

Connecting essential suppliers with their customers



Annual Report and
Accounts 2025

nwfgroup

NWF Group plc is a specialist distributor operating in UK markets.



Commercial effectiveness

Read more **page 14**

Operational efficiency

Read more **page 15**

Growth investment

Read more **page 16**

Targeted acquisitions

Read more **page 17**



Financial highlights for the year ended 31 May 2025

Revenue

£903.1m

-5.0%



Headline operating profit¹

£16.3m

+14.8%



Headline profit before tax¹

£13.2m

+5.6%



Headline EBITDA¹

£22.2m

+14.4%



Net cash/(debt)²

£6.3m

-37.0%



Dividend per share

8.4p

+3.7%



¹ Headline operating profit excludes exceptional items and amortisation of acquired intangibles. Headline profit before taxation excludes exceptional items, amortisation of acquired intangibles and the net finance cost in respect of the Group's defined benefit pension scheme. Headline EBITDA excludes exceptional items and amortisation of acquired intangibles.

² Net cash/(debt) excluding IFRS 16 lease liabilities.

Non-financial highlights for the year ended 31 May 2025

- Significant strategic progress made in the year whilst delivering a solid performance.
- Northern Energy Oil and Pinnocks, acquired in line with stated strategy to consolidate the UK fuel distribution market.
- Development of the Fuels regional operating model. Successful North West pilot in FY25 now being rolled out across the rest of the UK.
- Managed the contrasting demands of strong domestic and weak commercial markets in Fuels.
- Restructuring of cost base completed in FY25.
- Disappointing year in Food. Decisive action taken with management change and a restructuring to right size the cost base and create a simplified structure for future growth.
- Positive market for Feeds combined with good margin management and step change reduction in production costs delivered a strong result.
- Proposed increase in the total dividend of 3.7% to 8.4p per share, representing the fourteenth consecutive year of increases.
- Robust financial position supports continued focus on targeted acquisitions in existing and adjacent markets.

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IBC Financial calendar

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➔ Read more online at nwf.co.uk

At a glance

At NWF Group we deliver what really matters

We connect essential suppliers with their customers, making sure what's vital gets to where it's needed most.

Adding value

We add value to critical supply chains by connecting suppliers and customers who might otherwise struggle to do so effectively.

We navigate difficult operations due to complexity with ease, delivering solutions that go beyond price.

Through our passion, nationwide reach and customer focus, we make a real difference to thousands of people and businesses across the UK.



1,400+
Employees



113,120
Customers



1,364,000ft²
Warehouse space



365
Vehicles in our fleet

The role we play

We operate in the real economy – delivering vital goods that people and communities rely on every day.

Our role is practical, visible and needed — from feeding livestock to fuelling homes and moving food nationwide.



Livestock are fed effectively.



Consumers buy and enjoy everyday food.



Homes stay warm and vehicles stay running with the fuel we supply.

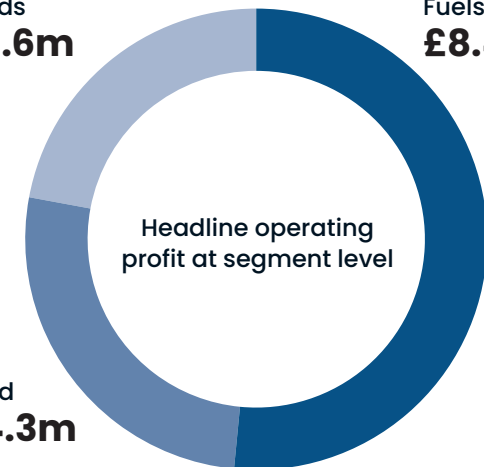
Our businesses

We operate under three businesses that trade under different brands: Fuels (NWF Fuels Limited), Food (Boughey Distribution Limited) and Feeds (NWF Agriculture Limited and New Breed (UK) Limited).

Feeds
£3.6m

Fuels
£8.4m

Food
£4.3m





Our investment case

Delivering resilient returns

Essential services to attractive markets

- We provide essential services to our customers
- Operating in attractive segments of large, resilient markets
- Scale player in each market with significant scale and capability barriers to entry

Driving business improvement initiatives

- Focus on continuous improvement to commercial effectiveness and operational efficiency
- Development of regional operating model in Fuels to improve domestic and commercial sales models and optimise fleet efficiency
- Simplified and more scalable organisational structure in Food to support future growth

Growth investment

- Consolidation of the fragmented UK bulk fuel distribution sector with two acquisitions in FY25 and an active pipeline developed
- Increasing market share in ambient grocery distribution through new warehouse development and targeted M&A. 82% increase in warehouse capacity since 2020

Delivering financial return

- All businesses are consistently profitable
- Strong cash generation
- Robust balance sheet
- Strong ROCE
- Excellent dividend track record

8.4p

total dividend per share. Increased dividend for 14 consecutive years

Our purpose and values

We abide by our purpose and values

Purpose

Connecting essential suppliers with their customers.

Why we exist

All three current Group businesses operate, and have core competencies, in specialist distribution markets. As such, our reason to exist as a Group is to add value to supply chains by applying our expertise in connecting suppliers and their customers who otherwise would struggle to connect or would connect in a sub-optimal manner.

Our values



- Working together as one NWF team
- Being inclusive and supportive
- Aligning behind one vision for the future of the Group and its businesses
- Recognising and sharing best practice across the Group



- Curious and inquisitive with a thirst for learning that can be applied to the business
- Constantly growing our understanding of our customers and markets
- Determination to be the best at what we do



- Acting with integrity
- Safety first every time all the time
- Being open, honest and respectful with all our stakeholders



- Ambitious for continuous improvement
- Innovative and imaginative



Watch our values video online at
<https://www.nwf.co.uk/about-us/our-purpose-and-values/>

Vision

What we want to achieve: Experts in specialist distribution, delivering value sustainably.

What this will mean in practice

Experts

Doing it better, easier and faster than the competition; solving customers' problems; modernising traditional markets; developing new approaches and doing things differently.

Value

Generating returns for our shareholders and other stakeholders; delivering a high level of service to customers; and improving, enhancing and optimising supply chains for our customers.

Specialist distribution

Delivering skill and expertise; operating in critical supply chains for customers; performing in complex and regulated markets and adding value above and beyond price competition.

Sustainably

Long-term partner for stakeholders; reliable, responsible and accountable; and aware of our environment and our communities.

Chair's statement

Significant progress with our strategy

Summary

- A robust financial performance, slightly ahead of initial market expectations, with profitable growth across each business.
- Significant progress made with the Group's strategy through delivering two acquisitions and the successful implementation of business improvement initiatives.

Total dividend per share

8.4p

(2024: 8.1p)

"I would like to take the opportunity to thank everyone at NWF for my warm welcome and the commitment shown in progressing our strategy."

Amanda Burton
Chair



Amanda Burton
Chair

Overview

In my first annual Chair's Statement I am pleased to report a solid set of results for the Group slightly ahead of initial market expectations, despite the underlying performances of the three businesses varying, which demonstrates the resilience and portfolio benefits of the Group. Equally pleasing was the progress made in delivering our strategy.

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 7.4p per share, to be paid to shareholders on 5 December 2025 (2024: 7.1p), giving a total dividend of 8.4p per share (2024: 8.1p).

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

➔ Read more about our ESG ambitions on
pages 29 and 30

Chair's statement continued

Our business continued

Key areas of focus for the Board in 2025 were:

Delivering on strategy

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

During the year, the Group continued its strategy of consolidating the UK bulk fuel distribution market through its acquisition of Northern Energy Oils in Yorkshire and Pinnock Brothers in Berkshire. These acquisitions are immediately profitable and cash generative and we are pleased with the progression of their integration. The Group continues to have an active pipeline of further opportunities to acquire businesses to add to the NWF Fuels network.

The Group undertook growth investment in the year with the completion of the new Lymedale warehouse in Food and the investment in moist feed production in Feeds. Both projects were completed to schedule and to budget. The Lymedale warehouse is operating well but continues to have excess capacity as conversion of the customer pipeline has been slower than anticipated, and this continues to be a key focus for the Board.

Significant business improvement initiatives were progressed in the year as the Group launched an initiative in Fuels' North-West England trading region to improve both its commercial and domestic sales models, and to optimise fleet efficiency. The business has seen early benefits from adopting the operating model, which is now being rolled out across the rest of NWF's Fuels network and will be completed in the second quarter of FY26. This will also enable the business to generate greater synergy benefits from the businesses it acquires.

Responding proactively to market conditions and trading performance

The Group has responded proactively to changing market conditions and trading performance throughout the year. In Fuels, there were contrasting demands for domestic and commercial fuel. The Group managed these mixed market conditions effectively by focusing on strong margin management and cost control.

Despite growth in revenues and operating profits over the prior year, the Food business had a disappointing year generating lower profitability than planned with lower storage volumes and throughput than anticipated. In response, the Board took decisive actions to drive operational improvements and right-size the cost base for future growth.

In Feeds, there was a consistently strong milk price across the year, and our nutritional advisors supported our farming customers to maximise the yield from their herds. This resulted in increased volumes, which combined with good margins and lower production costs delivered a strong result.

Cash generation

Cash generation remains a focus for the Group and it is good to report a strong year end net cash balance of £6.3 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 value accretive acquisitions and growth investment opportunities.

Conflict of interest investigation

As disclosed in the half-year results, during the year the Group uncovered a conflict of interest in relation to a commercial arrangement in the Food business, 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 previously reported, there is also additional complexity as to the payroll (IR35) tax treatment in relation to those services. The Board appointed an independent professional services firm to investigate this matter which has now concluded.

Work in respect of the payroll tax treatment complexity is continuing with the Company's advisors. All costs relating to the investigation have been recognised as exceptional costs in the Group's results. Following the year end, the Group was successful in an insurance claim in respect of this matter which was received on 18 July 2025 and will be recognised as an exceptional credit in FY26.

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. We have continued to progress our CFD disclosures, providing further qualitative information on our climate risks and opportunities.

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, and 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 our 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 16 September 2025.



Amanda Burton
Chair
29 July 2025

Chief Executive Officer's review

NWF has delivered a robust financial performance

Summary

- NWF has delivered another solid financial performance having progressed its strategy through two acquisitions and successfully implementing significant business improvement initiatives.
- Fuels and Feeds both delivered strong results, offsetting the performance in Food. The Group has taken appropriate action to ensure improvements in the Food business and expects to start seeing the benefits coming through in the second half of the 2026 financial year.
- Performance in the current financial year to date has been consistent with the Board's expectations. We continue to focus on our long-term growth strategy of development through targeted acquisitions, organic investment and improvement initiatives, supported by our strong financial position and confidence in NWF's potential and prospects.

Acquisitions in the year:

2



Chris Belsham
Chief Executive Officer

Business review

NWF has delivered a solid result slightly ahead of initial market expectations. Fuels and Feeds both delivered strong results, offsetting the performance in Food.

The continued focus on cash has maintained a year end net cash position of £6.3 million (excluding lease liabilities) following the two Fuels acquisitions, the completion of the new warehouse at Lymedale and the investment in moist feed. This continues to demonstrate the ongoing cash-generative nature of our business, providing a strong platform to fund acquisitions and growth initiatives. We are once again proposing an increased dividend as part of our continuing focus on delivering shareholder returns.

Fuels delivered consistent volumes and margins throughout FY25. The business also benefitted from cost management actions taken at the start of the financial year. The planned investment in fleet renewals was slightly delayed due to supply-side availability, resulting in lower than anticipated IFRS 16 interest charges in the year. This saving is not expected to be repeated in FY26 as the new vehicles have either been supplied or will arrive shortly.

The Food business had a disappointing year generating lower profitability than planned. In response to the performance of the business, decisive actions have been implemented to improve operational performance going forwards. This has included management changes and a restructuring process to right-size the cost base to reflect the current storage volume and throughput. The benefits of these actions will be realised through FY26.

Feed volumes in FY25 were ahead of the prior year with the stronger milk price encouraging customers to maximise yields, resulting in an overall performance ahead of expectations. The business continued to manage margins effectively and benefitted from lower production costs.

The Group reported headline operating profit of £16.3 million (2024: £14.2 million) and headline profit before tax of £13.2 million (2024: £12.5 million). Operating profit was £12.6 million (2024: £14.3 million). Diluted headline earnings per share was 18.5p (2024: 19.2p), albeit this reflected a higher tax rate of 33.3% (2024: 25.4%) as a result of a one-off prior year adjustment.

Chief Executive Officer's review continued



“The Group delivered headline operating profit of £16.3 million (2024: £14.2 million) and headline profit before tax of £13.2 million (2024: £12.5 million).”

Chris Belsham
Chief Executive Officer

Business review continued

Exceptional costs

The Group has reported exceptional costs in the year of £2.9 million (H1 2025: £1.1 million), comprising the transaction costs associated with the two acquisitions, the restructuring costs in the Food and Fuels businesses, and advisory fees relating to the conflict of interest investigation in Food.

Fuels

Fuels experienced mixed market conditions with strong demand for domestic heating oil as the relatively low cost of oil reduced the cost of home heating for consumers. By contrast, the demand for commercial diesel and gas oil was subdued, reflecting the general economic environment. The business focused on margin management and cost control. This resulted in a strong overall performance whilst the business was implementing business improvement initiatives and undertaking two acquisitions.

Volumes were in line with the prior year at 660 million litres (2024: 659 million litres). Revenue decreased by 9.7% to £612.3 million

(2024: £677.8 million) reflecting the lower oil prices. The average Brent Crude oil price in the year was \$75 per barrel compared to \$83 per barrel in the prior year. The volatility during the year was relatively low compared to prior years, with a high of \$84 per barrel in July 2024 and a low of \$64 per barrel in May 2025.

Headline operating profit was £8.4 million (2024: £7.9 million), which resulted in a reported net profit of 1.27p per litre (2024: 1.20p per litre).

Two acquisitions were completed in the year, Northern Energy Oils in Yorkshire on 7 March 2025 and Pinnock Brothers in Berkshire on 30 April 2025. Together, the two acquisitions have added 55 million litres per annum of predominantly domestic heating oil business to NWF's volumes, representing an increase of approximately 8%. Integration of both businesses into the NWF Fuels network is very well progressed and the businesses are performing in line with plan.

The Fuels business currently provides a service to domestic and SME commercial customers across England and Wales from 30 depots. Historically, the depots have operated as individual businesses which has provided the opportunity to respond flexibly to local market conditions but has made it difficult to deliver improvements in its sales processes and operational efficiency. During FY25, the Group undertook an initiative in its North-West region to centralise its sales and operational activities into a regional hub office 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. Following the successful trial in the North-West of England, this regional operating model is now being rolled out across the rest of the business' network and will be in place by the end of the second quarter of FY26. Utilising this regional model, the Group believes there is significant opportunity to grow its network and improve its efficiency whilst generating greater synergies from the businesses it acquires. The extensive depot network also provides the opportunity to supply larger, more complex, commercial customers which require reliable service in multiple locations.

With nearly 109,000 customers (2024: 107,000) being supplied across 30 fuel depots in the year (2024: 27), 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 increase its market share. We continue to closely monitor developments in biofuels such as HVO to ensure the business is well placed to participate in the energy transition of the UK economy.

Chief Executive Officer's review continued

Business review continued

Food

Food delivered a disappointing performance as lower than expected storage levels combined with a lower throughput rate. The new warehouse at Lymedale was completed early in the year and is operating well. However, the slower than anticipated conversion of the customer pipeline meant there was some excess warehouse capacity across the business in the year. This has been a key focus for the Group to resolve, and positive progress is being made to convert the pipeline of new business from existing and new accounts.

In response to the performance of the business, the Group took decisive action. Replacements were made to the senior management team to bring in additional experience to improve performance and support future growth. A restructuring programme was undertaken at the end of the financial year to right-size the cost base of the warehouse to reflect current levels of activity and to provide a simplified and more scalable organisational structure.

Revenue increased by 10.9% to £86.2 million (2024: £77.7 million). Storage utilisation overall was at an average of 156,000 pallets representing 85.7% of total capacity (2024: 137,000 pallets). Total throughput was 5.6% higher than prior year, but 8.3% lower than the increase in storage reflecting the slower customer stock turn.

Headline operating profit was £4.3 million (2024: £3.7 million). This included the final ramp up costs in respect of the completion of the new warehouse at Lymedale as signalled at the half year.

Demand for our customers' products continues to be stable 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.

The Group continues to look for opportunities to grow market share by servicing additional customer demand, whether through further additional warehouse facilities or through targeted acquisitions, whilst growing its pipeline of new business.

Feeds

Total feed volume increased by 9.4% to 546,000 tonnes (2024: 499,000 tonnes). This reflected the consistently positive milk price along with strong market prices for both beef and lamb. As a result, ruminant farmers were incentivised to maximise yield and our nutritional advisors were able to support them in achieving this goal. The overall ruminant market volume increased by 6.2%, according to DEFRA data.

Across the year there were very stable and comparatively low commodity prices with a basket of commodities¹ only moving within a range of 6.2% in the year (prior year 15%).

Revenue was higher at £204.6 million (2024: £195.1 million), reflecting the increase in volume which was partially offset by the lower commodity prices. Headline operating profit was £3.6 million (2024: £2.6 million) because of the increased volume, strong margin management and lower production costs.

During the year we began to participate in a Government scheme to support energy intensive industries through lower electricity costs. This resulted in a £0.6 million reduction in the production cost of the business which is expected to continue whilst the Government scheme remains in place.

The extension of the product range through the 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 for the Group 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 44.2p per litre compared to an average in the prior year of 38.0p per litre. The peak milk price in the year was 47.2p per litre compared to 39.2p per litre in the prior year. At the end of the financial year the milk price was stable at 43.8p per litre. UK milk production was 0.7% higher at 12.4 billion litres (2024: 12.3 billion litres).

Feeds is the second largest ruminant feed provider in the UK and has a very broad customer base, working with over 4,400 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.

¹ A basket of commodities consists of the weighted average raw material spot price for 12 standard ingredients of a basic ruminant diet.

Outlook

In Fuels, we are the third largest distributor in the UK and have a clear growth strategy to consolidate a fragmented fuels distribution market and drive greater efficiency and margin improvement whilst delivering organic volume growth. With a strong pipeline, acquisitions are being actively pursued and the opportunity for growth remains significant.

In Food, the benefits of the restructuring taken at the end of FY25 are expected to be realised through FY26 as the business focuses on converting its near-term customer pipeline as well as building longer-term demand to support future growth.

In Feeds, stable commodity and milk prices are expected to result in solid demand and we are continuing to seek volume growth whilst utilising an effective national operations platform.

The Group continues to focus on our long-term growth strategy of development through targeted acquisitions, growth investment 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.

Performance in the current financial year to date has been consistent with the Board's expectations. Overall, the Board continues to remain confident about the Group's future prospects.

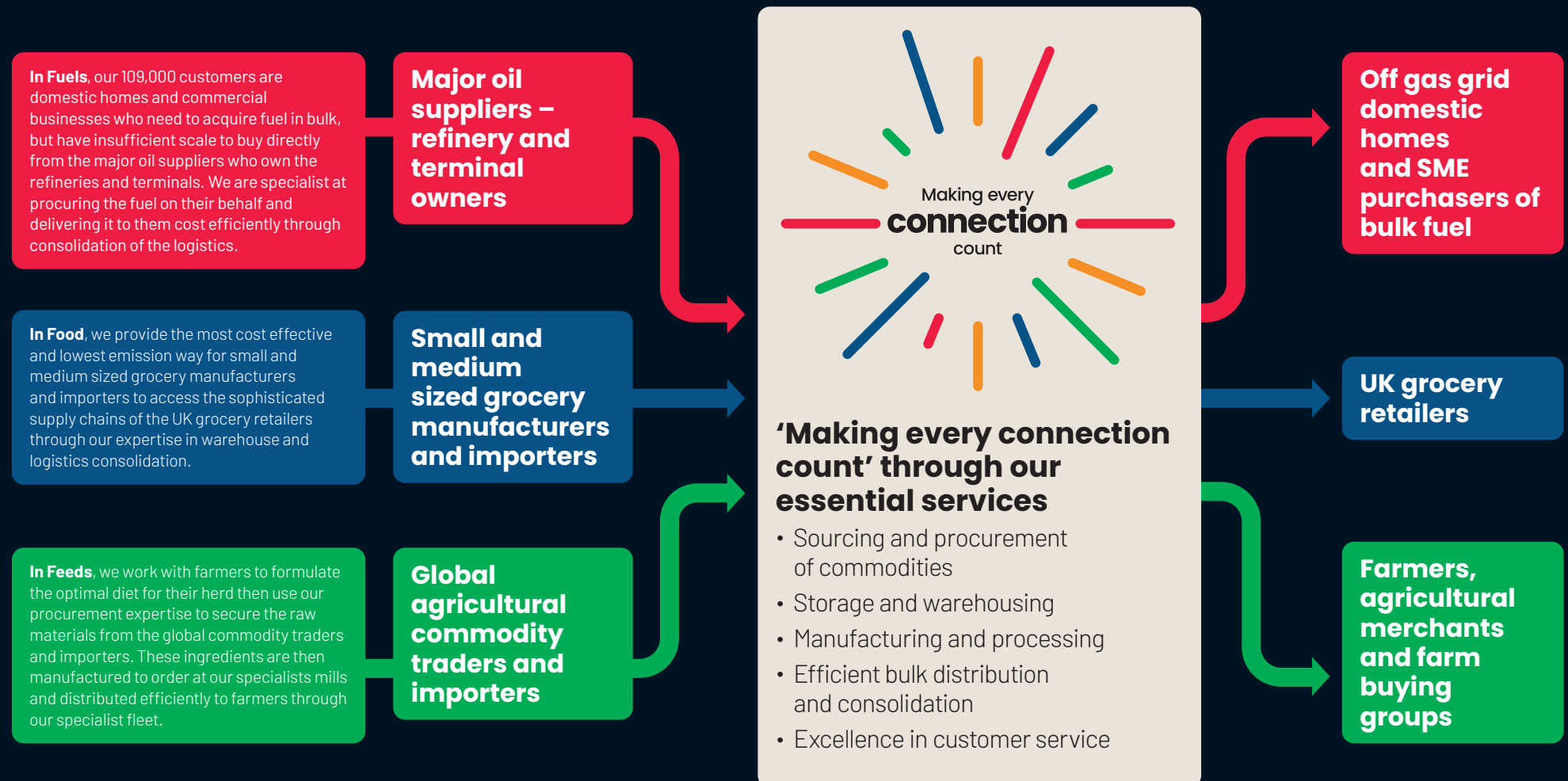


Chris Belsham
Chief Executive Officer
29 July 2025

Our business model

Our business model

We add value to supply chains by applying our expertise in connecting suppliers and their customers who otherwise would struggle to connect or would connect in a sub-optimal manner.



Our strategy

The Group's strategy aims to deliver long-term sustainable value for stakeholders.

Operational efficiency

Continuous focus on high service levels combined with a low cost to serve. 'Work our assets harder'.

Growth investment

Using our financial strength to drive organic growth.

Making every
connection
count

Commercial effectiveness

Optimising sales through understanding our customers' needs. 'Selling well'.

Targeted acquisitions

Strategic M&A in existing and adjacent markets.

Our strategy continued

Performance against our strategy

Strategic priorities

Commercial effectiveness

Optimising sales through understanding our customers' needs. 'Selling well'



Objectives

- Establishing a sales model that focuses effectively on the customers' needs and maximises our sales performance
- Ensuring KPIs are established to monitor against targets
- Enabling regional control over procurement and sales price
- Aligning sales model to operational model to ensure end to end customer service is managed at a regional level

Our strategy in action

Connecting our expertise

➔ See more on [page 14](#)

Operational efficiency

Continuous focus on high service levels combined with a low cost to serve. 'Work our assets harder'



- Establishing a regional operational model that delivers operational efficiency whilst supporting customers' needs
- Consolidate vehicle management and delivery routing
- Drive vehicle efficiency through optimised use of depots and fuel terminals as delivery locations
- Develop and report a suite of operational and service KPIs

Connecting our expertise

➔ See more on [page 15](#)

Growth investment

Using our financial strength to drive organic growth



- Invest in organic growth through the manufacture and sale of a complementary product range
- Utilise existing facilities to maximise returns
- Support customer demand through the provision of consistent high quality products
- Use product expansion to increase existing and new customer sales

Connecting our expertise

➔ See more on [page 16](#)

Targeted acquisitions

Strategic M&A in existing and adjacent markets



- Invest in strategic M&A to support the Group strategy of consolidating the fuel distribution market
- Deliver in-year acquisitions
- Integrate efficiently and effectively aligning new delivery locations to the Fuels operating model

Connecting our expertise

➔ See more on [page 17](#)

Commercial effectiveness

Optimising sales through understanding our customers' needs. 'Selling well'

Development of Fuels regional sales model

Historically our Fuels business has been structured by depot with each depot containing a combination of domestic customer service and commercial sales roles. This meant that, across the 30 Fuels depots, there were very small teams that lacked specialism and critical mass making it difficult to manage a standard sales process and monitor sales performance through KPIs.

To address these challenges the North-West pilot commenced in November 2024. The pilot's main aims were to:

- Separate roles into specialist teams: Domestic Customer Service and Commercial Sales.
- Consolidate nine small depot sales team into one regional hub in Crewe.
- Establish, track and report a suite of sales and service KPIs.
- Enable regional control over procurement and sales price.

Following a successful pilot period a national roll-out commenced in July 2025. The roll-out across the rest of the Fuels network effectively enables the business to fully separate its commercial and domestic sales teams through the creation of three domestic and three commercial regional hubs. These hubs will align with the regional operating model ensuring end to end service for customers is managed at a regional level with a focus on service metrics and regular voice of customer surveys to ensure we are meeting our customers' needs.

Gemma Wakefield commented:

"Being in one regionalised location allows the teams to communicate freely and focus on both sales and customer experience. I'm very impressed with the team's attitude towards the change and look forward to taking it to the next level."



Watch the video online at
<https://www.nwffuels.co.uk/>



Our strategy continued

Operational efficiency

Continuous focus on high service levels combined with a low cost to serve. 'Work our assets harder'

Development of Fuels regional operational model

Prior to this operational initiative Fuels tankers were allocated to individual depot locations and capacity managed and vehicles routed by the depot manager with no ability to flex capacity between locations. This model led to disparity in vehicle utilisation and geographical crossover in routing with individual depots prioritising their own performance rather than collective efficiency across the region.

To address these challenges the North-West pilot commenced in November 2024. The pilot's main aims were to:

- Optimise Tanker location by ensuring vehicles were located as close as possible to the majority of their deliveries to drive operational efficiency.
- Consolidate vehicle management and delivery routing into one regional hub in Crewe under the management of transport managers, aligning to the commercial and domestic sales structure.
- Develop and report a suite of operational and service KPIs.

The results effectively showed a reduction in the miles per drop from 14.5 to 13.0.

Following the success of the pilot period a national roll-out commenced in July 2025 with 30 depots consolidated into one national hub for tanker management, which plans the routes of vehicles on a regional basis. This approach aligns with the regional sales model ensuring end to end customer service is supported. The next focus for operational efficiency will be to seek opportunities to extend vehicle utilisation.

Luke Armitage commented:

"I'm proud to report that our pilot has enabled our fleet to operate more efficiently with the support of live KPIs. This helps us create additional capacity for strategic growth in the future. I'm genuinely excited as we move forward and build on the success of this pilot across the rest of the country and find further efficiency improvements."



Watch the video online at
<https://www.nwffuels.co.uk/>

Our strategy continued

Growth investment

Using our financial strength to drive organic growth

Investment in moist feed production

In our Feeds business we undertook a £750,000 investment in a new moist feed production facility in Cumbria. Moist feed is normally a by-product from the brewing industry providing excellent nutrition for cows. As a by-product, supply and product quality can be variable.

Historically NWF Feed customers were buying moist feed from other suppliers to supplement the cows diet. An opportunity was identified to use existing facilities combined with some further equipment to manufacture our own product providing year-round supply and consistent quality to our customers.

The investment has created a facility capable of producing 45,000 tonnes of moist feed annually to support a market in excess of 1 million tonnes. This complementary product range was launched in January 2025 on a ramp up profile, providing high quality feed solutions to farmers across the North-West of England and South-West of Scotland.

Volumes to date have been strong exceeding plan for the first months of production and continue to support an anticipated IRR in excess of 20%.

Rob Warrington commented:

“The moist feed project has been a great success, meeting strong market demand with a sustainable, year-round feed solution that supports our growth and offers a cost-effective option for our customers.”



Watch the video online at
<https://www.nwf.co.uk/about-us/our-strategy/>

Our strategy continued

Targeted acquisitions

Strategic M&A in existing and adjacent markets

Consolidation of the Fuels sector

NWF Group is currently No.3 in the UK bulk fuel distribution market with less than 5% market share. The Group's stated strategy is to consolidate the market through both large and bolt-on acquisitions. In recent years it has completed seven bolt-on acquisitions. To further bolster this strategy the Group completed two further bolt-on acquisitions in the year and has developed a further pipeline of opportunities.

Those acquisitions were:

Northern Energy Oils Limited

Norther Energy Oils was acquired in March 2025. It services a predominantly domestic customer base in Yorkshire, Lincolnshire and the North-East, a complementing region for NWF. The business delivers 42 million litres from 5 depots. Due to the size and location of Northern Energy it effectively consolidates into the NWF Fuels portfolio as a regional hub model. Integration of the business is now complete with performance in line with business case.

Pinnock Brothers (Thatcham) Limited

Pinnock Brothers was acquired in April 2025. The business services a predominantly domestic customer base in Berkshire from its depot near Newbury, delivering 13 million litres. Integration is ongoing.

Chris Belsham confirmed:

"These acquisitions demonstrate our intent to pursue attractive, earnings accretive transactions consistent with our strong and established track record. Our pipeline of potential Fuels acquisitions remains active, supported by our robust financial position."



Watch the video online at
<https://www.nwf.co.uk/about-us/our-strategy/>



Group financial review

The Group delivered a solid result for the full year

Summary

- Headline operating profit £16.3 million (2024: £14.2 million).
- Headline profit before tax of £13.2 million (2024: £12.5 million).
- Diluted headline EPS of 18.5p (2024: 19.2p).
- Net cash (excluding lease liabilities) of £6.3 million (2024: £10.0 million).
- The balance sheet remains in a robust position with the Group cash positive at the year end, highlighting the resilience of the Group and providing significant capacity to support investment-driven growth.

“Headline operating profit of £16.3 million, headline profit before tax of £13.2 million and net cash position of £6.3 million.”

Katie Shortland
Chief Financial Officer



Katie Shortland
Chief Financial Officer

Group results

For the year ended 31 May 2025

	2025 £m	2024 £m
Revenue	903.1	950.6
Cost of sales and administrative expenses	(890.5)	(936.3)
Headline operating profit ¹	16.3	14.2
Exceptional income	—	1.3
Exceptional expenses	(2.9)	(0.5)
Amortisation of acquired intangibles	(0.8)	(0.7)
Operating profit	12.6	14.3
Finance income	0.1	—
Finance costs	(3.4)	(2.1)
Headline profit before tax ¹	13.2	12.5
Exceptional income	—	1.3
Exceptional expenses	(2.9)	(0.5)
Amortisation of acquired intangibles	(0.8)	(0.7)
Net finance cost in respect of defined benefit pension scheme	(0.2)	(0.4)
Profit before taxation	9.3	12.2
Income tax expense	(3.1)	(3.1)
Profit for the year	6.2	9.1
Headline EPS¹	18.6	19.2
Diluted headline EPS¹	18.5	19.2
Dividend per share	8.4	8.1
Headline dividend cover¹	2.2	2.4
Headline interest cover	40.8	35.5

¹ Headline operating profit is statutory operating profit of £12.6 million (2024: £14.3 million) before exceptional income of £Nil (2024: £1.3 million), exceptional expenses of £2.9 million (2024: £0.5 million) and amortisation of acquired intangibles of £0.8 million (2024: £0.7 million). Headline profit before taxation is statutory profit before taxation of £9.3 million (2024: £12.2 million) after adding back the net finance cost in respect of the Group's defined benefit pension scheme of £0.2 million (2024: £0.4 million), the exceptional items and amortisation of acquired intangibles. Headline EPS also takes into account the taxation effect thereon. Headline dividend cover is calculated using diluted headline EPS.

Group financial review continued

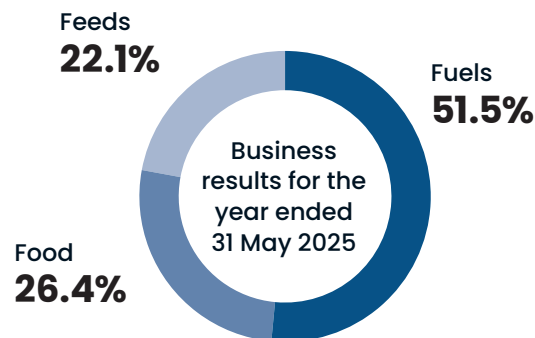
Group results continued

Group revenue decreased by 5.0% to £903.1 million (2024: £950.6 million) largely reflecting the lower price of oil and agricultural feed commodities which offset higher activity levels. Headline operating profit was £16.3 million, an increase of 14.8% (2024: £14.2 million). Operating profit decreased by 11.9% to £12.6 million (2024: £14.3 million) principally because of exceptional costs.

During the year the Group incurred exceptional costs of £2.9 million (FY24: net income of £0.8 million). These costs were incurred across four areas:

- costs of investigating the conflict of interest allegation, which principally involved professional advisory services covering a detailed investigation as well as HR, employment law and tax; this is now substantially complete;
- advisory fees associated with the two acquisitions made in the year;
- restructuring in our Fuels business which involved re-designing the operating model, resulting in streamlined operations at both the depot and central level particularly with regard to the sales function; and
- restructuring in our Food business to right-size the cost base to reflect current storage volume and throughput. The changes made will ensure a scalable platform for future growth.

Net financing costs increased by £1.2 million to £3.3 million reflecting increases in IFRS 16 interest of £1.4 million to £2.7 million, offset by a decrease of £0.2 million in interest on the net defined benefit scheme liability. Headline interest cover was 40.8x (excluding IAS 19 net pension finance costs and IFRS 16 lease interest) (2024: 35.5x).



Headline profit before taxation increased by 5.6% to £13.2 million (2024: £12.5 million). Profit before taxation decreased by £2.9 million to £9.3 million (2024: £12.2 million).

The tax charge for the year was £3.1 million (2024: £3.1 million). The effective tax rate for the year was 33.3% (2024: 25.4%) which is higher than the standard rate of corporation tax in UK largely because of a prior year adjustment which accounts for approximately six percentage points of the difference and disallowed expenditure in part associated with acquisitions. The post-tax profit for the year was £6.2 million (2024: £9.1 million).

The headline earnings per share of 18.6p represented a decrease of 3.1% (2024: 19.2p); diluted headline earnings per share decreased by 3.6% to 18.5p (2024: 19.2p). The proposed full year dividend per share increased by 3.7% to 8.4p (2024: 8.1p) and equates to a dividend cover ratio of 2.2x (2024: 2.4x).

The cash finance costs in respect of the defined benefit pension scheme were £0.2 million (2024: £0.4 million).

Balance sheet summary

As at 31 May 2025

	2025 £m	2024 (re-stated) £m
Property, plant and equipment, and intangible assets	94.1	82.3
Right of use assets	57.2	45.9
Net working capital	3.6	5.7
Current income tax assets	—	0.6
Reimbursement assets	2.9	1.8
Derivative financial instruments	0.2	0.3
Cash and cash equivalents	10.9	16.4
Borrowings	(4.6)	(6.4)
Lease liabilities	(60.2)	(46.3)
Provision for liabilities	(4.5)	(3.3)
Current income tax liabilities	(0.1)	—
Deferred income tax liabilities	(10.0)	(7.1)
Retirement benefit obligations	(2.3)	(4.5)
Net assets	87.2	85.4

Further details of the prior year reclassification restatement are included in note 2 of the Group financial statements.

The Group increased net assets by £1.8 million to £87.2 million (2024: £85.4 million) reflecting a profit for the year of £6.2 million (2024: £9.1 million) and the dividend paid of £4.0 million. Group level ROCE (based on segmental headline operating profit over segmental net operating assets) was 17.5% (2024: 16.3%).

Group financial review continued

Balance sheet summary continued

Net cash (excluding lease liabilities) decreased by £3.7 million to £6.3 million (2024: net cash £10.0 million) after completion of two acquisitions in the year.

Tangible and intangible assets increased by £11.8 million to £94.1 million (2024: £82.3 million) largely as a result of the goodwill arising on acquisitions made in the second half of the year of £12.8 million, and net capital expenditure of £4.8 million less depreciation, amortisation and disposals of £5.8 million. Right of use assets increased by £11.3 million to £57.2 million (2024: £45.9 million) mainly as a result of commercial vehicles replacement in Fuels. Depreciation (excluding IFRS 16 depreciation on right of use assets) and amortisation charges for the year were £5.8 million and £0.9 million respectively (2024: £5.0 million and £0.9 million respectively).

The deficit on the Group's defined benefit pension scheme decreased by £2.2 million to £2.3 million (2024: £4.5 million). The value of pension scheme assets decreased by £0.5 million to £32.4 million (2024: £32.9 million) as a result of investment returns and contribution. The value of the scheme liabilities decreased by £2.7 million to £34.7 million (2024: £37.4 million). There was an increase in the discount rate used to calculate the present value of the future obligations (2025: 5.75%; 2024: 5.25%). The discount rate is based on the yield available on AA rated corporate bonds, which decreased during the year.



Group financial review continued

Cash flow and banking facilities

For the year ended 31 May 2025

	2025 £m	2024 (re-stated) £m
Operating cash flows before movements in working capital and provisions	28.8	28.3
Working capital movements	(1.1)	(3.0)
Finance income	0.1	—
Other finance costs	(0.5)	(0.4)
IFRS 16 interest	(1.5)	(1.3)
Tax paid	(0.7)	(2.7)
Net cash generated from operating activities	25.1	20.9
Capital expenditure (net of receipts from disposals)	(4.3)	(9.7)
Capitalised costs associated with leases	—	(1.1)
Acquisition of trade and assets – cash paid (net of cash acquired)	—	(2.6)
Acquisition of subsidiaries – cash paid (net of cash acquired)	(9.9)	—
Net cash used in investing activities	(14.2)	(13.4)
Principal element of lease payments	(10.6)	(9.9)
Invoice discounting	(1.8)	3.0
Dividends paid	(4.0)	(3.9)
Net cash used in financing activities	(16.4)	(10.8)
Net decrease in cash and cash equivalents	(5.5)	(3.3)
Cash and cash equivalents at beginning of year	16.4	19.7
Cash and cash equivalents at end of year	10.9	16.4

Further details of the prior year reclassification restatement are included in note 2 of the Group financial statements.

The closing net cash (excluding IFRS 16 lease liabilities) was £6.3 million (2024: net cash £10.0 million).

Headline operating cash flow was £19.4 million (2024 restated: £12.1 million) representing a cash conversion of 119.0% (2024 re-stated: 85.2%).

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 2025 the Group had available funds of £67.3 million (based on cash balances, invoice discounting availability, RCF and overdraft facilities).

Going concern

The Board has prepared cash flow forecasts for the period to 31 May 2027. 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 2025 was 168.0p (2024: 190.5p) and the range of market prices during the year was between 144.0p and 195.0p.



Katie Shortland
Chief Financial Officer
29 July 2025

Principal risks and uncertainties

A robust risk management process

Effective risk management aids decision making, underpins the delivery of the Group's strategy and objectives and helps to ensure that the risks the Group takes are adequately assessed and actively managed.

Risk management framework

The Board is ultimately responsible for the Group's risk management framework. The risk management process involves the identification and prioritisation of key risks, and the development of appropriate controls and plans for mitigation, together with a comprehensive system of review. There are a number of ways in which risks are identified and assessed across the Group.

At a business level, the management teams are responsible for identifying and assessing new risks, as well as monitoring existing risks. Risks are assessed using consistent measurements of impact and likelihood. Changes to existing risks, the emergence of new risks and plans for mitigation are discussed at monthly management meetings held with the Executive Directors, and recorded in the respective business risk register, as appropriate. The business management teams are responsible for the maintenance of their risk registers. Each business risk register is reviewed twice a year by the Executive Directors.

At a Group level, there is a continuous process of considering risk. New and emerging risks are identified through the reviews conducted at a business level, the experience brought by the Executive and Non-Executive Directors and the engagement of certain external specialists in areas including IT security, health and safety, pensions, taxation and climate. At a business level, each risk is assessed based upon its impact and likelihood. The Group maintains a consolidated risk register whereby each recorded risk has a designated owner who is responsible for ensuring that effective controls are in place to mitigate the risk. The consolidated Group risk register is reviewed at least twice a year by the Audit Committee.

The Board obtains assurance that the risk management and related control systems in place are effective through a rolling programme of risk and controls testing across the Group and internal control updates to the Audit Committee at each meeting. Further details can be found on page 54.

The transitional risk of climate change is considered to be a principal risk. Further information relating to both transitional and physical risks and opportunities of climate change can be found in our CFD reporting on pages 37 to 41.

As with all businesses, the Group is affected by a number of risks and uncertainties, some of which are beyond its control. The table overleaf shows the principal risks and uncertainties which could have a material adverse impact on the Group. This is not an exhaustive list and there may be risks and uncertainties of which the Board is not aware, or which are believed to be immaterial, which could have an adverse effect on the Group.

Risk management framework

Identify risk

- Business reviews
- Executive and Non-Executive Directors
- External specialists

Assess risk

- Impact
- Likelihood

Respond

- Avoid
- Mitigate
- Transfer

Implement mitigation

- Controls
- Designated owner

Review performance

- Risk and controls testing
- Updates to Audit Committee

Principal risks and uncertainties continued

Risk impact key

▲ Increased — No change ▼ Decreased

1

Commodity prices and volatility in raw material prices

Risk description and impact

The Group's Fuels and Feeds businesses operate in sectors which are vulnerable to volatile commodity prices both for fuel and for raw materials, which will impact performance if not passed on to customers.

Mitigating actions

The Group maintains close relationships with key suppliers, enabling optimal negotiation of prices, and where appropriate implements purchasing framework agreements. The Feeds business utilises forward contracts for key raw materials to ensure that the impact of volatility can be partially mitigated through committed prices and volumes.

Multiple sources of supply are maintained for all key raw materials.

Change



Commodity prices have not fluctuated significantly throughout the year and have been successfully managed.

Key risk indicator

- Brent Crude oil prices
- Raw material commodity prices

Governance oversight

The Executive team meets with the senior management teams in each business each month, to review and discuss performance, including consideration of the impact of input price volatility. Key prices are monitored daily with actions taken on customer price if required.

2

Transitional risks of climate change

Risk description and impact

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 a result of ambitions towards decarbonisation.

Mitigating actions

The Directors monitor the regulatory environment on an ongoing basis to identify and anticipate changes in requirements which may impact the Group and also consider the impact on the financial statements.

Change



Changes in the regulatory environment and focus on the decarbonisation of the economy may result in long-term risk to Group profitability.

Key risk indicator

- Government consultations and ambitions towards decarbonisation

Governance oversight

The Board is responsible for managing for the long-term transitional risks to the Group.

Principal risks and uncertainties continued

Risk impact key

 Increased
  No change
  Decreased

3

Pension scheme volatility

Risk description and impact

Increases in the ongoing deficit associated with the Group's defined benefit pension scheme would adversely impact the strength of the Group's balance sheet and could lead to an increase in cash contributions payable by the Group.

Mitigating actions

The defined benefit pension scheme has been closed to new entrants since 2002 and closed to future accrual from April 2016. Regular meetings are held with both the scheme's trustees and professional advisors to monitor and review the investment policy, the Group's funding requirements and any other available opportunities to mitigate this risk. The deficit on the scheme fell to £2.3 million at 31 May 2025. The next triennial valuation will take place as at 31 December 2025 and is expected to be complete in the first half 2026 during which time the future strategy of the scheme will be reviewed.

Change



Remains a principal risk.

Key risk indicator

- RPI/CPI inflation rates
- Mortality rate assumptions
- Scheme asset performance

Governance oversight

The Executive team provides the Board with regular updates from meetings with the scheme trustees and advice taken from professional advisors. The Board meets with professional advisors once a year.

4

Infrastructure and IT systems

Risk description and impact

IT system failures or business interruption events (such as cyber incidents) could have a material impact on the Group's ability to operate effectively.

Mitigating actions

To ensure strong IT infrastructure and security, the Group maintains dedicated internal IT support teams and cultivates close relationships with leading software vendors and consultants. Proactive measures include significant investment in upgrading and maintaining core IT systems across all three operating businesses, a direct response to a past cyber incident. The Group's strategic approach to IT is led by a Chief Information Officer ('CIO') and supported by an ongoing partnership with an external Chief Information and Security Officer ('CISO') (Grant Thornton).

Change



Remains a principal risk.

Key risk indicator

- IT investment as a proportion of Group operating profit

Governance oversight

The Group Chief Information Officer ('CIO') and Chief Information and Security Officer ('CISO') provide regular updates to the Executive team and the Board.

Principal risks and uncertainties continued

Risk impact key

▲ Increased — No change ▼ Decreased

5

Non-compliance with legislation and regulations

Risk description and impact

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.

Mitigating actions

Expertise within the businesses is supplemented by ongoing advice from professional advisors and the involvement of the Head Office function which closely monitors existing business practices and any anticipated changes in regulatory practices or requirements. The Group employs appropriately qualified and experienced health and safety personnel and retains health and safety specialists to ensure compliance.

Change



Remains a principal risk.

Key risk indicator

- Number of LTIs/RIDDORs
- Employee training hours
- Number of HMRC inspections

Governance oversight

Business Managing Directors are responsible for compliance with laws and regulations and provide regular updates to the Board via the Company Secretary.

6

Impact of weather on earnings volatility

Risk description and impact

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.

Mitigating actions

Whilst the Fuels business seeks to mitigate this risk through the provision of a range of fuels, including commercial fuels, there will always be volatility in the profitability of the Fuels business related to weather. The Feeds business seeks to mitigate the extent of weather conditions on the profitability of the business through its concentration on the key dairy sector where there is strong underlying demand.

Change



Remains a principal risk in Fuels and Feeds.

Key risk indicator

- Volatility of earnings
- Number and severity of weather events

Governance oversight

The Executive team meets with the senior management teams each month to review and discuss performance, including consideration of the impact of weather events on earnings volatility.

7

Strategy development and change management

Risk description and impact

Significant development of the Group is only achievable via a significant acquisition, several smaller transactions or a material investment.

Mitigating actions

The Board maintains oversight of Group strategy development. The Group management team is engaged in ongoing review of competitor activity, development, acquisition and market opportunities. All potential investments are subject to a review of their ability to generate a return on capital employed and their strategic fit with the Group. The Group conducts appropriate internal and external due diligence prior to completing any acquisition.

Change



Remains a principal risk.

Key risk indicator

- Performance of investments against business case

Governance oversight

The Executive team performs periodic strategic reviews of the Group and presents these to the Board for discussion and debate.

ESG

Refining our approach to ESG

Our ESG strategy was launched in 2020 after conducting a materiality assessment that looked at defining what mattered most to our stakeholders, both internally and externally. This has been updated during the year. As outlined below, there are a number of material issues that have been defined against each pillar; these are our top priorities across the Group and where we feel we can have the greatest impact.

We've had continued strong engagement with the strategy and we have been strengthening our approach to effectively deliver results against our targets. Key to this has been building a strong governance mechanism.



Photo is of the Dome Youth Zone build underway in Crewe

Strategic objectives



Invest
in our people

People material issues:

- Employee engagement
- Training and development
- Diversity and inclusion



Create
a culture of safety

Safety material issues:

- Safety first
- Road risk management
- Fleet management



Build
strong partnerships

Partnerships material issues:

- Customer relations
- Supply chain management
- Community relations



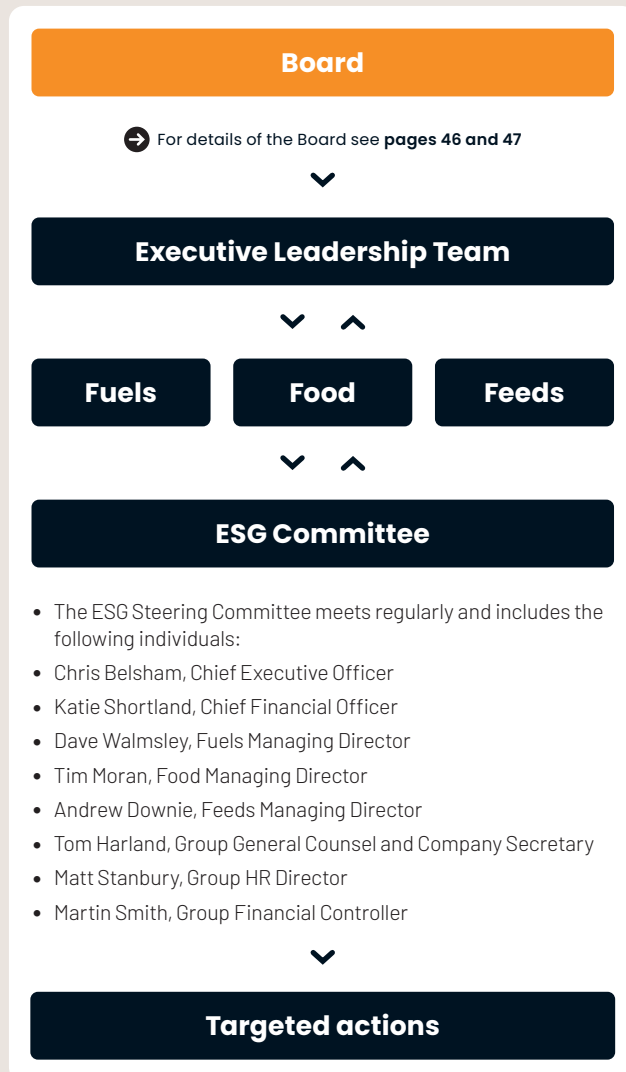
Respect
the environment

Environment material issues:

- Operating responsibly
- Climate change and carbon

ESG continued

Sustainability governance



Strengthening our approach to how we govern sustainability continues to be a primary focus for the Group this year. We believe that building the right structures across the business will help improve progress against our long-term ambitions and ensure the quality of our sustainability reporting.

The Board has overall responsibility for, and provides oversight of, the Group's sustainability performance. This includes the approval of targets and KPIs to measure progress and to ensure the correct level of funding and resourcing is provided to ensure the Group achieves consistent results across all four sustainability pillars.

The ESG Steering Committee consists of representatives from across all three businesses and it is responsible for implementing the Group's sustainability strategy. Key responsibilities include identifying and implementing new initiatives, providing training and support to areas of the business that need upskilling and monitoring data to ensure progress is being achieved.

The ESG Steering Committee is also responsible for creating separate working groups which use their expertise to drive improvements and progress sustainability initiatives within the Group.

A requirement when forming this Committee was to ensure it included the appropriate mix of skills, experience and operational and commercial knowledge to address the ESG risks and opportunities relevant to NWF. We recognise that to realise the full value from our sustainability strategy, we must continue to identify opportunities, develop initiatives and embed these throughout our businesses and operations with progress regularly reported back to the Board; the ESG Steering Committee plays a key role in achieving this.

The Chief Executive Officer has been delegated the responsibility for climate-related issues and the Group's ESG strategy. The Chief Executive Officer briefs the Board on the work of the ESG Steering Committee. The Board has the ultimate responsibility for reviewing the appropriateness of climate risk management processes and controls in place within the Group.

Key achievements

Through the ESG Steering Committee, we continue to progress a number of workstreams during the year in order to improve the value added by our sustainability strategy. These workstreams have included:

- the enhancement of our health and safety culture and structure, through the Group HR Director who is responsible for setting and delivering an updated strategy through collaboration across the Group;
- continued engagement with our businesses to measure the metrics that have been defined as the most relevant indication of performance against our four strategic pillars;
- engaging with our customers through the targeted use of surveys to understand the voice of our customers; and
- investment in people and their learning and development to create a motivated and sustainable workforce.

Given the diverse nature of our three businesses, our focus, having already established relevant and appropriate metrics, has been to measure and understand them as we work towards setting targets to enable our 2040 net zero target. Our ESG update on pages 28 to 41 comprises predominantly Group consolidated metrics, but we also include a number of business-specific measures where we have concluded these are more appropriate and insightful.

Established monthly reporting for the three businesses continues to be presented alongside monthly management reporting, and more targeted quarterly reporting is delivered to the Executive Leadership Team ('ELT') via the ESG Committee. Furthermore, another significant area of focus for the ESG Steering Committee has been identifying, developing and progressing the key initiatives that will drive performance against these metrics. These are reported in further detail on pages 29 to 35.

Finally, we have further developed our ESG Roadmap, in which we reflect on our progress to date and begin to map out the work the Group plans to undertake over the next two years, and in the longer term, in order to make progress towards our 2040 ambitions. Our ESG Roadmap to 2040 is detailed on pages 29 and 30.

ESG continued

What we have achieved so far

The Group has continued to make progress on its ESG framework in 2025.



Create a culture of safety

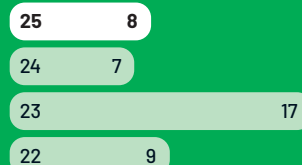
The health, safety and welfare of our employees and the wider community are a top priority in our operations across all of our businesses. Our safety practices are overseen by the Group HR Director and the Health and Safety Officers, who are assisted by the engagement of specialist external advisors. Regular audits are undertaken as well as internal monthly and external annual reporting to the Board. Whilst the incidence of RIDDOR reportable accidents has increased in the year the actual frequency rate has reduced, because of the expansion of the business.

→ For more information see [page 31](#)

Number of RIDDORS

8

+4.3%



Invest in our people

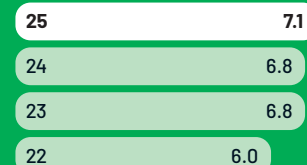
Our long-term success is dependent upon our people. We are committed to building a workforce for the future where our people are healthy and happy and can fulfil their potential. We recognise that engaged employees, who feel valued, are crucial to our business, and it also means they continue to be motivated and deliver the best possible service to our customers.

→ For more information see [page 32](#)

Employee net promoter score

7.1

+4.4%

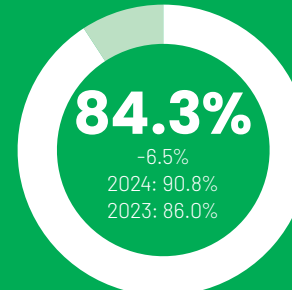


Build strong partnerships

The strength of our partnerships is at the heart of every decision we make. We continue to seek new ways to collaborate and innovate with our customers and suppliers to deliver long-term sustainable value.

→ For more information see [page 33](#)

Group OTIF



Respect the environment

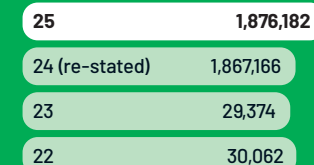
We strive for continual improvement when it comes to our environmental performance, monitoring carbon emissions and waste across our supply chain and promoting a healthy environment.

→ For more information see [pages 34 and 35](#)

Scope 1, 2 and 3 emissions (tCO₂e)

1,876,182

+0.5%



FY24 has been re-stated to include Scope 3 emissions. FY23 and FY22 have not been re-stated.

ESG continued

Our ESG Roadmap to 2040

Our sustainability progress and future goals

Critical to our success in meeting our overall ESG target of meeting net zero by 2040 is collaboration between our businesses and key stakeholders. Our focus in the next reporting period will be to define key milestone targets and start to understand how we define and measure our Scope 3 emissions.

Strategic objectives

-  **Create** a culture of safety
-  **Invest** in our people
-  **Build** strong partnerships
-  **Respect** the environment

2020 baseline metrics

- 1,517 driver training hours. Improved to 9,595 in 2025.
- 17 RIDDORs. Now at 8 at 31 May 2025.
- 18 Feeds Academy trainees. Total trained to date 51.

Re-based emissions metrics

- Total emissions of 1.876 million tCO₂e at 31 May 2025. Increased by 0.5% since 2024.¹
- 5,197 tCO₂e/commercial vehicle at 31 May 2025, reduced by 6.2% since 2024.¹
- 1,082 tCO₂e/1,000sq ft of warehouse and office space at 31 May 2025, decreased by 12.6% since 2024.¹

¹ Emissions data now includes Scope 3. The 2020 baseline has not been re-stated for Scope 3 such that the measures above are against the previous year.

² tCO₂e/year defined as tonnes of CO₂ equivalent per year.

Where are we now?

2025

- Committed to four long-term ESG ambitions including a net zero target.
- Enhanced reporting of our key ESG reporting measures across four strategic objectives.
- Specific ESG initiatives developed.
- Development of the measurement of our metrics.
- Continuation of the ESG Steering Committee.
- Enhancement of our CFD disclosures.
- Introduction of our Group-wide Supplier Code of Conduct.
- Continued improvement of our near miss reporting and in embedding a culture of safety.
- Measurement of employee and customer NPS score.

Key achievements

- A renewed focus on health and safety following the successful recruitment of a Group HR Director. Health and safety teams across the businesses are now working in close collaboration to drive a refreshed strategy and improve the score of key safety metrics. A near miss reporting tool has been rolled out successfully across the Group to support this.
- We have measured the diversity of our colleague population to support with the creation of a diversity and inclusion policy.
- 100% of our fleet met EURO 6 standards.

➔ For more information on our ESG initiatives see **pages 29 to 35**

What will we do over the next two years?

2026 – 2027

- Continue to roll out a health and safety strategy.
- Deliver a robust management training programme to all levels of our manager colleagues throughout the Group.
- Development of our CFD disclosures, including a quantified scenario analysis as we better understand the financial implications of the risks facing the business.
- Embed ESG initiatives within the NWF business model.
- Continued investment in fleet and trialling of emerging technologies.
- Updating of our diversity and inclusion policy.
- Implementation of new learning and development programmes for our people.

Key targets

- Aim to reduce number of road accidents, lost time injuries and RIDDORs from current reported metrics, embedding a behavioural safety approach to encourage positive, open dialogue about safety in all our operations.
- Maintain and improve OTIF scores and, having provided our Supplier Code of Conduct to our suppliers, ensure this is maintained and provided to all new suppliers.
- Roll out further employee engagement surveys and identify key areas to improve employee satisfaction and wellbeing. Develop our diversity and inclusion strategy. Set a target for our net promoter score by business.
- Focus on driver behaviour to improve miles per gallon ('MPG').

ESG continued

Our ESG Roadmap to 2040 continued

ESG initiatives developed during 2025



Development of our Health and Safety Charter

→ For more information regarding this see **page 31**



Development of our CFD disclosures

→ For more information regarding CFD see **pages 37 to 41**



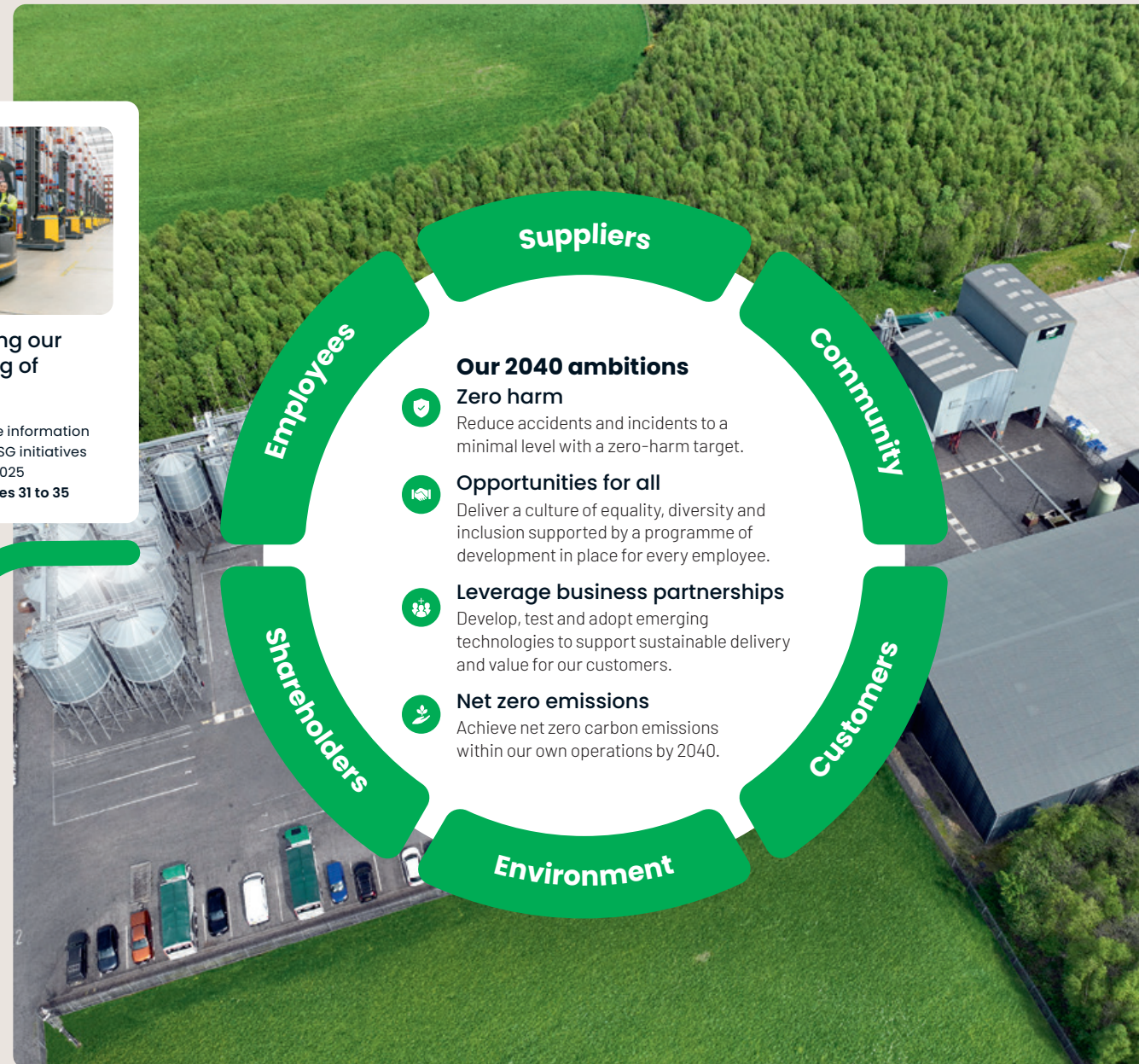
Enhancing our recording of metrics

→ For more information on our ESG initiatives during 2025 see **pages 31 to 35**

What are our medium-term commitments and ambitions?

2028>

- Improve standards and policies, risk assessments and collaboration with our supply chain to maximise positive impacts for our stakeholders.
- Broaden our training and professional development programmes and wider employee wellness initiatives.
- Continue to invest in the latest truck technology and fuel sources, and plan for renewable energy transition.



ESG continued



Create a culture of safety

Our 2040 ambitions

Zero harm: Reduce accidents and incidents to a minimal level with a zero-harm target

**Number of
accidents
per 1m km**
9.02

2024: 7.29
2023: 7.14

**Number of driver
training hours
per year**
9,595

2024: 12,545
2023: 10,225

LTIs
14.0

2024: 4.5
2023: 16.1

RIDDORs
8

2024: 7
2023: 17

Implement a safety-first approach

We implement a safety-first approach in all activities and our 2040 ambition is to reduce accidents and incidents to a minimal level, with a zero-harm target.

Focus on road safety

A common feature of our three businesses is their fleet and across the Group we operate over 350 commercial vehicles. Road safety for our employees and the general public is therefore of significant importance. All safety incidents, including personal injuries, product spills, road traffic accidents and near misses, are recorded and thoroughly investigated to identify the underlying causes and control weaknesses and learn from any errors. Health and safety information is reported to the Board monthly, with any incidents reported immediately and an improvement plan outlined. We continually work to improve our performance towards a goal of zero harm.



Progress in 2025

During the year, health and safety teams have been working in close collaboration across the Group, led by the Group HR Director, driving forward our commitment to ensuring a zero-harm working environment.

The following initiatives are examples of the progress we have made in championing safety across the Group over the last few years:

- Near miss reporting has been implemented across the Group and is now being measured.
- Feeds retained its ISO 14001 rating and Fuels retained its compliance status.
- Fuels maintained its ISO 45001 and 9001 ratings.
- All of our non-electric fleet is EURO 6 compliant.
- Food maintained its BRCS supply chain assurance AA rated standard.
- Regular health and safety audits of key locations by both internal and external parties.
- Fuels achieved Fleet Operator Recognition Scheme accreditation in a number of its depots. This is a programme for fleet operators designed to improve safety, efficiency and environmental protection within the transport industry.
- Food maintained its accreditation as a member of the 'Driver Vehicle and Standards Agency Earned Recognition' scheme.
- Monthly reporting to the Board with an annual review by external advisors.

The Group monitors accidents and injuries in line with the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013, and the number of reportable incidents across the Group in the year ended 31 May 2025 was 8 (2024: 7).



Focus on:

Health and safety

The Group is committed to a best-in-class culture of health and safety across all our Group of companies and all our sites.

Our CEO, Chris Belsham, put himself in the dock at Pinsent Mason's Mock Trial in Liverpool last September to illustrate to 60+ colleagues the Group's commitment to adopting excellent health and safety standards and drive home the message that each colleague has their part to play in delivering these standards.

Every manager from the Group communicated a safety pledge to their teams to ensure that the safety agenda was progressed and the 'safety first, every time, all the time' mindset was adopted.

There have also been multiple dedicated health and safety workshops with senior managers as well as 'toolbox talks' to confirm the health and safety message is communicated and received. In addition, senior managers have ensured that the fundamentals, such as the adoption of 360 PPE Protocols, have also been established and followed.

The focus will be to continue to educate and challenge our colleagues on all health and safety matters and ensure that at NWF, a strong culture of health and safety is non-negotiable.

ESG continued



Invest in our people

Progress in 2025

Engagement with our employees remains paramount to our success.

- Across the Group we celebrated 330 employees (2024: 352 employees) with over ten years' service, equivalent to 22.1% of our employees.

Our 2040 ambitions Opportunities for all:
Deliver a culture of equality, diversity and inclusion supported by a programme of development in place for every employee

Learning and development expenditure
£0.3m
2024: £0.2m
2023: £0.3m

Voluntary labour turnover
14.3%
2024: 15.7%
2023: 17.0%

Employee NPS
7.1
2024: 6.8
2023: 6.8



Focus on:

Creating stronger, more effective leaders

We believe that investing in our people is the foundation of our success. Our Learning & Development Advisor, Laura Durber, is a shining example of how we spot talent and enable it! Laura joined us as a warehouse 'picker' in university holidays whilst studying for a Criminology degree. Laura showed great initiative and we thought her forensic strengths would be put to great use in our expanding L&D team. We supported her Insights Client Practitioner qualification and our colleagues reap the benefits of her training on a daily basis.

We also invited Beyond the Podium Performance in to help our colleagues redefine what it means to be great managers and leaders. We ran 14 sessions and invited 171 colleagues to collaborate and openly challenge perceptions which sparked valuable insights and strengthened our leadership capabilities.

By investing in our people, we create stronger, more effective leaders who drive positive change.



From zero hours contract to the hero of our frontline advances in reducing our carbon footprint, Jack hasn't looked back since joining Boughey at the start of the pandemic. Jack joined as a Warehouse Operative but his potential was soon spotted and moved to Stock Control where he quickly got to grips with our systems and crunched through the data and made recommendations for more efficient stock placements and management of warehouse consumables.

Investing in Jack by sending him to events such as IntraLogisteX, QlikWorld, and AI breakfast events has helped broaden his knowledge and develop his own, fresh ideas. We are also supporting his ambition to obtain a degree.

As Business Intelligence Analyst Jack now initiates programmes which align with our long-term sustainability goals. Sharing intel with our schedulers, he's improving transport planning accuracy helping them make informed routing decisions. Jack says "This is especially useful given the infrastructure improvements made across the country over the past decade and has helped us to continue selecting the best routes, ultimately reducing fuel consumption. I found that by using our Microlise data, we were able to draw conclusions on the causes of low MPG and workshopped strategies to improve fuel efficiency, which has a direct impact on reducing our carbon footprint".

Jack's attention is currently on optimising truck space, reducing wasted capacity and ensuring that we use our resources more efficiently, he says "It's always satisfying to see how solving a small data problem can lead to big operational improvements".



ESG continued



Build strong partnerships

Customer relationships

We want to gain a deeper understanding of our customers' needs so we can continue to offer them more choice, better quality and improved standards, as well as great value.

The following initiatives demonstrate how we are seeking to improve engagement with our customers across the Group:

- All three businesses have undertaken surveys to assess their customer NPS, enhancing our understanding of our customer base and allowing us to further develop strategies to retain and grow our business.
- Fuels rolled out its customer offering to domestic customers nationwide following a successful trial in its Stoke depot.
- Food has continued to encourage its customers to remove waste from the supply chain and participate in the FareShare initiative, delivering over 38,000 tonnes of food that would have otherwise gone to landfill.
- Feeds is supporting farmers with reducing carbon emissions through development of its new fusion range of products. For further details, please see page 35.

OTIF Fuels

71.1%

2024: 82.8%
2023: 71.5%

OTIF Food

97.4%

2024: 97.9%
2023: 96.4%

OTIF Feeds

84.3%

2024: 91.7%
2023: 90.2%

Supply chain management

It is critical to NWF that we work together with suppliers to promote responsible business practices. We continue to utilise our now established supplier due diligence process and the Supplier Code of Conduct. Following roll-out in 2023, all new suppliers are issued with the Code. Our Supplier Code of Conduct codifies our commitment to conducting our business sustainably, responsibly and to the highest professional and ethical standards and formally establishes the minimum standards that must be met by any entity that supplies products or services to the Group.

Furthermore, the following ESG initiatives have been pursued during the year:

- Fuels has continued to distribute its lower carbon part-renewable HVO30 and HVO100 product to commercial and agricultural customers.
- Fuels has continued to leverage technology and support the roll-out of its new, more efficient, operating model.
- Our Feeds business continues to work with suppliers to create a range of compound feeds which do not contain soya or palm kernel, which has been launched under the 'Sustain' range of feeds.



Focus on:

The Dome Youth Zone in Crewe

Becoming a Founder Patron of The Dome Youth Zone in Crewe reflects the Group's passion to support the communities where our colleagues and their families and our future colleagues call home.

Once it is opened in spring 2026, The Dome Youth Zone will be an independent charity. It will be part of the growing OnSide Network of 15 Youth Zones nationwide, supporting more than 55,000 young people annually. Youth Zones are open to young people aged between 8 and 19 seven days a week, for just £5 annual membership and 50p a visit.

Young people who sign up will have access to an indoor climbing wall, four-court sports hall, training kitchen, music room with a recording studio, fully equipped gym, boxing suite, dance and drama studio, 3G kick pitch, arts and crafts room and enterprise and employability suite.

Chris Belsham believes "the people of Crewe are fundamental to the success of our Group and given that three of our businesses, NWF Fuels, Boughey and NWF Agriculture, have considerable presence close to Crewe, we hope that our support of The Dome can make a real difference to young people's life chances.

We also aim to work with The Dome team to create a pathway to employment".



Watch The Dome being built at
<https://www.nwf.co.uk/sustainability/>

ESG continued



Our 2040 ambitions
Net zero emissions: Achieve net zero carbon emissions within our own operations by 2040

MPG Fuels
9.50
 2024: 9.76
 2023: 9.72

MPG Food
10.23
 2024: 10.44
 2023: 10.44

MPG Feeds
7.06
 2024: 6.82
 2023: 6.70

Fleet meeting EURO 6 standards
100%
 2024: 100%
 2023: 97%

Respect the environment

Our approach to CFD

Climate-related Financial Disclosures ('CFD') require companies to identify, measure, quantify and report upon the risks and opportunities of climate change. Last year we presented our first CFD disclosures, in compliance with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and Sections 414C, 414CA and 414CB of the Companies Act 2006 to place requirements on certain publicly quoted companies and large private companies to incorporate CFD-aligned climate disclosures in their annual reports. Our CFD Report can be found on pages 37 to 41.

Opposite we set out the pillars of CFD and our approach.

Mitigating our carbon emissions

We are challenging ourselves to think differently, and by driving efficiencies across our operations we aim to minimise the amount of waste and plastics we produce, use resources more responsibly and ultimately protect the natural environment.

Our current environmental initiatives include:

- where possible, electricity contracts are from 100% renewable energy sources;
- enhancing infrastructure through partnering with key customers in Food to install electric truck charging points;
- investment in low carbon diets within our Feeds business;
- solar panels have been installed on the warehouses at our Longtown mill; and
- a commitment to invest in a clean, modern and efficient fleet.

Pillars	Recommended disclosure	NWF alignment	Further information
Governance	Disclosure of governance structures, oversight and management processes in place to manage climate-related risks and opportunities.	• Responsibility for climate-related issues and our ESG strategy is held by our CFO. • The Board has overall responsibility for reviewing the risk management processes and controls in place within the Group and ensuring that they are appropriate, which includes climate-related and ESG risk. • Our ESG Steering Committee is responsible for reviewing performance against our KPIs and monitoring the progress of climate/ESG-related initiatives.	Corporate Governance Statement on pages 48 to 53. ESG framework on page 26. Principal risks and uncertainties on pages 22 to 25.
Strategy	Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where material.	• Further work has been completed to define our 'Roadmap to 2040' and embed climate/ESG-related issues within the Group's long-term business model and strategy.	Business reviews on pages 8 to 10. Roadmap to 2040 on pages 29 and 30.
Risk management	Disclosure of how the organisation identifies, assesses and manages climate-related risks.	• The Group's risk management programme, which assesses key risks and the required internal controls, is delegated to Directors and managers and is reviewed twice annually by the Audit Committee. • Principal risks, including climate-related risks, are identified and addressed using the risk management process detailed on pages 22 to 25. • Climate-related risks and opportunities are set out on pages 38 to 41.	Principal risks and uncertainties on pages 22 to 25. Corporate Governance Statement on pages 48 to 53.
Metrics and targets	Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities where material.	• The Group has outlined its long-term ambitions for 2040, which include a net zero target. • Our carbon emissions are disclosed in accordance with SECR requirements. • The Group has defined its KPI metrics for ESG reporting.	ESG framework on pages 26 to 41.

ESG continued



Focus on:

Reducing our carbon emissions

Our Feeds team continues to innovate to produce products which help its customers achieve higher milk yields, a better cattle growth rate and higher lambing percentages, working closely with our customers to meet the challenges and recognise the benefits of addressing public demand for reduced carbon products. Farmers are also recognising that reducing carbon emissions per litre of milk or kilogramme of meat and improving efficiency and profitability are not mutually exclusive.

Our Carbon Reduction Project is aimed at driving carbon emissions reduction throughout our supply chain, from sourcing and manufacturing, to use on farms. Our Feeds business has implemented a number of changes in the year in its procurement and manufacturing processes to reduce emissions:

- moving all soya usage from Brazilian and Argentinian Soyabean meal to North American Soyabean meal, which has achieved a significant reduction in CO₂ largely because the land used in North America is free from deforestation;
- reducing the amount of sulphates used within mineral premixes and replacing with a higher bioavailable source has enabled the business to use lower amounts and use a source with a lower carbon footprint; and
- changing to Rumen protected fat, which is a high energy supplement to boost energy levels for cattle based on a rapeseed oil fat manufactured in Europe; the industry typically uses palm fat sourced from Indonesia.

Focused training is provided to our sales teams, starting at our Academy, to ensure we are able to deliver quality advice to farmers.



Focus on:

Sustainable products

Our Aspatria plant is wholly powered by the wind turbine on site. At this plant we produce our moist feed product which reduces the amount of methane produced by cows, thereby reducing emissions. The product has added sustainability credentials because it is produced wholly using the waste products from other industries.

ESG continued

SECR Statement

We measure and report our energy and carbon data across the entire Group (Food, Fuels and Feeds), providing comprehensive data to substantiate our overall environmental impact.

Our SECR Statement includes all emission sources required under the 2019 regulations for the financial year ended 31 May 2025. Information regarding energy efficiency action taken during the year can be found on page 35.

NWF Group plc generated 1,876,182 carbon dioxide equivalent tonnes ('tCO₂e') of emissions during the year (2024: 1,867,166 re-stated). Of this, 91% relates to emissions from the end use of product sold by the Group. Our transport fleet efficiency is a key part of our energy saving initiatives, looking for savings through more efficient driving, investment in clean modern vehicles and optimum routing.

We have chosen three carbon intensity ratios that reflect our business performance. Our carbon intensity ratio for the year ended 31 May 2025 was 5,197.18 tCO₂e per commercial vehicle (2024 re-stated: 5,539.87), a decrease of 6.2%; 1,081.98 tCO₂e per 1,000 sq ft of warehouse and office space (2024 re-stated: 1,238.03), representing a 12.6% decrease on last year; and carbon intensity per 1,000 km travelled which decreased by 6.2% to 61.82 (2024 re-stated: 65.90).

In order to calculate the carbon emissions, we have used the emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2024. One of the requirements of the SECR regulations is to report our total UK energy use in kilowatt hours ('kWh'); for this we have used the 2024 conversion factors. The Scope 1 and 2 emissions reported are for all facilities across the Group under our operational control. This includes all distribution centres, manufacturing sites, oil depots and offices, plus fleet under our ownership. Scope 3 emissions have been calculated for the first time for the year ended 31 May 2025 to include four categories. Emissions data for the year ended 31 May 2024 has been re-stated:

- Category 1 emissions are related to the indirect emissions associated with the procurement of goods and services. Specifically, these emissions are related to the upstream activities of purchased goods and services.
- Category 3 emissions are related to the production of fuels and energy purchased and consumed that are not included in Scope 1 or Scope 2 emissions.
- Category 4 emissions include emissions from the transportation and distribution of products purchased or required in the reporting year in vehicles and facilities not owned or operated by NWF.
- Category 11 includes emissions from the end use of goods and services sold in the reporting year.

NWF's Scope 3 emissions from use of sold products includes the Scope 1 and Scope 2 emissions of end users.

As NWF Group plc is a UK-based company, it is not required to report any global activity emissions. Purchased electricity has been calculated based on location-based emissions factors.



Fleet management

Across our businesses we promote sustainable logistics, investing in clean fleet and energy initiatives to achieve this. In addition, our strategy to maximise fleet capacity to minimise empty running miles provides the best environmental solution across all our businesses.

Carbon emissions (tCO ₂ e) ¹	2025	As re-stated ² 2024
Scope 1	27,760	25,912
Scope 2	5,360	3,898
Scope 3	1,843,062	1,837,356
Total emissions	1,876,182	1,867,166
Carbon intensity ratio 1 (tCO ₂ e/commercial vehicle)	5,197.18	5,539.87
Carbon intensity ratio 2 (tCO ₂ e/1,000 sq ft of warehouse and office space)	1,081.98	1,238.03
Carbon intensity ratio 3 (tCO ₂ e/1,000km travelled)	61.82	65.90
Total UK energy usage (kWh)	130,212,782	116,244,695

¹ tCO₂e/year defined as tonnes of CO₂ equivalent per year.

² Prior year now includes elements of Scope 3 emissions.

Non-financial and sustainability information statement

Our approach

NWF recognises the potential positive and negative impact that it can have on the environment from its manufacturing and distribution activities and has committed to reaching net zero on carbon emissions by 2040.

The Group has taken steps in previous years to meet this ambitious target by installing solar panels at some of the sites, utilising electric vehicles within the fleet where practical and cost effective and continuous review of new fuels in the marketplace, both in terms of fuels used in NWF vehicles and that which is supplied to customers.

The Group, in operating a fleet of 365 commercial vehicles, recognises that it is a significant emitter. Enhancement of miles per gallon achieved per truck (miles per drop in the Fuels business) to reduce our carbon emissions without the use of new technology is therefore a priority for the whole Group. Our Fuels business, which operates in excess of 3.1 million miles per annum, has reduced its miles per drop by 6% in the current financial year which has been achieved partly through the implementation of sophisticated in-cab technology which has helped schedule routes to be more fuel efficient. Within our Feeds and Distribution businesses, as part of our ongoing commitment to fuel efficiency and operational sustainability, we have invested in trialling new vehicle models designed to enhance payload and reduce fuel consumption.

All new fleet vehicles are now equipped with automatic engine shutdown technology. This system reduces unnecessary fuel consumption during idling periods, particularly while loading or stationary, supporting both environmental goals and operational cost reduction. Driver training is continuously carried out, focusing on maintaining steady speeds, maximising the use of engine torque, minimising engine idling and reducing electrical load and aerodynamic drag.

We have produced disclosures that align with current requirements in compliance with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and Sections 414C, 414CA and 414CB of the Companies Act 2006 that place requirements on certain publicly quoted companies and large private companies to incorporate TCFD-aligned climate disclosures in their annual reports, but recognise that further work is required for full TCFD disclosure requirements to be met. We continue to review the full disclosure framework and recognise that the level of granularity required as part of our disclosures will increase over time, and as such we will make appropriate enhancements to our current disclosures.

We have considered how the full requirements of TCFD align to the UK Companies Act and have presented a 'Non-Financial and Sustainability Information Statement' that we have referenced as 'TCFD' throughout this report that focuses on the eight disclosure requirements as prescribed by the Companies Act.

The Group has not yet carried out a quantified scenario analysis but intends to do so as the understanding of the financial impacts becomes clearer. The need for definitive governmental direction and the availability of alternative fuel sources, both for our customers and our own operations, remains a major obstacle to producing this scenario analysis in a way that will make for meaningful decision making.

Governance

The Board is ultimately responsible for the Group's risk management framework which includes both climate-related risks and opportunities. The risks and opportunities relating to climate change are identified, considered and managed at a business level, and consolidated at a Group level. Business unit management completes reporting which includes the climate-related risks and associated metrics, which are reviewed by an ESG Steering Committee. The ESG Committee forms part of the Executive Leadership Team's remit, who review sustainability reporting alongside the Group's other environmental initiatives. Reports detailing both our ESG and sustainability metrics are reported on a quarterly basis, and initiatives tracked to improve our performance in this area. For further details of the structure of this Committee, please see the table below.

The ESG Committee meets quarterly and includes the following individuals:

- the Chief Executive Officer and Chief Financial Officer;
- the Group HR Director;
- the Group General Counsel and Company Secretary; and
- the Managing Directors for the Group's three businesses (Fuels, Food and Feeds).

➔ For more information see [page 27](#)

The Chief Executive Officer has been delegated the responsibility for climate-related issues and the Group's ESG strategy. The Chief Executive Officer briefs the Audit Committee and Board three times per year on the work relating to ESG discussed by the Executive Leadership Team. The Board has the ultimate responsibility for reviewing the appropriateness of climate risk management processes and controls in place within the Group.

Risk management

The transitional risk of climate change is considered a principal risk for the Group; therefore, it is governed in line with the Group's overall risk management framework. For further details please see page 23.

The risk management process involves the identification and prioritisation of key risks, the development of appropriate controls and the plans for mitigation. There are a number of ways in which risks are identified and assessed and managed across the Group.

At a business level, the management teams are responsible for identifying and assessing new risks, as well as managing existing risks. Risks are assessed using consistent measurements of impact and likelihood. Changes to existing risks, the emergence of new risks and plans for mitigation are discussed at monthly management meetings held with the Executive Directors, and recorded in the respective business risk registers, as appropriate. The business management teams are responsible for the maintenance of their business risk registers. Each business risk register is further reviewed twice a year by the Executive Directors.

At a Group level, there is a continuous process of considering risk. New and emerging risks are identified through the reviews conducted at a business level and the experience brought by the Executive and Non-Executive Directors. The Group maintains a consolidated risk register whereby each recorded risk has a designated owner who is responsible for ensuring that effective controls are in place to mitigate the risk. The consolidated Group risk register is reviewed at least twice a year by the Audit Committee.

Historically, the risk identification process has reviewed how the Group will be impacted by Government strategy and policy in relation to the decarbonisation of the economy, rather than the direct impact of climate change. Over time, we will seek to further embed specific and material climate-related risks and opportunities into our risk management framework to ensure an integrated approach.

Non-financial and sustainability information statement continued

Strategy

We have identified climate-related risks and opportunities over three time horizons which are defined below:

- **short term:** up to five years, in line with our forecasting cycle;
- **medium term:** five to ten years, when we anticipate that there will be further legislative changes to support and enable the transition to a lower carbon economy; and
- **long term:** beyond ten years, which we reflect has implications for the Group's long-term growth plans.

The Group is comprised of three business units, which are each impacted by climate differently. There will be many value creation opportunities as the world transitions to a low carbon economy; however, the Group will also be exposed to physical and transition risks. We have identified a range of such risks and opportunities across different time horizons and indicated our resilience to the impact of these as listed in the table overleaf.

Risk register and summary of climate scenario analysis results

Risk and opportunities identified at business level are consolidated and reviewed by the ESG Committee. Our established risk management process has been utilised to determine if a climate risk or opportunity may have a material impact using consistent measurements of

impact and likelihood; for further details of this please see page 38. Those risks and opportunities determined to have a material impact are noted overleaf, and have been expanded in the current year to further review the impact in each of our qualitative scenarios.

Scenario analysis – 'What if?'

Transition risk will crystallise as we move to a low carbon economy; we have, as a Group, not yet conducted an in-depth quantitative scenario analysis. However, we have considered the broader qualitative ramifications of climate change to our business model and the Group by considering two possible scenarios, which we deem at this stage to be a suitable and relevant baseline scenario set to work from. The time horizon over which we have considered our scenarios is to 2040, in line with our commitment to achieving net zero.

Scenario A: Significant steps towards addressing climate change are taken, resulting in higher transition risks

In this scenario, we assume an early committed action by society to reduce global emissions in conjunction with policies and legislation immediately implemented towards a low carbon economy intensifying over time. This action is viewed as an effective way to limit global warming to less than 2°C in line with the Paris Agreement.

Scenario B: Limited action towards addressing climate change leading to potentially higher physical risks

In this scenario, consumer preferences do not shift and/or policies to

address climate change are not implemented sufficiently, resulting in ambitions falling behind Paris Agreement targets and resulting in an increase in global temperatures above 3°C, with associated sea level rises and extreme weather changes.

We have already conducted the initial stages of research into the broader physical impacts of sea level rises and increased flooding in line with the leading consensus from the IPCC (2021). In this scenario, we see an impact in both our supply chain and low lying depots, which are at risk of flooding.

As the Group gains more experience with qualitative scenario analysis, we will endeavour to develop our scenarios and associated analysis utilising quantitative information to illustrate potential pathways and outcomes. In this way, we will be able to provide a more in-depth quantitative assessment of the climate risks and opportunities faced by our businesses. We believe these scenarios cover a varied range to provide a robust assessment of future outcomes relevant to the Group's business.

The Group is well placed to be able to adapt to each of these scenarios, with a system of monitoring incoming regulation and development of new products and services as well as a management structure that allows for the free flow of information between our businesses and the Group. In considering our risks and opportunities, we have reviewed the specific impacts of each of these two scenarios and their impact on our business units and activities.

Risk detail	Impact	Potential financial impact	Scenario with greatest impact	Resilience
Transition: Policy and legal				
(1) Mandates on regulation of existing products and services. Time horizon Long term	Fuels: A key part of value creation is from the commercial and domestic oil market. With increased regulation and associated costs on domestic oil, we would expect to see our customer base transition their traditional oil boilers to alternative low carbon fuels, air or ground source heat pumps, or biomass boilers, resulting in revenue loss. We also anticipate there to be increasing difficulty in sourcing capital funding for carbon intensive industries such as Fuels, with increased regulation and pressure on banks and investors.	In the event of a transition to low carbon liquid fuels, there would be a relatively low capital spend to convert our fleet and facilities to store and deliver the fuel.	A	In response to these risks, we have assessed that our Fuels business can quickly adapt its operating model to transporting alternative low carbon fuels, as we already have the relevant infrastructure and skills for this development. Our industry and Group are acutely aware of the carbon intensive nature of our business models and thus there will likely be an industry-wide technological adaptation and adoption process. In the meantime, the Fuels Managing Director and Procurement meet all main suppliers of fuels each year for a strategic review. All are still stating the same update which is that they all have varying carbon offset initiatives. One of these includes supplying alternative fuels; however, demand for this product remains low due to the higher costs, which is a result of Government legislation on the products. Parallel to this our commercial teams report the same low demand for alternative fuels from our existing customer base. Longer-term initiatives such as hydrogen are described as five to ten years away from realisation and require huge strategic Government investment to become a reality.

Non-financial and sustainability information statement continued

Risk detail	Impact	Potential financial impact	Scenario with greatest impact	Resilience
Transition: Policy and legal continued				
(2) Increased price of GHG emissions through carbon tax. Time horizon Medium term 	Group: The prevalence of carbon pricing is expected to expand, thereby causing the price of carbon to increase.	This may lead to an increase in direct compliance costs and an indirect cost increase of carbon pricing pass-through in the supply chain.	A	As a Group, we are tracking greenhouse gas emissions from each of our businesses, with metrics implemented to reduce GHG emissions across the Group. We have a wind turbine installed at a Feeds site, which is energy neutral, and have also installed solar panels at our Longtown mill, with plans to increase the amount of self-generated renewable energy used across the Group in the coming years.
Transition: Technology				
(3) Development of emerging low carbon technology. Time horizon Medium to long term 	Group: Our business is typically guided by industry-wide technological advancement into low carbon technologies. There is an increasing shift towards electric vehicles and a non-fossil fuel fleet because of Government policy changes.	Costs throughout the supply chain are anticipated to increase as the cost of leases and capital outlay for low carbon emission vehicles increase.	A	We use HVO100 powered vehicles at our main Wardle site. Whilst we have trialled the use of electric vehicles in our Distribution business, it remains the case that suitable vehicles do not yet exist that are economically viable, in terms of cost to acquire, load capacity and range in an as yet under-developed infrastructure landscape.
Transition: Market				
(4) Change in consumer preferences. Time horizon Long term 	Fuels: The shift away from oil heating towards lower carbon intensive fuel types, particularly amongst domestic customers, which could result in a risk of loss of revenue. Feeds: Changes in consumer demand could impact dairy and meat consumption nationally, impacting our customer base and overall demand for feed. Where demand exists it is expected to be for more sustainable sources such as low methane emitting animal products.	Fuels: Potential reduction in revenue from domestic fuel sales. Feeds: Potential reduction in revenue due to consumer demand. Increased cost of investment focused on low methane producing products.	A	Fuels: There is an ongoing process to review new liquid fuel products in the market, and an assessment of our preparedness to adapt our fleet for these new fuels. We are also monitoring the development of all energy sources including hydrogen as a potential solution for our customers' heating and transportation requirements. Feeds: The Feeds business is engaged in a product monitoring process and trialling alternative, low methane producing feed products to help reduce emissions. During the year there have been significant developments to reduce the emissions inherent in the procurement of raw materials.

Non-financial and sustainability information statement continued

Risk detail	Impact	Potential financial impact	Scenario with greatest impact	Resilience
Physical: Chronic				
(5) Average increase in global temperature (operations). Time horizon Long term 	Fuels: The proximity to the coast and river flood plains of a limited number of our depots could impact our ability to operate from those locations in extreme weather scenarios, leading to a loss of revenue and assets. Food: The Food business will also be impacted, to a lesser extent than the rest of the Group. Currently, we operate ambient storage facilities, but increased average temperatures may have an impact on our stored goods. Group: An increase in the frequency and severity of extreme weather events will increase the potential for harm to occur to our employees, e.g. through flooded homes or heatwaves, or make working conditions harmful.	Fuels: Potential loss of revenue and assets in the longer term, with higher insurance premiums to mitigate potential loss of profit or repairs in the medium term. Food: Increased cost of investment to convert warehouse space to be temperature regulated. Group: Potential revenue impact from employees being unable to work safely, and increased cost to make working environments safer.	B	Within the Fuels business we have a nationwide network of depots, and supplies could be diverted to impacted areas of the country should one of our depots be temporarily closed. Our Food business has been working with some of our customers to provide cooled warehouses, to mitigate potential damage to our customers' produce. Further downstream of our business we have engaged with our customer base to understand how they might increase their own resilience in their business models. As the risk continues to evolve, we will look to emerging technologies to ensure that the employees of the Group can continue to operate in safe working environments.
(6) Average increase in global temperature (supply chain). Time horizon Long term 	Food: The prevalence of more extreme weather patterns will increase degradation to the UK road infrastructure, increasing the potential damage to our fleet and increasing the time of delivery and potential damage to goods transported. Feeds: When identifying physical risks to the Feeds business, we expect to see an increased interruption to our supply chain as harvest patterns shift.	Food: Potential increased direct costs for vehicle repair and maintenance and higher insurance premiums as a result of increased claims for damage in the market. Feeds: Potential revenue decline with livestock losses due to extreme weather events reducing our customer base and, finally, an increase in the competition for raw materials to produce feed.	B	In our Food business we invest in the latest vehicle technology and have our own on-site garage to reduce the cost of vehicle repairs. The business has been trialling a new model of vehicle which is recording miles per gallon some 11.4% better than existing fleet. In our Feeds business, we have begun to increase diversification in our supply chain and engage with our suppliers to understand how they might mitigate these impacts in supply.

Non-financial and sustainability information statement continued

Opportunities

In addition to climate-related risks, we have identified a number of opportunities for NWF in the transition to a lower carbon economy.

Opportunity detail	Impact	Potential financial impact	Scenario with greatest impact	Strategic response
Transition: Resource efficiency				
(1) Reduce Scope 1 and 2 emissions to a minimum and use more efficient modes of transport by converting fleet. Time horizon Long term 	Group: There is a large opportunity for the Group to be more resource efficient, particularly as part of its energy consumption. Consequently this could lead to reduced operating costs. This will also contribute significantly to the net zero by 2040 target. Group: Utilising renewable energy and alternative drive concepts through emerging technology will ultimately reduce our carbon emissions and create efficiencies, enhancing our reputation with our customers. Improving the efficiency of our fleet will increase the useful economic life of the vehicles we use and create potential cost savings.	Reduced cost of purchased electricity through self-generated renewable energy. A reduction in Scope 1 and 2 emissions may be achieved through the installation of solar panels at sites across the Group and the expanded use of renewable energy in its operations.	A	We have installed solar panels at our Longtown mill and a wind turbine at our Aspatria site, and are considering further installations across the Group. The company car scheme operated at Group level and in our Fuels and Food businesses is a non-fossil fuel scheme. All of our electricity consumed across our main sites comes from 100% renewable sources. We are also working with external parties to review how we save energy costs across the Group, in a bid to reduce our Scope 1 and 2 emissions and create cost savings.

Transition: Products and services

(2) Growth in low carbon heating market. Time horizon Long term 	Fuels: The Fuels business has the opportunity to offer an alternative liquid heating fuel. This can be achieved through technological advancements to produce wide-scale, lower carbon fuel alternatives, ultimately reducing our Scope 3 emissions. At present, there is no meaningful change in consumer demand towards lower carbon alternatives.	Increased revenue or margin from sale and distribution of low carbon alternative fuels.	A	We are continuing to support the distribution of lower carbon part-renewable HVO30 and HVO100 products to commercial and agricultural customers.
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Metrics and targets

To measure progress against our net zero 2040 target, we have key performance indicators in place to monitor our Scope 1, 2 and 3 emissions across the entire Group (Fuels, Food and Feeds).

In order to calculate our emissions, we use emissions factors from the UK Government's GHG Conversion Factors for Company Reporting 2024. Data is consolidated using the operational control approach. These metrics are tracked monthly as part of management reporting.

We are committed to playing our part in the UK's ambition to achieve net zero by 2050, and developing our own Net Zero Transition Plan. As such, we have set an ambitious target to achieve net zero by 2040 across our own operations (Scope 1 and 2 emissions). We are also looking to perform a more detailed assessment to understand the most relevant and addressable elements of our Scope 3 emissions within our value chain to enable us to start measuring them.

The Board appreciates the importance of setting mid-term targets, but recognises further analysis of existing data is required before robust targets are set, which can be meaningfully linked to the Group's long-term target.

Similarly, the Group has included an ESG measure in the annual bonus for personal objectives incorporated into the remuneration policy for the executives. The climate-related KPIs used to monitor progress against our net zero 2040 target are on page 34. The Board is satisfied with progress made in the year against its net zero by 2040 objective.

 [Read more about our energy and carbon emissions on page 36](#)

Stakeholders and Section 172

How we engage with our stakeholders

NWF Group plc depends on the trust and confidence of all its stakeholders to operate sustainably in the long term.

The Group seeks to build strong partnerships, create a culture of safety, invest in its people, respect the environment in which it operates and generate sustainable value for shareholders.

The Directors of NWF Group plc ('the Group') have discharged their duties as set out in Section 172(1) of the Companies Act 2006; they have had regard to the matters set out in Section 172(1) (a) to (f) when performing their duty to promote the success of the Group for the benefit of its members as a whole. In doing so, the Directors must have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the Group's employees;
- (c) the need to foster the Group's business relationships with suppliers, customers and others;
- (d) the impact of the Group's operations on the community and the environment;
- (e) the desirability of the Group maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between members of the Group.

The Board's understanding of the interests of the Group's stakeholders is informed by the programme of stakeholder engagement detailed overleaf.

Section 172 considerations are embedded in decision making at Board level and throughout the Group. Examples of how the Directors discharged their Section 172 duty when taking principal decisions during the year are set out on page 45.



Customers

With over 150 years experience in adding value to our customers' businesses, our commitment to customer service remains critical to our success.

Stakeholder expectations

- Reliable service, on time and in full.
- Quality products representing value for money.
- Knowledgeable and responsive teams which provide technical excellence in their respective fields.

Why we engage

- To reinforce our customer-focused culture and focus on delivering excellence in customer service.
- To ensure high levels of availability and delivery metrics, achieving high service levels and delivering value.
- To develop customer-focused solutions, ensuring the Group understands and responds to evolving customer needs.
- To drive improvements and reduce complaints.

How we engage

- Constant communication with our large and diverse customer base through our experienced customer service teams.
- Regular monitoring of performance against service level agreements and quality standards.
- Customer visits and attendance at relevant industry trade fairs and shows.

- Regular programme of site tours for customers and other community groups or business partners.

Outcomes of engagement

- Greater understanding of our customer views and the introduction of targeted actions, to enhance our output, following customer satisfaction surveys in early 2023.
- Larger capacity in the Food business following the investment in a newly constructed purpose-built warehouse to support the continued customer demand.
- Introduction of a new approach to the domestic customer base as a result of the Fuels customer trial in Stoke, which was based on customer feedback.

Stakeholders and Section 172 continued



Suppliers

Through collaborative and mutually beneficial relationships, NWF can continue to deliver efficient, quality services and high standards in a sustainable manner.

Stakeholder expectations

- Compliance with contractual terms and conditions.
- Co-operation to allow our suppliers to improve their products and services and to resolve any issues.
- To be treated fairly.

Why we engage

- To maintain strong relationships to ensure high supplier standards.
- To seek new ways to collaborate and innovate.
- To ensure our suppliers conduct their business in an ethical and sustainable manner.
- To enable our operations to become more efficient and ensure continuity of supply and competitive pricing.

How we engage

- Holding regular meetings and/or site visits with key suppliers.
- Feedback from suppliers is monitored and provided to the Executive Directors who update the Board at regular intervals.

Outcomes of engagement

- The Fuels business is working closely with fuel producers to monitor the next generation of fuels.
- Continued roll-out of our Supplier Code of Conduct to all suppliers.



Colleagues and community

Our colleagues are fundamental to the long-term success and execution of the Group's strategy.

Stakeholder expectations

- Fair salary and benefits.
- An inclusive and diverse workplace with opportunities for personal development and flexible working, in a safe working environment.
- Job security and satisfaction, with support for wellbeing and the opportunity for feedback.

Why we engage

- To ensure that all colleagues are valued and are given the opportunity to provide feedback and participate in shaping the development of the Group.
- To underpin our culture of safety and ensure that colleagues at all levels in the business play a role in promoting and upholding a strong focus on health and safety, for the benefit of the Group and the wider community.
- To ensure we maintain a skilled, technically competent and motivated workforce and provide appropriate opportunities for development and personal growth.
- To encourage equal opportunities and a more diverse workforce.

How we engage

- The Chief Executive Officer holds presentations for staff, where the financial results of the Group and development of its strategy are shared, with colleagues invited to discuss and ask questions.
- We undertake regular surveys to invite regular feedback tailored to specific needs.
- At a business level, regular colleague briefings are conducted, either via floor briefings or monthly newsletters, to enable regular sharing of information.
- The intranet, email communication and newsletters are used to keep employees up to date with business and Group activities.

Outcomes of engagement

- We continue to offer an agile working policy to promote flexible working, and have improved office spaces across the Group.
- We continue to offer our programme of free weekly fitness classes in our on-site studio, provided by a local team of personal trainers.

Stakeholders and Section 172 continued



Shareholders

Our aim is to provide a transparent, clear, consistent message across our communication channels, giving shareholders the opportunity for direct, personal contact with our senior executives on a regular basis.

Stakeholder expectations

- Responsible and sustainable growth ambitions.
- Share price accretion.
- Progressive dividend policy.
- Resilience to adverse market conditions.

Why we engage

- To ensure the Group responds to the evolving needs and interests of shareholders and aligns its strategy accordingly.
- To communicate and explain how we aim to deliver growth and create value, by maximising the potential of the business.
- To give shareholders the opportunity for direct, personal contact with our Board members on a regular basis.

How we engage

- Investor roadshows are held twice a year to coincide with the Group's half year and final results, allowing our institutional investors to meet with the Chief Executive Officer and Chief Financial Officer.
- Recorded webcasts presenting our half year and final results are made available for investors through the Group's website, [nwf.co.uk](https://www.nwf.co.uk). The Investors section of the website also includes access to the Annual Report and Accounts, presentations and trading updates.
- The AGM provides further opportunity for the shareholder community to engage directly with the Board of Directors.

Outcomes of engagement

- Engagement with our shareholders has influenced our acquisition, capital investment and progressive dividend policy.



The environment

We strive for continual improvement when it comes to our environmental performance, monitoring carbon emissions and waste across our supply chain and promoting a healthy environment.

Stakeholder expectations

- For the Group to operate as efficiently as possible and maintain high environmental standards.
- For the environmental impact of the Group to be minimised.

Why we engage

- To ensure adherence to relevant environmental legislation and regulations.
- To better understand environmental challenges and how we can contribute to meeting those challenges.
- To ensure that high environmental standards are respected at each of the Group's sites.

How we engage

- We work with our customers and suppliers to improve the efficiency of our operations.
- We engage with customers to understand the environmental challenges they face and then innovate to develop solutions to try to alleviate those challenges.

Outcomes of engagement

- Investment in clean, modern fleets.
- Enhancement to trucks to improve efficiency and MPG.

Stakeholders and Section 172 continued

Decision making by the Board

Board information

- CEO communications re. competitive activity, market trends and analyst reports.
- Professional experience and qualification.
- Training and induction.
- Monthly provision of Board papers including financial and non-financial information.
- Advice and presentations by internal and external subject matter experts.



Board strategic discussion

- The Board satisfies itself that the information provided is sufficient, accurate and comprehensive to support decision making. Further information is sought, if required.
- Section 172 considerations are taken into account in the Board's strategic discussions, including the long-term impacts on the Group and its stakeholders.



Board decision

- Feedback from outcomes/actions of decisions are communicated back to the Board.
- Actions are taken to implement the Board's decisions.

Section 172 considerations

- | | | |
|---|--|---|
| A Likely long-term consequences | D The impact on the community and environment | F Acting fairly between members of the Group |
| B Employee interests | E Maintaining a reputation for high standards of business conduct | |
| C Relationships with customers, suppliers and others | | |

Stakeholders

- Customers
- Suppliers
- Employees and community
- Shareholders
- Environment

Decision 1: Strategic acquisitions

Matters for discussion

Acquisition of Northern Energy Oil Limited as part of the Group's strategy of continued consolidation through bolt-on and larger transactions.

A B C D

Section 172 considerations

The Board considered the long-term consequences of the proposed acquisition.

Determining the needs of the Group and its employees and the need to foster the Group's relationships with customers and suppliers were also critical in the decision-making process.

Actions and outcomes

The Board approved the acquisition of Northern Energy Oil Limited, the Group's first acquisition since 2023.

The acquisition increased the Group's presence in the North-East of England where the Group is currently underrepresented. It added about 6% to NWF's total fuel volumes.

The Group continues to develop a pipeline of potential acquisitions and the Board will only approve acquisitions which promote the success of the Group.

Decision 2: Restructuring Projects in Food and Fuels

Matters for discussion

The approval of two significant restructuring projects both of which were aimed at enhancing the long-term sustainability and operational efficiency of both businesses. The project in Fuels related to the roll-out of a regional operating model and a move away from a depot-led approach. The project in Food focused on aligning the business model with the actual level of activity of the business setting the scene for future growth and expansion.

A B C D E F

Section 172 considerations

Prior to approving the proposals, the Board carefully considered the business case to ensure that was in the best interests of the Group, minimising operational disruption and re-enforcing high standards of business conduct and reputation whilst recognising the potential impact of the project on our employees, the community, and the environment.

The Board noted that the proposals in Fuels created enhanced delivery efficiencies which would reduce the miles per delivery and therefore reduce the impact of the Group's activities on the environment.

Actions and outcomes

The projects commenced with full consultation processes, fair redundancy procedures and packages and the provision of well-being support to affected colleagues. Key suppliers and customers were communicated with and continuity of service was prioritised during the process.

The impact of the streamlined operations and the reduction of inefficiencies across the business will continue to be monitored. It also endorsed its support for local community initiatives to support those impacted by the decisions.

Our leadership team

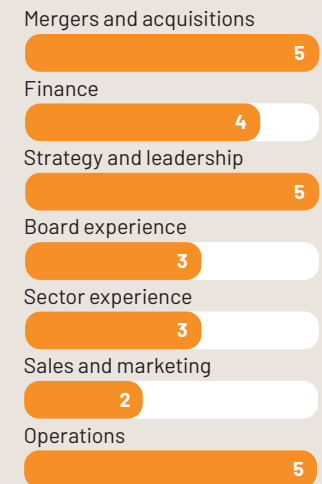
Board of Directors



Committee key

- Chair
- A Audit
- D Disclosure
- N Nomination
- R Remuneration

Skills



Our leadership team continued

	1. Amanda Burton Non-Executive Director and Chair Appointed: July 2024 A D N R	2. Chris Belsham Chief Executive Officer Appointed: March 2024 (previously CFO from April 2017) D	3. Katie Shortland Chief Financial Officer Appointed: October 2023 D	4. Richard Armitage Senior Independent Non-Executive Director Appointed: July 2020 A D N R	5. Tim Cooper Non-Executive Director Appointed: July 2024 A D N R	6. Tom Harland Group General Counsel and Company Secretary Appointed: March 2024 D
Skills and experience	- Substantial board, leadership and strategic experience gained from senior positions across the public, private and charity sectors. - Qualified solicitor having worked in a variety of legal and operational roles over 30 years, including as Chief Operating Officer of Clifford Chance LLP and General Counsel, Executive Director and Divisional Chair at Meyer International PLC.	- Strategic and leadership experience at both NWF Group plc and as Head of Corporate Finance and Equity Partner at Irwin Mitchell LLP. - Extensive mergers and acquisitions, valuation and financing expertise across a range of sectors following 14 years as a corporate finance advisor with KPMG with a focus on listed clients. - Qualified Chartered Accountant and Fellow of the Institute of Chartered Accountants for England and Wales, having qualified with PwC in 1999.	- An experienced finance and business leader with extensive experience working in infrastructure, engineering and manufacturing. - Member of the Chartered Institute of Management Accountants. - Significant experience in leading and implementing change across diverse business environments.	- Extensive financial, strategic, mergers and acquisitions and governance experience, gained within a range of commercial organisations including consumer goods and distribution. - A board-level executive in large complex organisations for the last 14 years. - Experience of investor relations and debt capital markets, with strong banking relationships. - Qualified Chartered Management Accountant.	- Extensive experience in a variety of senior management positions across a range of sectors, most recently as an Executive Director and member of the executive leadership team at Victrex plc. - Substantial experience as a Non-Executive Director and Remuneration Committee Chair.	- An experienced solicitor, company secretary and corporate governance professional who joined as Interim Company Secretary in January 2024. - Extensive experience in quoted company requirements. - Legal and governance experience gained within a range of commercial organisations. - Significant experience on wide-ranging property matters.
Other appointments	Non-Executive Director at Post Office Limited and Elevate Services Inc and Chair and Trustee of Green Light Trust.	N/A	N/A	Chief Financial Officer at Morgan Advanced Materials plc.	Non-Executive Director at Renold plc and Pressure Technologies plc.	N/A
Relevant past appointments	Non-Executive Director at HSS Hire Group plc, Battersea Dogs and Cats Home, Connells Limited, Countryside Partnerships plc, Seckford Education Trust and Skipton Building Society.	Equity Partner and Head of Corporate Finance at Irwin Mitchell LLP.	Finance and Transformation Director at Midland Expressway Limited and Director of Finance at Meggitt. Katie qualified as an accountant in 2001 during her career with Rolls-Royce plc.	Chief Financial Officer at Victrex plc.	Executive Director at Victrex plc.	N/A

Corporate governance statement

Continuous improvement



Amanda Burton
Non-Executive Chair

Dear shareholder,

On behalf of the Board, I am pleased to present NWF Group plc's Corporate Governance Statement for the year ended 31 May 2025. This statement provides details of our current governance framework and practices and how we discharge our governance duties.

Whilst 2024/25 has been a challenging year, I am delighted that the Group has achieved a robust financial outturn, slightly ahead of initial market expectations. The Group has made significant progress against its strategy through delivering two acquisitions and the successful implementation of business improvement initiatives. Strong results in Fuels and Feeds have offset the outcome in Food where decisive actions have been taken to improve performance.

In my role as Chair, I am responsible for the Board including its effective leadership and composition, assessing and improving its performance, and leading the Group's corporate governance culture to ensure that an appropriate governance framework is embedded within the Group and its businesses. The Board recognises the fundamental importance of maintaining a strong corporate governance framework in order to continue to create long-term value and 2024/25 has seen the Group's governance framework continue to develop.

The Group has continued to adopt the Quoted Companies Alliance Corporate Governance Code ('the QCA Code') as the basis of its governance structure and has complied with all principles of the QCA Code throughout the year. Given the Group's size, we also endeavour to have regard to the provisions of the UK Corporate Governance Code to the extent that we believe this is appropriate. As such, all Board Directors are required to stand for annual re-election and our independence policy states that Non-Executive Directors are unable to serve for more than nine years save for in exceptional circumstances.

With a total of three NED appointments, the Group has an appropriate balance between Executive and Independent Non-Executive Directors and is in line with Principle 6 of the QCA Code.

The Board recognises that sustainability of the Group is key to its long-term success. As such, 2024/25 saw a continued focus on strengthening our approach to how we govern sustainability (further details can be found on pages 26 and 27).

The Board acknowledges that a prerequisite of a strong corporate governance framework is a healthy corporate culture. The Group continues to focus on instilling a uniformed corporate culture across the Group throughout 2024/25 predicated upon ethical values, integrity and transparency.

For our strategy and business model to succeed in creating sustainable value in the long term, and to enable the mitigation of our principal risks and uncertainties (as detailed on pages 22 to 25), positive relationships with the Group's various stakeholders must be cultivated. This will only be achieved through integrity and transparency. The Board monitors the Group's culture through engagement with the Group's stakeholders (further details on how we engage can be found on pages 42 to 44), the regular review of the Group's consolidated risk register and any changes to the principal risks and uncertainties and externally facilitated employee and customer surveys which allow us both to engage and identify areas of focus.

In order to promote a healthy corporate culture, the Group operates a whistleblowing policy which allows concerns regarding unethical or unsafe behaviours to be raised in confidence and promptly investigated. This policy was refreshed in 2024/5. During the year, a conflict of interest in relation to a commercial arrangement in the Food business was uncovered and thoroughly investigated by an independent accountancy firm. As a consequence, significant changes to the operating model of the Food business were made and the controls framework across the whole Group was strengthened. To ensure ethical values and behaviours are recognised and respected, the Group has a suite of policies in place covering areas such as anti-corruption and bribery, equal opportunities, prevention of the facilitation of tax evasion and modern slavery. The Board is now satisfied that an improved ethical culture exists within the Group.

Amanda Burton
Non-Executive Chair
29 July 2025

Corporate governance statement continued

Delivering growth and building trust

Our strategy

The Group's strategy is to grow organically and through acquisitions to deliver long-term sustainable value for its shareholders and stakeholders. This is achieved by the implementation of the Group's acquisition strategy, focused on the consolidation of the highly fragmented fuel market (further details can be found on page 17), and investing in the Group's people, businesses and technology to create innovative services. The Group's business model is set out on page 11 and on the Business Model page of our website, nwf.co.uk/about-us/business-model.

Effective risk management and internal control

The achievement of the Group's strategy is dependent upon the effective identification and management of new and existing risks. The Board recognises though that the risks faced by the Group also present opportunities for innovation and growth. The principal risks and uncertainties affecting the Group, and how these risks are identified, assessed, managed and reviewed, are explained on pages 22 to 25.

The Board has overall responsibility for ensuring that the Group maintains an effective system of internal control which directs the Group's activities in order to ensure the safeguarding of assets, to assist in the delivery of the Group's strategic, financial and operational ambitions and to provide it with reasonable assurance regarding the reliability of financial information that is used within the business.

There are, however, inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Board obtains assurance that the risk management and related control systems in place are effective in a number of ways. During the year a rolling programme of risk and controls testing has been undertaken across the Group with a focus on various key areas of risk identified. This programme was undertaken through a combination of internal and external resource and the results were reported to the Board. Lessons learnt from the conflict of interest investigation were implemented to strengthen the internal controls framework. The Group's risk management programme, which assesses key risks and the required internal controls that are delegated to Directors and

managers at all levels in the Group, is reviewed regularly in order to ensure that it continues to meet the Board's requirements. Although the Group does not have a formal internal audit function, targeted reviews and visits to operations are conducted by the Head Office team and professional advisors. The results of these reviews are communicated back to the Audit Committee. An internal control update is provided to the Audit Committee at each meeting. Further details can be found on pages 54 to 56.

Engagement with our shareholders and stakeholders

The Board is committed to open and honest two-way dialogue with the Group's shareholders and stakeholders in order to both understand their views, needs and expectations and provide a fair and understandable assessment of the Group's position which will allow shareholders and other stakeholders to make informed decisions about the Group.

Whilst the Group has a diverse range of shareholders, they can be broadly categorised as follows:

1. three independent pension funds registered in Iceland (each holding c.5% of the issued share capital) as set out on page 65;
2. other institutional investors;
3. private individuals; and
4. employees and ex-employees.

The Board has a proactive approach to shareholder liaison, led by the Chief Executive Officer, and feedback is provided regularly to the Board. This approach includes our AGM (where votes in favour are consistently over 75%), biannual investor roadshows and annual meetings with significant shareholders.

The Chair and the Non-Executive Directors will always make themselves available to meet with shareholders. Each AGM is a particular opportunity for this. Normal relationships with shareholders are maintained by the Executive Directors, who brief the Board on shareholder issues and who relay the views of the Group's advisors to the Board.

The Investors section of our website, nwf.co.uk/investors, includes historical Annual Reports, Notices of AGMs and voting history for a minimum of five years.

Details of how we engage with our other stakeholders and the outcomes of this engagement can be found on pages 42 to 44. During the year, the level of reporting to the Board on stakeholder engagement and concerns has continued to be a priority in line with our commitment to sustainability.

Key shareholder engagements

June 2024

- Trading update RNS

July 2024

- Notice of Results RNS

September 2024

- AGM Final Results RNS
- AGM Statement and trading update RNS
- AGM held at Wychwood Park Hotel, Weston, Crewe

December 2024

- Trading update RNS

January 2025

- Notice of Half Year Results RNS
- Half Year Results online meetings/CEO and CFO presentation/RNS

February 2025

- Half Year Results online meetings/CEO and CFO presentation/RNS
- Investor Presentation

March 2025

- Acquisition RNS

June 2025

- Trading update RNS

Corporate governance statement continued

Maintaining a dynamic management framework

Board

The matters reserved to the Board include:

- Setting the Group's values, standards, strategic aims and objectives.
- Approval of budgets and reviewing performance in line with these.
- Extension or cessation of the Group's activities.
- Approval of financial reports and policies, dividends and the dividend policy.
- Ensuring maintenance of a sound system of internal control and risk management.
- Approval of major capital projects, material contracts and major investments.
- Changes to the structure, size and composition of the Board, membership of Board Committees and succession planning.
- Approval of remuneration policies.

The Committees have the following remits:

Audit Committee

- to monitor the integrity of financial reporting and keep under review the Group's internal control and risk management systems.

Remuneration Committee

- to determine appropriate short and long-term total reward packages for the Executive Directors and satisfy itself that good practices apply to all Group employees through the relevant management structures.

Nomination Committee

- to develop and maintain a rigorous and transparent procedure for making recommendations on Board and material subsidiary company board appointments and ensure plans are in place for orderly succession to Board and senior management positions.

Disclosure Committee

- consider whether announcements are required to be made in relation to inside information.

A clearly defined Board structure

The principal roles of the Board are to provide effective leadership, ensure an ethical corporate culture and effective risk management system are embedded throughout the Group, oversee external reporting and set the Group's strategy in order to deliver shareholder value.

A formal schedule of matters requiring Group Board approval, which is available in its entirety at nwf.co.uk/about-us/governance/board-responsibilities, is maintained and regularly reviewed to ensure sufficient separation between the responsibilities of the Board and the operation of the Group's business.

Board Committees

There are currently four Board Committees to which the Board delegates specific responsibilities: the Audit Committee, Remuneration Committee, Nomination Committee and Disclosure Committee. The responsibilities of each Committee are detailed in its terms of reference which are reviewed annually and are available on the Group's website.

Further details on the activities of the Audit Committee, the Remuneration Committee and the Nomination Committee can be found on pages 54 to 56, pages 58 to 63 and pages 57 and 58 respectively. The Chair of each Committee formally reports to the Board in respect of the Committee's activities and recommendations.

Executive Directors and Executive Leadership Team

The implementation of the strategy agreed by the Board and day-to-day management of the Group are delegated to the Executive Directors and senior management. This structure allows for decisions to be made in an efficient manner by the most appropriate people. Each business' senior management team has a monthly meeting with the Executive Directors to report on the business' progress and any challenges. Senior management also regularly attends Board meetings to brief the Board on business opportunities and developments.

Corporate governance statement continued

Maintaining an experienced and capable Board with clearly defined roles

In order for the Board to be effective, there needs to be clearly defined roles for Board members, an appropriate balance of Executive and Non-Executive Directors, sufficient time committed by Directors to their roles, a comprehensive, tailored induction for each Director upon joining the Board and the provision of quality information in a timely manner. The Board must comprise an appropriate balance of skills, experience and personal qualities.

Director induction

Upon joining the Group, each Director completes a full, formal and tailored induction programme. This programme ensures each new Director is fully informed, engaged and supported, enabling the Director to effectively contribute to the Group from the start of their appointment.

Board composition

The Board currently comprises a Non-Executive Chair, a Senior Independent Non-Executive Director, one Independent Non-Executive Director and two Executive Directors.

Board roles

The roles of Chair and Chief Executive Officer are separated and clearly understood and have been agreed by the Board.

The Senior Independent Non-Executive Director conducts the Chair's annual appraisal and acts as a sounding board for the other Directors. Further information on the role of the Senior Independent Director can be found at nwf.co.uk/about-us/governance/corporate-governance-statement/.

The Group General Counsel and Company Secretary has specific responsibilities to assist the Chair and the rest of the Board to uphold the best corporate governance standards. A full role description for this is available at nwf.co.uk/about-us/governance/corporate-governance-statement/.

Board operation

The Board normally meets nine times a year with additional meetings being called when required.

The number of Board and Committee meetings held in the year ended 31 May 2025, together with the attendance record for each Director, is detailed below.

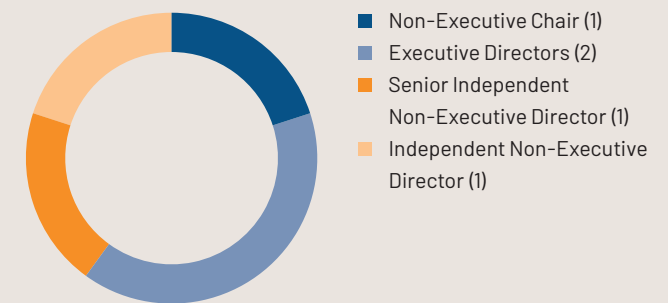
Comprehensive briefing papers are circulated to Directors one week in advance of each scheduled meeting to allow sufficient time for the consideration of the papers provided.

Skills and experience

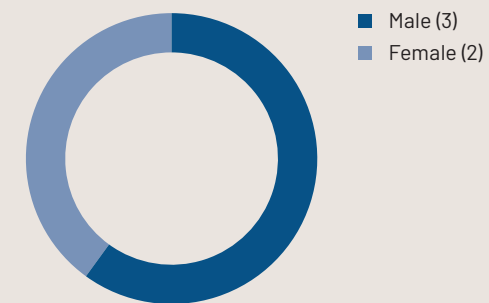
The importance of the Board having an appropriate mix of skills, qualities and experience in order to deliver the strategic objectives of the Company for the benefit of its shareholders and stakeholders is understood. All Directors have extensive and varied experience and the Board as a whole contains a diverse mix of personal qualities. The biographical details of the current Directors, including their skills and experience, are set out on pages 46 and 47.

To ensure that the Directors have the necessary up-to-date experience, skills and capabilities, each Director undergoes an annual performance appraisal and the Board's effectiveness as a whole is evaluated on an annual basis (further details can be found on page 53). A training log is maintained in respect of all Directors and senior management and is updated on a quarterly basis. In addition, the Group's Nominated Advisor and Broker provides an annual briefing to the Board on areas including regulatory updates, the AIM Rules and Market Abuse Regulation requirements. An annual health and safety briefing is also provided to the Board by the Group's external health and safety advisors, providing the Directors with information on current health and safety trends. Information on upcoming legal, regulatory and accounting changes are also prepared internally and provided to the Board as and when appropriate.

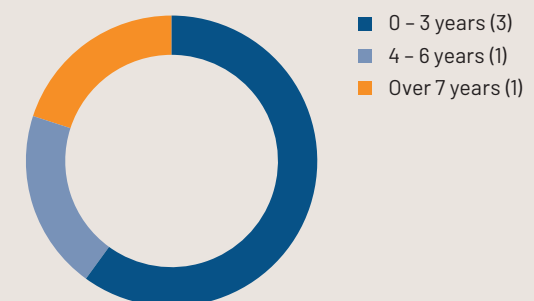
Board composition



Diversity



Length of tenure



Corporate governance statement continued

Seeking continuous improvement

Process

The actions identified from the 2024 Board appraisal included:

- to keep under review whether the Board appraisal should be externally facilitated;
- to enhance disclosure of the Directors' skill sets and how these are kept up to date; and
- to review and enhance website disclosures where appropriate.

The Board has updated its approach to disclosure of Directors' skill sets in this Annual Report and, in March 2025, Conseo Board Review Limited was engaged to carry out a Board Effectiveness Review. This was the first time the Board had engaged an external facilitator to review its effectiveness. It was considered appropriate to engage an external provider at this time recognising the in-year appointments of a new Chair and Non-Executive Director.

The external facilitator has interviewed all Directors and the Group General Counsel and Company Secretary and observed a Board and Committee meeting in June 2025. A report will then be presented to the Board at its meeting in September 2025 at which all recommendations will be carefully considered and a roadmap to implementing appropriate recommendations will be developed.

Outcomes

The outcomes of the Board Effectiveness Review will be reported on in the next Annual Report and Accounts.



Amanda Burton
Non-Executive Chair
29 July 2025

Audit Committee report

Monitoring all aspects of reporting and risk

Meetings in 2025

3

(2024: 3)

Members of the Audit Committee

R J Armitage (Chair)	■ ■ ■
T P Acton	■ ■ ■
A J Burton	— ■ ■
T J Cooper	— ▲ ■

- Attended
- ▲ Did not attend
- Meeting held prior to individual's appointment
- Meeting held after individual's resignation



Richard Armitage
Chair of the Audit Committee

Dear shareholder,

I am pleased to present the Audit Committee Report for the year ended 31 May 2025.

Composition

The Audit Committee consists of the Chair and two other Non-Executive Directors. As the Senior Independent Non-Executive Director, I chair the Audit Committee which met three times during the year.

Responsibilities

The Audit Committee has terms of reference in place which have been formally approved by the Board and are made available at the AGM and on the Group's website. Its primary responsibilities include reviewing the effectiveness of the Group's internal control systems and monitoring the integrity of the Group's financial statements. The Committee reports to the Board on all these matters. The Committee defers to the wider Board on the matters of bribery, whistleblowing and modern slavery and the Group policies concerning these matters can be found at [nwf.co.uk](https://www.nwf.co.uk).

Key areas of focus in the year ended 31 May 2025

The Audit Committee has monitored the Group's financial performance and resilience as market conditions have normalised, particularly within our Fuels and Feeds businesses.

The Audit Committee has continued to sponsor activities within the Group aimed at enhancing our internal controls and preparing for expected future compliance requirements. Specific activities this year have included building a multi-year roadmap to enhance our internal control framework and expanding the use of internal control checklists that ensure all parts of the Group are following agreed control procedures.

The Audit Committee continues to pay particular attention to the development of the Group's IT systems in order to ensure there is continued progress in enhancing the resilience of the Group's information systems.

Experience of the Audit Committee

The Audit Committee currently comprises the Chair and two Non-Executive Directors. The Chair is a qualified accountant who possesses extensive financial leadership experience. The two Non-Executive Directors are experienced and possess the necessary skills and experience to fully and effectively participate in the work of the Audit Committee.

External audit

The Audit Committee also approves the appointment and remuneration of the Group's external auditors and satisfies itself that they maintain their independence regardless of any non-audit work performed by them. The Group adopts the following policy governing the performance of non-audit work by the auditors. The auditors are permitted to provide non-audit services which are not, and are not perceived to be, in conflict with auditor independence, providing they have the skill, competence and integrity to carry out the work, and are considered to be the most appropriate advisors to undertake such work in the best interests of the Group. All assignments are monitored by the Committee.

The respective responsibilities of the Directors and external auditors in connection with the financial statements are explained in the Statement of Directors' Responsibilities on page 66 and the Auditors' Report on pages 67 to 70. Details of services provided by, and fees payable to, the auditors are shown in note 5 of the Group financial statements.

Whilst the Audit Committee has not adopted a formal policy in respect of the rotation of the external auditors, one of its principal duties is to make recommendations to the Board in relation to the appointment of the external auditors. Various factors are taken into account by the Committee in this respect, including the quality of the reports provided to the Committee, the level of service provided and the level of understanding of the Group's business.

PricewaterhouseCoopers LLP have been the Group's external auditors for many years. The Audit Committee considers that the relationship with the auditors is working well and remains satisfied with their effectiveness and independence.

Accordingly, it has not considered it necessary to date to require the firm to re-tender for the audit work. The auditors are required to rotate the audit partner responsible for the Group and subsidiary audits every five years.

Audit Committee report continued



“The primary role of the Audit Committee is to review the effectiveness of the Group’s internal control systems, monitor the integrity of the Group’s financial statements and promote continuous improvement in the governance of the Group.”

Richard Armitage
Chair of the Audit Committee

External audit continued

There are no contractual obligations restricting the Group’s choice of auditors. As an AIM-listed Group the Group does not have a requirement to put the audit out to tender every ten years; however, this is kept under review by the Audit Committee to decide if tendering is appropriate.

Internal audit

The Group does not have a formal internal audit function. Each year a plan of targeted reviews and visits to operations by the Head Office team and professional advisors is agreed in advance with the Audit Committee. In the coming year, the Audit Committee will consider proposals to enhance the Group’s internal audit capability, which will include consideration of outsourcing a programme of work. The Head Office function performs a rolling programme of internal control reviews with the businesses. External auditors are engaged to conduct annual internal control reviews into areas of specifically identified risk. The results of these reviews are communicated back to the Audit Committee. This approach is considered appropriate and proportionate for the size of the organisation.

Internal control and risk management

An internal control update is provided to the Audit Committee at each meeting. The principal risks are also reviewed and any changes in risk ratings are discussed to ensure that appropriate risk mitigations are in place where relevant.

Going concern

The Board has prepared cash flow forecasts for the period to 31 May 2027. 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.

Significant issues considered in relation to the financial statements

The Audit Committee assesses whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements. The Committee reviews accounting papers prepared by management which provide details on the main financial reporting judgements. The Committee also reviews reports by the external auditors on the half year and full year results which highlight any issues arising from their work undertaken in respect of the half year review and year end audit. The specific areas of risk in relation to the financial statements reviewed by the Committee were:

1. Acquisition accounting

On 7 March 2025, the entire issued share capital of Northern Energy Oil Limited was acquired by NWF Fuels Limited. The acquisition and resulting intangibles balance are material balances and as such management has reviewed the assumptions used in deriving the balances, which have been considered appropriate.

2. The carrying value of goodwill and fixed assets

The Group’s goodwill and fixed assets are material balances. Annual impairment reviews are performed which use key judgements including estimates of future business performance and cash generation, discount rates and long-term growth rates. The Committee is comfortable with the key assumptions applied and management’s conclusion that an impairment of goodwill and other intangibles was appropriate. There are no indications of impairment identified in the Fuels, Food or Feeds CGU.

Audit Committee report continued

Significant issues considered in relation to the financial statements continued

3. The 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. The Committee has reviewed the current year provisions against trade receivables, including an assessment of the adequacy of the prior year provisions, and is satisfied with management's conclusions that the provisioning levels are appropriate.

4. Pensions including obligations and assumptions

The Group's defined benefit pension scheme is material to its financial position. The amounts shown in the balance sheet are highly sensitive to changes in key actuarial assumptions which are set by reference to advice from professional advisors. Full disclosure of the pension scheme is provided in note 26 to the financial statements.

5. Conflicts of interest investigation in Boughey Distribution Limited

As disclosed in the half year results for the six months ended 30 November 2024, 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. There is also additional complexity as to the payroll (IR35) tax treatment in relation to those services. In its meetings in January and May 2025, the Audit Committee received and reviewed reports from the Executive Directors and external advisors related to the issue and accepted proposals to strengthen internal controls. The Committee received regular updates from the Executive Directors against the actions which had been agreed.

6. Exceptional items

The Committee has considered the presentation of the Group financial statements and, in particular, the presentation of exceptional items. The Committee has discussed these items with management and agreed that the presentation is consistent with the Group's accounting policy and provides more meaningful information to shareholders about the underlying performance of the Group.

7. Alternative performance measures ('APMs')

The Group refers to a number of APMs throughout the Annual Report and Accounts. APMs are used by the Group to provide further clarity and transparency on the Group's financial performance. The APMs are used internally by management to monitor business performance, for budgeting and for determining Directors' remuneration.

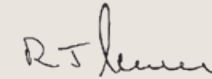
The Committee is aware that the APMs are non-IFRS measures. The use of APMs compared to statutory IFRS measures does give rise to limitations, including a lack of comparability across companies and the potential for them to present a more favourable view. However, the APMs used by the Group are:

- headline operating profit, which refers to reported operating profit after adding back exceptional items and amortisation of acquired intangibles;
- headline profit before tax, which refers to reported profit before tax after adding back the net finance cost in respect of the Group's defined benefit pension scheme, exceptional items and amortisation of acquired intangibles;
- headline EBITDA, which refers to reported operating profit after adding back exceptional items and amortisation of acquired intangibles. The headline EBITDA calculation excludes the impact of IFRS 16 depreciation;
- headline EPS, which refers to the reported EPS calculation based on headline earnings;
- headline ROCE, which refers to the return on capital based on headline operating profit;
- net debt, which is adjusted to exclude the impact of the adoption of IFRS 16;
- underlying cash conversion, which measures underlying operating cash flow (headline operating profit adjusted for depreciation and amortisation, working capital movements, net capital expenditure and lease capital and interest payments) as a percentage of headline operating profit; and
- net cash represents cash and cash equivalents less borrowings.

The Committee considers that the APMs, all of which exclude the impact of non-recurring items or non-operating events, provide useful information for shareholders on the underlying trends and performance of the Group.

8. Sustainability reporting and Climate-related Financial Disclosures ('CFD')

The Committee has considered the Group's response to CFD requirements and the progress made in enhancing the disclosures. The Committee has discussed these items with management and agreed that adequate improvements have been made and a roadmap for future enhancements has been clearly set out.



Richard Armitage
Chair of the Audit Committee
29 July 2025

Nomination Committee report

Planning for the future

Meetings in 2025

4

(2024: 2)

Members of the Nomination Committee

T P Acton (Chair until 26 September 2024)	■ ■ ■ ■ ■
A J Burton (Chair from 26 September 2024)	— — ■ ■ ■
R J Armitage	■ ■ ■ ■ ■
T J Cooper	— — ■ ■ ■

■ Attended
 ■ Did not attend
 — Meeting held prior to individual's appointment
 ■ Meeting held after individual's resignation



Amanda Burton
Chair of the Nomination Committee

Dear shareholder,

I am pleased to present the Nomination Committee Report which covers the year ended 31 May 2025.

Composition

The Nomination Committee consists of two independent Non-Executive Directors and me, as Chair of the Committee.

The Nomination Committee meets at least twice a year and this year it met on four occasions.

Responsibilities of the Nomination Committee

The Nomination Committee has an established annual schedule of events as well as terms of reference in place which have been formally approved by the Board, are annually reviewed and updated, and are available [at www.nwf.co.uk/investors/aim-rule-26](http://www.nwf.co.uk/investors/aim-rule-26). The Committee's main responsibilities include developing and maintaining a rigorous and transparent procedure for making recommendations on Board, and material subsidiary company board, appointments and ensuring plans are in place for orderly succession to Board and senior management positions. The Committee reports to the Board on all matters under its remit.

The Committee has a key role in ensuring the Board, its Committees and senior management team have the appropriate balance of skills, experience, qualities and capabilities they need to be successful and effective now, and as the businesses evolve. The process by which Board and other senior management appointments are determined is detailed in the Committee's terms of reference.

Key areas of focus in the year ended 31 May 2025

Succession planning has been the main area of focus for the Nomination Committee during the year.

Specific activities undertaken include:

- recommendation of the appointment of the Chair;
- recommendation of the appointment of an additional Non-Executive Director and Chair of the Remuneration Committee; and
- executive and senior leadership succession planning.

Appointment of two Non-Executive Directors

This process concluded in the year ended 31 May 2025 and was led by Richard Armitage as the Senior Independent Director. A rigorous and robust process was undertaken to identify two Non-Executive Directors, with the support of executive search and leadership consulting firm Odgers Berndtson. Odgers Berndtson is independent and has no other connection to the Group.

The Nomination Committee recommended my appointment as a Non-Executive Director and Chair. My appointment to the Board took effect on 18 July 2024 and I was confirmed in role by election by shareholders at the AGM on 26 September 2024. I was appointed as Chair on that date. Details of my relevant experience, skills and capabilities can be found on page 47.

The Nomination Committee recommended to the Board the appointment of a further Non-Executive Director, Tim Cooper. Tim brings considerable experience gained over 30 years from across the public and private sectors and across multiple industries to the Board. Details of Tim's relevant experience, skills and capabilities can be found on page 47.

Tim's appointment to the Board took effect on 18 July 2024. He was appointed as Remuneration Committee Chair on 26 September 2024 and confirmed in role by election by shareholders at the AGM held on that date.

Nomination Committee report continued

Succession planning for Executive and senior leadership positions

Following the announcement by the Managing Director of NWF Agriculture Limited (a material subsidiary board of the Company) of his intention to retire in August 2025, the Committee considered the appointment of his successor and was delighted that Rupert Philips was appointed to the new position of Managing Director, NWF Feeds, with effect from 1 June 2025. This new role oversees the business of both NWF Agriculture Limited and New Breed (UK) Limited.

Following the departure of the previous Managing Director of Boughey Distribution Limited in early 2025, the Committee considered the appointment of her successor, initially on an interim and then a permanent basis. The Committee was pleased to support the appointment of Tim Moran, a highly experienced senior leader in the warehousing and logistics sector, as the new Managing Director of this material subsidiary company.

Succession planning for executive and senior leadership positions commenced in 2024/25. The Committee noted that succession planning was included on the Company's risk register and that appropriate action needed to be taken to mitigate this risk.

Nomination Committee evaluation

As a full cycle of meetings including the two new members of the Committee had not completed as at 31 May 2025, it did not evaluate its own performance in year. It will undertake a review once a full cycle has been completed.

Key activities in 2024/25

Board, Committee and Senior Leadership Team composition

- Undertook a comprehensive search for a new Non-Executive Director and Chair of the Remuneration Committee.
- Commenced a detailed review of succession planning for the Senior Leadership Team.



Amanda Burton

Chair of the Nomination Committee
29 July 2025

Directors' remuneration report

Rewarding performance

Meetings in 2025

7

(2024: 3)

Members of the Remuneration Committee

R J Armitage (Chair to 26 September 2024) 

T J Cooper (Chair from 26 September 2024) 

T P Acton 

A J Burton 

-  Attended
-  Did not attend
-  Meeting held prior to individual's appointment
-  Meeting held after individual's resignation



Tim Cooper

Chair of the Remuneration Committee

Directors' remuneration report continued

Dear shareholder,

I am pleased to present the Directors' Remuneration Report for the year ended 31 May 2025.

As an AIM-listed entity, the Group is not required to comply with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended, nor the principles in respect of Directors' remuneration in the UK Corporate Governance Code 2018. Nevertheless, the Board recognises the importance of providing shareholders with appropriate information with respect to executive remuneration and has followed the guidance contained in the Quoted Companies Alliance Remuneration Committee Guide when preparing this report.

The aim of this report is to provide shareholders with information to understand our approach to remuneration, how it supports the business strategy and links to the Group's financial performance. The report consists of three sections: this introduction, the Directors' remuneration policy, which, for the first time at the Annual General Meeting on 26 September 2024, was put to shareholders for an 'advisory' vote, and an annual report on remuneration, which will again be the subject of a separate 'advisory' shareholder vote.

The data within this report does not form part of the audited Annual Report and Accounts.

Composition

Until 26 September 2024, the Remuneration Committee consisted of Richard Armitage (as Chair) and Philip Acton. With effect from that date, I was appointed as Chair and the Remuneration Committee comprises Amanda Burton, Richard Armitage and me. Where appropriate we seek advice from our external consultants, Deloitte LLP. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operates under its Code of Conduct in relation to executive remuneration consulting in the UK. The Committee is satisfied that the advice received from Deloitte is independent and that the Engagement Partner and team do not have any connections with the Company that may impair their independence.

Group performance in 2024/25

The Group's financial performance is detailed in the Strategic Report on pages 8 to 25. Overall Group performance has been taken into consideration by the Remuneration Committee when determining remuneration matters.

Key pay out-turns for 2024/25

For 2024/25, the performance achieved against financial and operational targets resulted in 40.12% of the maximum annual bonus being paid.

Given our headline diluted earnings per share ('EPS') performance of 18.5p at 31 May 2025, 0% of the LTIP awards granted in August 2022 will vest in August 2025.

Remuneration policy review

The annual review of our remuneration policies with Deloitte, our external advisors, has been conducted to ensure that the policies are aligned to growth ambitions and the current marketplace. No changes to the remuneration policies were required following the annual review.

Looking forward to 2025/26

An in-depth review of our remuneration policies will continue to be undertaken annually with the assistance of external advisors, to ensure alignment with the current marketplace and our growth ambitions.

A review of the structure of the annual bonus scheme will also be conducted in 2025/26 for all roles within the Committee's scope, alongside an evaluation of job families.

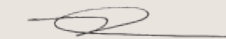
Base salary for Executive Directors

When appointed CFO, Katie Shortland's remuneration was set below the market rate, reflecting her experience and that this was her first board-level plc role. Since then, she has consistently exceeded expectations, successfully navigating the strategic challenges faced by NWF Group plc, including supporting change programmes across the Group. She has also assumed additional responsibilities, including the Group's IT infrastructure. Reflecting this outstanding performance and expanded responsibilities, the Committee increased the CFO's salary from £211,150 to £250,000, effective 1 June 2025 (an increase of 18.4%). This increase aligns with the CEO's increase last year and places her remuneration within a more competitive market range compared to similar listed companies. It also reflects an appropriate and sustainable internal alignment between our Executive Directors, given the roles and responsibilities.

As of 1 June 2025, Chris Belsham received a 3.0% increase in basic salary to £404,202.90, the same as the average increase for the Group's employees.

Advisory vote

At the AGM to be held on 16 September 2025, this report, excluding the remuneration policy section, will again be subject to an 'advisory' shareholder vote (Resolution 10).



Tim Cooper
Chair of the Remuneration Committee
29 July 2025

Directors' remuneration report continued

Remuneration policy

The Group's remuneration principles are as follows:

- remuneration structures should be appropriate to the business, efficient and cost effective in delivery;
- complexity is discouraged in favour of simple and understandable remuneration structures;
- remuneration structures should seek to align executive and shareholder interests including through a meaningful level of personal shareholding;
- remuneration structures should promote long-term focus through features such as deferral and measuring performance over the long term;
- structures should include performance adjustments (malus) and/or clawback provisions;
- pay should be aligned to the long-term sustainable success and the desired corporate culture throughout the organisation with increases in the base salary of executives normally being aligned to, those of the wider workforce; and
- the Remuneration Committee ensures that rewards properly reflect business performance.

2025/26 remuneration policy

The principles of our approved remuneration policy are as follows:

Element	Operation	Maximum opportunity	Performance metrics
Base salary To attract and retain Directors with the skills and experience needed to deliver long-term sustainable growth. Positioned competitively in line with the market.	Reviewed annually. Any changes will normally take effect from 1 June each year.	There is no maximum salary; however, any increase will usually not exceed the level of increase applied across the Group.	Whilst no performance measures apply to fixed remuneration, base salary reviews and any increases are based upon pay conditions throughout the Group, the Directors' experience, skills and performance, market conditions and the Group's performance.
Annual bonus To reward and motivate based upon challenging personal objectives and budget.	Performance is measured over one financial year with weightings and targets being reviewed and set at the start of each financial year. Malus and clawback provisions will be applied in a number of cases, including, but not limited to: • a gross misstatement of the performance of the business; or • gross misconduct; or • a miscalculation of the extent to which targets have been met. 20% of the annual bonus received for the Chief Executive Officer and Chief Financial Officer roles will be subject to a two-year deferral period with the deferred bonus being in the form of Company shares.	100% of base salary.	For 2025/26, 75% of the bonus will be based on headline profit before tax performance with the remaining 25% based on the achievement of personal objectives.

Directors' remuneration report continued

Remuneration policy continued

2025/26 remuneration policy continued

Element	Operation	Maximum opportunity	Performance metrics
Long-Term Incentive Plan To align the interests of the Executive Directors with shareholders.	Awards are usually made annually. Performance is measured over three years. Malus and clawback provisions will be applied in a number of cases, including, but not limited to: • a gross misstatement of the performance of the business; or • gross misconduct; or • a miscalculation of the extent to which targets have been met. Upon vesting, a Company holding period of two years applies to all awards. Executive Directors are expected to hold shares of value equivalent to 100% of their salary by the fifth anniversary of their appointment.	100% of base salary at the time of the award.	For 2025/26, the awards will be subject to EPS performance as follows: • 30% may vest for performance of RPI + 2% per annum; and • up to a maximum of 100% may vest for performance of RPI + 8% per annum.
Pension and benefits To provide a competitive package to attract and retain skilled and experienced Directors.	The Executive Directors are entitled to receive pension contributions from the Group. They can elect for those contributions to be paid in the form of taxable pension allowance or direct payments into a defined contribution pension scheme. The Executive Directors are entitled to a standard Director benefits package, including a company car and private medical cover.	In respect of pension contributions for Executive Directors, this will be in line with the wider workforce, currently 6% of salary.	None.

Directors' remuneration report continued

Annual report on remuneration 2024/25

Directors' emoluments

Name of Director	Fees/basic salary £'000	Benefits £'000	Bonus £'000	LTIP £'000	Pension £'000	2025 Total £'000	2024 Total £'000
Executive							
C J Belsham	392	14	227	—	21	654	389
K J Shortland	211	15	127	—	15	368	260
Non-Executive							
A J Burton ¹	79	—	—	—	—	79	—
R J Armitage	56	—	—	—	—	56	45
T J Cooper ²	44	—	—	—	—	44	—
T P Acton ³	36	—	—	—	—	36	84
Aggregate emoluments	818	29	354	—	36	1,237	778

1 A J Burton was appointed on 18 July 2024.

2 T J Cooper was appointed on 18 July 2024.

3 T P Acton resigned on 30 October 2024.

Annual bonus

For the year ended 31 May 2025, Executive Directors were eligible to receive a bonus of up to 100% of base salary, subject to the achievement of challenging headline profit before tax targets and personal objectives.

2025 bonus targets	Determination	Performance against targets
Up to 75% of basic salary based on headline profit before tax.	The profit element of the bonus has a minimum threshold set at 95% achievement of budget. If this is achieved, 30% of the maximum available bonus for this element may be paid. If headline profit before tax is as budgeted, 50% of the maximum available bonus for this element may be paid. If headline profit before tax is 125% of budget, the maximum available bonus for this element may be paid. A sliding scale operates between these thresholds.	A profit-related bonus of 40.12% of basic salary will be paid in respect of headline PBT performance in FY25.
Up to 25% of base salary based on personal objectives.	C J Belsham considers the extent to which personal objectives have been achieved by K J Shortland to determine the award under the personal objectives element of the bonus. The Chair of the Board considers the extent to which personal objectives have been achieved by C J Belsham. In both cases, the Remuneration Committee has the ultimate approval on the achievement.	75.5% achievement of personal objectives. ¹

1 This is the average figure for C J Belsham and K J Shortland in respect of the achievement of their personal objectives.

Directors' remuneration report continued

Annual report on remuneration 2024/25 continued

Long-Term Incentive Plan

The table below summarises the outstanding Performance Share Plan awards. 2022 awards are based on absolute EPS performance in the year ended 31 May 2025. 2023 awards are based on absolute EPS performance in the year ending 31 May 2026. 2024 awards are based on absolute EPS performance in the year ending 31 May 2027.

	Award date ¹	Share price at date of grant	Number of shares vesting at maximum	Face value of shares vesting at maximum	EPS for maximum vesting ²	Number of shares vesting at threshold (30%)	EPS for threshold vesting ²	Performance year ending
C J Belsham	31 January 2023	230.0p	83,261	£191,500	52.2p	24,978	44.4p	31 May 2025
	1 August 2023	267.5p	73,738	£197,249	43.3p	22,121	36.6p	31 May 2026
	30 July 2024	167.5p	234,287	£392,430	26.6p	70,286	22.6p	31 May 2027
K J Shortland	2 October 2023 ²	221.0p	92,760	£205,000	43.3p	27,828	36.6p	31 May 2026
	30 July 2024	167.5p	126,060	£211,150	26.6p	37,818	22.6p	31 May 2027

¹ All awards are subject to a holding period of two years upon vesting.

² EPS targets based on headline EPS – year ended 31 May 2025 for the 2022 award, year ending 31 May 2026 for the 2023 award and year ending 31 May 2027 for the 2024 awards. EPS targets for maximum and threshold vesting are based on the forecast RPI as at 31 May 2025.

On the basis of the EPS achieved for the year ended 31 May 2025, it is expected that 0% of the maximum award for C J Belsham in respect of the award granted on 31 January 2023, will vest in 2025.

Payments for loss of office

No payments for loss of office were made during the year ended 31 May 2025 to previous Directors (2024: none).

Terms and conditions for Non-Executive Directors

Non-Executive Directors do not have service contracts but appointment letters setting out their terms of appointment. All Non-Executive Directors are appointed for one year with renewal for further one-year terms if performance is satisfactory, normally renewable on a similar basis subject to re-election at the Group's AGM.

Directors' report for the year ended 31 May 2025

The Directors present their report together with the audited Annual Report and Accounts of the Parent Company ('the Company') and the Group for the year ended 31 May 2025.

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Parent Company's performance, business model and strategy.

Business review and future developments

A review of the performance of the Group during the year, including principal risks and uncertainties, key performance indicators and comments on future developments, is included in the Strategic Report and is included in this report by cross-reference. The Strategic Report has been reviewed and approved by the Board of Directors.

Results and dividends

The Group recorded revenue in the year of £903.1 million (2024: £950.6 million) and profit after tax of £6.2 million (2024: £9.1 million).

The Directors recommend a final dividend for the year of 7.4p per share (2024: 7.1p) which, if approved at the AGM, will be payable on 6 December 2025. Together with the interim dividend paid during the year of 1.0p per share (2024: 1.0p), this will result in a total dividend of 8.4p per share (2024: 8.1p) amounting to £4.2 million (2024: £4.0 million).

Financial risk management

Information relating to the principal risks and uncertainties of the Group has been included within the Strategic Report and is included in this report by cross-reference. Further information relating to the financial risks of the Group has been included within note 23, Financial instruments and risk management.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Group Financial Review on pages 18 to 21. The financial position of the Group and its cash flows, liquidity position and borrowing facilities are also described in the Group Financial Review. In addition, note 23 of the Group financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities and its exposure to price, interest rate, credit and liquidity risk. Accordingly, the Directors, having made suitable enquiries, have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future based on the following factors:

- The Group has an agreement with NatWest Group for credit facilities totalling £61.0 million. With the exception of the bank overdraft facility of £1.0 million, which is renewed annually, these facilities are committed through to 31 May 2028. The Group is profitable and cash generative, has a strong balance sheet position and has a good relationship with its lender. As at 31 May 2025 the Group had available funds of £67.3 million (based on cash balances, invoice discounting availability, RCF and overdraft facilities), against which the Group was utilising £Nil.
- The Board has prepared cash flow forecasts for the period to 31 May 2027. 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.
- On the basis of the above, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Forward-looking statements

The Annual Report and Accounts include certain statements that are forward-looking statements. These statements appear in a number of places throughout the Strategic Report and include statements regarding the Group's intentions, beliefs or current expectations and those of its officers, Directors and employees concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of the Group's businesses. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated.

Directors and their interests

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

- Philip Acton (resigned 30 October 2024)
- Richard Armitage
- Chris Belsham
- Katie Shortland
- Amanda Burton (appointed 18 July 2024)
- Tim Cooper (appointed 18 July 2024)

The Directors who held office as at 31 May 2025 had the following interests in the ordinary shares of the Group.

Name of Director	31 May 2025 Number
A J Burton	17,254
R J Armitage	10,000
T J Cooper	8,500
C J Belsham	201,504
K J Shortland	10,969

In addition to the interests in ordinary shares shown above, the Group operates a Performance Share Plan ('the LTIP') for senior executives, under which certain Directors have been granted conditional share awards. Subject to achieving performance targets, the maximum number of ordinary shares which could be issued to Directors in the future under such awards is shown below:

	31 May 2025 Number
C J Belsham	391,286
K J Shortland	218,820

Further information on the Directors' interests in the LTIP conditional share awards can be found in the Directors' Remuneration Report.

The market price of the Group's shares at the end of the financial year was 168.0p (31 May 2024: 190.5p) and the range of market prices during the year was between 144.0p and 195.0p.

No changes took place in the interests of Directors between 31 May 2025 and the date of signing the financial statements.

Further details on related party transactions with Directors are provided in note 31 of the Group financial statements.

Directors' indemnities

The Group has made qualifying third party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report.

Directors' report continued for the year ended 31 May 2025

Major shareholdings as at 31 May 2025

Name of shareholder	Number	%
TrinityBridge	3,462,765	7.07
Interactive Investor	2,579,789	5.83
Festa Lífeyrissjóður	2,382,389	4.82
Sameinaði Lífeyrissjóðurinn	2,382,389	4.82
Lífeyrissjóður Vestmannaeyja	2,382,389	4.82
Cazenove Capital Management	1,967,065	3.98
Hargreaves Lansdown	1,552,307	3.71
Canaccord Genuity Wealth Management	1,750,000	3.54

Employee engagement

The Group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Group plays a major role in its performance.

The Group is committed to an active equal opportunities policy from recruitment and selection, through training and development, performance reviews and promotion to retirement. The Group's policy is to promote an environment free from discrimination, harassment and victimisation, where all employees receive equal treatment regardless of gender, colour, ethnic or national origin, health condition, disabilities, age, marital or civil partner status, sexual orientation or religion. All decisions relating to employment practices will be objective, free from bias and based solely upon work criteria and individual merit.

Further information and examples of the Group's engagement with our employees can be found in our Section 172 Statement on page 42 and sustainability strategy on pages 26 and 35.

Business relationships

The Group recognises its responsibility to act fairly in our engagements with customers, suppliers, investors and any regulators, all of whom are integral to the success of the Group. The strength of the Group's business relationships is vital and the Group aims to collaborate with customers and suppliers to deliver long-term sustainable solutions.

Further information and examples of the Group's engagement with customers, suppliers and others can be found in our Section 172 Statement on pages 42 to 45 and sustainability strategy on pages 26 to 35.

Takeover Directive requirements

The Group has one class of equity share, namely 25p ordinary shares. The shares have equal voting rights and there are no special rights or restrictions attaching to any of them or their transfer to other persons.

Rules governing the appointment and replacement of Directors, and those relating to the amendment of the Group's Articles of Association, are contained within those Articles of Association, a copy of which is located on the Group's website (www.nwf.co.uk).

Notice of AGM

A Notice of AGM, with explanatory notes, accompanies these financial statements.

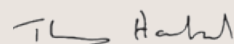
Corporate governance

The Group's statement on corporate governance can be found in the Corporate Governance Statement which is incorporated by reference and forms part of this Directors' Report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the AGM.

By order of the Board



Tom Harland

Company Secretary

Wardle

Nantwich

Cheshire

CW5 6BP

Registered number: 02264971

29 July 2025

Statement of Directors' responsibilities in respect of the financial statements for the year ended 31 May 2025

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.

Directors' confirmations

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.

By order of the Board



Tom Harland

Company Secretary

Wardle

Nantwich

Cheshire

CW5 6BP

Registered number: 02264971

29 July 2025

Independent auditors' report to the members of NWF Group plc

Report on the audit of the financial statements

Opinion

In our opinion:

- NWF Group plc's Group financial statements and Parent Company financial statements ('the financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 May 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Consolidated and Parent Company balance sheets as at 31 May 2025; the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated and Parent Company statements of changes in equity and the Consolidated cash flow statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Audit scope

- The Group consists of four trading components alongside its Parent Company and other holding companies. Our audit focused on those components with the most significant contribution to the Group's results, being NWF Agriculture Limited, NWF Fuels Limited, Boughey Distribution Limited along with NWF Group plc (the Parent Company).
- The components within the scope of our work accounted for 97% of Group revenue and 94% of Group profit before tax.

Key audit matters

- Defined benefit pension plan liabilities (group and parent).
- Impairment of goodwill and non-current assets (group).

Materiality

- Overall Group materiality: £2,257,000 (2024: £570,000) based on 0.25% of revenue.
- Overall Parent Company materiality: £445,000 (2024: £489,000) based on 1% of total assets.
- Performance materiality: £1,692,000 (2024: £427,000) (group) and £333,000 (2024: £366,000) (Parent Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Impairment of goodwill and non-current assets is a new key audit matter this year. Otherwise, the key audit matters below are consistent with last year.

Independent auditors' report continued to the members of NWF Group plc

Our audit approach continued Key audit matters continued

Key audit matter

How our audit addressed the key audit matter

Defined benefit pension plan liabilities (group and parent)

Refer to note 2 (Material accounting policies), page 79 (Critical accounting estimates and judgements) and note 26 (Retirement benefit obligations) within the Notes to the Group financial statements and note 1 (Material accounting policies) and page 107 (Critical accounting estimates and judgements) within the Notes to the Parent Company financial statements.

The Group and the Parent Company have a defined benefit pension plan net liability of £2.3 million (2024: £4.5 million), which is significant in the context of both the overall balance sheet of the Group and the Parent Company.

A major constituent of this net liability is the value attributed to the gross liabilities of the pension scheme. The valuation of these gross liabilities of £34.7 million (2024: £37.4 million) requires significant judgement and expertise primarily in respect of the key actuarial assumptions used. These assumptions include both financial assumptions, e.g. the discount rate and inflation, but also key demographic assumptions, e.g. mortality rates.

Modest changes in a number of these key assumptions can have a material impact on the calculation of the liability and therefore a significant effect on the financial position of the Group and the Parent Company. We therefore focused our work on this area.

We performed the following procedures:

- Obtained the external actuary's report used in valuing the scheme's liabilities. Using our experience of the valuation of similar schemes, and our own pension specialists, we challenged a number of the key inputs in the report and evaluated the methodologies adopted by the actuary in forming the valuation consistent with industry practice and our expectations;
- Agreed the key financial assumptions used within the valuation of the scheme's liabilities, including the discount and inflation rates, to our internally developed benchmarks. Further we considered the appropriateness and reasonableness of the approach taken to setting the mortality assumptions;
- Assessed the membership data used in valuing the schemes' liabilities and tested any significant changes since the last valuation; and
- Reviewed the related disclosures within the financial statements for reasonableness and to determine if they are consistent with relevant accounting standards.

Based on our work performed, we concluded that the actuarial assumptions used in calculating the pension liability were within an acceptable range and appropriate disclosures have been made in the financial statements.

Key audit matter

How our audit addressed the key audit matter

Impairment of goodwill and non-current assets (group)

Refer to note 2 (Material accounting policies), page 79 (Critical accounting estimates and judgements) and note 14 (Intangible assets) within the Notes to the Group financial statements.

The non-current assets balance of £151.3m inclusive of the goodwill balance of £37.9m has been tested for impairment during the period.

Testing has been performed at a cash generating unit level, which has been assessed as the operating segment level for the purposes of the goodwill impairment assessment. This work has also been leveraged to assess the carrying value of the non-current assets for the overall Group.

We focused on this area as the assessment of impairment of goodwill and non-current assets requires the use of estimates in the value in use calculation, including future forecast cash flows, a discount rate and long-term growth rate.

We performed the following procedures:

- Evaluated and assessed the process by which the Group's future cash flow forecasts were prepared and agreed to them to Board approved budgets;
- Obtained the value in use model and assessed the reasonableness of the forecast cash flows, including assessing the revenue, costs and EBIT included in those forecasts, based on our understanding of the Group and the external environment in which it operates;
- Tested the Directors' historical budgeting accuracy by evaluating whether previous budgets had been achieved. Where budgets had not been achieved, we understood the reasons why;
- Compared the Directors' key assumptions for long-term growth rates outside the budget period to forecast inflation rates in the UK;
- Considered the discount rate by forming our own independent expectation, using internal experts, of what we would consider to be an appropriate range; and
- Considered the impact of climate change on the value in use model.

Based on our work performed, we concluded that there is no impairment of these assets and that appropriate disclosures have been made in the financial statements.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls, and the industry in which they operate.

The Group is organised into eight reporting components consisting of four trading entities, along with a Parent Company and three holding companies and the Group financial statements are a consolidation of these reporting components. The reporting components vary in size. The trading entities are all based in the UK and operate their own accounting function, which report to the Group finance team.

Our audit focused on those components with the most significant contribution to the Group's results, being NWF Agriculture Limited, NWF Fuels Limited and Boughy Distribution Limited along with NWF Group plc (the Parent Company).

Audit work across the Group, including the trading entities and Parent Company, was performed by the same audit team based out of our Manchester office.

Independent auditors' report continued to the members of NWF Group plc

Our audit approach continued

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Group's and Parent Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Group's and Parent Company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - Group	Financial statements - Parent Company
Overall materiality	£2,257,000 (2024: £570,000).	£445,000 (2024: £489,000).
How we determined it	0.25% of revenue	1% of total assets
Rationale for benchmark applied	As a low margin business which is impacted by macro factors, profit before tax has fluctuated in recent years which has impacted materiality. We have changed our benchmark to revenue in the current year, previously profit before tax, as this is more reflective of business performance and is also a key performance measure disclosed to users of the financial statements.	Total assets are considered to be appropriate as the Parent Company is not profit oriented. The Parent Company is a holding company, with assets relating to investments in subsidiaries and investment property which is utilised by the Group's trading entities. Total assets is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £1,000,000 and £2,100,000.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £1,692,000 (2024: £427,000) for the Group financial statements and £333,000 (2024: £366,000) for the Parent Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £112,850 (group audit) (2024: £28,500) and £22,000 (Parent Company audit) (2024: £24,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the members' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- We assessed management's base case forecast, as well as their severe but plausible downside scenario, which have formed the basis for the Group's assessment and conclusions with respect to their ability to continue as a going concern for the assessed period;
- We obtained the terms of the Group's financing facility and related covenants, and considered the availability of bank facilities and compliance with covenants over the going concern period under both the base case and severe but plausible downside scenario;
- We agreed the opening position of the Group's cash flow forecasts to the June 2025 management accounts. We also agreed the gross debt and cash per the 31 May 2025 audited financial statements, alongside the 30 June 2025 latest position, to the cash flow forecast;
- We evaluated the historical accuracy of the budgeting process to assess the reliability of the forecasts;
- We held discussions with management to assess and challenge the key assumptions made, using our knowledge of the business, other areas of audit testing and industry and performed sensitivities over the key assumptions; and
- We reviewed the disclosures within the Annual Report and Accounts with respect to going concern and are satisfied that they are consistent with the assessment performed.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Parent Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditors' report continued to the members of NWF Group plc

Reporting on other information continued Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 May 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit Responsibilities of the members for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, AIM listing rules and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to improve financial performance, and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with the audit committee and management including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- Reviewing minutes of meetings of those charged with governance;

- Auditing the calculations supporting tax balances and disclosures;
- Evaluation of management's controls designed to prevent and detect irregularities due to fraud or error;
- Identifying and testing journal entries, in particular those with unusual account combinations which impact revenue or reduce expenditure to manipulate the financial performance of the Group; and
- Assessing key judgements and estimates made by management for evidence of inappropriate bias, including the valuation of the defined benefit pension plan liabilities and the calculation of the fair value of the intangible assets acquired.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Parent Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of members' remuneration specified by law are not made; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jonathan Greenaway (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
29 July 2025

Consolidated income statement for the year ended 31 May 2025

	Note	2025 £m	2024 £m
Revenue	3,4	903.1	950.6
Cost of sales		(852.8)	(903.4)
Gross profit		50.3	47.2
Administrative expenses		(37.7)	(32.9)
Headline operating profit ¹		16.3	14.2
Exceptional income	5	—	1.3
Exceptional expenses	5	(2.9)	(0.5)
Amortisation of acquired intangibles	14	(0.8)	(0.7)
Operating profit		12.6	14.3
Finance income	7	0.1	—
Finance costs	7	(3.4)	(2.1)
Headline profit before taxation ¹		13.2	12.5
Net finance cost in respect of the defined benefit pension scheme		(0.2)	(0.4)
Exceptional income	5	—	1.3
Exceptional expenses	5	(2.9)	(0.5)
Amortisation of acquired intangibles	14	(0.8)	(0.7)
Profit before taxation	5	9.3	12.2
Income taxation expense	8	(3.1)	(3.1)
Profit for the year attributable to equity shareholders		6.2	9.1
Earnings per share (pence)			
Basic	10	12.4	18.4
Diluted	10	12.3	18.4
Headline earnings per share (pence)¹			
Basic	10	18.6	19.2
Diluted	10	18.5	19.2

¹ Headline operating profit is statutory operating profit of £12.6 million (2024: £14.3 million) before exceptional income of £Nil million (2024: £1.3 million), exceptional expenses of £2.9 million (2024: £0.5 million) and amortisation of acquired intangibles of £0.8 million (2024: £0.7 million). Headline profit before taxation is statutory profit before taxation of £9.3 million (2024: £12.2 million) after adding back the net finance cost in respect of the Group's defined benefit pension scheme of £0.2 million (2024: £0.4 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 (2024: continued operations).

The notes on pages 74 to 102 form part of these Group financial statements.

Consolidated statement of comprehensive income for the year ended 31 May 2025

	Note	2025 £m	2024 £m
Profit for the year attributable to equity shareholders		6.2	9.1
Items that will not be reclassified to income statement:			
Remeasurement (loss)/gain on defined benefit pension scheme	26	(0.2)	3.1
Tax on items that will not be reclassified to income statement		0.1	(0.7)
Total other comprehensive (expense)/income		(0.1)	2.4
Total comprehensive income for the year		6.1	11.5

The notes on pages 74 to 102 form part of these Group financial statements.

Consolidated balance sheet as at 31 May 2025

	Note	2025 £m	2024 (re-stated) £m
Non-current assets			
Property, plant and equipment	12	49.1	49.0
Right of use assets	13	57.2	45.9
Intangible assets	14	45.0	33.3
		151.3	128.2
Current assets			
Inventories	15	8.4	8.1
Trade and other receivables	16	86.5	88.7
Current taxation assets		—	0.6
Reimbursement assets	17	2.9	1.8
Cash and cash equivalents	18	10.9	16.4
Derivative financial instruments	23	0.2	0.3
		108.9	115.9
Total assets		260.2	244.1
Current liabilities			
Borrowings	20	(4.6)	(6.4)
Trade and other payables	19	(91.3)	(91.1)
Current taxation liabilities		(0.1)	—
Lease liabilities	21	(12.3)	(8.0)
Provisions for liabilities	22	(3.0)	(1.9)
		(111.3)	(107.4)
Non-current liabilities			
Lease liabilities	21	(47.9)	(38.3)
Provisions for liabilities	22	(1.5)	(1.4)
Deferred taxation liabilities	24	(10.0)	(7.1)
Retirement benefit obligations	26	(2.3)	(4.5)

	Note	2025 £m	2024 (re-stated) £m
		(61.7)	(51.3)
Total liabilities		(173.0)	(158.7)
Net assets		87.2	85.4
Equity			
Share capital	25	12.4	12.4
Share premium		0.9	0.9
Retained earnings		73.9	72.1
Total shareholders' funds		87.2	85.4

The Group financial statements on pages 71 to 102 were approved by the Board of Directors on 29 July 2025 and were signed on its behalf by:



C J Belsham
Director



K J Shortland
Director

The notes on pages 74 to 102 form part of these Group financial statements.

Further details of the prior year reclassification restatement are included in note 2.

Consolidated statement of changes in equity for the year ended 31 May 2025

	Share capital £m	Share premium £m	Retained earnings £m	Total shareholders' funds £m
Balance at 1 June 2023	12.4	0.9	64.6	77.9
Profit for the year attributable to equity shareholders	—	—	9.1	9.1
Items that will not be reclassified to income statement:				
Remeasurement gain on defined benefit pension scheme (note 26)	—	—	3.1	3.1
Tax on items that will not be reclassified to income statement	—	—	(0.7)	(0.7)
Total other comprehensive income	—	—	2.4	2.4
Total comprehensive income for the year	—	—	11.5	11.5
Transactions with owners:				
Dividends paid (note 9)	—	—	(3.9)	(3.9)
Debit to equity for equity-settled share-based payments	—	—	(0.1)	(0.1)
Total transactions with owners	—	—	(4.0)	(4.0)
Balance at 31 May 2024	12.4	0.9	72.1	85.4
Profit for the year attributable to equity shareholders	—	—	6.2	6.2
Items that will not be reclassified to income statement:				
Remeasurement loss on defined benefit pension scheme (note 26)	—	—	(0.2)	(0.2)
Tax on items that will not 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

The notes on pages 74 to 102 form part of these Group financial statements.

Consolidated cash flow statement for the year ended 31 May 2025

	Note	2025 £m	2024 (re-stated) £m
Net cash generated from operations	28	27.7	25.3
Finance income		0.1	—
Other finance costs		(0.5)	(0.4)
IFRS 16 interest		(1.5)	(1.3)
Income tax paid		(0.7)	(2.7)
Net cash generated from operating activities		25.1	20.9
Cash flows used in investing activities			
Purchase of property, plant and equipment	12	(5.2)	(10.3)
Capitalised costs associated with leases		—	(1.1)
Acquisition of trade and assets – cash paid (net of cash acquired)		—	(2.6)
Acquisition of subsidiary undertakings – cash paid (net of cash acquired)	11	(9.9)	—
Proceeds on sale of property, plant and equipment		0.9	0.6
Net cash used in investing activities		(14.2)	(13.4)
Cash flows used in financing activities			
Principal element of lease payments		(10.6)	(9.9)
Invoice discounting		(1.8)	3.0
Dividends paid	9	(4.0)	(3.9)
Net cash used in financing activities		(16.4)	(10.8)
Net (decrease) in cash and cash equivalents	29	(5.5)	(3.3)
Cash and cash equivalents at beginning of year	29	16.4	19.7
Cash and cash equivalents at end of year	29	10.9	16.4

The notes on pages 74 to 102 form part of these Group financial statements.

Further details of the prior year reclassification restatement are included in note 2.

Notes to the Group financial statements for the year ended 31 May 2025

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.

The Group financial statements were authorised for issue by the Board of Directors on 29 July 2025.

2. The Group's material accounting policies

The Group's material accounting policies are set out below.

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 the critical accounting estimates and judgements section of these accounting policies. 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 2027. 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 the headline operating profit, headline profit before taxation, headline EBITDA, headline ROCE, headline earnings per share and headline cash conversion measures, referred to in these Group financial statements, provide useful information for shareholders on underlying trends and performance.

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

Details of each calculation are set out in note 36 on pages 100 to 102.

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 2024.

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 7 and IFRS 7	Supplier Finance	1 January 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16	Leases on Sale and Leaseback	1 January 2024

In addition, the Group has adopted the IFRIC agenda decision on segmental reporting which was published in July 2024 in presenting, where required, additional segmental information. For the Group, this change is effective for the year ended 31 May 2025 onwards.

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 IAS 21	Lack of Exchangeability	1 January 2025

These standards are not expected to have a material impact on the Company in the current or future reporting periods or on foreseeable future transactions.

Consolidation

The Group financial statements incorporate the financial statements of NWF Group plc ('the Company') and entities controlled by the Company (its 'subsidiaries') made up to 31 May each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Notes to the Group financial statements continued for the year ended 31 May 2025

2. The Group's material accounting policies continued

Consolidation continued

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

If the initial accounting for a business combination is incomplete by the end of the first reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the date of acquisition that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed at the date of acquisition, and is subject to a maximum of one year.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, estimated returns, rebates and discounts, and after eliminating sales within the Group. Accumulated experience is used to estimate and provide for these items, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Group does not expect to have any contracts where the period between transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Specific types of revenue are recognised as follows:

Fuels and Feeds

Revenue from the sale of goods in each of these segments is recognised when they are delivered to the customer and the performance obligations have been met; that is, the products are delivered to the specific location, the risk of loss has been transferred and the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Revenue from sale of fuels includes fuel duty.

Food

Revenue from storage, handling and re-packaging of customers' products is recognised when the relevant service has been performed in line with the agreed performance obligations. Revenue for distribution services is recognised when the customers' products arrive at the destination.

Customers are invoiced on a daily, weekly or monthly basis and consideration is payable when invoiced. A receivable is recognised when the services are provided, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Interest income

Interest income is recognised on a time proportion basis using the effective interest rate method.

Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A segment is engaged in providing products and services within a particular industry that are subject to risks and returns which are different from those of segments operating in other industries. Segment reporting information is shown in the notes to the Group financial statements.

Taxation

The income taxation expense represents the sum of current and deferred income taxation. Taxation is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the taxation is also recognised in other comprehensive income or directly in equity, respectively.

Current taxation is based on taxable profits for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current taxation is calculated using taxation rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group financial statements. However, deferred taxation is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profits or losses.

Deferred taxation is determined using taxation rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred taxation asset is realised or the deferred taxation liability is settled.

Deferred taxation assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current taxation liabilities and when the deferred taxes relate to the same fiscal authority.

Borrowing costs

Borrowing costs that are directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Notes to the Group financial statements continued for the year ended 31 May 2025

2. The Group's material accounting policies continued

Dividend distribution

The distribution of a dividend to the Company's shareholders is recognised in the Group's financial statements in the period in which it is approved by the Company's shareholders.

Property, plant and equipment

All property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly related to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group, and the cost of the asset can be measured reliably. All other repairs and maintenance expenditure is charged to the income statement during the financial period in which it is incurred.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to reduce their cost to their residual values over their useful economic lives, as follows:

Freehold and long leasehold buildings	10 – 50 years
Short leasehold buildings	Over the life of the lease
Plant and machinery	3 – 25 years
Cars, commercial vehicles and trailers	3 – 10 years

Residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its estimated recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

Assets under construction are not depreciated until they are put into use.

Gains and losses on disposal are determined by comparing the proceeds of disposal with the carrying value and are recognised in the income statement.

Right of use assets and lease liabilities

Under IFRS 16, a right of use asset and lease liability are recognised for all leases except 'low value' and 'short-term' leases where lease payments are recognised on a straight-line basis over the lease term. For the Group, the standard results in the recognition of almost all leases on the balance sheet as a right of use asset, with a corresponding lease liability.

At the inception of a contract, the Group performs an assessment to determine whether the contract is, or contains, a lease. Key aspects of this determination are the specific identification of an asset that is subject to the lease and that the lease conveys the right to direct and control the use of the identified asset for a period of time.

Where a contract is determined to contain a lease, the lease liability is recognised from the commencement date of the lease, the commencement date being defined as the date at which the lessor makes the underlying asset available for use. The lease liability is recognised at an amount equal to the present value of the future lease payments during the lease term.

Lease payments are discounted using the Group's incremental borrowing rate, since the interest rate implicit in the Group's leases is not readily determinable.

After the commencement date, lease payments are allocated between the outstanding lease liability on the balance sheet and finance costs. Finance costs are charged to the income statement over the lease period using the effective interest method.

A right of use asset is initially recognised at the commencement date and measured at cost, which comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, any initial direct costs incurred by the Group and an estimate of any cost for dismantling or restoring the asset at the end of the lease term.

The right of use asset is subsequently depreciated in accordance with the depreciation requirements in IAS 16 'Property, Plant and Equipment' which results in depreciation on a straight-line basis over the shorter of the asset's useful life and the lease term. The Group also applies IAS 36 'Impairment of Assets' to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Remeasurement of the lease liability occurs if, after the commencement date, there is a change in future lease payments or a change in the lease term. Any remeasurement of the lease liability results in a corresponding adjustment of the right of use asset. If the carrying amount of the right of use asset has already been reduced to zero, the remaining remeasurement is recognised in the income statement. The Group remeasures the lease liability to reflect those revised lease payments only when there is a change in the cash flows, using an unchanged discount rate. Reassessment of leases in the Group occurs where lease consideration changes due to a market rent review clause or where there are changes to variable lease payments dependent on an index or rate.

A lease modification arises where there is a change in scope of the lease, or the consideration for the lease, which was not part of the original terms and conditions of the lease. In the event of a lease modification, the Group accounts for this as a separate lease, providing the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price, to reflect the circumstances of the particular contract.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition.

Goodwill on acquisitions of subsidiaries is included within intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are recognised immediately in the income statement and are not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to the Group's relevant cash-generating units ('CGUs') for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which they arose, identified according to operating segment.

Brands

Separately acquired brands are shown at historical cost less accumulated amortisation. Brands acquired in a business combination are recognised at fair value at the date of acquisition. Brands have a finite useful life and are carried at cost less accumulated amortisation and represent an acquired intangible asset. Amortisation is calculated, using the straight-line method, to allocate the cost of brands over their estimated useful lives of either ten or twenty years unless the brand acquired has time restrictions imposed on its use.

Notes to the Group financial statements continued for the year ended 31 May 2025

2. The Group's material accounting policies continued

Intangible assets continued

Customer relationships

Separately acquired customer relationships are shown at historical cost less accumulated amortisation. Customer relationships acquired in a business combination are recognised at fair value at the date of acquisition. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation and represent an acquired intangible asset. Amortisation is calculated, using the straight-line method, to allocate the cost of these assets over their estimated useful lives of ten years.

Computer software

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs incurred to acquire computer software licences and directly attributable costs incurred to bring the software into use are capitalised. Directly attributable costs include software development employee costs. Capitalised computer software costs are amortised over their estimated useful lives on a straight-line basis (three to seven years).

Cloud-based software provided under a Software as a Service ('SaaS') arrangement is assessed separately to determine whether any power to obtain future economic benefit from the software arises and if access to those benefits can be restricted. If not, such costs are recognised as an expense. A further assessment of any configuration and customisation costs associated with the SaaS arrangement is made to determine if such services are distinct from the provision of the software and therefore establish the appropriate period over which to expense such costs.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised as the amount by which the asset's carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Non-financial assets, other than goodwill, that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

Investments

Investments in Group undertakings are stated at cost, unless their value has been impaired in which case they are valued at the lower of their realisable value or value in use.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the average costing method in NWF Agriculture Limited and NWF Fuels Limited. In Boughey Distribution Limited and New Breed (UK) Limited, cost is determined using the FIFO method. The cost of finished goods and goods for resale comprises purchase cost and, in the case of finished goods, the cost of transporting the goods to their stock location. Net realisable value comprises the estimated selling price in the ordinary course of business less applicable variable selling expenses. Provision is made for obsolete, slow-moving or defective items where appropriate.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Under IFRS 9, the Group elected to use the simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. Under the accounting standard, the Group continues to establish a provision for impairment of trade receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

In addition, IFRS 9 requires the Group to consider forward-looking information and the probability of default when calculating expected credit losses. The measurement of expected credit losses reflects an unbiased and probability weighted amount that is determined by evaluating the range of possible outcomes as well as incorporating the time value of money. 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.

The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows of the asset, discounted, where material, at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision for receivables impairment, and the amount of the loss is recognised in the income statement within administrative expenses. When a trade receivable is uncollectable, it is written off against the provision for receivables impairment. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

Derivative financial instruments and hedging activities

A derivative is initially recognised at fair value on the date that the associated contract is entered into and then is remeasured at fair value at each subsequent balance sheet date.

The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. During the current and prior year, none of the Group's derivative financial instruments have been designated as effective hedges. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Reimbursement assets

The Group recognises reimbursement assets in respect of third party claims made against the Group, but which under the terms of its insurance policy, the Group is indemnified.

Notes to the Group financial statements continued for the year ended 31 May 2025

2. The Group's material accounting policies continued

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. The Group recognises cash when it is within its control and, in accordance with IFRS 9, when it has the contractual right to obtain cash from the bank. Cash in transit between Group companies at a period end is recognised within the receiving company's balance sheet. Cash in transit to or from external entities at a period end is not recognised where the Group does not have the contractual right to obtain the cash and is therefore not deemed to exercise control over it. The Group's cash recognition policies are aligned with IAS 7 as follows: in respect of incoming receipts via electronic transfer, the Group recognises cash as a financial asset on the transfer settlement date, and not before. In respect of cheques received, the Group classifies these as 'promissory notes' and recognises within cash equivalents all cheques dated and deposited with the bank up to and including the reporting period end. In respect of card receipts, the Group recognises a cash equivalent on the transaction date as they are readily convertible to cash and the credit risk is deemed very low. In respect of outgoing payments, where there is often a delay between the remittance date and the transfer settlement date, the Group de-recognises the cash from financial assets on the transfer remittance date, and not after. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Previously, amounts owed under the invoice discounting facility were netted off against cash and cash equivalents on the basis that the Group had a Group-wide netting arrangement with its bank. Following a reassessment of this arrangement, amounts owed under the facility are presented within Borrowings in order to comply with IAS 32 'Financial Instruments: Presentation'. The 2024 borrowing balance on the consolidated balance sheet has increased from £Nil to £6.4 million with cash and cash equivalents increasing by an equivalent amount to £16.4 million. On the consolidated cash flow statement, the movement in amounts owed under the invoice discounting facility (£3.0 million) is disclosed within cash flows used in financing activities. Cash flows used in financing activities have decreased by £3.0 million to £10.8 million and the net decrease in cash and cash equivalents has also decreased by £3.0 million to £3.3 million. There is no impact on overall net assets or reported results for the year. This has resulted in prior year balances being restated in notes 4, 18, 20, 23, 29 and 36. The impact on cash in the opening 2024 balance sheet is £3.1 million.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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.

Bank borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date.

Retirement benefit obligations

The Group operates various pension schemes, including defined contribution and defined benefit schemes.

Defined contribution schemes

For defined contribution schemes, the Group pays contributions to publicly or privately administered pension insurance schemes on a mandatory, contractual or voluntary basis. The contributions are recognised as an employee benefit expense in the income statement when they are due. The assets of the schemes are held separately from those of the Group in funds under the control of trustees.

Defined benefit scheme

The Company is the sponsoring employer in a funded Group-operated defined benefit pension scheme, the NWF Group Benefits Scheme, and has therefore recognised the defined liability, in full, on the Company balance sheet.

The liability recognised in the balance sheet in respect of defined benefit schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. The Group has considered the recognition requirements of IFRIC 14 and determined that they do not apply to the scheme.

The net pension finance cost is determined by applying the discount rate, used to measure the defined benefit pension obligation at the beginning of the accounting period, to the net pension obligation at the end of the accounting period taking into account any changes in the net pension obligation during the period as a result of cash contributions and benefit payments.

Pension scheme expenses are charged to the income statement within administrative expenses.

Actuarial gains and losses are recognised immediately in the statement of comprehensive income. Net defined benefit pension scheme deficits before tax relief are presented separately on the balance sheet within non-current liabilities. The attributable deferred taxation asset is shown net within deferred taxation liabilities in the balance sheet and is subject to the recognition criteria as set out in the accounting policy on deferred taxation.

Share-based payments

In the year ended 31 May 2025, the Group operated one (2024: one) equity-settled share-based payment plan, details of which can be found in note 27 of the Group financial statements.

The fair value of the employee services received in exchange for the grant of share awards is recognised as an expense. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

Fair value is measured by the use of a Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Employer social security contributions payable in connection with the grant of share awards are considered an integral part of the grant itself and the charge is treated as a cash-settled transaction.

Notes to the Group financial statements continued for the year ended 31 May 2025

2. The Group's material accounting policies continued

Provisions for liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of issue.

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.

Estimates:

Defined benefit pension scheme – valuation assumptions

The balance sheet carrying value of the defined benefit pension scheme surpluses or deficits is 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. Further details can be found in note 26 of the Group financial statements.

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 2026 and four years of the businesses 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. For further details of our assessment of impairment please see note 14.

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.

3. Revenue

An analysis of the Group's revenue is as follows:

	2025 £m	2024 £m
Sale of goods	816.9	872.9
Rendering of services	86.2	77.7
	903.1	950.6

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 and 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.

Notes to the Group financial statements continued

for the year ended 31 May 2025

4. Segment information continued

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.

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 7)	—	—	0.1	0.1
Finance costs (note 7)	(0.6)	(2.3)	(0.5)	(3.4)
Profit before taxation				9.3
Income taxation expense (note 8)	(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 (note 12)	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 18)				10.9
Consolidated total assets				260.2
Liabilities				
Segment liabilities	(84.7)	(45.4)	(25.9)	(156.0)
Borrowings				(4.6)
Current taxation liabilities				(0.1)
Deferred taxation liabilities (note 24)				(10.0)
Retirement benefit obligations (note 26)				(2.3)
Consolidated total liabilities				(173.0)

2025	Fuels £m	Food £m	Feeds £m	Group £m
Return on capital employed ('ROCE')				
Segment assets	120.2	77.6	51.5	249.3
Segment liabilities	(84.7)	(45.4)	(25.9)	(156.0)
Net segment 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%

Notes to the Group financial statements continued

for the year ended 31 May 2025

4. Segment information continued

2024 (re-stated)	Fuels £m	Food £m	Feeds £m	Group £m
Revenue				
Total revenue	684.9	77.8	195.1	957.8
Inter-segment revenue	(7.1)	(0.1)	—	(7.2)
Revenue	677.8	77.7	195.1	950.6
Result				
Headline operating profit	7.9	3.7	2.6	14.2
Amortisation of acquired intangibles	(0.7)	—	—	(0.7)
Exceptional income	0.5	0.4	0.4	1.3
Exceptional expenses	—	—	(0.5)	(0.5)
Operating profit as reported				14.3
Finance costs (note 7)	(0.5)	(1.2)	(0.4)	(2.1)
Profit before taxation				12.2
Income taxation expense (note 8)	(2.1)	(0.2)	(0.8)	(3.1)
Profit for the year				9.1
Other information				
Depreciation and amortisation	6.4	7.5	3.2	17.1
Property, plant and equipment additions (note 12)	1.7	6.9	1.7	10.3

2024 (re-stated)	Fuels £m	Food £m	Feeds £m	Group £m
Balance sheet				
Assets				
Segment assets	99.6	76.8	51.3	227.7
Cash and cash equivalents (note 18)				16.4
Consolidated total assets				244.1
Liabilities				
Segment liabilities	(71.6)	(44.4)	(24.7)	(140.7)
Borrowings				(6.4)
Deferred taxation liabilities (note 24)				(7.1)
Retirement benefit obligations (note 26)				(4.5)
Consolidated total liabilities				(158.7)
Return on capital employed ('ROCE')				
Segment assets	99.6	76.8	51.3	227.7
Segment liabilities	(71.6)	(44.4)	(24.7)	(140.7)
Net segment assets	28.0	32.4	26.6	87.0
Headline operating profit	7.9	3.7	2.6	14.2
Headline return on capital employed	28.2%	11.4%	9.8%	16.3%

The Group has adopted the IFRIC agenda decision on segmental reporting which was published in July 2024 in presenting, where required, additional segmental information. For the Group, this change is effective for the year ended 31 May 2025 onwards. This has necessitated a restatement of disclosures made in the year ended 31 May 2024. This has resulted in additional disclosures at a segmental level, comprising exceptional income, exceptional expenses, finance costs, income taxation expense and headline ROCE.

Further details of the prior year reclassification restatement are included in note 2.

Notes to the Group financial statements continued for the year ended 31 May 2025

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2025 £m	2024 £m
Cost of inventories recognised as an expense (included in cost of sales)	763.2	822.8
Depreciation of property, plant and equipment (note 12)	5.8	5.0
Depreciation of right of use assets (note 13)	12.5	11.2
Amortisation of other intangible assets (note 14)	0.9	0.9
(Profit) on disposal of property, plant and equipment (note 28)	(0.3)	(0.3)
Staff costs (note 6)	71.3	62.9
Provision for receivables impairment (note 16)	0.4	2.9
Unused amounts reversed/receivables written off in the year	(0.8)	(3.0)
Exceptional items	2.9	(0.8)

Exceptional items by type are as follows:

	2025 £m	2024 £m
Legal claim settlement ¹	—	1.3
ERP implementation costs ²	—	(0.5)
Acquisition costs ³	(0.5)	—
Professional fees related to conflict of interest ⁴	(0.9)	—
Restructuring costs in Fuels business ⁵	(0.9)	—
Restructuring costs in Foods business ⁶	(0.6)	—
Net exceptional (costs)/income	(2.9)	0.8
Tax effect of exceptional items	0.7	(0.2)

1 Following a decision by the European Commission sanctioning a cartel during the period 1997 to 2011, NWF participated in a group action to recover damages arising from certain supplier expenses relating to that period. The parties are no longer in dispute regarding this matter. Settlement monies of £1.3 million were received.

2 ERP implementation costs comprise initial preliminary appraisals relating to a future ERP implementation within the Group. Although there were no ERP implementation costs incurred in the year, it is expected that the implementation programme in the Feeds business will start in FY26 and potentially run into FY27. 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 IFRIC and, in accordance with the Group's accounting policy, will be treated as exceptional costs in the years in which they are incurred.

3 The Group made two acquisitions during the year incurring professional fees related to those acquisitions. All of these costs were paid in the year.

4 During the year 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, £0.8 million was paid in the year.

5 The Group's Fuels business has undertaken a comprehensive review of its operations during the year resulting in a restructuring to streamline operations which comprised: professional fees in assisting with the review and designing the new business model (£0.4 million) and redundancy costs (£0.5 million). The implementation of the new business model was carried out in two phases: a pilot in one region which was announced on 1 November 2024 and which completed on 30 April 2025 and the announcement of a Company-wide roll-out on 20 May 2025. Of the total costs, £0.6 million was paid in the year.

6 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. None of these costs were paid during the year.

Services provided by the Company's auditors

During the year, the Group obtained the following services from the Company's auditors:

	2025 £'000	2024 £'000
Fees payable to the Company's auditors for the audit of the Company and consolidated annual financial statements	615	592
Fees payable to the Company's auditors for other services:		
– non-audit assurance services	3	3
– taxation compliance services	—	12
Total auditors' remuneration	618	607

Fees relating to the audit of the financial statements in the current year ended 31 May 2025 included £Nil of additional costs relating to the previous year that have not recurred in the current year.

6. Staff costs

The average monthly number of persons (including Directors) employed in the Group during the year was:

	2025 Number	2024 Number
Fuels	308	338
Food	904	814
Feeds	256	248
Head Office	21	20
	1,489	1,420

Staff costs (including Directors) are outlined below.

Total Directors' remuneration for the year to 31 May 2025 was split between short-term employee benefits of £1.3 million (2024: £0.8 million) and share-based payments of £Nil (2024: £Nil).

Total remuneration for the highest paid Director was £0.7 million (2024: £0.4 million). 234,287 shares were issued as a result of an award under a Long-Term Incentive Plan (2024: none). No options were exercised over shares during the year (2024: none).

Directors' remuneration is also set out in the Directors' Remuneration Report, within the table entitled Directors' emoluments on page 62.

Notes to the Group financial statements continued for the year ended 31 May 2025

6. Staff costs continued

	2025 £m	2024 £m
Wages and salaries	63.0	55.5
Social security costs	6.6	5.8
Share-based payments (note 27)	(0.3)	(0.1)
Other pension costs (note 26)	2.0	1.7
	71.3	62.9

Included within the above wages and salaries total are costs of £1.0 million (2024: £Nil) which relate to the restructuring disclosed in note 5. Also included in the above is £0.3 million in relation to termination costs (2024: £Nil).

In addition to the above staff costs, the Group incurred £3.4 million (2024: £2.7 million) in respect of costs of agency workers.

Other pension costs above are amounts charged to operating profit in respect of defined contribution pension schemes.

7. Net finance costs

	2025 £m	2024 £m
Finance income		
Other interest receivable	0.1	—
Total finance income	0.1	—
Finance costs		
Interest on bank loans and overdrafts	0.5	0.4
Finance costs on lease liabilities relating to IFRS 16 (note 21)	2.7	1.3
Total interest expense	3.2	1.7
Interest on the net defined benefit liability (note 26)	0.2	0.4
Total finance costs	3.4	2.1

8. Income taxation expense

	2025 £m	2024 £m
Current taxation		
UK corporation taxation on profits for the year	1.7	1.5
Adjustments in respect of prior years	(0.3)	(0.2)
Current taxation expense	1.4	1.3
Deferred taxation		
Origination and reversal of temporary differences	0.8	1.9
Adjustments in respect of prior years	0.9	(0.1)
Deferred taxation expense (note 24)	1.7	1.8
Total income taxation expense	3.1	3.1

Pillar Two legislation has been enacted in the UK, the jurisdiction that the Group operates in. The legislation is effective for the Group's financial year ended 31 May 2025. 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 2025 was £9.3 million (2024: £12.2 million) and taxation expense recognised in the income statement was £3.1 million (2024: £3.1 million), giving an effective taxation rate of 33.3% (2024: 25.4%). 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 2025, corporation tax has been calculated at tax of 25% of estimated assessable profits for the year (2024: corporation tax of 25%).

Notes to the Group financial statements continued for the year ended 31 May 2025

8. Income taxation expense continued

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

	2025 £m	2024 £m
Profit before taxation	9.3	12.2
Profit before taxation multiplied by the standard rate of UK corporation tax of 25% (2024: 25.0%)	2.3	3.1
Effects of:		
– income not taxable	–	(0.1)
– research and development tax deduction	(0.1)	–
– expenses not deductible for tax purposes	0.1	–
– non-qualifying depreciation	0.2	0.2
– impact of share-based payments	–	0.2
– adjustments in respect of prior years	0.6	(0.3)
Total income taxation expense	3.1	3.1

A credit of £0.1 million (2024: £0.7 million debit) has been recognised in the statement of other comprehensive income. This relates to the deferred tax movement on the actuarial loss on the defined benefit pension scheme of £0.2 million (2024: £3.1 million gain) (note 24).

The tax charge in the current year is higher (2024: same as) than the standard tax charge.

9. Dividends paid

	2025 £m	2024 £m
Final dividend for the year ended 31 May 2024 of 7.1p (2023: 6.8p) per share	3.5	3.4
Interim dividend for the year ended 31 May 2025 of 1.0p (2024: 1.0p) per share	0.5	0.5
Amounts recognised as distributions to equity shareholders in the year	4.0	3.9
Proposed final dividend for the year ended 31 May 2025 of 7.4p (2024: 7.1p) per share	3.7	3.5

The proposed final dividend is subject to approval at the AGM on 16 September 2025 and has not been included as a liability in these Group financial statements.

10. Earnings per share

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

	2025 £m	2024 £m
Earnings (£m)		
Earnings for the purposes of basic and diluted earnings per share being profit for the year attributable to equity shareholders	6.2	9.1
Number of shares ('000)		
Weighted average number of shares for the purposes of basic earnings per share	49,448	49,426
Weighted average dilutive effect of conditional share awards	465	13
Weighted average number of shares for the purposes of diluted earnings per share	49,913	49,439
Earnings per ordinary share (pence)		
Basic earnings per ordinary share	12.4	18.4
Diluted earnings per ordinary share	12.3	18.4
Headline earnings per ordinary share (pence)		
Basic headline earnings per ordinary share	18.6	19.2
Diluted headline earnings per ordinary share	18.5	19.2

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

	2025 £m	2024 £m
Profit for the year attributable to equity shareholders	6.2	9.1
Add back/(deduct):		
Net finance cost in respect of defined benefit pension scheme (note 26)	0.2	0.4
Non-taxable exceptional items	0.6	–
Taxable exceptional items (note 5)	2.3	(0.8)
Amortisation of acquired intangibles (note 14)	0.8	0.7
Tax effect of the above	(0.8)	0.1
Headline earnings	9.3	9.5

Notes to the Group financial statements continued

for the year ended 31 May 2025

11. Business combinations

On 7 March 2025, the Group acquired the entire share capital of Northern Energy Oil Limited, a 42 million litre fuel distributor servicing the North of England, parts of the Midlands and Scotland. The purchase price for the acquisition was £7.7 million which includes £1.0 million of contingent consideration which is expected to be paid within 12 months of the acquisition date and is included in the cost of the investment.

On 30 April 2025, the Group acquired the entire share capital of Pinnock Brothers (Thatcham & Kintbury) Limited, a 13 million litre fuel distributor, based near Newbury, servicing a domestic customer base in Berkshire. The purchase price for the acquisition was £4.2 million.

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		
	Northern Energy Oil Ltd	Pinnock Brothers (Thatcham & Kintbury) Limited	Total
	£m	£m	£m
Intangible assets – goodwill	6.9	2.9	9.8
Intangible assets – brand	0.4	—	0.4
Intangible assets – customer relationships	2.5	—	2.5
Right of use assets	1.1	—	1.1
Property, plant and equipment	0.8	0.4	1.2
Inventories	0.2	0.1	0.3
Trade and other receivables	1.4	0.3	1.7
Cash	—	1.0	1.0
Trade and other payables	(3.6)	(0.3)	(3.9)
Lease liabilities	(0.3)	(0.1)	(0.4)
Corporation tax creditor	(0.5)	—	(0.5)
Deferred taxation liabilities	(1.2)	(0.1)	(1.3)
Total consideration	7.7	4.2	11.9
Cash acquired	—	(1.0)	(1.0)
Contingent consideration	(1.0)	—	(1.0)
Acquisition of subsidiary undertakings – cash paid (net of cash acquired)	6.7	3.2	9.9

Provisional goodwill of £6.9 million arises from the acquisition of Northern Energy Oil Ltd and £2.9 million from the acquisition of Pinnock Brothers (Thatcham & Kintbury) Limited and are attributable to the acquired businesses and the expected economies of scale from combining the operations of the Group and the acquisitions. None of the goodwill is expected to be 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:

	Northern Energy Oil Ltd	Pinnock Brothers (Thatcham & Kintbury) Limited	Total
	£m	£m	£m
Total consideration – cash paid on completion (including stamp duty)	(6.7)	(4.2)	(10.9)
Cash acquired	—	1.0	1.0
	(6.7)	(3.2)	(9.9)
Acquisition-related costs	(0.4)	(0.1)	(0.5)
Net cash outflow arising on acquisitions	(7.1)	(3.3)	(10.4)

Acquisition-related costs of £0.4 million for Northern Energy Oil Ltd and £0.1 million for Pinnock Brothers (Thatcham & Kintbury) Limited have been charged to the income statement as exceptional expenses in the year ended 31 May 2025.

The following amounts have been recognised within the consolidated income statement in respect of the acquisition of Northern Energy Oil Ltd in the year: revenue of £6.1 million; and operating profit before tax – £0.3 million.

The following amounts have been recognised within the consolidated income statement in respect of the acquisition of Pinnock Brothers (Thatcham & Kintbury) Limited in the year: revenue of £0.4 million; and operating profit before tax of £Nil.

Had the acquisition of Northern Energy Oil Ltd taken place at the start of the financial year, the consolidated income statement would include: revenue of £29.9 million; and operating profit before tax of £0.9 million.

Had the acquisition of Pinnock Brothers (Thatcham & Kintbury) taken place at the start of the financial year, the consolidated income statement would include: revenue of £7.6 million; and operating profit before tax of £0.2 million.

In relation to the acquisition of the trade and assets in the year ended 31 May 2024 there have been no adjustments to the provisional figures disclosed.

Notes to the Group financial statements continued

for the year ended 31 May 2025

12. Property, plant and equipment

	Freehold land and buildings £m	Long leasehold land and buildings £m	Plant and machinery £m	Cars and commercial vehicles £m	Assets under construction £m	Total £m
Cost						
At 1 June 2023	38.5	3.1	32.8	2.5	—	76.9
Adjustments to b/fwd*	0.1	0.2	0.6	(0.7)	—	0.2
Additions	0.2	0.1	7.8	0.4	1.8	10.3
Acquired through business combinations	—	—	—	0.3	—	0.3
Reclassification	0.1	—	(0.1)	—	—	—
Transfer from right of use asset	—	—	0.1	0.3	—	0.4
Disposals	(0.2)	—	(2.5)	(1.2)	—	(3.9)
At 31 May 2024	38.7	3.4	38.7	1.6	1.8	84.2
Additions	0.3	0.1	4.4	0.4	—	5.2
Acquired through business combinations	—	0.5	0.5	2.2	—	3.2
Reclassification	—	—	1.7	—	(1.7)	—
Disposals	(0.3)	—	(1.4)	(1.8)	—	(3.5)
At 31 May 2025	38.7	4.0	43.9	2.4	0.1	89.1
Accumulated depreciation and impairment						
At 1 June 2023	14.2	0.6	17.6	0.8	—	33.2
Adjustments to b/fwd*	—	0.1	0.7	(0.4)	—	0.4
Charge for the year	0.9	0.2	3.2	0.7	—	5.0
Transfer from right of use asset	—	—	—	0.2	—	0.2
Disposals	—	—	(2.5)	(1.1)	—	(3.6)
At 31 May 2024	15.1	0.9	19.0	0.2	—	35.2
Charge for the year	0.9	0.2	4.0	0.7	—	5.8
Acquired through business combinations	—	0.6	0.1	1.3	—	2.0
Disposals	—	—	(1.4)	(1.6)	—	(3.0)
At 31 May 2025	16.0	1.7	21.7	0.6	—	40.0

	Freehold land and buildings £m	Long leasehold land and buildings £m	Plant and machinery £m	Cars and commercial vehicles £m	Assets under construction £m	Total £m
Carrying amount						
At 31 May 2025	22.7	2.3	22.2	1.8	0.1	49.1
At 31 May 2024	23.6	2.5	19.7	1.4	1.8	49.0

* Included within the 'adjustments to b/fwd' lines in the table above for both cost and depreciation is a correction in relation to accumulated rounding differences. It also includes an adjustment to cost of motor vehicles of £0.7 million and plant and machinery of £0.1 million to adjust previous business acquisitions to be included at net book value. The adjustment has had no impact on the net book value.

The Group has pledged certain freehold land and buildings with a carrying value of £19.5 million (2024: £20.0 million) to secure banking facilities granted to the Group.

Depreciation charges are recognised in administrative expenses in the consolidated income statement.

Notes to the Group financial statements continued

for the year ended 31 May 2025

13. Right of use assets

	Properties £m	Commercial vehicles £m	Total £m
Cost			
At 1 June 2023	9.7	49.9	59.6
Adjustments to b/fwd*	—	(10.7)	(10.7)
Additions	20.3	7.8	28.1
Acquired	—	—	—
Disposals	(0.1)	(5.0)	(5.1)
Transfers out to property, plant and equipment	—	(0.4)	(0.4)
At 31 May 2024	29.9	41.6	71.5
Additions	0.1	22.8	22.9
Acquired	0.1	1.1	1.2
Disposals	—	(7.4)	(7.4)
At 31 May 2025	30.1	58.1	88.2
Accumulated depreciation and impairment			
At 1 June 2023	4.9	25.6	30.5
Adjustments to b/fwd*	—	(10.7)	(10.7)
Charge for the year	2.2	9.0	11.2
Disposals	(0.1)	(5.1)	(5.2)
Transfers out to property, plant and equipment	—	(0.2)	(0.2)
At 31 May 2024	7.0	18.6	25.6
Charge for the year	3.2	9.3	12.5
Acquired	—	0.1	0.1
Disposals	—	(7.2)	(7.2)
At 31 May 2025	10.2	20.8	31.0
Carrying amount			
At 31 May 2025	19.9	37.3	57.2
At 31 May 2024	22.9	23.0	45.9

* Included within the 'adjustments to b/fwd' line in the table above for both cost and depreciation is an adjustment of £10.7 million in relation to Boughey Distribution Limited, a subsidiary of NWF Group plc. In the prior year the subsidiary disposed of assets costing £10.7 million with accumulated depreciation of £10.7 million. The disposal was not included within the above note. The disposal has no impact on the net book value.

Depreciation charges are recognised in administrative expenses in the consolidated income statement.

14. Intangible assets

	Goodwill £m	Computer software £m	Customer relationships £m	Brands £m	Total £m
Cost					
At 1 June 2023	34.7	7.0	4.5	2.2	48.4
Additions	—	—	—	—	—
Acquisition of business (note 11)	1.3	—	0.2	0.8	2.3
Disposals	—	(0.2)	—	—	(0.2)
At 31 May 2024	36.0	6.8	4.7	3.0	50.5
Additions	—	—	—	—	—
Acquisition of business (note 11)	9.8	0.1	2.5	0.4	12.8
Reclassification	0.2	—	(0.2)	—	—
Impairment	—	—	—	(0.1)	(0.1)
At 31 May 2025	46.0	6.9	7.0	3.3	63.2
Accumulated amortisation and impairment					
At 1 June 2023	8.1	6.5	1.0	1.0	16.6
Charge for the year	—	0.2	0.5	0.2	0.9
Disposals	—	(0.2)	(0.1)	—	(0.3)
At 31 May 2024	8.1	6.5	1.4	1.2	17.2
Charge for the year	—	0.1	0.5	0.3	0.9
Acquisition of business (note 11)	—	0.1	—	—	0.1
At 31 May 2025	8.1	6.7	1.9	1.5	18.2
Carrying amount					
At 31 May 2025	37.9	0.2	5.1	1.8	45.0
At 31 May 2024	27.9	0.3	3.3	1.8	33.3

Amortisation or impairment charges have been charged to administrative expenses in the consolidated income statement.

Notes to the Group financial statements continued for the year ended 31 May 2025

14. Intangible assets continued

Customer relationships

Customer relationships are allocated as follows:

	2025 £m	2024 £m
Fuels	5.1	3.3

Brands

Brands are allocated as follows:

	2025 £m	2024 £m
Fuels	1.8	1.8

Goodwill

Goodwill acquired is allocated, at acquisition, to cash-generating units ('CGUs') that are expected to benefit from that business combination. The carrying value of goodwill is allocated as follows:

	2025 £m	2024 £m
Feeds	4.4	4.4
Fuels	33.5	23.5
	37.9	27.9

The Group tests annually for impairment of goodwill, or more frequently if there are indications that goodwill may be impaired. 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 budgets and four years of business strategic plans thereafter. Subsequent cash flows are extrapolated using an estimated growth rate of 2%.

These forecasts are the same ones used for going concern and include assumptions around volumes and selling prices, manufacturing and operating costs, working capital movements and capital expenditure, which are unique to each CGU. In measuring these assumptions the Group has taken into account; expected demand in the markets within which the Group operates (including industry trends and market forecasts), operating margins including changes to raw material and fuel costs, timing and costs of capital expenditure and historic cash conversion rates.

The Group identifies its CGUs as the smallest identifiable group of assets that generate cash inflows, and which are largely independent of the cash inflows of the other assets or groups of assets. CGU-specific discount rates are applied in each of the impairment tests as the principal risks and uncertainties associated with each CGU may vary as they operate in different industries and as such the Group risks identified on pages 23 to 25 may impact each CGU differently.

The Directors recognise the inherent uncertainty in predicting the impact of climate change and the actions which regulators and governments will take in order to achieve their various targets. From the work undertaken by the Group as set out in the ESG report on page 26, the Directors have reached the overall

conclusion that there has been no material impact on the financial statements for the current year from the potential impact of climate change. The impact of climate change on the carrying value of goodwill has also been considered. Although climate change would potentially impact the future forecasts, of the Group which are used in the impairment test referred to above, the Directors have concluded that the impact is not material.

The value in use calculations described above indicate ample headroom and therefore do not give rise to impairment concerns.

Value in use assumptions and sensitivities

The rates used to discount the projected cash flows, equating to the pre-tax discount rates based on comparative businesses, are as follows:

	2025 %	2024 %
Fuels	12.67	13.84
Feeds	14.67	13.60

The headroom on the value in use calculations for Fuels and Feeds is £78.0 million and £6.1 million respectively. The following sensitivities have been performed on the CGU Board-approved forecasts, the impact of which still result in satisfactory headroom and do not give rise to further impairment:

	Reduction in value in use	
	Fuels £m	Feeds £m
Decrease EBITDA by 10%	12.7	2.9
Increase discount rate by 1%	14.4	3.4

15. Inventories

	2025 £m	2024 £m
Raw materials and consumables	3.2	3.3
Finished goods and goods for resale	5.2	4.8
	8.4	8.1

There is no significant difference between the replacement cost of work in progress and finished goods for resale and their carrying amounts. Inventories are stated after provisions for impairment of £Nil (2024: £Nil).

The amount of inventory expensed in the year was £763.2 million (2024: £822.8 million).

Notes to the Group financial statements continued

for the year ended 31 May 2025

16. Trade and other receivables

	2025 £m	2024 £m
Trade receivables	81.7	85.0
Less: provision for impairment	(2.6)	(3.0)
Trade receivables – net	79.1	82.0
VAT recoverable	0.9	1.1
Other receivables	–	0.2
Prepayments and accrued income	6.5	5.4
	86.5	88.7

The fair value of trade and other receivables is equivalent to their carrying amount. Trade and other receivables are non-interest bearing and are substantially denominated in Sterling. Under IFRS 9, the Group is required to utilise objective evidence as well as consider forward-looking information and the probability of default when calculating expected credit losses. The maturity of financial assets and history of write-offs is therefore used as an indicator as to the probability of default. Trade receivables are written off when they have been overdue for a number of years, or if a customer has entered into insolvency and there is no expectation of recovery.

The loss allowance as at 31 May 2025 and 31 May 2024 was determined as follows for trade receivables:

31 May 2025	Current	<30 days past due	30 to 60 days past due	>60 days past due	Total
Expected loss rate	1.57%	2.86%	4.76%	46.15%	
Gross carrying amount (£m)	70.0	7.0	2.1	2.6	81.7
Loss allowance (£m)	1.1	0.2	0.1	1.2	2.6

31 May 2024	Current	<30 days past due	30 to 60 days past due	>60 days past due	Total
Expected loss rate	2.12%	2.13%	6.25%	61.11%	
Gross carrying amount (£m)	70.6	9.4	3.2	1.8	85.0
Loss allowance (£m)	1.5	0.2	0.2	1.1	3.0

Movements on the Group provision for impairment of trade receivables are as follows:

	2025 £m	2024 £m
At 1 June	3.0	3.1
Provision for receivables impairment	0.4	2.9
Unused amounts reversed/receivables written off in the year	(0.8)	(3.0)
At 31 May	2.6	3.0

The other classes of receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable, limited by credit insurance applicable to the Fuels business.

17. Reimbursement assets

	2025 £m	2024 £m
Reimbursement assets	2.9	1.8

The Group recognises reimbursement assets in respect of third party claims made against the Group, but which under the terms of its insurance policy, the Group is indemnified. All of the expenditure required to settle such claims will be reimbursed by the insurer under the terms of the policy, and therefore it is virtually certain that reimbursement will be received. A corresponding provision for insurance claims has been recognised in note 22.

18. Cash and cash equivalents

	2025 £m	2024 (re-stated) £m
Cash and cash equivalents	10.9	16.4

Further details of the prior year reclassification restatement are included in note 2.

The fair value of cash and cash equivalents is equivalent to their carrying amount.

19. Trade and other payables

	2025 £m	2024 (re-stated) £m
Current		
Trade payables	73.1	75.7
Social security and other taxes	1.9	1.5
Other payables	1.5	0.2
Accruals	14.8	13.7
	91.3	91.1

Amounts disclosed for 2024 have been re-stated to reclassify certain liabilities between trade payables and accruals.

The fair value of trade and other payables is equivalent to their carrying amount.

Notes to the Group financial statements continued

for the year ended 31 May 2025

20. Borrowings

The Group's banking facilities, provided by NatWest Group, were renewed on 6 January 2025 and are committed until 31 May 2028. The Group is profitable, cash generative and has a strong balance sheet position and a good relationship with its lender. Further information on the facilities, which total £61.0 million (2024: £61.0 million), is outlined below.

	2025 £m	2024 (re-stated) £m
Invoice discounting advances	(4.6)	(6.4)

Further details of the prior year reclassification restatement are included in note 2.

The facility is secured by way of a fixed and floating charge against the Group's trade receivables. Interest is charged at 1.25% (2024: 1.25%) per annum above the bank's base rate.

The Group incurred non-utilisation fees on its committed invoice discounting facility. The Group will incur non-utilisation fees only in respect of committed and undrawn facilities of up to £20.0 million (2024: £20.0 million).

Invoice discounting advances

The balance on the invoice discounting advance facility at 31 May 2025 was £4.6 million (2024: £6.4 million). The invoice discounting advance is a committed facility with an expiry date of 31 May 2028 (2024: 31 May 2026). The availability of invoice discounting facilities is dependent on the level of current trade receivables available for refinancing and is subject to a maximum drawdown of £50.0 million (2024: £50.0 million).

Revolving credit facility

The Group has a revolving credit facility of £10.0 million (2024: £10.0 million) with an expiry date of 31 May 2028 (2024: 31 May 2026). Interest is charged on amounts drawn down at 1.72% per annum above SONIA (2024: 1.72% above SONIA) depending on the ratio of net debt to EBITDA. The amount drawn down under the revolving credit facility at 31 May 2025 is £Nil (2024: £Nil).

The Group incurs non-utilisation fees on its committed revolving credit facility. The Group will incur non-utilisation fees only in respect of committed and undrawn facilities of up to £10.0 million (2024: £10.0 million).

Bank overdrafts

The Group's net bank overdraft facility at 31 May 2025 is repayable on demand and is subject to a maximum limit of £1.0 million (2024: £1.0 million). The overdrawn balance at 31 May 2025 was £Nil (2024: £Nil). Interest is charged at 1.5% per annum over the bank's base rate (2024: 1.5% per annum over the bank's base rate).

The above facilities are subject to quarterly covenant tests on interest cover and net debt to EBITDA ratios. The covenants have been set at levels that provide sufficient headroom and flexibility for the Group until maturity of the facilities in May 2028.

Bank borrowings amounting to £Nil (2024: £Nil) are secured by way of unscheduled mortgage debentures provided by the Company and certain subsidiaries within the Group to NatWest Group which incorporate a fixed charge over their book debts and floating charges over all their other assets.

In addition to the above, the Group has agreed accordion facilities on the invoice discounting facility of £10.0 million (2024: £10.0 million) and on the revolving credit facility of £10.0 million (2024: £10.0 million).

All bank borrowings are denominated in Sterling and are repayable as follows:

Bank borrowing facilities by expiry date

The Group has a number of bank borrowing facilities. The Group is in compliance with all covenants.

	2025		2024	
	Facility £m	Amount drawn £m	Facility £m	Amount drawn £m
Facilities expiring:				
Within one year	—	—	—	—
Between two and five years	60.0	—	60.0	—
	60.0	—	60.0	—

The availability of invoice discounting facilities included above, amounting to £50.0 million (2024: £50.0 million), is dependent on the level of trade receivables available for refinancing.

21. Lease liabilities

	Properties £m	Commercial vehicles £m	Total £m
Cost			
At 1 June 2023	5.2	24.6	29.8
Additions	18.6	7.9	26.5
Disposals	—	(0.1)	(0.1)
Lease liability payments (including finance costs)	(1.6)	(9.6)	(11.2)
Finance costs	0.6	0.7	1.3
At 31 May 2024	22.8	23.5	46.3
Additions	0.1	22.8	22.9
Acquisition of business (note 11)	0.1	0.3	0.4
Disposals	—	—	—
Lease liability payments (including finance costs)	(1.7)	(10.4)	(12.1)
Finance costs	1.3	1.4	2.7
At 31 May 2025	22.6	37.6	60.2

Lease liabilities are comprised of the following balance sheet amounts:

Notes to the Group financial statements continued for the year ended 31 May 2025

21. Lease liabilities continued

	2025 £m	2024 £m
Current		
Amounts due within one year	12.3	8.0
Non-current		
Amounts due after more than one year	47.9	38.3
Total	60.2	46.3
Lease liabilities are as follows:		
	2025 £m	2024 £m
Not more than one year		
Minimum lease payments	15.3	10.1
Interest element	(3.0)	(2.1)
Present value of minimum lease payments	12.3	8.0
Between one and five years		
Minimum lease payments	39.5	27.7
Interest element	(7.6)	(5.8)
Present value of minimum lease payments	31.9	21.9
More than five years		
Minimum lease payments	18.4	19.9
Interest element	(2.4)	(3.5)
Present value of minimum lease payments	16.0	16.4

22. Provisions for liabilities

	2025 £m	2024 £m
Current		
Provision for insurance claims	2.9	1.8
Provision for dilapidations	0.1	0.1
	3.0	1.9
Non-current		
Provision for dilapidations	1.5	1.4
Total	4.5	3.3

The Group recognises a provision for liabilities in respect of third party claims made against the Group. A corresponding reimbursement asset of £2.9 million (2024: £1.8 million) has been recognised as all of the expenditure required to settle such claims will be reimbursed by the insurer under the terms of the policy. As the Group expects insurance claims to be settled within one year, recognition of these balances is made within current assets and current liabilities. During the year £0.5 million of the provision has been utilised, £1.6 million of new provision has been created and £Nil has been released.

	2025 £m	2024 £m
Insurance claims		
Balance as at 1 June	1.8	1.7
Provision utilised in the year	(0.5)	(0.9)
Provision created in the year	1.6	1.4
Provision released	—	(0.4)
Balance as at 31 May	2.9	1.8

The Group also recognises current and non-current provisions for dilapidations totalling £1.6 million (2024: £1.5 million) in respect of leased properties and commercial vehicles. During the year £Nil of the provision has been utilised, £0.1 million of new provision has been created and £Nil has been released. Movement on the provisions for dilapidations and other provisions has been recognised in the income statement.

	2025 £m	2024 £m
Dilapidations		
Balance as at 1 June	1.5	1.0
Provision utilised in the year	—	—
Provision created in the year	0.1	0.5
Provision released	—	—
Balance as at 31 May	1.6	1.5

Notes to the Group financial statements continued for the year ended 31 May 2025

23. Financial instruments and risk management

The Group's financial instruments comprise cash, bank overdrafts, invoice discounting advances, rolling credit facility, lease liabilities, commodity derivatives and various items such as receivables and payables, which arise from its operations. All financial instruments in 2025 and 2024 were denominated in Sterling. There is no material foreign exchange risk in respect of these instruments.

The carrying amounts of all of the Group's financial instruments are measured at amortised cost in the financial statements, with the exception of derivative financial instruments. Derivative financial instruments are measured subsequent to initial recognition at fair value.

IFRS 13 (amended) 'Financial Instruments: Disclosures' requires disclosure of financial instruments measured at fair value, grouped into Levels 1 to 3 below, based on the degree to which fair value is observable:

- Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1 above, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All of the Group's derivative financial instruments as described on page 77 (forward supply contracts) were classified as Level 2 in the current and prior year. There were no transfers between levels in either the current or prior year.

Financial liabilities

The book value, fair value and interest rate profile of the Group's financial liabilities were as follows:

	Total book and fair value £m
At 31 May 2025	
Financial liabilities carried at amortised cost:	
Invoice discounting advances	4.6
Trade and other payables ¹	89.4
Lease liabilities repayable within one year	12.3
	106.3
Lease liabilities repayable after one year	47.9
Total	154.2

¹ Excludes social security and other taxes.

	Total book and fair value £m
At 31 May 2024 (re-stated)	
Financial liabilities carried at amortised cost:	
Invoice discounting advances	6.4
Trade and other payables ¹	89.6
Lease liabilities repayable within one year	8.0
	104.0
Lease liabilities repayable after one year	38.3
Total	142.3

¹ Excludes social security and other taxes. Invoice discounting advances have been included as set out in note 2.

Financial assets

The book value, fair value and interest rate profile of the Group's financial assets were as follows:

	Total book and fair value £m
At 31 May 2025	
Trade and other receivables ²	79.1
Financial assets carried at amortised cost: cash and cash equivalents	10.9
Financial assets carried at fair value: derivatives	0.2
	90.2

² Excludes prepayments and VAT recoverable.

	Total book and fair value £m
At 31 May 2024 (re-stated)	
Trade and other receivables ²	82.2
Financial assets carried at amortised cost: cash and cash equivalents	16.4
Financial assets carried at fair value: derivatives	0.3
	98.9

² Excludes prepayments. VAT has been removed from receivables.

Further details of the prior year reclassification restatement are included in note 2.

The book value of the Group's financial assets and liabilities is not materially different to fair value.

Financial risk management

The Group's operations expose it to a variety of financial risks: price risk, interest rate risk, credit risk, capital risk and liquidity risk. Given the size of the Group, the Directors have not established a sub-committee of the Board to monitor financial risk management, but have established policies that are implemented and monitored by the Executive Directors.

Notes to the Group financial statements continued for the year ended 31 May 2025

23. Financial instruments and risk management continued

Financial risk management continued

Price risk

The Group is exposed to commodity price risk principally in respect of certain raw materials in the Feeds business and oil-related products in the Fuels business.

The Feeds business enters into forward supply contracts in order to manage the impact of price movements on its gross margin. At 31 May 2025, the Group had open forward supply contracts with a principal value of £42.9 million (2024: £51.5 million as re-stated). The fair value of forward supply contracts recognised on the balance sheet is £0.2 million (2024: £0.3 million).

The fair value of forward supply contracts is based on generally accepted valuation techniques using inputs from observable market data on equivalent instruments at the balance sheet date. The contracts are settled on a gross cash basis and are classified as current assets or liabilities, as all contractual cash flows fall due to be settled in less than one year.

The Group has not designated any of these contracts as hedging instruments during the period under review. As a result, changes in the fair value of non-hedging forward supply contracts amounting to a £0.1 million loss have been charged to the income statement in the year (2024: £0.2 million gain).

The Fuels business' oil-related products are subject to changes in the world commodity price for crude oil. However, the relatively low stockholding maintained and daily price monitoring systems used to determine selling prices enable the business to effectively manage the risk of gross margin erosion. Forward supply contracts are not utilised by this business.

The extent of these risks is regularly reviewed and assessed by the Executive Directors and reported back to the Board. This process is considered to be effective given the size and nature of the risks involved, but will be reviewed in the future should circumstances change.

Interest rate risk

The Group is exposed to interest rate risk due to its floating rate borrowings.

The Directors review the interest rate hedging policy on at least an annual basis. The Group monitors its exposure to interest rate risk primarily through sensitivity analysis. On the basis of the Group's analysis, it is estimated that a rise of one percentage point in interest rates on floating rate borrowings would have reduced 2025 profit before taxation by approximately £0.1 million (2024: £0.2 million).

Credit risk

The Group manages exposure to credit risk at many levels ranging from Executive Director approval being required for credit limits for larger customers and, in the case of the Fuels business credit insurance. Consideration is given to significant adverse changes in business, financial and economic conditions that may cause a significant change in the ability of customers to meet their obligations. Any adverse data relating to these factors is considered in determining whether there has been a significant increase in credit risk of a financial asset. An increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

The Group has applied a simplified approach to measuring expected credit losses, which are based on historical loss rates and adjusted where necessary for forward-looking estimates. In the Fuels business customers are grouped on shared credit risk characteristics.

Trade receivables are specifically impaired and considered in default when the amount is in dispute, when customers are believed to be in financial difficulty or if there exists any other reason to doubt the recoverability of the debt. Debts are written off when there is no reasonable expectation of recovery, based on an estimate of the financial position of the customer.

Liquidity risk

The Group actively maintains a mixture of medium-term and short-term debt finance, which is designed to ensure that it has access to sufficient available funds for ongoing working capital needs as well as planned capital investment and expansion generally. The amount of debt finance required is reviewed at least annually by the Directors.

All of the Group's financial instruments, with the exception of certain borrowings (see note 20), have a contractual maturity of less than one year, based on the earliest date on which the contractual cash flows are required to be settled.

Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital risk on the basis of the net debt/EBITDA ratio. This ratio is calculated as net cash (excluding lease liabilities) divided by headline operating profit before interest, depreciation and amortisation as shown below:

	2025	2024 (re-stated)
Cash and cash equivalents (£m)	10.9	16.4
Net cash (£m) (excluding lease liabilities)	6.3	10.0
Headline EBITDA (£m)	22.2	19.4
Net cash EBITDA ratio	0.3x	0.5x

Further details of the prior year reclassification restatement are included in note 2.

The Group has set an internal covenant limit of 2.0x net debt/EBITDA.

Notes to the Group financial statements continued for the year ended 31 May 2025

24. Deferred taxation assets and liabilities

The following are the principal categories of deferred taxation assets and liabilities recognised by the Group and the movements thereon during the current and prior year:

	Accelerated tax depreciation £m	Retirement benefit obligations £m	Other £m	Total £m
Deferred taxation liability/(asset) at 1 June 2023	7.0	(2.4)	(0.4)	4.2
Charge to income statement (note 8)	1.0	0.5	0.3	1.8
Deferred taxation on acquisitions	0.4	—	—	0.4
Credit to equity	—	0.7	—	0.7
Deferred taxation liability/(asset) at 31 May 2024	8.4	(1.2)	(0.1)	7.1
Charge to income statement (note 8)	0.9	0.7	0.1	1.7
Deferred taxation on acquisitions	1.3	—	—	1.3
Debit to equity	—	(0.1)	—	(0.1)
Deferred taxation liability/(asset) at 31 May 2025	10.6	(0.6)	—	10.0

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current taxation assets against current taxation liabilities and when the deferred taxes relate to the same fiscal authority. The deferred taxation assets disclosed above are deemed to be recoverable.

Deferred taxation assets of £0.6 million relating to capital losses brought forward have not been provided for, as it is not expected they can be utilised in the foreseeable future.

The majority of the deferred taxation balance is expected to reverse after more than 12 months.

25. Share capital

	Number of shares '000	Total £m
Authorised: ordinary shares of 25p each		
Balance at 1 June 2023, 31 May 2024 and 31 May 2025	80,000	20.0
	Number of shares '000	Total £m
Allotted and fully paid: ordinary shares of 25p each		
Balance at 1 June 2023	49,408	12.4
Issue of shares (see below)	31	—
Balance at 31 May 2024	49,439	12.4
Issue of shares (see below)	149	—
Balance at 31 May 2025	49,588	12.4

During the year ended 31 May 2025, 148,764 shares (2024: 31,418 shares) with an aggregate nominal value of £37,191 (2024: £7,855) 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 2025, amounted to 1,114,209 (31 May 2024: 1,259,464). These shares will only be issued subject to satisfying certain performance criteria (see the Directors' Remuneration Report and note 27).

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 include all current and prior periods retained profits and losses.

26. Retirement benefit obligations

Defined contribution scheme

The Group operates several defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. The total cost charged to the income statement of £2.0 million (2024: £1.7 million) represents the contributions payable to these schemes by the Group at the rates specified in the scheme rules.

Amounts totalling £0.4 million were outstanding at the balance sheet date (2024: £0.4 million).

Defined benefit scheme

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

Notes to the Group financial statements continued

for the year ended 31 May 2025

26. Retirement benefit obligations continued

Defined benefit scheme continued

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 2024. The next full triennial valuation will be undertaken with an effective date of 31 December 2025 and is expected to be completed in the year ending 31 May 2026.

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 average duration of the benefit obligation at the balance sheet date is 12 years. The defined benefit obligation includes benefits for current employees, former employees and current pensioners. Approximately 43% of the liabilities are attributable to current and former employees and 57% to current pensioners.

The scheme typically exposes the Group to actuarial risks such as investment risk, interest rate risk and longevity risk, as described below:

- **Investment risk:** The present value of the defined benefit scheme liability is calculated using a discount rate determined by reference to high quality corporate bond yields. If the return on plan assets is below this rate, it will create a scheme deficit. Currently, the scheme has a relatively balanced investment in equities, bonds, property funds and alternatives, cash and diversified growth funds. Due to the long-term nature of scheme liabilities, the trustees of the pension fund consider it appropriate that a reasonable portion of the scheme assets should be invested in equities, property funds and diversified growth funds to leverage the return generated by the fund.
- **Interest risk:** A decrease in the bond interest rate will increase the scheme liability but this will be partially offset by an increase in the return on the scheme's bond investments.
- **Longevity risk:** The present value of the defined benefit scheme liability is calculated by reference to the best estimate of the mortality of the scheme participants both during and after their employment. An increase in the life expectancy of the scheme participants will increase the scheme's liability.

The principal actuarial assumptions as at the balance sheet date, used for the purposes of the actuarial valuations, were as follows:

	2025 %	2024 %
Discount rate	5.75	5.25
Future salary increases	n/a	n/a
RPI inflation	3.00	3.35
CPI inflation	2.60	2.85
Pension increases in payment (LPI 5%)	2.85	3.04

The mortality assumptions adopted imply the following life expectancies:

	2025 Years	2024 Years
Current pensioners – male life expectancy at age 65	20.0	20.0
Future pensioners currently aged 45 – male life expectancy at age 65	21.3	21.2

The 2025 mortality assumptions above are based on S3PXA tables with CMI 2023 improvements and a long-term trend rate of 1.25% (2024: S3PXA tables with CMI 2023 improvements and a long-term trend rate of 1.25%).

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

	2025 £m	2024 £m
Present value of defined benefit obligations	(34.7)	(37.4)
Fair value of scheme assets	32.4	32.9
Deficit in the scheme recognised as a liability in the balance sheet	(2.3)	(4.5)
Related deferred tax asset (note 24)	0.6	1.2
Net pension liability	(1.7)	(3.3)

Notes to the Group financial statements continued

for the year ended 31 May 2025

26. Retirement benefit obligations continued

Defined benefit scheme continued

NWF Group Benefits Scheme continued

Amounts recognised in the income statement in respect of the defined benefit scheme are as follows:

	2025 £m	2024 £m
Past service cost	—	—
Administrative expenses	0.3	0.2
Interest on the net defined benefit liability	0.2	0.4
Total cost recognised in the income statement	0.5	0.6

Gains and losses arising from the remeasurement of the net defined benefit liability have been reported in the statement of comprehensive income, as shown below:

	2025 £m	2024 £m
Actuarial (loss)/gain on plan assets	(2.9)	1.1
Actuarial gain arising on defined benefit obligations	2.7	2.0
Remeasurement (loss)/gain	(0.2)	3.1

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

	2025 £m	2024 £m
At 1 June	37.4	39.2
Interest cost	1.9	2.0
Remeasurement (gains)/losses:		
– actuarial (gains)/losses arising from changes in financial assumptions	(2.8)	1.4
– actuarial (gains) arising from changes in demographic assumptions	(0.2)	(0.5)
– actuarial losses/(gains) on experience assumptions	0.3	(2.9)
Benefits paid	(1.9)	(1.8)
At 31 May	34.7	37.4

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

	2025 £m	2024 £m
At 1 June	32.9	29.6
Interest income	1.7	1.6
Remeasurement (losses)/gains:		
– actuarial (losses)/gains on plan assets	(2.9)	1.1
Contributions by employer	2.9	2.7
Expenses	(0.3)	(0.3)
Benefits paid	(1.9)	(1.8)
At 31 May	32.4	32.9

The major categories and fair values of scheme assets at the balance sheet date are as follows:

	Fair value of assets	
	2025 £m	2024 £m
LDI	9.2	11.2
Credit fund	3.0	2.8
Diversified growth fund	8.5	8.1
Cash	0.8	0.8
Equity	8.0	7.3
Asset backed securities	2.7	2.4
Annuity policies	0.2	0.3
Total	32.4	32.9

None of the fair values of the assets shown above include any of the Group's own financial instruments or any property used by the Group at the balance sheet date.

The actual return on scheme assets was a £1.2 million loss (2024: £2.7 million gain).

Asset-liability matching reviews of the NWF Group Benefits Scheme are performed regularly. The results of reviews are used to assist the trustees and the Group to determine the optimal long-term asset allocation with regard to the structure of the liabilities of the scheme. They are also used to assist the trustees in managing the underlying volatility inherent in investment performance and the risk of a significant increase in the scheme deficit, by providing information used to determine the scheme's investment strategy.

Notes to the Group financial statements continued

for the year ended 31 May 2025

26. Retirement benefit obligations continued

Defined benefit scheme continued

NWF Group Benefits Scheme continued

The Board have considered whether any additional liabilities exist from the prior scheme amendments, which may be unwound as a result of the recent Virgin Media vs NTL Trustees and others ruling. As the high court decision was appealed in June 2024, the outcome is now uncertain so the implications of this have not been investigated or possible outcomes determined and no allowance has been made for this in the financial statements. As of 6 June 2025, the Government has confirmed that it will introduce legislation granting affected schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Whilst the legislation is yet to be published, given the confirmation from Government that it will legislate, we believe that it remains appropriate that no allowance is made in respect of the Virgin Media ruling in the 31 May 2025 IAS 19 disclosures.

The main strategic choices that are formulated in an actuarial and technical policy document of the fund are described below:

- asset mix is based on a strategic allocation of 26% diversified growth funds, 28% liability-driven investment ('LDI') funds, 25% equity, 9% multi-asset credit, 3% cash and cash equivalents and 9% asset backed securities;
- it is the policy of the fund to cover 85% of its exposure to the interest rate risk of the defined benefit liability by the use of LDI funds and other bond assets LDI funds are derivative-based investments that give leveraged exposures to the bond markets;
- inflation risk is mitigated by the use of LDI funds to cover 85% of the exposure;
- the fund does not have a material foreign exchange exposure and does not, therefore, use foreign exchange derivatives to hedge its foreign exchange risk;
- active management is within the diversified growth fund and the multi-asset credit fund; and
- there are 13 pensioner members with annuity policies held in the name of the pension scheme trustee. The arrangements are held with Aviva plc and Scottish Widows Limited. These policies fully match the pension obligations of those pensioners insured and are therefore set equal to the present value of the related obligations.

As all of the above assets are held in a pooled arrangement, they do not hold a quoted market price in active markets.

There has been no change in the processes used by the Group to manage its risks from the prior year.

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.

	Increase £m	Decrease £m
Impact on defined benefit obligation		
0.25% change in discount rate	(1.0)	1.0
0.25% change in RPI inflation	0.5	(0.5)
One-year change in the life expectancy at age 65	1.2	(1.2)

27. Share-based payments

In the year ended 31 May 2025, the Group operated one (2024: one) equity-settled share-based payment plan as described below.

The Group recognised total credit of £0.3 million (including NI) in respect of the LTIP's equity-settled share-based payment transactions in the year ended 31 May 2025 (2024: £0.1 million credit).

Long-Term Incentive Plan ('the Plan')

The Group operates a Performance Share Plan for senior executives, further details of which can be found in the Directors' Remuneration Report in the Group financial statements. Under the Plan, the Group has made awards of conditional shares, which have yet to be exercised, to certain Directors on 3 August 2021 (vesting date: August 2024), 31 January 2023 (vesting date: May 2025), 1 August 2023 (vesting date: May 2026) and 30 July 2024 (vesting date: May 2027). The vesting of these conditional share awards is subject to the Group achieving absolute earnings per share targets.

Details of the maximum total number of ordinary shares, which may be issued in future periods in respect of conditional share awards outstanding at 31 May 2025, 31 May 2024, 31 May 2023, 31 May 2022 and 31 May 2021, are as shown below.

	2025 Number of conditional shares	2024 Number of conditional shares	2023 Number of conditional shares	2022 Number of conditional shares	2021 Number of Conditional shares
At 1 June	1,259,464	1,202,049	1,386,289	1,400,421	1,441,604
Granted in the year	544,363	508,982	400,766	420,046	437,164
Exercised in the year	(224,011)	(31,418)	(529,080)	(245,657)	(478,347)
Lapsed in the year	(356,961)	(420,149)	(55,927)	(188,521)	—
Forfeited in the year	(108,646)	—	—	—	—
At 31 May	1,114,209	1,259,464	1,202,048	1,386,289	1,400,421

The estimate of the fair value of the services received in return for the conditional share awards is measured based on a Black Scholes model. The aggregate of the estimated fair values of the awards at 31 May 2025 shown above is £2.1 million (31 May 2024: £2.0 million), before taking into account the likelihood of achieving non-market-based performance conditions. The weighted average share price of share options exercised during the period was 168.0p. The range of exercise prices for share options outstanding at the end of the year was 167.5p to 267.5p. The weighted average remaining contractual life of share options outstanding at the end of the period was 1.44 years.

Notes to the Group financial statements continued for the year ended 31 May 2025

27. Share-based payments continued

Long-Term Incentive Plan ('the Plan') continued

For awards granted in the current and prior years, the inputs into the Black Scholes model are as follows:

	2025	2024 (1 Aug 2023 grant)	2024 (2 Oct 2023 grant)	2023	2022	2021
Share price at grant date	£1.68	£2.68	£2.21	£2.30	£2.17	£2.05
Black Scholes fair value	£1.50	£2.45	£2.03	£1.88	£1.96	£1.83
Exercise price	£Nil	£Nil	£Nil	£Nil	£Nil	£Nil
Expected volatility	30.25%	26.14%	26.96%	31.53%	30.40%	31.09%
Expected life	2.84 years	2.83 years	2.66 years	2.33 years	2.83 years	2.82 years
Expected dividend yield	3.99%	3.09%	3.11%	3.36%	3.57%	4.03%
Risk-free interest rate	3.94%	4.82%	4.56%	3.26%	0.10%	(0.13)%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous three years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

28. Net cash generated from operations

	2025 £m	2024 £m
Profit before taxation	9.3	12.2
Adjustments for:		
Depreciation of property, plant and equipment	5.8	5.0
Depreciation of right of use assets	12.5	11.2
Amortisation of other intangible assets	0.9	0.9
Impairment of intangible assets	0.1	—
(Profit) on disposal of property, plant and equipment	(0.3)	(0.3)
Finance income	(0.1)	—
Finance costs	3.4	2.1
Fair value loss/(profit) on financial derivative	0.1	(0.2)
Share-based payment (credit)	(0.3)	(0.1)
Contribution to pension scheme not recognised in income statement	(2.6)	(2.5)
Operating cash flows before movements in working capital and provisions	28.8	28.3
Movements in working capital:		
Decrease/(increase) in inventories	0.1	(0.7)
Decrease/(increase) in trade and other receivables	4.0	(0.9)
(Decrease) in trade and other payables	(5.2)	(1.4)
Net cash generated from operations	27.7	25.3

29. Analysis of cash and cash equivalents and reconciliation to net debt

	1 June 2024 (re-stated) £m	Cash flow £m	Other non-cash movements £m	31 May 2025 £m
Cash and cash equivalents (note 18)	16.4	(5.5)	—	10.9
Invoice discounting advances (note 20)	(6.4)	1.8	—	(4.6)
Total Group (excluding lease liabilities)	10.0	(3.7)	—	6.3
Lease liabilities (excluding hire purchase obligations transferred)	(46.3)	10.6	(24.5)	(60.2)
Total Group (including lease liabilities)	(36.3)	6.9	(24.5)	(53.9)

Further details of the prior year reclassification restatement are included in note 2.

Other non-cash movements include new right of use assets of £22.9 million (note 13).

30. Investments

	£m
Cost and carrying amount	
At 1 June 2024	—
At 31 May 2025	—

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company directly owns the whole of the issued ordinary shares of the following subsidiary undertakings:

Company	Business activity	Company number
NWF Agriculture Holdings Limited	Dormant	03704975
NWF Distribution Holdings Limited	Dormant	03707824
NWF Fuels Holdings Limited*	Holding company	03706449
Dragon Petroleum Limited	Dormant	00574068
North Western Farmers Limited	Dormant	00666065
NWF Limited	Dormant	00833736

All of the above companies are registered and operate in England and Wales. The registered office for all directly owned subsidiary undertakings is Wardle, Nantwich, Cheshire CW5 6BP.

Notes to the Group financial statements continued for the year ended 31 May 2025

30. Investments continued

The Company also indirectly owns all of the issued ordinary shares of the following subsidiary undertakings:

Company	Business activity	Registered office:	Company number
NWF Agriculture Limited*	Supplier of animal feedstuffs and seeds	Wardle, Nantwich, Cheshire CW5 6BP	01117234
New Breed (UK) Limited*	Supplier of animal feedstuffs and seeds	Wardle, Nantwich, Cheshire CW5 6BP	05509470
Boughey Distribution Limited*	Warehousing and food distribution	Wardle, Nantwich, Cheshire CW5 6BP	00797672
NWF Fuels Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	01117133
Consols Oils Limited	Dormant	Jack Mills Way, Crewe, Cheshire CW2 5RX	02794100
Caldo Fuel Oil Limited (formerly Figaro Number Two Limited)	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00312715
David Hermon Hodge Group Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	11897150
David Hermon Hodge Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	07585473
Hermon Hodge Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	01247450
Preston Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03289365
Ron Darch & Sons Co Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	01702395
Midland Fuel Oil Supplies Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	02299179
Staffordshire Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03381217
Swan Petroleum Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00839259
Browns of Burwell Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00859488
Broadland Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03284313
Knutsford Domestic Fuel Oil Company Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00658819
Figaro Number One Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	02346128
Sweetfuels Limited	Dormant	Jack Mills Way, Crewe, Cheshire CW2 5RX	05484828
Northern Energy Oils Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	07362215
Pinnock Brothers (Thatcham & Kintbury) Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	00501966

* The companies listed above that are entitled to do so have taken advantage of the exemption from audit available under Section 479A of the Companies Act 2006 relating to subsidiary companies. In order for the subsidiary companies to claim this exemption the Parent Company guarantees all outstanding liabilities which the subsidiary companies listed above are subject to at the end of the financial year, until they are satisfied in full. The guarantee is enforceable against the parent undertaking by any person to whom the subsidiary companies listed above are liable in respect of those liabilities.

In addition to the above subsidiaries, NWF Group plc also holds an indirect investment in Palletline Limited. In 2015 Boughey Distribution Limited, a subsidiary company of NWF Group plc, acquired an investment of £31,000 in Palletline Limited as part of becoming a member in its distribution network. On 20 November 2015 the membership bond was converted into 2,000 ordinary £1 shares being 0.47% of the issued share capital.

31. Related party transactions

Key management compensation

The remuneration of key management personnel of the Group, who are the Executive and Non-Executive Directors of the Company, the Executive Directors of its subsidiaries and certain key managers of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures':

	2025 £m	2024 £m
Short-term employee benefits (salary and bonus)	4.6	3.9
Post-employment benefits	0.3	0.3
	4.9	4.2

Further information on remuneration of Directors can be found in the Directors' Remuneration Report.

PLC Directors' transactions

T P Acton purchased, at an agreed employee rate of Platts +4.0p per litre, goods to the value of £2,031 as a customer of the Group in the year ended 31 May 2025 (2024: £2,962). At 31 May 2025, the amount outstanding was £Nil (2024: £Nil). During the year, the highest amount outstanding totalled £969 (2024: £815).

R A Whiting purchased, in the normal course of business and under normal terms and conditions, goods to the value of £Nil as a customer of the Group in the year ended 31 May 2025 (2024: £2,445). At 31 May 2025, the amount outstanding was £Nil (2024: £931 credit balance). During the year, the highest amount outstanding was £Nil (2024: £2,466 credit balance).

Other related party transactions

G Franks, who is a director of NWF Agriculture Limited purchased, at an agreed employee rate of Platts +4.0 pence per litre, goods to the value of £1,107 as a customer of the Group in the year ended 31 May 2025 (2024: £1,894). At 31 May 2025, the amount outstanding was £Nil (2024: £Nil). During the year, the highest amount outstanding totalled £580 (2024: £640).

M Adcock, who is a director of NWF Fuels Limited, purchased, at an agreed employee rate of Platts +4.0 pence per litre, goods to the value of £Nil as a customer of the Group in the year ended 31 May 2025 (2024: £1,501). At 31 May 2025, the amount outstanding was £Nil (2024: £Nil). During the year, the highest amount outstanding was £Nil (2024: £1,021 credit balance).

Notes to the Group financial statements continued for the year ended 31 May 2025

32. Commitments for capital expenditure

	2025 £m	2024 (re-stated) £m
Authorised and contracted but not provided for	12.6	40.2

The above commitments relate to right of use asset costing £12.4 million and property, plant and equipment costing £0.2 million.

The prior year figure has been re-stated to include £1.7 million of capital expenditure in NWF Agriculture Limited which was committed to before the end of 2024.

33. Contingent liabilities

The Group's bank facilities are provided under an arrangement with NatWest Group. The Group has pledged security in favour of the bank over certain freehold land and buildings with a carrying value at 31 May 2025 of £19.5 million (2024: £20.0 million). This is secured by way of unscheduled mortgage debentures which incorporate a fixed charge over specified property including land, plant and machinery and goodwill and a floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The Group has an arrangement with the bank under which cash balances are offset against borrowings. The Company has given a guarantee in respect of the net bank borrowings within the Group under this arrangement amounting to £Nil at 31 May 2025 (2024: £Nil). The Group has an intercompany cross-guarantee arrangement with the bank under which the Company and various subsidiaries provide security for each other.

The Company and certain subsidiaries have granted a fixed and floating charge in favour of the trustees of a defined benefit pension scheme ('the NWF Group Benefits Scheme'). This security, which is subordinated to the bank, creates a fixed charge over certain freehold land and buildings, subject to a maximum value of £5.0 million (2024: £5.0 million), and a floating charge over all other assets.

During the prior year Boughhey Distribution Limited, a subsidiary company of NWF Group plc, acquired a new lease for a warehouse in Newcastle-under-Lyme. The property lease has been secured via a parental guarantee provided by the ultimate Parent Company NWF Group plc.

The Company has also given certain guarantees to third parties in respect of operating leases due from various subsidiary companies.

No loss is expected to result from these arrangements.

During the 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 but the outcome and timing of any potential liability are uncertain.

34. Contingent assets

During the 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. 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.

There were no contingent assets as at 31 May 2024.

35. Post-balance sheet events

There are no post-balance sheet events to disclose (2024: none).

36. Alternative performance measures

The Directors consider a number of performance measures to provide useful information for shareholder on underlying trends and performance. These measures include headline operating profit, headline profit before taxation, headline EBITDA, headline ROCE, headline earnings per share measures and underlying cash conversion.

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

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.

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.

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.

Notes to the Group financial statements continued

for the year ended 31 May 2025

36. Alternative performance measures continued

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.

At 31 May 2025	Headline operating profit £m	Headline profit before tax £m	Headline EBITDA £m
Alternative performance measures:			
Operating profit	12.6	—	12.6
Profit before tax	—	9.3	—
Exceptional income	—	—	—
Exceptional expenses	2.9	2.9	2.9
Amortisation of acquired intangibles	0.8	0.8	0.8
Net finance cost in respect of the Group's defined benefit pension scheme	—	0.2	—
Amortisation of intangibles	—	—	0.1
Depreciation of property, plant and equipment	—	—	5.8
	16.3	13.2	22.2
At 31 May 2024	Headline operating profit £m	Headline profit before tax £m	Headline EBITDA £m
Alternative performance measures:			
Operating profit	14.3	—	14.3
Profit before tax	—	12.2	—
Exceptional income	(1.3)	(1.3)	(1.3)
Exceptional expenses	0.5	0.5	0.5
Amortisation of acquired intangibles	0.7	0.7	0.7
Net finance cost in respect of the Group's defined benefit pension scheme	—	0.4	—
Depreciation of property, plant and equipment	—	—	5.2
	14.2	12.5	19.4

	2025 £m	2024 (re-stated) £m
Underlying cash conversion:		
Headline operating profit	16.3	14.2
Depreciation of property, plant and equipment	5.8	5.2
Depreciation of right of use assets	12.5	11.0
Profit on disposal of fixed assets	(0.3)	(0.3)
Amortisation of intangibles not acquired	0.1	0.1
Change in working capital	(1.1)	(3.0)
Lease capital and interest payments	(12.1)	(11.2)
Capital expenditure	(1.8)	(3.9)
Underlying operating cash flow	19.4	12.1
Underlying cash conversion %	119.0%	85.2%
	2025 £m	2024 (re-stated) £m
Net cash:		
Cash and cash equivalents	10.9	16.4
Borrowings	(4.6)	(6.4)
Net cash	6.3	10.0

Notes to the Group financial statements continued

for the year ended 31 May 2025

36. Alternative performance measures continued

Cash conversion has been re-stated for 2024 above to reflect the impact of depreciation, lease payments and capital expenditure.

At 31 May 2025	Fuels £m	Food £m	Feeds £m	Group £m
Segment assets:				
Total assets	121.5	59.8	56.3	237.6
Consolidation adjustments	(2.9)	(1.3)	(6.8)	(11.0)
	118.6	58.5	49.5	226.6
Head office cost allocations	1.6	19.1	2.0	22.7
Segment assets	120.2	77.6	51.5	249.3
Group cash				10.9
Consolidated total assets				260.2
At 31 May 2025	Fuels £m	Food £m	Feeds £m	Group £m
Segment liabilities:				
Total liabilities	(89.0)	(52.7)	(29.9)	(171.6)
Consolidation adjustments	5.3	9.1	4.9	19.3
	(83.7)	(43.6)	(25.0)	(152.3)
Head office cost allocations	(1.0)	(1.8)	(0.9)	(3.7)
Segment liabilities	(84.7)	(45.4)	(25.9)	(156.0)
Borrowings				(4.6)
Deferred taxation liabilities				(10.0)
Retirement benefit obligations				(2.3)
Current tax liabilities				(0.1)
Consolidated total liabilities				(173.0)

At 31 May 2024 (re-stated)	Fuels £m	Food £m	Feeds £m	Group £m
Segment assets:				
Total assets	107.6	57.2	52.0	216.8
Consolidation adjustments	(10.0)	(1.3)	(3.0)	(14.3)
	97.6	55.9	49.0	202.5
Head office cost allocations	2.0	20.9	2.3	25.2
Segment assets	99.6	76.8	51.3	227.7
Group cash				16.4
Consolidated total assets				244.1

At 31 May 2024 (re-stated)	Fuels £m	Food £m	Feeds £m	Group £m
Segment liabilities:				
Total liabilities	(75.6)	(50.0)	(27.8)	(153.4)
Consolidation adjustments	5.3	8.7	4.2	18.2
	(70.3)	(41.3)	(23.6)	(135.2)
Head office cost allocations	(1.3)	(3.1)	(1.1)	(5.5)
Segment liabilities	(71.6)	(44.4)	(24.7)	(140.7)
Borrowings				(6.4)
Deferred taxation liabilities				(7.1)
Retirement benefit obligations				(4.5)
Consolidated total liabilities				(158.7)

Further details of the prior year reclassification restatement are included in note 2.

Parent Company balance sheet as at 31 May 2025

	Note	2025 £m	2024 £m
Non-current assets			
Property, plant and equipment	3	0.3	0.3
Investment property	4	20.6	21.2
Investments	5	15.3	15.3
Lease receivable	6	—	1.1
Reimbursement asset	7	0.5	0.5
		36.7	38.4
Current assets			
Trade and other receivables	9	4.4	4.9
Lease receivable	6	1.1	1.1
Cash and cash equivalents		2.3	4.3
		7.8	10.3
Current liabilities			
Trade and other payables	10	(3.0)	(2.7)
Lease liabilities	11	(1.1)	(1.3)
		(4.1)	(4.0)
Net current assets		3.7	6.3
Total assets less current liabilities		40.4	44.7
Non-current liabilities			
Lease liabilities	11	—	(1.1)
Provisions for liabilities	12	(0.5)	(0.5)
Deferred taxation liabilities	8	(2.5)	(1.8)
Retirement benefit obligations		(2.3)	(4.5)
		(5.3)	(7.9)
Net assets		35.1	36.8
Capital and reserves			
Share capital	13	12.4	12.4
Share premium		0.9	0.9
Retained earnings		21.8	23.5
Total shareholders' funds		35.1	36.8

The Company's profit for the year was £2.7 million including dividends received from subsidiary companies of £4.5 million (2024: £4.6 million).

The Parent Company financial statements on pages 103 to 112 were approved by the Board of Directors on 29 July 2025 and were signed on its behalf by:



C J Belsham
Director



K J Shortland
Director

The notes on pages 105 to 112 form part of these Parent Company financial statements.

Parent Company statement of changes in equity for the year ended 31 May 2025

	Share capital £m	Share premium £m	Retained earnings £m	Total shareholders' funds £m
Balance at 1 June 2023	12.4	0.9	20.5	33.8
Profit for the year	—	—	4.6	4.6
Remeasurement gain on defined benefit pension scheme	—	—	3.1	3.1
Tax on items that will not be reclassified to income statement	—	—	(0.7)	(0.7)
Total comprehensive income for the year	—	—	7.0	7.0
Transactions with owners:				
Dividends paid	—	—	(3.9)	(3.9)
Debit to equity for equity-settled share-based payments	—	—	(0.1)	(0.1)
Total transactions with owners	—	—	(4.0)	(4.0)
Balance at 31 May 2024	12.4	0.9	23.5	36.8
Profit for the year	—	—	2.7	2.7
Remeasurement loss on defined benefit pension scheme	—	—	(0.2)	(0.2)
Tax on items that will not be reclassified to income statement	—	—	0.1	0.1
Total comprehensive income for the year	—	—	2.6	2.6
Transactions with owners:				
Dividends paid	—	—	(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	21.8	35.1

The notes on pages 105 to 112 form part of these Parent Company financial statements.

Notes to the Parent Company financial statements for the year ended 31 May 2025

1. Parent Company's material accounting policies

Basis of preparation

The Company is a public limited company and is registered in England and Wales. The registered office address is Wardle, Nantwich, Cheshire CW5 6BP. The principle activity of the Company is to act as a holding company for the Group.

The separate financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'), on the going concern basis and under the historical cost convention and applicable accounting standards in the UK, and in accordance with the Companies Act 2006. The material accounting policies, which have been applied consistently to all the years presented, are set out below.

These financial statements and accompanying notes have been prepared in accordance with the reduced disclosure framework for all years presented.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- the following paragraphs of IAS 1 'Presentation of Financial Statements':
 - 10(d) (statement of cash flows);
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B – D (additional comparative information);
 - 40A – D (requirement for a third statement of financial position);
 - 111 (cash flow statement information); and
 - 134 – 136 (capital management disclosures);
- IFRS 7 'Financial Instruments: Disclosures';
- IAS 7 'Statement of Cash Flows';
- IAS 24 'Related Party Disclosures' – the requirement to disclose related party transactions between two or more members of a group;
- IAS 24 (paragraphs 17 and 18a) 'Related Party Disclosures' (key management compensation);
- IAS 16 'Property, Plant and Equipment' (paragraph 73(e)) – reconciliations between the carrying amount at the beginning and end of the period;
- paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets or liabilities);
- paragraph 38 of IAS 1, 'Presentation of Financial Statements', comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73 (e) of IAS 16 'Property, Plant and Equipment'; and

- paragraph 118(e) of IAS 38 'Intangible Assets' (reconciliations between the carrying amount at the beginning and end of the period);
- paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective); and
- paragraphs 130(f)(ii) (iii), 134(d)–(f) and 135(c)–(e) of IAS 36 'Impairment of Assets'.

As the Group financial statements include the equivalent disclosures, the Company has taken the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 2 'Share-based Payments' in respect of Group equity-settled share-based payments; and
- certain disclosures required by IFRS 13 'Fair Value Measurement' and disclosures required by IFRS 7 'Financial Instruments: Disclosures'.

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 2024.

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 7 and IFRS 7	Supplier Finance	1 January 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16	Leases on Sale and Leaseback	1 January 2024

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 IAS 21	Lack of Exchangeability	1 January 2025

These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Parent Company income statement

The Company has not presented its own income statement as permitted by Section 408 of the Companies Act 2006. The Company's profit for the year was £2.7 million including dividends received (2024: £4.6 million). The profit for the year is shown in the statement of changes in equity and on the face of the balance sheet. There are no material differences between the profit for the year in the current and prior year and its historical cost equivalent. Accordingly, no note of historical cost profits and losses has been presented.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

1. Parent Company's material accounting policies continued

Going concern

The Group manages its cash balances on a Group-wide basis. As a result, the going concern review for the Company has considered the outputs of the going concern review performed by the Group. Based on financial performance to date and forecasts along with the available banking facilities, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Board has prepared cash flow forecasts for the period to 31 May 2027. Under this base case scenario, the Company 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 Company would still expect to have sufficient headroom in its financing facilities.

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

Dividend distribution

The distribution of a dividend to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which it is approved by the Company's shareholders (please refer to note 9 of the Group financial statements).

Property, plant and equipment

Property, plant and equipment are stated at cost. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of property, plant and equipment over their useful economic life on a straight-line basis as follows:

Plant and machinery	3 – 12 years
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Assets under construction are not depreciated until they are put into use.

Borrowing costs that are directly attributable to the construction of qualifying assets are capitalised.

Investment property

Owner-occupied land and buildings owned by the Company and which are rented to subsidiary companies are treated as investment properties in accordance with IAS 40 'Investment Property'. Investment properties are valued using the cost model. Investment properties are stated at cost, which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of the investment property over its useful economic life on a straight-line basis over 10 – 50 years.

Investments

Investments in Group undertakings are stated at cost, unless their value has been impaired in which case they are valued at the lower of their realisable value or value in use.

Lease receivables and lease liabilities

The Company holds the head lease on a property which is occupied by a subsidiary company under a sub-lease arrangement. The Company recognises both a finance lease receivable and a lease liability in respect of this arrangement.

The finance lease receivable is measured initially at the amount of the net investment in the lease, which is the gross investment in the lease discounted using the implicit interest rate in the lease, in accordance with IFRS 16. The gross investment in the lease is the aggregate of the lease payments receivable. Each lease payment received is allocated between the receivable and finance income. The finance income is credited to the income statement over the lease period so as to produce a constant periodic recognition of interest on the remaining balance of the asset for each period.

At the inception of a contract, the Company performs an assessment to determine whether the contract is, or contains, a lease. Key aspects of this determination are the specific identification of an asset that is subject to the lease, and that the lease conveys the right to direct and control the use of the identified asset for a period of time.

Where a contract is determined to contain a lease, the lease liability is recognised from the commencement date of the lease, the commencement date being defined as the date at which the lessor makes the underlying asset available for use. The lease liability is recognised at an amount equal to the present value of the future lease payments during the lease term.

Lease payments are discounted using the Company's incremental borrowing rate at the time of the inception of the lease.

Reimbursement asset

The Company recognises a reimbursement asset where it has virtual certainty that an economic inflow of resources will be received.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are regarded as recoverable and recognised in the financial statements when, on the basis of available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted. The recoverability of tax losses is assessed by reference to forecasts which have been prepared and approved by the Board. The deferred tax assets and liabilities are not discounted.

Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

1. Parent Company's material accounting policies continued

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. The Company recognises cash when it is within its control, and in accordance with IFRS 9, when it has the contractual right to obtain cash from the bank. The Company's cash recognition policies are aligned with IAS 7.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Retirement benefit obligations

The Company operates various pension schemes, including defined contribution and defined benefit schemes.

Defined contribution schemes

For defined contribution schemes, the Group pays contributions to publicly or privately administered pension insurance schemes on a mandatory, contractual or voluntary basis. The contributions are recognised as an employee benefit expense in the income statement when they are due. The assets of the schemes are held separately from those of the Group in funds under the control of trustees.

Defined benefit scheme

The Company is the sponsoring employer in a funded Group-operated defined benefit pension scheme, the NWF Group Benefits Scheme, and has therefore recognised the defined liability, in full, on the Company balance sheet.

The liability recognised in the balance sheet in respect of defined benefit schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. The Company has considered the recognition requirements of IFRIC 14 and determined that they do not apply to the scheme.

The net pension finance cost is determined by applying the discount rate, used to measure the defined benefit pension obligation at the beginning of the accounting period, to the net pension obligation at the end of the accounting period taking into account any changes in the net pension obligation during the period as a result of cash contributions and benefit payments.

Pension scheme expenses are charged to the income statement within administrative expenses.

Actuarial gains and losses are recognised immediately in the statement of comprehensive income. Net defined benefit pension scheme deficits before tax relief are presented separately on the balance sheet within non-current liabilities. The attributable deferred taxation asset is included within the deferred taxation asset in the balance sheet and is subject to the recognition criteria as set out in the accounting policy on deferred taxation.

Share-based payments

In the year ended 31 May 2025, the Company operated one (2024: one) equity-settled share-based payment plan. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant.

The fair value determined at the grant date of equity-settled share-based payments issued to the Company's employees is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

The fair value determined at the grant date of equity-settled share-based payments issued to employees of subsidiary undertakings is recognised as an addition to the cost of investment in subsidiary undertakings on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured by the use of a Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Employer social security contributions payable in connection with the grant of share awards are considered an integral part of the grant itself and the charge is treated as a cash-settled transaction.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of issue.

Critical accounting estimates and judgements

The Company 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.

Estimates:

Defined benefit pension scheme – valuation assumptions

The balance sheet carrying value of the 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. Further details can be found in note 26 of the Group financial statements.

Assessment of impairment

The Company tests annually for impairment of investments and fixed asset balances, which involves using key judgements including estimates of future business performance and cash generation, discount rates and long-term growth 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 ended 31 May 2025 and four years of business strategic plans thereafter. Subsequent cash flows are extrapolated using an estimated growth rate of 2%.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

1. Parent Company's material accounting policies continued

Critical accounting estimates and judgements continued

Assessment of impairment continued

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.

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.

2. Remuneration of Directors and auditors

Details of Directors' remuneration are shown in the Directors' Remuneration Report on pages 58 to 63. Details of auditors' remuneration are shown in note 5 of the Group financial statements.

3. Property, plant and equipment

	Plant and machinery £m	Total £m
Cost		
At 1 June 2024	1.1	1.1
Additions	0.1	0.1
At 31 May 2025	1.2	1.2
Accumulated depreciation		
At 1 June 2024	0.8	0.8
Charge for the year	0.1	0.1
At 31 May 2025	0.9	0.9
Carrying amount		
At 31 May 2025	0.3	0.3
At 31 May 2024	0.3	0.3

4. Investment property

	Investment property £m	Total £m
Cost		
At 1 June 2024	34.8	34.8
Additions	0.2	0.2
Disposals	—	—
At 31 May 2025	35.0	35.0
Accumulated depreciation		
At 1 June 2024	13.6	13.6
Charge for the year	0.8	0.8
At 31 May 2025	14.4	14.4
Carrying amount		
At 31 May 2025	20.6	20.6
At 31 May 2024	21.2	21.2

The fair value of the investment property at 31 May 2025 was £43.4 million (2024: £40.8 million). The valuation is based on a market valuation by an independent RICS valuer with recent experience in the location and category of the asset being valued. Rental income of £2.7 million (2024: £2.7 million) arising from investment property have been recognised in the income statement.

There are no restrictions on the realisability of the investment property or the remittance of income and proceeds of disposal.

5. Investments

	£m
Cost and carrying amount	
At 1 June 2024	15.3
At 31 May 2025	15.3

The Company has considered impairment of its investments in subsidiaries with this including amounts receivable from those subsidiaries. The results of the impairment tests used in note 14 in the Group accounts have been used in this consideration. Given the results of those tests the Directors do not consider at the carrying value of the Company's investment in subsidiaries has been impaired.

The Company directly owns the whole of the issued ordinary shares of the following subsidiary undertakings:

Notes to the Parent Company financial statements continued

for the year ended 31 May 2025

5. Investments continued

Company	Business activity	Company number
NWF Agriculture Holdings Limited	Dormant	03704975
NWF Distribution Holdings Limited	Dormant	03707824
NWF Fuels Holdings Limited*	Holding company	03706449
Dragon Petroleum Limited	Dormant	00574068
North Western Farmers Limited	Dormant	00666065
NWF Limited	Dormant	00833736

All of the above companies are registered and operate in England and Wales. The registered office for the above subsidiary undertakings is Wardle, Nantwich, Cheshire CW5 6BP.

The Company also indirectly owns all of the issued ordinary shares of the following subsidiary undertakings:

Company	Business activity	Registered office:	Company number
NWF Agriculture Limited*	Supplier of animal feedstuffs and seeds	Wardle, Nantwich, Cheshire CW5 6BP	01117234
New Breed (UK) Limited*	Supplier of animal feedstuffs and seeds	Wardle, Nantwich, Cheshire CW5 6BP	05509470
Boughey Distribution Limited*	Warehousing and food distribution	Wardle, Nantwich, Cheshire CW5 6BP	00797672
NWF Fuels Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	01117133
Consols Oils Limited	Dormant	Jack Mills Way, Crewe, Cheshire CW2 5RX	02794100
Caldo Fuel Oil Limited (formerly Figaro Number Two Limited)	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00312715
David Hermon Hodge Group Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	11897150
David Hermon Hodge Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	07585473
Hermon Hodge Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	01247450
Preston Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03289365
Ron Darch & Sons Co Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	01702395
Midland Fuel Oil Supplies Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	02299179
Staffordshire Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03381217
Swan Petroleum Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00839259
Browns of Burwell Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00859488
Broadland Fuels Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	03284313
Knutsford Domestic Fuel Oil Company Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	00658819
Figaro Number One Limited	Dormant	Wardle, Nantwich, Cheshire CW5 6BP	02346128
Sweetfuels Limited	Dormant	Jack Mills Way, Crewe, Cheshire CW2 5RX	05484828
Northern Energy Oils Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	07362215
Pinnock Brothers (Thatcham & Kintbury) Limited*	Fuel distribution	Jack Mills Way, Crewe, Cheshire CW2 5RX	00501966

* The companies listed above that are entitled to do so have taken advantage of the exemption from audit available under Section 479A of the Companies Act 2006 relating to subsidiary companies. In order for the subsidiary companies to claim this exemption the Parent Company guarantees all outstanding liabilities which the subsidiary companies listed above are subject to at the end of the financial year, until they are satisfied in full. The guarantee is enforceable against the Parent undertaking by any person to whom the subsidiary companies listed above are liable in respect of those liabilities.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

5. Investments continued

In addition to the above subsidiaries, NWF Group plc also holds an indirect investment in Palletline Limited. In 2015 Boughey Distribution Limited, a subsidiary company of NWF Group plc, acquired an investment of £31,000 in Palletline Limited as part of becoming a member in their distribution network. On 20 November 2015 the membership bond was converted into 2,000 ordinary £1 shares being 0.47% of the issued share capital.

6. Lease receivable

Lease receivables are comprised of the following balance sheet amounts:

	2025 £m	2024 £m
Current		
Amounts receivable within one year	1.1	1.1
Non-current		
Amounts receivable after more than one year	—	1.1
Total	1.1	2.2

Lease receivables are as follows:

	2025 £m	2024 £m
Not more than one year		
Minimum lease receivables	1.1	1.2
Interest element	—	(0.1)
Present value of minimum lease receivables	1.1	1.1
Between one and five years		
Minimum lease receivables	—	1.1
Interest element	—	—
Present value of minimum lease receivables	—	1.1

The Company is principle lessee on a significant property occupied by Group companies. The property is fully sublet on identical terms to the head lease to Group companies. The lease expires April 2026.

7. Reimbursement asset

The Company recognises a reimbursement asset of £0.5 million (2024: £0.5 million) in respect of certain future lease dilapidations costs receivable from subsidiary companies occupying property under a sub-lease arrangement with the Parent Company.

8. Deferred taxation

The following are the principal categories of deferred tax assets and liabilities recognised by the Company and the movements thereon:

	Accelerated tax depreciation £m	Retirement benefit obligations £m	Other £m	Total £m
Deferred taxation liabilities/(assets) at 1 June 2024	3.2	(1.2)	(0.2)	1.8
(Credit)/debit to income statement	(0.1)	0.7	0.2	0.8
Debit to equity	—	(0.1)	—	(0.1)
Deferred taxation liabilities/(assets) at 31 May 2025	3.1	(0.6)	—	2.5

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The deferred income tax assets disclosed above are deemed to be recoverable. There are no unrecognised deferred tax assets or liabilities in respect of other temporary differences.

9. Trade and other receivables

	2025 £m	2024 £m
Amounts owed by Group undertakings	0.8	1.6
Prepayments	0.7	0.6
Other receivables	—	0.1
Corporation tax recoverable	2.7	2.4
VAT recoverable	0.2	0.2
	4.4	4.9

All of the amounts owed by Group undertakings shown above are repayable on demand.

10. Trade and other payables

	2025 £m	2024 £m
Trade payables	0.7	0.5
Accruals	2.2	2.1
Other taxation and social security	0.1	0.1
	3.0	2.7

The Group has a net bank overdraft facility amounting to £1.0 million, none of which has been utilised by the Company at 31 May 2025 (2024: none utilised). This facility is secured by way of unscheduled mortgage debentures provided by the Company and certain subsidiaries within the Group to NatWest Group which incorporate a fixed charge over trade receivables and floating charges over all their other assets.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

11. Lease liabilities

	Property £m	Total £m
Cost		
At 1 June 2023	3.8	3.8
Lease liability payments (including finance costs)	(1.5)	(1.5)
Finance costs	0.1	0.1
At 31 May 2024	2.4	2.4
Lease liability payments (including finance costs)	(1.3)	(1.3)
Finance costs	—	—
At 31 May 2025	1.1	1.1

Lease liabilities are comprised of the following balance sheet amounts:

	2025 £m	2024 £m
Current		
Amounts due within one year	1.1	1.3
Non-current		
Amounts due after more than one year	—	1.1
Total	1.1	2.4

Lease liabilities are as follows:

	2025 £m	2024 £m
Not more than one year		
Minimum lease payments	1.1	1.4
Interest element	—	(0.1)
Present value of minimum lease payments	1.1	1.3
Between one and five years		
Minimum lease payments	—	1.1
Interest element	—	—
Present value of minimum lease payments	—	1.1

12. Provisions for liabilities

The Company recognises a current liability for provisions of £Nil (2024: £Nil) and a non-current liability in respect of a provision for dilapidations on leased properties of £0.5 million (2024: £0.5 million).

13. Called up share capital

	Number of shares '000	Total £m
Authorised: ordinary shares of 25p each		
Balance at 1 June 2023, 31 May 2024 and 31 May 2025	80,000	20.0
	Number of shares '000	Total £m

Allotted and fully paid: ordinary shares of 25p each

Balance at 1 June 2023	49,408	12.4
Issue of shares (see below)	31	—
Balance at 31 May 2024	49,439	12.4
Issue of shares (see below)	149	—
Balance at 31 May 2025	49,588	12.4

During the year ended 31 May 2025, 148,764 shares (2024: 31,418 shares) with an aggregate nominal value of £37,191 (2024: £7,855) 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 2025, amounted to 1,114,209 (31 May 2024: 1,259,464). These shares will only be issued subject to satisfying certain performance criteria (see the Directors' Remuneration Report and note 27 of the Group financial statements).

	2025 £m	2024 £m
Final dividend for the year ended 31 May 2024 of 7.1p (2023: 6.8p) per share	3.5	3.4
Interim dividend for the year ended 31 May 2025 of 1.0p (2024: 1.0p) per share	0.5	0.5
Amounts recognised as distributions to equity shareholders in the year	4.0	3.9
Proposed final dividend for the year ended 31 May 2025 of 7.4p (2024: 7.1p) per share	3.7	3.5

The proposed final dividend is subject to approval at the AGM on 16 September 2025 and has not been included as a liability in these Group financial statements.

Notes to the Parent Company financial statements continued for the year ended 31 May 2025

14. Employee benefit expense

	2025 £m	2024 £m
Wages and salaries	2.5	2.1
Social security costs	0.2	0.3
Share-based payments	(0.3)	(0.1)
Other pension costs	0.1	0.1
	2.5	2.4

The average monthly number of persons (including Directors) employed in the Company during the year was 21 (2024: 20).

15. Related party transactions

The Company has taken advantage of the exemption included in IAS 24 'Related Party Disclosures' to not disclose details of transactions with Group undertakings, on the grounds that it is the Parent Company of a group whose financial statements are publicly available.

Directors' transactions

T P Acton purchased, at an agreed employee rate of Platts +4.0p per litre, goods to the value of £2,031 as a customer of the Group in the year ended 31 May 2025 (2024: £2,962). At 31 May 2025, the amount outstanding was £Nil (2024: £Nil). During the year, the highest amount outstanding totalled £969 (2024: £815).

R A Whiting purchased, in the normal course of business and under normal terms and conditions, goods to the value of £Nil as a customer of the Group in the year ended 31 May 2025 (2024: £2,445). At 31 May 2025, the amount outstanding was £Nil (2024: £931 credit balance). During the year, the highest amount outstanding was £Nil (2024: £2,466 credit balance).

Details of the Directors' interests in the ordinary share capital of the Company are provided in the Directors' Report.

16. Share-based payments

The Performance Share Plan ('the LTIP')

The Company operates a Performance Share Plan for senior executives, further details of which can be found in the Directors' Remuneration Report in the Group financial statements.

Under the LTIP, the Company has made awards of conditional shares to certain Directors and employees, details of which can be found in note 27 of the Group financial statements.

The Company recognised total credit of £0.3 million (including NI) in respect of the LTIP's equity-settled share-based payment transactions in the year ended 31 May 2025 (2024: £0.1 million credit).

17. Pensions

The Company is the sponsoring employer in the NWF Group Benefits Scheme, a pension arrangement providing benefits based on final pensionable pay. Details of the NWF Group Benefits Scheme, its liabilities and assets, together with the principal assumptions used in the valuation of its liabilities, are given in note 26 to the Group financial statements.

Contributions into the scheme and amounts charged to the statement of comprehensive income during the year were £2.9 million (2024: £2.7 million) and expenses paid by the Company of £0.3 million (2024: £0.3 million). Amounts totalling £Nil were outstanding at the balance sheet date (2024: £0.2 million).

The Company also operated a money purchase scheme during the year and contributions during the year amounted to £0.1 million (2024: £0.1 million). There were no outstanding or prepaid contributions at the balance sheet date (2024: £Nil).

18. Contingent liabilities

The Company's bank facilities are provided under an arrangement with NatWest Group. The Company has pledged security in favour of the bank over certain freehold land and buildings with a carrying value at 31 May 2025 of £19.5 million (2024: £20.0 million). This is secured by way of unscheduled mortgage debentures which incorporate a fixed charge over specified property including land, plant and machinery and goodwill and a floating charge over all other property, assets and rights owned now or in the future which are not subject to an effective fixed charge.

The Company has an arrangement with the bank under which cash balances are offset against borrowings. The Company has given a guarantee in respect of the net bank borrowings within the Group under this arrangement amounting to £Nil at 31 May 2025 (2024: £Nil).

The Company and certain subsidiaries have granted a fixed and floating charge in favour of the trustees of a defined benefit pension scheme ('the NWF Group Benefits Scheme'). This security, which is subordinated to the bank, creates a fixed charge over certain freehold land and buildings, subject to a maximum value of £5.0 million (2024: £5.0 million), and a floating charge over all other assets.

Boughey Distribution Limited, a subsidiary company of NWF Group plc, leases a warehouse in Newcastle-under-Lyme. The property lease has been secured via a parental guarantee provided by NWF Group plc. The fair value of the liability payable in the event of default is considered to be £Nil as the funds payable would be recovered in full from Boughey Distribution Limited.

The Company has also given certain guarantees to third parties in respect of operating leases due from various subsidiary companies.

No loss is expected to result from these arrangements.

19. Contingent assets

There are no contingent assets recognised by the Company as at 31 May 2025 (2024: £Nil).

20. Post-balance sheet events

There are no post-balance sheet events to disclose (2024: none).

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ('the Meeting') of NWF Group plc ('the Company') will be held at Brabners LLP, 100 Barbirolli Square, Manchester M2 3BD on Tuesday 16 September 2025 at 09.30am to transact the business as specified below.

As Ordinary Business: to consider and, if thought fit, pass the following resolutions which will be proposed as Ordinary Resolutions.

1. To receive, adopt and approve the Company's Annual Report and Accounts for the financial year ended 31 May 2025 together with the Directors' Report and Auditors' Report thereon.
2. To declare a final dividend of 7.4p per share for the financial year ended 31 May 2025 payable on 5 December 2025 to shareholders who are on the register of members of the Company at the close of business on 31 October 2025.
3. To re-elect Amanda Jane Burton as a Director of the Company.
4. To re-elect Timothy John Cooper as a Director of the Company.
5. To re-elect Chris James Belsham as a Director of the Company.
6. To re-elect Katie Jane Shortland as a Director of the Company.
7. To re-elect Richard James Armitage as a Director of the Company.
8. To reappoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Meeting of the Company at which the Company's accounts are laid before the Company.
9. To authorise the Directors or Audit Committee of the Company to set the auditors' remuneration.
10. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy contained within that report) as set out in the Company's Annual Report and Accounts for the financial year ended 31 May 2025.

As Special Business: to consider and, if thought fit, pass the following resolutions which will be proposed as Special Resolutions except for Resolution 11 which will be proposed as an Ordinary Resolution.

Directors' authority to allot shares

11. That the Board of Directors of the Company ('the Board') be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ('the Act') to allot Relevant Securities (as hereinafter defined):
 - 11.1 up to an aggregate nominal amount of £4,128,213.00 (the equivalent of 16,512,852 ordinary shares); and
 - 11.2 comprising equity securities (as defined by Section 560 of the Act) up to an aggregate nominal amount of £8,256,426.00 (the equivalent of 33,025,704 ordinary shares) (such amount to be reduced by the nominal amount of any Relevant Securities allotted under paragraph 11.1 above) in connection with an offer by way of a rights issue:
 - (a) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective existing holdings; and
 - (b) to holders of other equity securities as required by the rights of those securities,

but subject to such limits, exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that this authority shall, unless renewed, varied or revoked by the Company, expire

on the date which is 15 months after the date of the Meeting or, if earlier, the date of the next Meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Board may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This Resolution 11 revokes and replaces all unexercised authorities previously granted to the Board to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

For the purposes of this Resolution 11, 'Relevant Securities' means:

- shares in the Company other than shares allotted pursuant to:
 - an employee share scheme (as defined by Section 1166 of the Act); or
 - a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or
 - a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security; or
 - any right to subscribe for, or to convert any security into, shares in the Company other than rights to subscribe for, or convert any security into, shares allotted pursuant to an employee share scheme (as defined by Section 1166 of the Act). References to the allotment of Relevant Securities in this Resolution 11 include the grant of such rights.

General disapplication of pre-emption rights

12. That, subject to the passing of Resolution 11, the Board be and it is hereby empowered, pursuant to Section 570 and Section 573 of the Act, to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by that Resolution or to sell treasury shares as if Section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:
 - 12.1 the allotment of equity securities in connection with a rights issue or other pro rata offer in favour of holders of equity securities (but in the case of the authority granted under paragraph 11.2 of Resolution 11, by way of a rights issue only) where the equity securities respectively attributable to the interests of all those persons at such record dates as the Board may determine are proportionate (as nearly as may be) to the respective numbers of equity securities then held by them subject to such limits, exclusions or other arrangements as the Board may consider necessary or expedient to deal with treasury shares, fractional entitlements, record dates, practical or legal difficulties under the laws of any territory or the requirements of any regulatory body or stock exchange or by virtue of equity securities being represented by depositary receipts or any other matter whatsoever;
 - 12.2 the allotment (otherwise than pursuant to paragraph 11.1 above) of equity securities up to an aggregate nominal amount of £1,239,703.63; and
 - 12.3 in each case such power shall expire upon the expiry of the general authority conferred by Resolution 11, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted and/or shares held by the Company in treasury to be sold or transferred after such expiry and the Board may allot equity securities and/or sell or transfer shares held by the Company in treasury in pursuance of such offers or agreements as if the power conferred by this resolution had not expired.

All previous unutilised authorities under Sections 570 and 573 of the Act shall cease to have effect (save to the extent that they are exercisable by reason of any offer or agreement made prior to the date of this Resolution 12 which would or might require shares to be allotted on or after that date).

Notice of Annual General Meeting continued

Authority to make market purchases of own shares

13. That the Company be generally and unconditionally authorised for the purposes of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 25p each in the capital of the Company on such terms and in such manner as the Board may from time to time determine, provided that:
- 13.1 the maximum aggregate number of ordinary shares which may be purchased is 4,958,814.
- 13.2 the minimum price (excluding expenses) which may be paid for each ordinary share is 25p.
- 13.3 the maximum price (excluding expenses) which may be paid for each ordinary share is not more than the higher of:
- an amount equal to 105% of the average of the middle market quotations of an ordinary share in the Company, as derived from the London Stock Exchange Daily Official List, for the five business days immediately before the day on which that ordinary share is purchased; and
 - the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out.
- 13.4 The authority conferred by this resolution will expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Company's next annual general meeting or, if earlier, at the close of business on 15 September 2026.
- 13.5 The Company may before the expiry of this authority, enter into a contract to purchase ordinary shares under this authority which may be concluded wholly or partly after the expiry of this authority.

By order of the Board



Tom Harland

Group General Counsel and Company Secretary
29 July 2025

Registered office
Wardle
Nantwich
Cheshire
CW5 6BP

Notes to the Notice of Annual General Meeting

These notes are important and require your immediate attention.

- To attend the Meeting in person, please arrive at the venue for the Meeting by 09.00a.m. to enable your shareholding to be checked against the register of members of the Company and your attendance recorded.
- Shareholders are encouraged to email any questions in respect of the Company's Annual Report and Accounts for the financial year ended 31 May 2025 or the Meeting to investor.relations@nwf.co.uk in advance of the Meeting. Responses to questions will be provided as soon as reasonably possible, following receipt.
- A shareholder entitled to vote at the Meeting is entitled to appoint another person of his/her choice as that shareholder's proxy to exercise all or any of that shareholder's rights to attend, speak and vote at the Meeting on his/her behalf. A shareholder may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. Unless otherwise indicated on the form of proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
- A proxy or proxies can be appointed by:

- submitting a form of proxy electronically by accessing the shareholder portal at www.signalshares.com.

To submit a form of proxy electronically, you will require your username and password. If you have not previously registered to use the shareholder portal then this can be done using your investor code ('IVC') (which can be found on your share certificate or by contacting MUFG Corporate Markets as detailed in paragraph 12 below), along with your surname and postcode. Once the portal has been accessed, click on 'vote online' on the home page and follow the instructions. All electronic proxy appointments must be made by no later than 09.30a.m. on 12 September 2025 (or, in the event that the Meeting is adjourned, no later than 48 hours before the time appointed for the adjourned meeting); or

- CREST members using the CREST electronic proxy appointment service (as detailed in paragraph 6); or
- completing and returning a paper form of proxy (which is enclosed with the document of which this Notice forms part). To appoint more than one proxy, the form of proxy should be photocopied and all completed forms returned together to MUFG Corporate Markets in accordance with the instructions in paragraph 5 below; or
- if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 09.30a.m. on 12 September 2025 in order to be considered valid or, if the Meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Notes to the Notice of Annual General Meeting continued

5. If a paper form of proxy is used to appoint a proxy or proxies, the form of proxy must be completed, signed and returned, together with any power of attorney or any other authority under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, so that it is received no later than 09.30a.m. on 12 September 2025. In the event of a conflict between a blank paper form of proxy and a form of proxy which states the number of shares to which it applies, the specific form of proxy shall be counted first, regardless of whether it was sent or received before or after the blank form of proxy, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank form of proxy.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting to be held at 09.30a.m. on 16 September 2025 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message ('a CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, MUFG Corporate Markets (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the Meeting (or, in the event that the Meeting is adjourned, no later than 48 hours before the time appointed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. If you wish to change your proxy instructions, you should submit a new proxy appointment using the methods detailed above. Your attention is particularly drawn to the deadline for receipt of proxy appointments (as detailed in paragraphs 4, 5 and 6 above) as these are applicable to amended proxy instructions. In the event that more than one valid proxy appointment is received for the same share or shares, the appointment received last before the deadline for receipt of proxy appointments will take precedence.
8. Only those shareholders entered on the register of members of the Company at the close of business on 12 September 2025 or, in the event that the Meeting is adjourned, on the register of members as at the close of business on the day two working days before the date of any adjourned meeting, shall be entitled to attend and vote at the Meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members after the close of business on 12 September 2025 or, in the event that the Meeting is adjourned, on the register of members after the close of business on the day two working days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
9. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
10. Copies of the following documents will be available for inspection at the Company's registered office during normal working hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the date of the Meeting and at the place of the Meeting for 15 minutes prior to and during the Meeting:
 - copies of all service agreements or letters of appointment under which the Directors of the Company are employed by the Company.
11. Addresses (including electronic addresses) in this document are included strictly for the purposes specified and not for any other purpose.
12. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
 - emailing at shareholderenquiries@cm.mpms.mufg.com or calling MUFG Corporate Markets on +44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00a.m. and 05.30p.m. (UK time) Monday to Friday excluding public holidays in England and Wales.

Explanatory notes to the Notice of Annual General Meeting

Ordinary Business

Each resolution will be proposed as an Ordinary Resolution. This means that, for each of the resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

The Ordinary Resolutions are routine and deal with the presentation of the Annual Report and Accounts for the financial year ended 31 May 2025, the declaration of a final dividend, the reappointment of Chris James Belsham, Katie Jane Shortland, Richard James Armitage and the election of Amanda Jane Burton and Timothy John Cooper as Directors of the Company, and the reappointment of PricewaterhouseCoopers LLP as auditors as well as the authorisation of the Directors to set the auditors' remuneration and the approval of the Directors' Remuneration Report (excluding the Directors' remuneration policy contained within that report). The vote in respect of Resolution 10 will be 'advisory' only, which means that it is not binding on the Company, and the Directors' entitlement to remuneration is not conditional on its approval.

Biographical details of the Directors standing for re-election can be found on pages 46 and 47.

Special Business

Resolution 11 will be proposed as an Ordinary Resolution and Resolutions 12 and 13 will be proposed as a Special Resolution. In order for a Special Resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 11 – authority to allot shares (Ordinary Resolution)

The authority conferred on the Directors at last year's Meeting to allot the share capital of the Company expires at the conclusion of the forthcoming Meeting. The Board recommends that this authority be renewed.

Paragraph 11.1 of Resolution 11 will, if passed, authorise the Directors to allot the Company's unissued shares up to a maximum nominal amount of £4,128,213.00, which represents an amount which is equal to one-third of the aggregate nominal value of the issued and unconditionally allotted ordinary share capital of the Company (excluding treasury shares) as it was at close of business on 28 July 2025, the latest practicable date before the publication of this Notice. As at close of business on 28 July 2025 the Company did not hold any treasury shares.

Paragraph 11.1 of Resolution 11 will, if passed, authorise the Directors to allot unissued shares in connection with a rights or other issue in favour of holders of equity securities (which would include ordinary shareholders) as required by the rights of those securities, up to a maximum aggregate nominal amount of £8,256,426.00 which represents an amount which is equal to two-thirds of the aggregate nominal value of the issued and unconditionally allotted ordinary share capital of the Company as it was at close of business on 28 July 2025 (such amount to be reduced by the nominal amount of any Relevant Securities issued under the authority conferred by paragraph 11.1 of Resolution 11).

The authorities sought in Resolution 11 are in substitution for all existing authorities, granted in the Company's Articles of Association or otherwise, and without prejudice to previous allotments made under such existing authorities. The authorities will each expire 15 months after the date of the Meeting or, if earlier, at the conclusion of the next Meeting of the Company. The Directors have no present intention of exercising these authorities but believe that it is in the best interests of the Company to have the authorities available so that the Board has the flexibility to take advantage of business opportunities as they arise.

Resolution 12 – disapplication of pre-emption rights (Special Resolution)

Resolution 12, which will be proposed as a Special Resolution, seeks to renew the authority conferred on the Directors at last year's Meeting to issue equity securities of the Company for cash without application of the

pre-emption rights provided by Section 561 of the Act. The authority being sought provides for non-pre-emptive allotments of equity securities: (i) to ordinary shareholders in proportion to their shareholdings then existing; (ii) to holders of other equity securities as required by, or subject to (as the Directors consider necessary), the rights of those securities, and to deal with treasury shares, fractional entitlements and legal and practical problems in any territory, for example on a rights issue or other similar share issue; and (iii) for cash up to an aggregate nominal value of £1,239,703.63 which represents 10% of the issued ordinary share capital of the Company as it was at close of business on 28 July 2025, the latest practicable date before the publication of this Notice.

The authority being sought is in substitution for all existing authorities, granted in the Company's Articles of Association or otherwise, and without prejudice to previous allotments made under such authorities, and will expire 15 months after the date of the Meeting or, if earlier, at the conclusion of the next Meeting of the Company. The Directors have no present intention of exercising these authorities but believe that it is in the best interests of the Company to have the authorities available so that the Board has the flexibility to take advantage of business opportunities as they arise.

The authority sought and the limits set by this resolution will also disapply the application of Section 561 of the Act from a sale of treasury shares to the extent also specified in this resolution.

Resolution 13 – Authority to make market purchases of own shares

Resolution 13, proposed as a Special Resolution, seeks authority for the Company to make market purchases of its own ordinary shares as permitted by the Act. The authority limits the number of shares that can be purchased to a maximum of 4,958,814 ordinary shares, representing approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at 28 July 2025 (being the latest practicable date prior to the publication of this Notice), and specifies the minimum and maximum prices that may be paid for any ordinary shares. The authority will expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Company's next annual general meeting or, if earlier, at the close of business on 15 September 2026. The Directors intend to seek renewal of the authority at each annual general meeting of the Company.

Although the Directors do not currently have any intention of exercising the authority granted by this resolution, this resolution provides the flexibility to allow them to do so in the future. The Directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share. Other investment opportunities, appropriate gearing levels and the overall financial position of the Company will also be taken into account when exercising this authority.

Any shares purchased in the market under this authority may be either cancelled or held as treasury shares, which may then be cancelled, sold for cash or used to satisfy obligations under its employee share schemes. The Company's current intention is to cancel any repurchased shares but retains the flexibility to hold any repurchased shares as treasury shares, if it considers this to be in the best interests of the Company. No dividends are paid on shares while they are in treasury and no voting rights attach to treasury shares.

As at 28 July 2025 (being the latest practicable date prior to the publication of this Notice), there were options outstanding over 909,036 ordinary shares in the Company, representing 1.83% of the Company's issued ordinary share capital (excluding treasury shares). If the authority granted by this resolution were exercised in full, the options would represent 2.04% of the issued ordinary share capital (excluding treasury shares).

Financial calendar

Annual General Meeting	16 September 2025
Dividend:	
– Ex-dividend date	30 October 2025
– Record date	31 October 2025
– Payment date	5 December 2025
Announcement of half year results	Early February 2026
Publication of Interim Report	Early February 2026
Interim dividend paid	May 2026
Financial year end	31 May 2026
Announcement of full year results	Early August 2026
Publication of Annual Report and Accounts	Late August 2026

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