£0.3 million).

On 31 July 2025, the Group acquired the entire share capital of Noel Booth & Sons Limited, a 23 million litre fuel distributor, based in Wigan servicing a customer base in the North-West of England. The purchase price for the acquisition was £1.6 million, and the net cash outflow was £1.8 million after acquisition costs.

On 30 September 2025, the Group acquired the entire share capital of Harrison Oils Limited, a 14.8 million litre fuel distributor, based in Garstang, Lancashire, servicing a customer base in the North-West of England. The purchase price for the acquisition was £6.2 million, and the net cash outflow was £3.4 million after acquisition costs.

Details of the total consideration and the provisional fair values of the assets and liabilities acquired are shown below:

| | Provisional fair value of assets acquired | | |
|---|---|---|---|
| | Noel Booth & Sons Limited £m | Harrison Oils Limited £m | **Total £m** |
| Intangible assets – goodwill | — | 1.8 | **1.8** |
| Intangible assets – negative goodwill | (0.8) | — | **(0.8)** |
| Intangible assets – brand | 0.2 | 0.1 | **0.3** |
| Intangible assets – customer relationships | 1.1 | 1.2 | **2.3** |
| Property, plant and equipment | 0.5 | 0.3 | **0.8** |
| Inventories | 0.2 | 0.1 | **0.3** |
| Trade and other receivables | 2.9 | 1.1 | **4.0** |
| Cash | — | 3.0 | **3.0** |
| Trade and other payables | (2.0) | (0.7) | **(2.7)** |
| Corporation tax creditor | (0.1) | (0.2) | **(0.3)** |
| Deferred taxation liabilities | (0.4) | (0.5) | **(0.9)** |
| Total consideration | 1.6 | 6.2 | **7.8** |
| Cash acquired | — | (3.0) | **(3.0)** |
| Contingent consideration | — | — | — |
| Acquisition of subsidiary undertakings – cash paid (net of cash acquired) | 1.6 | 3.2 | **4.8** |

Provisional negative goodwill of (£0.8) million arises from the acquisition of Noel Booth & Sons Limited: the gain on the bargain purchase, as defined under IAS, has been recognised in full in the income statement in accordance with IFRS 3 'Business Combinations' in the year ended 31 May 2026.

Provisional goodwill of £1.8 million arises from the acquisition of Harrison Oils Limited and is attributable to the acquired business and the expected economies of scale from combining the operations of the Group and the acquisitions.

None of the goodwill is expected to be taxable/deductible for income tax purposes.

As the acquisitions were made in the year, the above amounts are provisional and subject to adjustment.

Net cash outflow arising on the acquisitions:

| | Noel Booth & Sons Limited £m | Harrison Oils Limited £m | **Total £m** |
|---|---|---|---|
| Total consideration – cash paid on completion (including stamp duty) | (2.3) | (6.2) | **(8.5)** |
| Target cash acquired | — | 3.0 | **3.0** |
| Headline purchase price | (2.3) | (3.2) | **(5.5)** |
| Completion adjustments | 0.7 | — | **0.7** |
| Acquisition-related costs | (0.2) | (0.2) | **(0.4)** |
| Net consideration paid | (1.8) | (3.4) | **(5.2)** |

Acquisition-related costs of £0.2 million for Noel Booth & Sons Limited and £0.2 million for Harrison Oils Limited have been charged to the income statement as exceptional expenses in the year ended 31 May 2026.

The following amounts have been recognised within the consolidated income statement in respect of the acquisition of Noel Booth & Sons Limited in the year: revenue – £14.5 million, operating profit before tax – £0.9 million.

The following amounts have been recognised within the consolidated income statement in respect of the acquisition of Harrison Oils Limited in the year: revenue – £8.4 million, operating profit before tax – £0.7 million.

Had the acquisition of Noel Booth & Sons Limited taken place at the start of the financial year, the consolidated income statement would show: revenue – £16.9 million, operating profit before tax – £0.9 million.

Had the acquisition of Harrison Oils Limited taken place at the start of the financial year, the consolidated income statement would show: revenue – £11.8 million, operating profit before tax – £0.5 million.

### 12. Analysis of cash and cash equivalents and reconciliation to net debt

| | 1 June 2025 £m | Cash flow £m | Other non-cash movements £m | **31 May 2026 £m** |
|---|---|---|---|---|
| Cash and cash equivalents | 10.9 | (1.9) | — | **9.0** |
| Invoice discounting | (4.6) | 4.6 | — | **—** |
| **Total Group (excluding lease liabilities)** | 6.3 | 2.7 | — | **9.0** |
| Lease liabilities | (60.2) | 14.1 | (23.4) | **(69.5)** |
| **Total Group (including lease liabilities)** | (53.9) | 16.8 | (23.4) | **(60.5)** |

### 13. Retirement benefit obligations

The Group operates a defined benefit pension scheme providing benefits based on final pensionable earnings, which is closed to future accrual.

*NWF Group Benefits Scheme*

The scheme is administered by a fund that is legally separated from the Group. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme. The trustees are responsible for the investment policy with regard to the assets of the fund.

The scheme was closed to new members during the year ended 31 May 2002 and closed to future accrual with effect from April 2016.

The 31 December 2022 triennial actuarial valuation of this scheme was completed in the year ended 31 May 2024, with a deficit of £7.6 million at the valuation date of 31 December 2022. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method. In these financial statements this liability has been updated in order to derive the IAS 19R valuation as of 31 May 2026. The next full triennial valuation is being undertaken with an effective date of 31 December 2025 and will be completed in the year ending 31 May 2027.

The triennial valuation resulted in Group contributions of £2.1 million per annum in respect of meeting the scheme deficit until 31 December 2026. In addition, a continued percentage increase based on total dividend growth over £3.1 million will be paid. The Group also makes contributions of £0.3 million per annum in respect of scheme expenses.

The amounts recognised in the balance sheet in respect of the defined benefit scheme are as follows:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Present value of defined benefit obligations | **(34.6)** | (34.7) |
| Fair value of scheme assets | **37.3** | 32.4 |
| **Surplus/(deficit) in the scheme recognised as an asset/(liability) in the balance sheet** | **2.7** | (2.3) |
| Related deferred tax (liability)/asset | **(0.6)** | 0.6 |
| **Net pension surplus/(liability)** | **2.1** | (1.7) |

Changes in the present value of the defined benefit obligation are as follows:

| | **2026 £m** | 2025 £m |
|---|---|---|
| At 1 June | **34.7** | 37.4 |
| Interest cost | **2.0** | 1.9 |
| Remeasurement(gains)/losses: | | |
| – actuarial gains arising from changes in financial assumptions | **(0.6)** | (2.8) |
| – actuarial losses/(gains) arising from changes in demographic assumptions | **0.5** | (0.2) |
| – actuarial losses on experience assumptions | **0.1** | 0.3 |
| Benefits paid | **(2.1)** | (1.9) |
| **At 31 May** | **34.6** | 34.7 |

Changes in the fair value of scheme assets are as follows:

| | 2026 £m | 2025 £m |
|---|---|---|
| At 1 June | **32.4** | 32.9 |
| Interest income | **1.9** | 1.7 |
| Remeasurement gains/(losses): | | |
| – gains/(losses) on plan assets | **2.6** | (2.9) |
| Contributions by employer | **3.0** | 2.9 |
| Expenses | **(0.5)** | (0.3) |
| Benefits paid | **(2.1)** | (1.9) |
| **At 31 May** | **37.3** | 32.4 |

**14. Contingent assets and liabilities**

During the prior year, the Group uncovered a conflict of interest in relation to a commercial arrangement, which has since been terminated, for the provision of transport services including drivers. The individuals linked to the commercial arrangement are no longer employed by the business.

As part of the investigation instigated by the Board of Directors and conducted by an independent professional services firm, the payroll (IR35) tax treatment in relation to those services was investigated. Further to that investigation, a submission to HMRC stating that there is no liability to the Group has been made. HMRC acknowledged receipt of the submission on 3 July 2025. Additional correspondence was exchanged in May 2026 but the outcome and timing of any potential liability is uncertain.

**15. Critical accounting estimates and judgements**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Defined benefit pension scheme – valuation assumptions*

The balance sheet carrying values of defined benefit pension scheme surpluses or deficits are calculated using independently commissioned actuarial valuations. These valuations are based on a number of assumptions, including the most appropriate mortality rates to apply to the profile of scheme members and the financial assumptions regarding discount rates and inflation. All of these are estimates of future events and are therefore uncertain.

Significant actuarial assumptions for the determination of the defined benefit liability are discount rate, price inflation and mortality. The sensitivity analyses shown below have been determined based on reasonably possible changes of the respective assumptions occurring at the balance sheet dates, while holding all other assumptions constant.

| Impact on defined benefit obligation | Increase £m | Decrease £m |
|---|---|---|
| 0.25% change in discount rate | (1.0) | 1.0 |
| 0.25% change in RPI inflation | 0.4 | (0.4) |
| One-year change in the life expectancy at age 65 | 1.2 | (1.2) |

*Assessment of impairment*

The Group tests annually for impairment of goodwill and fixed asset balances, which involves using key judgements including estimates of future business performance and cash generation and discount rates.

The recoverable amounts of CGUs are determined using value in use calculations. The value in use calculations use post-tax cash flow projections based on the Board-approved budget for the year ending 31 May 2027 and four years of business strategic plans thereafter. Subsequent cash flows are extrapolated using an estimated growth rate of 2%.

These value in use calculations are subject to a series of sensitivity analyses using reasonable assumptions concerning the future performance of the CGUs and assessing the impact of a 1% increase in the discount rate.

*Carrying value of trade receivables*

The Group holds material trade receivable balances, and the calculations of provisions for impairment are estimates of future events and therefore uncertain. IFRS 9 requires the Group to consider forward-looking information and the probability of default when calculating expected credit losses. The Group considers reasonable and supportable customer-specific and market information about past events, current conditions and forecasts of future economic conditions when measuring expected credit losses.

*Valuation of acquired intangibles*

IFRS 3 requires separately identifiable intangible assets to be recognised on acquisitions. The principal estimates used in valuing these intangibles are generally based on the future cash flow forecast to be generated by these assets and the selection of appropriate discount rates to apply to the cash flows.

*Assessment of insurance claim provision and corresponding reimbursement assets*

Under IAS 37, a provision for third party insurance claims is recognised for the full amount of the liability at the point in time that the obligation can be reliably estimated. The Group considers this to be when the insurance company assesses the claim and when it registers it as accepted. Correspondingly, a reimbursement asset for an equal amount is recognised at the same time, when it becomes virtually certain that the reimbursement will be received if the entity settles the liability.

From a completeness perspective, the Directors are not aware of any other critical judgements within the Group that give rise to a significant risk of material adjustment within the next financial year.

**16. Directors' responsibilities statement**

The Directors are responsible for preparing the Annual Report and Accounts and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted International Accounting Standards ('IFRS') and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Parent Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Company's Annual Report for the year ended 31 May 2026, which will be made available to shareholders during the week commencing 3 August 2026, contains the following statement regarding responsibility for the Strategic Report, the Directors' Report (including the Corporate Governance Report), the Board Report on Remuneration and the financial statements included within the Annual Report.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Parent Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Parent Company's auditors are aware of that information.

**17. Post-balance sheet events**

There are no post-balance sheet events to disclose.

**18. Financial calendar**

| | |
|---|---|
| Annual General Meeting | 24 September 2026 |
| Dividend: | |
| – Ex-dividend date | 29 October 2026 |
| – Record date | 30 October 2026 |
| – Payment date | 4 December 2026 |
| Financial year end | 31 May 2027 |