

Restore



Annual Report

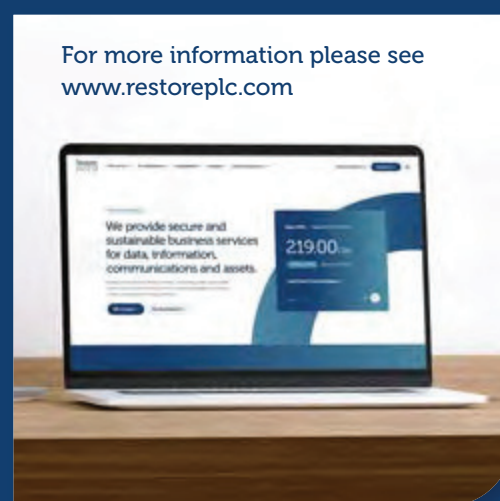
for the year ended
31 December 2024



**Solid.
Progress.**

Solid. Progress.

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Summary



Revenue (£m)



Adjusted operating profit¹ (£m)



Adjusted operating margin² (%)



Statutory operating profit/(loss) (£m)



Adjusted profit before tax³ (£m)



Statutory profit/(loss) before tax (£m)



Adjusted basic earnings per share⁴ (pence)



Net debt⁵ (£m)



Key features of 2024

- Adjusted operating margin increased by 170bps to 17.7%, progressing towards our medium term target of 20%.
- Revenue broadly flat compared to 2023. Challenging trading conditions in Harrow Green and weak operational delivery in our former Digital business offsetting revenue growth in the remaining businesses.
- Integration of Records Management and Digital into the Information Management division, enhancing our customer offering and adding focus to our scanning activities, as well as reducing cost.
- Property consolidation programme progressing well with two new box storage facilities underway, replacing ten existing facilities.
- Net debt reduced and leverage falling towards the lower end of our preferred range, with significantly lower borrowings costs as a result of proactive cash management.

Divisional analysis

- Information Management revenue impacted by a weak performance in the former Digital business. Improved pricing in the former Records Management business plus tight cost control has however led to higher profit and margins.
- Both revenue and profit increased in Datashred despite a weaker year-on-year paper price.
- Harrow Green's revenue and operating profit fell sharply in very difficult market conditions.
- Technology recovered to operate profitably after a loss-making 2023.

Divisional summary £m	2024		2023	
	Revenue	Adjusted operating profit ¹	Revenue	Adjusted operating profit/(loss) ¹
● Information Management	167.9	45.8	170.1	40.9
● Datashred	36.0	3.7	35.9	3.1
● Harrow Green	35.3	1.9	40.0	4.5
● Technology	36.1	1.8	31.1	(1.4)

- Calculated as statutory operating profit before adjusting items (reconciled on page 84).
- Calculated as adjusted operating profit divided by revenue (reconciled on page 97).
- Calculated as statutory profit before tax and adjusting items (reconciled on page 84).
- Calculated as adjusted profit before tax with a standard tax charge applied, divided by the weighted average number of shares in issue (reconciled on page 103).
- Calculated as external borrowings less cash, excluding the effects of lease obligations under IFRS 16 (reconciled on page 113).

Chair's Introduction

"Solid progress has been made on improving the Group's performance and rebuilding shareholder value during the year. The measures we have implemented are now bearing fruit, and we start 2025 ready to transition to the next stage of our growth strategy."

Jamie Hopkins, Chair



Introduction

I am pleased to report on a year of solid progress in my second statement as Chair. Having welcomed the return of Charles Skinner as CEO in Autumn 2023, the focus of Charles and his management team during 2024 has been to drive adjusted operating margin towards our medium-term target of 20%.

In order to achieve this a large number of measures have been implemented: revitalisation of the businesses through decentralisation; right sizing our head office including the support functions; active treasury management; linking pricing to RPI/CPI as well as the property consolidation programme within Records Management; the integration of Digital and Records Management into our newly formed Information Management division; refocusing our Technology business onto higher quality customers and those outsourcing their IT lifecycle services; focusing on operational efficiencies and regaining market share within Datashred; and within Harrow Green focusing on the specialist areas of life sciences and heritage.

Whilst work on those measures will continue into 2025 and beyond, in particular the integration of our Digital and Records Management businesses and the property consolidation programme, many are already delivering both operational and financial improvements across the Group. Accordingly, the Board remains confident in the Group's ability to continue to deliver further progress.

2024 performance

Not everything went to plan in 2024. The Group encountered some specific headwinds which impacted profits, particularly the slow relocation market for Harrow Green together with weaker sales and operational delivery within our former Digital business. Despite these, the Group's fundamentals remain strong and solid progress was made on our margin improvement plan, with the Group delivering double digit increases in adjusted operating profit and adjusted profit before tax, slightly ahead of the Board's expectations.

Our highly contracted and recurring income streams enabled the Group to deliver revenue of £275.3m, broadly flat on 2023. Adjusted operating margin improved 170 basis points to 17.7% (2023: 16.0%), resulting in adjusted operating profit of £48.8m (2023: £44.3m). Adjusted profit before tax increased by 14% to £34.4m (2023: £30.3m). This improvement in profitability reflects solid execution of our margin-enhancing initiatives by the management team.

As a result, adjusted basic earnings per share increased to 19.0 pence per share, an increase of 12% compared to the 17.0 pence achieved in 2023.

Cash generation continued to be strong, with cash conversion of 107% and a reduction in net debt to £89.0m (2023: £97.8m), with leverage reduced to 1.6x from 1.9x last year.

Board composition

I was delighted to welcome Patrick Butcher to the Board in October 2024 as a Non-Executive Director. Patrick is a seasoned CFO and we believe his deep experience in financial and operational leadership, particularly in organisations providing essential services to the public sector, will bring significant value to the Group.

Our colleagues

Following the poor trading result in 2023 and the implementation of the measures noted above, our workforce has reduced by around 500 over the past two years to approximately 2,400 people. I appreciate that this has not been easy for our people and they have had to say goodbye to many colleagues. I would like to take this opportunity to thank both our current and former colleagues for their professionalism throughout this process. However, I am confident that we have the right structure in place to move into 2025 and beyond, and are in a position where we can offer further opportunities for development as we move towards the next stage of our growth strategy.



During the autumn we ran an all-staff survey, in which over 75% of our people gave their views on how they thought we were doing. I am pleased to say that against a backdrop of change, overall employee satisfaction improved to 7.3 (out of 10), an improvement on the last survey ran in 2022 where the score was 7.1, and slightly ahead of the industry benchmark of 7.2. The survey has also given us sight of a number of areas where we can improve over the coming year.

Health and safety

Health and safety has remained at the top of our Board agenda and is the first matter we discuss at each of our meetings. The Health and Safety Non-executive committee has been further enhanced during 2024 with the appointment of a Group head who co-ordinates the work across our four divisions and reports to the committee. They have also led the work on culture and training across all our people, including the roll-out of a new system to deliver our training, which all of our people (including the Non-Executive Directors) have had to complete.

Dividends

Your Board is recommending a final dividend of 3.8 pence, payable on 18 July 2025 to shareholders on the register at the close of business on 13 June 2025 and will be marked ex on 12 June 2025. This brings the total dividend for the year to 5.8 pence (2023: 5.2 pence), an increase of 12%.

Strategic progress

The measures we have implemented during the year have delivered an improvement in margins in 2024, and I am confident that they will continue to deliver in 2025 as we drive towards our medium-term target of 20% adjusted operating margin. As mentioned, not everything went to plan in 2024 but I am confident that the right actions are in place to address these challenges and that they will help to deliver an improved performance in 2025. At Datashred we have recently agreed a fixed offtake price with a large UK paper mill for approximately half of our recycled paper volume during 2025 which will mitigate the impact of potential future volatility in paper prices. This is the first hedging contract of significance within Datashred. At Harrow Green, the confirmed order book includes a significant UK laboratory move in the current year.

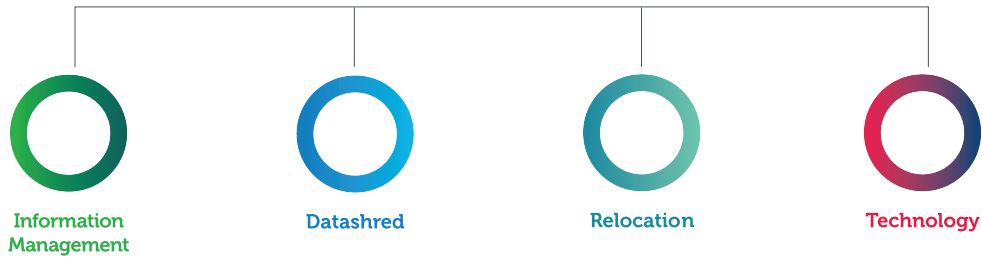
Our leverage has decreased from the top to the bottom of our preferred range (between 1.5-2x adjusted EBITDA) in twelve months. Having engaged with our stakeholders it is clear that they, as well as us, want to stay broadly within this range. Accordingly, this together with the continuing momentum in the business, provides us with additional opportunities in terms of capital deployment. We will therefore target value accretive acquisitions in our core or adjacent business areas, and consider a return of surplus capital to shareholders in the form of share buybacks.

Jamie Hopkins, Chair

12 March 2025

Our Business

Restore provides mission critical services that protect and manage valuable data, information, communications and assets. The Group is now organised across four divisions following the integration of our Records Management and Digital businesses into the Information Management division.



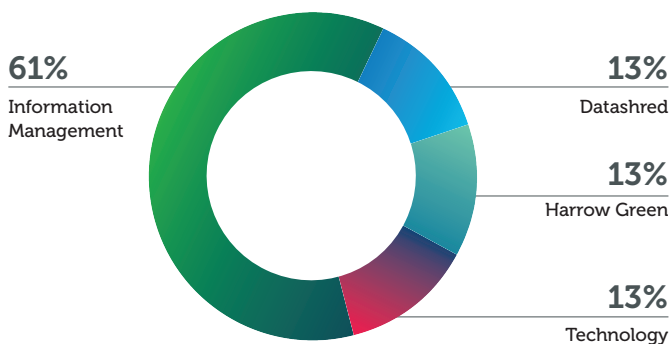
	No.2	No.2	No.1	No.1
Market position	No.2	No.2	No.1	No.1
Market size ¹	£890m	£200m	£315m	£530m
Market growth ¹	c5%	c0%	c(10%)	c5%
UK sites	54	9	8	6
Employees ²	1,340	307	344	345
	<ul style="list-style-type: none"> › Long term physical records storage and management services › Physical to digital processing › Cloud storage and data management › Process outsourcing › Digital mailrooms › Data management software 	<ul style="list-style-type: none"> › Secure paper and IP destruction › Paper recycling and resale › Onsite and offsite capability 	<ul style="list-style-type: none"> › Office and commercial relocations › Short-and medium-term commercial asset storage › Office and light industrial decommissioning solutions › Project management services › Life science services 	<ul style="list-style-type: none"> › High security IT asset erasure › IT decommissioning and recycling › Technology refurbishment and resale › IT asset preparation and installation › IT relocation

¹ Management estimates
² As at 31 December 2024

Quality income

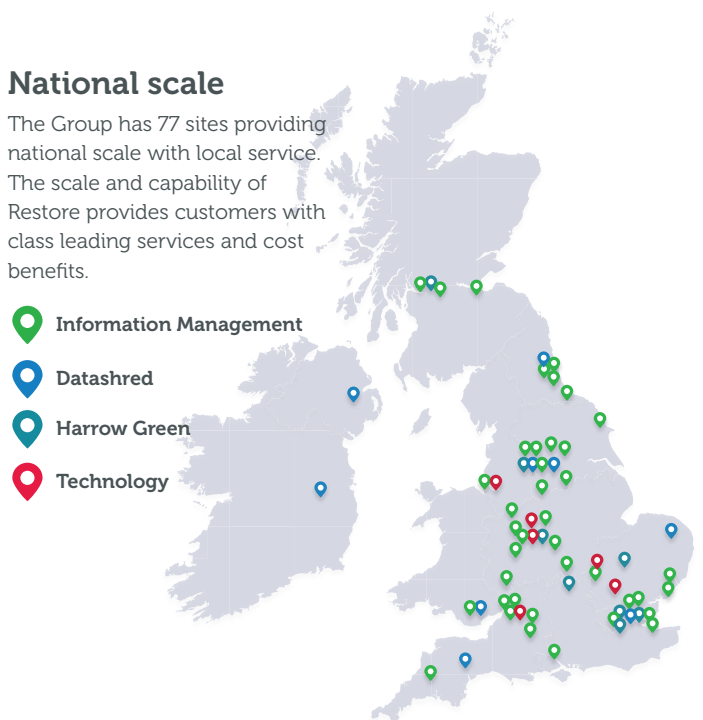
Restore leads the markets it serves. Supporting public and private sectors with critical services, income is highly predictable, recurring in nature and generates strong cashflows.

Revenue mix



National scale

The Group has 77 sites providing national scale with local service. The scale and capability of Restore provides customers with class leading services and cost benefits.



Our Strategy

Our business is simple but not easy. Whilst we hold strong market positions in all of our businesses and have constant and continuing market demand, efficient execution of our services is critical and we need to stay attuned to market dynamics and the demands of our customers to ensure success.

During the year, the Group has refined its strategy with ongoing focus on margin enhancement and organic growth now further supported by targeted acquisitions where this makes sense for the Group.

Resources	What we do	Value created for our								
<p>Dedicated employees</p> <p>c2,400 people</p> <p>Experienced specialists in every business</p> <p>Financial resilience</p> <p>Long-term funding in place, due for refinancing from 2027</p> <p>Experienced Board with strong governance structure</p> <p>Cash generative</p> <p>National scale</p> <p>The Group has 77 sites providing national scale with local service. The scale and capability of Restore provides customers with class leading services and cost benefits</p> <p>Predictable revenue streams</p> <p>Quality customer base</p> <table border="1"> <tr> <td>FTSE 100 companies</td> <td>77%</td> </tr> <tr> <td>Top 50 UK accountancy practices</td> <td>66%</td> </tr> <tr> <td>Local authorities in England, Wales & Scotland</td> <td>69%</td> </tr> <tr> <td>UK National Health Trusts</td> <td>88%</td> </tr> </table> <p>Percentage represents the proportion of the relevant population that are customers of the Group</p>	FTSE 100 companies	77%	Top 50 UK accountancy practices	66%	Local authorities in England, Wales & Scotland	69%	UK National Health Trusts	88%	<p>Market leading</p> <p>We have a market leading position in each of our divisions.</p> <p>Information Management Datashred Relocation Technology</p> <p>Refer to pages 8 to 15 for more details</p> <p>Our purpose</p> <p>We provide secure and sustainable business services for data, information, communications and assets. Our people protect what matters every step of the way.</p> <div style="text-align: center;"> <p>Solid. Progress.</p> </div> <p>Strategic focus</p> <ul style="list-style-type: none"> Margin enhancement Organic growth Targeted acquisitions Restoring our world 	<p>Customers</p> <p>Reassurance from interacting with a market leader on critical services</p> <p>National coverage provides access to a wide range of services</p> <p>Employees</p> <p>Improved health and safety performance with a focus on the wellbeing of our employees</p> <p>Employees empowered to drive business performance</p> <p>Suppliers</p> <p>Transparency and accountability in all our interactions with suppliers</p> <p>Supporting their net zero journeys</p> <p>Shareholders</p> <p>Cash conversion¹ of 107% (2023: 110%)</p> <p>Solid dividend profile with total dividend of 5.8p per share for 2024</p> <p>Planet</p> <p>Net zero roadmap created with ambitious but credible near-term and long-term targets</p>
FTSE 100 companies	77%									
Top 50 UK accountancy practices	66%									
Local authorities in England, Wales & Scotland	69%									
UK National Health Trusts	88%									

¹ Calculated as free cashflow divided by net operating profit after tax (reconciled on page 87).

Investment Case

The Group delivers stable, secure, high-margin earnings, founded on the strengths of the physical storage element of our Information Management division. While this is a mature sector, our other activities contribute increasingly stable revenues and steadily improving margins with attractive growth opportunities.

Core elements of Restore



Predictable and recurring demand

- › Our services are vital to organisations' day-to-day operations but cannot be performed effectively or efficiently in-house.
- › Our services (with the possible exception of Harrow Green) have predictable revenue streams with over 90% of 2025 revenue visible.
- › Long-term demand for our services is stable and evident.

Leadership in markets where scale is highly beneficial

- › All of our operations benefit from scale in terms of operational efficiency.
- › Given the critical nature of our services, customers are reassured by contracting with a market leader.
- › Most of our operations require significant capital support at various stages of their development to ensure they are providing the highest level of service, taking advantage of the latest technological developments.
- › National coverage is necessary for a significant percentage of our larger customers, which very few of our competitors can offer.
- › In most of our markets there are many opportunities for earnings-accretive bolt-on acquisitions.

Markets with high barriers to entry

- › All of our markets require an established operation and customer base to gain a meaningful foothold.
- › Most of our markets increasingly involve significant regulation, requiring suppliers to hold multiple industry certifications.
- › Establishing a business of scale in our markets requires several years to establish trustworthiness with customers.
- › We have historically grown our businesses through acquisition such that there are few opportunities for a small competitor or new entrant to undertake a similar exercise.
- › Some of our markets have experienced awkward trading conditions post-Covid. The strength of our overall business has enabled us to manage our way through these conditions better than smaller competitors.

Long-established customer relationships

- › Business-to-business services, particularly in business-critical services, are generally based on long-term relationships between individuals at several different touch points between the customer and supplier. These range from original sales contacts, customer service relationships to simple driver-to-site contacts. These establish ties which are not easily broken without creating service and other problems.
- › The average period over which we store a box is in excess of 15 years and overall customer churn is negligible in our Records Management business.
- › Similarly in Datashred, the average customer life is seven years.
- › In most of our services, we are usually active with a customer on a daily or weekly basis.
- › Given the service delivery complexity, almost all of our customers are unlikely to move absent consistent service failures, significant pricing disparity or supplier consolidation. On the latter, our scale tends to mean we benefit from customers consolidating suppliers.

Appropriate financing structure with strong cash generation

- › The financial strength of the Information Management business ensures a steady stream of cash generation.
- › We have a strong balance sheet and highly supportive lenders.
- › We have a high rate of cash conversion.
- › All of our businesses are well-invested. In the immediate future the largest area of capital investment will be in the regular updating of our vehicle fleet, followed by investment in new Information Management sites where the return on investment from reduced box storage costs will be seen in the medium term.
- › Significant funding is available for acquisitions, share buy-backs or a combination of both.

Experienced management and colleagues

- › The vast majority of our divisional leadership teams are specialists in their individual businesses.
- › Most of the managers across our businesses have joined the industry in an operational capacity.
- › We operate in markets where most of our operatives have worked in their industries for the bulk of their working lives.
- › We believe that our market standing in all of our operations primarily reflects the quality and dedication of our people.

Opportunities for growth



Information Management

- › The combination of our Records Management and Digital businesses in 2024 enables us to offer an integrated storage/scanning service creating more revenue opportunities.
- › We are steadily increasing margins through efficiency improvements, particularly in consolidating expensive storage sites into cheaper, larger facilities.
- › As comfortably the largest scanning operator in the UK, we are well-positioned to continue to win contracts for large-scale digital mailrooms, such as the largest UK digital mailroom contract awarded in 2024.
- › There remain many significant public sector bodies, particularly in the NHS, who have yet to outsource their physical data storage and digitise data where appropriate. We expect to accelerate this logical transition through coherent promotion of the obvious benefits.
- › The reduction in our surplus scanning capacity over the last 18 months will drive operating margins in bulk scanning through improved utilisation.
- › Overhead savings deriving from the combination of the two former businesses is reducing central costs as a percentage of revenue.
- › There is considerable opportunity for further bolt-on acquisitions from exiting competitors and in closely related activities.

Datashred

- › The strong performance in 2024, despite a weak paper price in the first half of the year, reflected increased market share, improved pricing and better operational efficiency. We expect these growth elements to continue.
- › We are starting to grow revenues in recycling materials other than paper particularly with existing Datashred and Group customers. Our infrastructure and customer relationships give us a ready-made platform for this diversification.
- › We have successfully increased service charges to our customers to reflect prevailing market pricing, driving up revenues and operating margins.
- › Our drive to establish more collection sites at other Group properties continues to drive down Datashred's rent costs as a percentage of revenue
- › The recently agreed fixed price on paper sales to a major UK mill enables us to manage volumes and costs efficiently, reducing volatility in profitability.
- › We continue to increase the amount of paper we buy in, enabling us both to profit from additional volume and manage the quality of paper for resale.
- › The UK shredding market remains comparatively unconsolidated. We are well-positioned to drive this consolidation through bolt-on acquisitions, enhancing operating margins and Group earnings.

Harrow Green

- › Very tough market conditions in 2024 led to a steep decline in profitability. Nevertheless, we have retained our market preeminence and are expecting an improved performance in 2025 based on the current orderbook and market outlook.
- › We continue to leverage our specialist skills in life sciences, with a suite of bioservice offerings including laboratory relocations, biobanking and disaster recovery alongside storage and distribution. In 2024 we completed the UK's largest laboratory move and have further significant committed projects in 2025. Our commitment to this sector is reflected in our presence in Cambridge and the new branch opened in Oxford in 2024.
- › Harrow Green has increased their focus on heritage storage and transport activities. There is strong demand in this sector, and we expect this renewed focus will yield strong returns over time.

Technology

- › We expect to continue the significant growth in our IT lifecycle services volumes that we experienced in 2024, particularly working with channel partner IT resellers. Our compliance with agreed service levels continues to attract new customers in this space.
- › Our direct customer base has remained stable for many years. On the back of our improved processes and focus on high-quality customers, we are well-positioned to increase the size of this customer base.
- › The sharp increase in productivity we have seen in 2024 can be expected to be maintained. Further consolidation of a new ERP system throughout 2025 will continue to generate significant operational and financial benefits.
- › Improved internal systems have enabled us to understand better the profitability of different processing activities. This enables us to price new business competitively and raise prices on lower-margin activities, thus driving up overall operating margins.
- › A significant percentage of our revenues are generated from the sale of recycled IT equipment. We are consolidating this activity from individual sites to a business-wide function. This will improve average selling prices which in turn will deliver higher values both for us and our customers.
- › The UK (and global) IT recycling business has largely been a cottage industry for an exceptionally long time. We are confident that we can lead the UK market in professionalising this important and impactful market.

Central

- › Central costs have reduced over the last year through a concerted effort to right size the head office functions. Borrowing costs also fell, largely from much tighter treasury management.
- › Restore has historically benefitted from a skillset in consolidating markets through acquisition. With the operating businesses now generally in good health, we expect to utilise this skillset in making earnings-enhancing acquisitions in our existing and closely related areas of operation.

Our Divisions

Information Management



Information
Management



- › The physical scanning of hard copy documents, requiring appreciable manual handling supported by sophisticated machinery and technology. The types of scanning undertaken range from regular digitisation of paper generated in customers' day-to-day operations to large one-off projects such as digitising an NHS hospital's or GP surgeries patient records. We also undertake the seasonal scanning of examination papers, presenting in excess of 100m images in very short timescales to our customer, RM Education, for further processing and onward distribution to exam markers.
- › Serving as the largest UK supplier of digital mailrooms for clients ranging from major industrial companies to large Government departments such as HM Revenue & Customs and HM Land Registry.
- › Online document hosting using our bespoke in-house online software. We offer both cloud-based and on-premise hosting enabling customers to instantly access documents from their computers. This higher margin activity is offered alongside our position as a gold reseller of DocuWare.
- › Additional services such as media and tape storage, heritage storage and consumables, and ultra-secure, temperature controlled storage in vaults. Our expert digital transformation support helps customers make the right decisions on their digital journeys, as well as enhancing data capture to facilitate business analysis. We also securely destroy our customers' documents deploying the services of Datashred.

“Information Management has excellent revenue and earnings visibility with extremely high barriers to entry and a good proportion of recurring activities.”

The newly formed Information Management division is the largest in the Group, comprising the legacy Records Management and Digital businesses. These businesses have always worked closely together, storing customers documents and digitising them where this transition will add value to their operations. The formation of this division will not only improve operational efficiency and profitability within the businesses but will better address our customers demand for integrated services.

The core components of the division include:

- › The storage of paper documents for over 6,000 customers across almost all sectors, ranging from legal and insurance professionals, the NHS, and Government departments. Storage typically accounts for over 50% of the division's revenue with these documents able to be retrieved seven days a week. The volume of paper document storage in the UK is currently stable with new documents going to storage roughly equating to old documents being destroyed. The greatest growth opportunity is from customers, mainly in the public sector, who have yet to outsource all or some of their in-house records management which almost inevitably saves cost and increases efficiency.

Operating from 54 locations across the UK, the property estate is primarily leasehold and provides a mixture of deep and active storage options plus bespoke scanning facilities. Most facilities take the form of large, modern industrial units, although the business also operates from several cost-effective locations such as hardened aircraft shelters and former stone mines. Our property consolidation programme across this division has continued at pace in 2024. Our new 104,000 sq ft Markham Vale site is approximately half full with boxes decanted from more expensive legacy sites we have exited in 2024 and we have also recently signed a 25-year lease on an 84,000 sq ft facility in the North-East of England with a capacity of 900,000 boxes which we will start to decant into in early 2025.

The division operates as one of the two dominant operators in its respective markets. The storage business in particular has exceptional revenue and earnings visibility and extremely high barriers to entry to its market, especially to act credibly at scale. The scanning business also has very high barriers to entry, requiring significant technology capability as well as extensive certification, compliance, and adherence to the latest regulatory requirements in our key markets. Recent developments have raised barriers to entry particularly for smaller operators, including the need for secure, scalable infrastructure, systems integration capabilities, disaster recovery and substantial cyber insurance.

Taking the first UK mental health trust digital: Leeds and Yorkshire Partnership NHS Foundation Trust

Leeds and York Partnership NHS Foundation Trust ("LYPFT") needed off-site storage to reclaim space taken up by patient records, as well as tackling a bigger ambition: to become the UK's first mental health trust to digitise all its patient records.

The customer

In January 2008, LYPFT found itself drowning in paper. The Trust offers mental health services from c40 sites to the people of Leeds, York, Yorkshire and Northern England, providing support to over 811,000 people. With the larger nature of mental health records, the Trust was generating and storing a lot of paper.

But the Trust didn't just need that paper storing. It wanted to provide better patient care to the people it was helping. So, on top of secure off-site storage, the Trust wanted to go digital, and whilst ultimately this was an ambition to be 'paper-lite', not 'paper-free', the Trust's aim was to deliver the NHS vision of paper-free care at the point of delivery, with an Electronic Patient Record and an Electronic Document Management System working seamlessly together to provide a fully electronic patient record

The challenge

The first thing the Trust needed to do was free up space in its c40 sites. The Trust had 22,139 boxes of patient records, containing 392,406 patient files in offsite storage with the Group, and large quantities of patient record volumes and loose, unfiled documentation all taking up valuable space at its operational locations. Each site wanted different things from the space, from using it to see more patients to using it to bring in more staff.

The wider challenge was even more ambitious: to have a digital file for every existing active and new patient. This meant scanning over 3 million pages of patient records.

Our solution

Step one – storage

The solution began with the easiest challenge to tackle: the off-site storage.

This is something the Group has been doing for over 30 years, so we're a dab hand at it. We already held 22,139 boxes of LYPFT patient records in our local secure storage facility.

Each of the 392,406 patient files were catalogued and indexed so anyone from the Trust could easily find and request the right record for delivery. The Trust requested that we create an exceptional 4-hour delivery service for when a record was needed urgently, so we built out the processes and infrastructure needed to make sure we could provide that.

Step two – digitisation

The internal logistics were already in place. We already had the proven logistical service with Restore, which has never skipped a beat. Carl Starbuck, Head of Information Governance / Data Protection Officer for LYPFT

Some of the files the Trust wanted scanned were already in our storage facilities. Our barcoding tracking systems meant the Trust could see exactly where each record was as they moved from storage to scanning and onwards to secure destruction – maintaining the essential 'chain of custody' with a robust audit trail following the record through its journey.

Optical Character Recognition is a service we've provided for many years, and it really came into its own in this project. Because mental health patient records can constitute many volumes of files and papers, finding out if they've ever been prescribed a certain drug or received a certain treatment approach can mean trawling through a lot of paper.

The results

The focus of this project was on the qualitative aspects of an electronic record. It's better for patient care and safety. It's better from a data protection perspective. You're not moving the record around, it's instantly and concurrently available. And it's better in terms of providing quality health care.

Carl Starbuck, Head of Information Governance / Data Protection Officer for LYPFT

We started scanning files in February 2023. By March 2024, the Trust considered itself fully digital: every active patient now had a digital file. In a year, our team had created **7 million images**.

All of those images were entered into MediViewer, putting **the records of 7,500 patients** at the fingertips of clinicians across the entire Trust. Now the Trust has 24/7 access to those records, making it easier to deliver care and better protecting patient information.

And, of the **392,406 patient files in our secure storage facilities**, 14,995 files were digitised, allowing us to **reduce the Trust's inventory by 631 boxes**.

It can't be understated, the sheer magnitude of what's been achieved here. We are the first mental health trust that's delivered a fully digitised record. It's not happened before. There was no playbook for this. But I don't recall losing sleep over it. Because we were working with people we trusted. We let Restore handle all the headaches. It was a big project with a lot of moving parts and a lot of partners. And the end result is excellent.

Carl Starbuck, Head of Information Governance / Data Protection Officer for LYPFT

Our Divisions

Datashred



Datashred



“As one of the two main UK operators, Datashred can generate considerable benefits of scale. Datashred’s average tenure with a customer is seven years.”

Datashred is one of two national operators providing onsite and offsite shredding services in a fragmented market. Visiting over 45,000 different sites with more than 450,000 total visits per year, we serve customers ranging from SMEs to nationwide operations, some of whom we service through their facilities management suppliers. The majority of income is in the form of contracted service fees which are predictable and recurring. These contracts are typically for three years but most are renewed at least once meaning the average customer lifecycle is seven years.

The remaining income is derived from the sale of shredded recycled paper to paper mills. Classified as ‘sorted office waste’, around 52,000 tonnes of shredded paper is fully recycled by the mills and is processed for use in tissue-based products. The vast majority of sales are made to UK based mills.

The price for this recycled paper undergoes considerable swings with a direct impact on revenues and profits. Given the degree of short-term volatility in the paper price, which is often affected by macroeconomic factors such as shipping costs, it is difficult to flex service fees to mitigate paper price swings. Given Datashred has a high proportion of contracted customers who pay service fees, the division is less exposed to this than its smaller competitors who tend to generate a higher percentage of revenues from paper sales. However, to mitigate the volatility in the paper price, we have recently agreed a fixed price for around half of our anticipated recycled paper sales in 2025.

As one of the main operators in the UK market, Datashred can generate considerable benefits of scale, through better route density and more cost-effective shredding facilities. Datashred also benefits from servicing Information Management’s destruction needs, which typically makes up around a fifth of the paper shredded. Additionally, Datashred can benefit from making use of Information Management sites for collation of larger volumes, which are then sent in bulk to the Datashred destruction sites.

Datashred operates from six shredding sites and five collection locations (two at Information Management sites) across the UK. Our largest sites in South-East London, Yorkshire and Cardiff are well-invested state-of-the-art facilities with significant capacity.

Our vehicle fleet is 130-strong of which 45 are on-site shredding vehicles where shredding is undertaken at the customers’ sites. The number of on-site shredding vehicles is steadily declining as we encourage customers to move towards off-site shredding for environmental reasons. We continue to work with customers to incentivise and educate them on this trend. In 2025, Datashred will also be starting their transition to HVO in their largest and highest emission vehicles, being the on-site shredders, with this high-quality substitute for diesel being used to reduce carbon emissions by c90%.

We still consider there to be excellent market consolidation opportunities in the medium term within the shredding market and believe that Datashred is particularly well-placed in this regard as part of the Restore Group where storing, scanning and shredding documents all with one supplier provides a secure chain of custody. We expect this to be reinforced by larger customers increasingly preferring to contract with larger, more certified suppliers given the sensitivities around data security.

Streamlining confidential data destruction logistics with Datashred

The customer

Circle Healthcare Group is a leading healthcare provider in the UK, well known for its commitment to high-quality patient care. The organisation has an extensive network of 50 hospitals and because they handle a significant volume of patient records, faces the ongoing challenge of managing confidential data securely and efficiently across the country. Not surprisingly, as a large operation, streamlining costs and creating sustainable productivity efficiencies are important goals for Circle Healthcare’s supplier partnerships, alongside meeting regulatory and sustainability criteria.

The challenge

Circle Healthcare Group was looking for a robust and reliable solution for the secure destruction of their confidential data that would not only maintain their compliance with confidential data protection requirements imposed by GDPR and patient expectation, but also help improve efficiency across their hospital network.

More specifically, Circle Healthcare Group had some key outcomes to achieve including streamlining the data destruction process to reduce the administrative burden; maintaining high customer service standards; managing costs smartly and effectively and, most importantly, closing the gaps for risk by adhering to the stringent data protection regulations within the healthcare sector.

A corollary from these outcomes would be an increased ability to focus on delivering end-to-end patient care excellence.

Our solution

An introduction via an existing relationship with Information Management proved serendipitous for both Circle Healthcare Group and us. We were quickly able to prove our mettle in meeting all the customer’s needs.

Managed personally by one of Datashred’s National Business Directors, we implemented a regular secure off-site shredding service that collects from various Circle Healthcare Group sites across the UK. From the moment we deliver our lockable secure data bins and storage, to collection and tracked transport to one of our sites, passing through all the protocols and procedures we have in place to guarantee confidentiality, we have ensured the safe and compliant disposal of their patient records and sensitive documents throughout the past 12 months. All our procedures are in line with the requirements outlined in BS EN 15713:2023 which, in turn, enables full compliance with GDPR. For all that shredded paper there was only one exit: through our trusted recycling partners for manufacture into new paper products, one of our key guarantees to all our customers.

As part of the service, Circle Healthcare Group gained access to our Shred Smart portal that places account information, invoices, and upcoming collection dates at our customer’s fingertips, empowering them to manage their account proactively and efficiently.

And, finally, the Restore Group’s integrated approach to providing complementary modern workplace services means that Datashred’s work with Circle Healthcare Group complemented the customer’s digitisation strategy, which involved scanning and digitally archiving significant volumes of documents. We were able to assist, of course, in destroying and recycling all those no-longer-needed pieces of paper.

The results

Our successful work with Circle Healthcare Group demonstrates the value of a comprehensive and integrated approach to confidential data management in the healthcare sector. By leveraging secure off-site shredding services and digital tools like our Shred Smart portal, Datashred’s solution throughout 2024 helped Circle Healthcare Group make significant improvements in efficiency, cost management, and compliance, including meeting the all-important requirements of BS EN 15713:2023. While we focused on what we do best – secure, sustainable, confidential shredding – our customer was able to focus on their core mission of delivering high-quality patient care.

Reduced environmental impacts

Throughout 2024, Circle Healthcare Group has been able to view their environmental impacts being turned into positives by shredding and recycling with us and benefiting from the Group’s own commitments to being Net Zero by 2050. Circle has saved the following:



5,409
Trees not felled



1,336,524
Energy saved (kWh)



10,183,040
Litres water saved



190,932
CO2 saved (kg)



735
Landfill saved (m³)

Our Divisions

Harrow Green



- 

£35.3m
2024 Revenue
- 

349,000
Desks relocated
- 

344
Staff
- 

8
Sites
- 

Certifications
Cyber Essentials Plus, ISO 9001, 14001, 27001, 45001, BS 8522 BAR

“Harrow Green is the UK’s leading commercial relocations organisation, It is also increasingly providing expert relocation services to discrete sectors, notably in life sciences.”

Harrow Green is the UK’s leading commercial relocation company, supporting corporate and public sector clients with their complex and demanding workspace move projects.

The business provides a full project management service and delivers physical relocation and installation of workspace, furnishings, documents, and IT equipment so that relocated staff simply turn up at their new facility and can operate immediately post move.

Harrow Green employs 344 staff and has a pool of specialist agency labour it can draw on at peak times or for particularly large moves. It operates from ten sites across the UK (two at an Information Management site) with a fleet of 106 vehicles, 25 of which are fully electric. This scale, far bigger than any competitor, combined with huge experience of managing complex relocations gives Harrow Green a pre-eminent position in its market which translates into achieving premium rates.

All Harrow Green sites have appreciable storage capacity. This is valued by our customers, providing them with the flexibility to transform and manage their property estate or seek storage solutions for complex asset management requirements.

In addition to the core office moves business, we are also increasingly providing expert relocation services to several discrete sectors, notably life sciences and heritage assets. Our biobank in Cambridge, where our activities are strongly skewed towards the thriving life science businesses in the area, is filling up well, with a strong pipeline, the success of which has encouraged us to open another branch in 2024 near Oxford where life sciences are also burgeoning.

Harrow Green secures extraordinarily high customer satisfaction scores. This is reflected in c80% of our revenue being generated from existing customers.

Harrow Green frequently works with other Group businesses and plays a key role in introducing new customers to other Group businesses: a physical move is frequently a trigger for business process development or changing suppliers in other parts of the Group service.

Effective clearance and asset redeployment

The customer

BT Group is one of the UK's leading telecommunications companies. At their Judd Street office, they required Harrow Green to clear seven floors of all furniture, technology, and confidential waste over a six-week period while redeploying reusable assets to other BT sites across the UK.

The challenge

The primary challenge was the strict six-week timeframe. A second deadline was introduced because our partner CBRE, were scheduled to start a separate project within part of the building, making it essential for the team to clear those areas promptly.

Additionally, we managed the relocation of 150 BT staff members to another building, project managing the move to keep disruption to a minimum.

Our solution

Clear communication, strategic prioritisation, and flexible resource allocation were crucial for this projects success. Our team managed the project with efficiency and sustainability in mind and achieved the following:

- › Completed the clearance of seven floors over a six-week period, including the removal of all furniture, technology, and confidential waste.
- › Most catering and kitchen equipment was redeployed to other BT sites, including locations in London, Merthyr Tydfil, and Manchester.
- › Over 1,000 pieces of furniture such as chairs, sofas, meeting tables, and collaborative furniture were redistributed to various BT sites across the UK, including London, Ipswich, Crawley, Stoke, and Leeds.
- › 15 chairs were donated to St Joseph's Hospice in Mile End, supporting the local community.
- › Any redundant pods, booths, and seating were retained within the Circular Economy framework, ensuring sustainable processing or reuse.
- › Minor dilapidations were completed, including the removal of all signage, manifestation, whiteboards, pinboards, and wall-mounted brackets.

The results

The entire clearance was completed on schedule, meeting the six-week deadline and aligning with CBRE's project timeline.

Major cost savings and sustainability benefits were achieved by redeploying over 1,000 furniture units and catering equipment to other BT sites.



72%
equipment reused

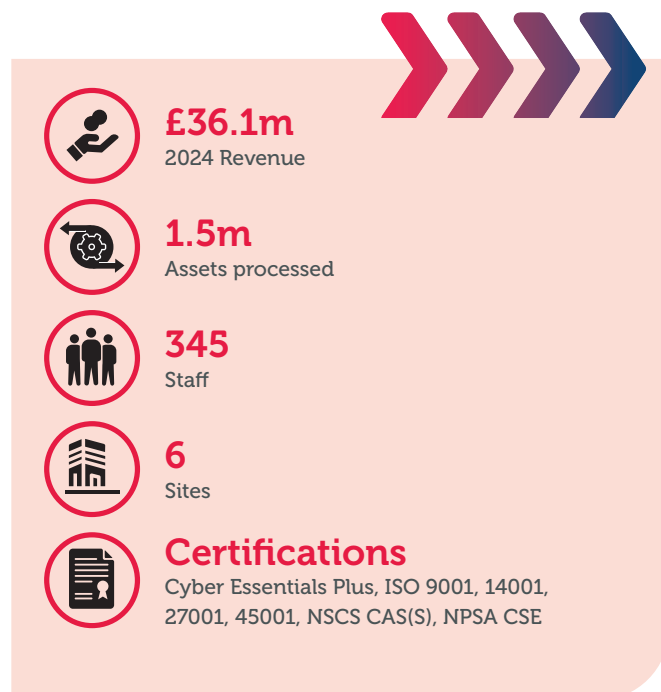


1,897kg
equipment repurposed



Our Divisions

Technology



“Technology is the leading UK IT recycling and lifecycle services supplier. Our target market is responsible corporate entities and public sector organisations.”

Since our initial investment in the IT asset disposal market through a small acquisition ten years ago, we are now the leading IT recycling and lifecycle services supplier. The market for end-of-life IT recycling has been in existence for over 40 years in the UK but it remains highly fragmented with many different types of businesses and charging models. The market is expected to become more orderly as society increasingly recognises the importance of data security and environmentally responsible disposal of IT assets.

Technology’s core activity remains the secure destruction of data and responsible recycling of all types of IT assets from laptops to servers to network equipment. We also support our core clients on recycling their electrical waste. Our target market is responsible corporate entities and public sector organisations who appreciate the importance of securely wiping data and disposing responsibly of their IT assets. These customers not only appreciate the competence and knowledge required to give them peace of mind, but also tend to appreciate the benefits of upgrading their IT equipment, meaning that their old equipment is not outmoded and has appreciable resale value.

Based on our knowledge and technology in the destruction and recycling market, we have a growing presence in the attractive IT lifecycle space. We are increasingly managing organisations’ IT estate from initial loading of software applications on new equipment through monitoring changes of users during the asset’s lifetime and then managing its disposal. A frequent source of this type of work is through the major IT valued added resellers (“VARs”) and distributors who look to Technology to provide these services to their large customers. A typical example of this is our contract to manage the IT assets of a large Government organisation on behalf of a Top 5 VAR, CDW, who supply the equipment.

Our services extend from pre-life software imaging, physical installation and asset tagging, through the mid-life provision of relocation services, hardware and software upgrades and end of life services including fully secure and certificated decommissioning solutions through repurposing, recycling, or destruction.

Technology has four large processing sites for disposal or redeployment of IT equipment which processed c1m assets in 2024. It also has one specialist site for destruction and recycling waste electrical and electronic equipment (WEEE) as well as a fleet of mobile on-site destruction vehicles which destroyed c738,000 items in the year. The Ultratec and Ultratest businesses in Stevenage have extensive secure hard disk wiping capability, including proprietary technology which facilitates the reuse of disks deemed irreparable by other processors. Ultratec cleaned and re-sold c500,000 hard drives in 2024. We also have our in-house engineering resource working with customers, typically on disconnecting and reconnecting complex IT structures.

How Technology optimised IT lifecycle services for a public sector entity

The customer

The end-user customer in this case study is one of the largest Government departments in the UK, with a vast estate and over 800 locations. It operates several core sites that have high volumes of IT assets needing collection, as well as numerous smaller locations with lower volumes. Our partner, CDW, is a major IT value-added reseller, and currently supports this Government department with a significant digital transformation programme, which includes upgrades, outsourcing, and a rolling refresh of all devices across the whole, extensive, estate.

The challenge

With such a diverse and widely distributed department, alongside multiple needs and outcomes for its thousands of devices, historically it has been challenging to align a robust, responsive supply chain with the customer's demands and service level requirements. Issues have included managing different outcomes for different devices e.g. remarketing, redeployment or recycling as well as the need to process equipment at scale so that the end-user customer meets their objectives. Naturally, maximising value recovery through intensive, focused remarketing efforts is of huge interest to any public sector entity.

CDW drew up a set of primary objectives for partnering with us to supply the customer with what they required: essentially, disposal, asset remarketing and reverse logistics services, all backed and guaranteed by accreditations and experience that ensure data security (GDPR) and WEEE Directive compliance.

Our solution

Our service starts with security-checked collections operatives picking up assets at the agreed location and at the agreed time. We tag every item to make sure it can be tracked through our audit system, and then transport them to the appropriate Technology site.

Once on site, we segregate, audit, test, visually inspect and grade each asset, swiftly moving every item into the correct stream for data wiping and then re-marketing, if a high-grade device, upgrading for redeployment back with the end-user customer, or moving into disposal and recycling of component parts and materials

At every step, we meet the customer's primary objectives: efficiently collecting, processing, disposing and recycling outdated IT equipment; maximising value recovery from surplus devices; ensuring data security throughout the process, and

thus meeting our customer's stringent data protection and environmental compliance needs; promptly returning active assets; and, lastly, managing day-to-day enquiries from the wider estate. Our operations are run by a dedicated service delivery team that manages bookings, reporting, service level agreements and day-to-day queries.

Our operations are robustly backed by our project plan, a plan that outlines phases of project implementation, defines timelines and specifies how milestones will be achieved.

The results

With such an intense focus from Technology's team of experienced technicians, account managers and engineers, it is not surprising to learn that the end-user customer, and CDW, have seen their objectives comprehensively met, particularly in the large increase in revenues from assets purchased through remarketing.

Cost savings through improved operational efficiency and guaranteed data security are further bolstered by revenues generated by remarketing through high-quality e-commerce channels – both good news stories for any customer's bottom line.

Meanwhile, because Technology in effect recycles all IT assets, either for a second life through re-sale or redeployment through charitable giving, or through disposal and break down, CDW and our end-user customer are pleased to know that their sustainability criteria are being achieved, too.

"Working with Technology has allowed CDW to enhance our overall supply chain services. Over the last 18 months, Technology has reacted to and executed consistent changes and improvements to align to our processes. The whole team's attitude is of a highly committed standard to deliver a quality partnered service into CDW's end-user customer. Accomplished service delivery processes allow us to have full visibility of stock location and condition so we can support our end-user customer's requirements. Account management along with operational knowledge have been key to CDW's successful managed service."

Cheryl Hizzey, Senior Service Delivery Manager, CDW

Chief Executive Officer's Statement

"We remain committed to our medium-term target of driving adjusted operating margins across the Group to 20%. Despite some challenging headwinds throughout 2024, there are strong grounds for optimism for all of our divisions."

Charles Skinner, CEO



Introduction

Having returned to Restore as CEO in September 2023, I am mildly disappointed that adjusted profit before tax only increased by 14% in 2024. Having said that, the Group experienced some specific headwinds during the year, notably:

- › weaker than expected sales and operational delivery in our former Digital business;
- › a low paper price for our Datashred division (particularly in H1), compounding its recent low margins;
- › considerable change needed in our Technology division to recover from a loss-making prior year; and
- › very tough market conditions in the office removals market for our Harrow Green division.

Notwithstanding these specific headwinds, there are strong grounds for optimism for all of our divisions, specifically:

- › The physical side of what is now Information Management, which is primarily box storage, continues to generate recurring revenues, now at increased operating margins.
- › The integration of the former Digital operations, primarily our scanning activities, into Information Management has substantially been completed. This has sharply improved our offering to our customers who increasingly view physical and digital storage as two sides of the same coin. It has also added focus to our scanning activities and will result in annualised cost savings of approximately £3m to the Group.
- › Datashred is performing well and we have hedged our paper sales price for approximately half of our recycled paper volume in 2025 at a level which should support the division's adjusted operating margin moving towards 15%.

- › Technology's trading has continued to improve dramatically since its loss-making performance in 2023. Our operations are in good shape with the recent launch of a new IT system which will drive significant efficiency gains in 2025 alongside a refocus to higher quality customers. We continue to see growth in activity with our channel partners, typically value-added resellers of IT equipment, to whose customers we provide lifecycle services.
- › After a tough 2024, Harrow Green has seen some improvement in market conditions. Our specialist skills in large-scale moves remain strong and we are growing our market position in the life sciences market, as illustrated by Harrow Green currently undertaking a significant laboratory move.

Health and safety

Health and safety remains the first priority across the Group. As part of this focus, we appointed a Group Head of Health and Safety in 2024. She is responsible for developing, implementing, and overseeing Restore's health, safety, and wellbeing governance framework, embedding health, safety, and wellbeing into the DNA of the Group. She reports into the Group Health and Safety Committee, which includes three Board Directors and meets quarterly. I am ultimately responsible for health and safety across the Group.

2024 saw a 7% reduction in lost time incidents, including RIDDORs. Collisions were the biggest contributor to accidents during the year (21% of the total) which is partially reflective of the heavy focus we have had on improving the reporting culture across the Group but particularly within fleet and logistics. Other significant causes of accidents are cuts (16%) and manual handling (16%). Last year, manual handling was the largest contributor to our accident statistics (26%), so we are very pleased to have driven down the number of these incidents, primarily achieved through improved education and awareness. 840 manual handling awareness courses were delivered in 2024 alone to support this reduction.

In 2024 we have also focused on ensuring a consistent standard of training across the Group with Royal Society for the Prevention of Accidents ("ROSPA") approved training being delivered to our colleagues. I am pleased to say that c12,000 ROSPA health, safety & wellbeing courses were delivered through our online learning platform focusing on key areas of risk for the organisation such as safe movement of vehicles; slips, trips and falls; and stress awareness.

We are encouraged by an increase in our leading health and safety indicators, with safety observations and near miss reporting increasing by 62% from 2023, showing a significant improvement in the vital two-way conversation needed within our organisation to drive down risk.

Internal and external benchmarking of our performance remains a cornerstone of our health, safety and wellbeing strategy. To this end, we have actively continued our partnership with the British Standards Institute ("BSI") and NatWest Mentor to ensure we receive impartial, competent reviews of our health and safety practices. The BSI conducted 12 external ISO 45001 certification audits during the year with NatWest Mentor conducting a further 19 bespoke audits that aligned with the ISO 45001 framework. This activity has enabled us to benchmark our health and safety performance against our peer group and I am very pleased to report that we were generally in the first quartile of this peer group. Opportunities for improvement include performance monitoring, standardisation across the divisions and site management health and safety competence and we have taken steps to address these in our plans for 2025.

Trading performance

Group revenue for 2024 was broadly flat at £275.3m. This primarily reflected significant declines in revenue in Harrow Green and in our former Digital business (included within the Information Management division). Within Information Management, our former Records Management business again achieved record revenues.

Adjusted profit before tax grew 14% to £34.4m, driven by a clear focus on operating margins. This reflected a strong performance from the physical records management side of our Information Management division, offset in part by a weaker performance in our scanning operations. Both Datashred and Technology showed improved profitability but Harrow Green's profits were appreciably down on the prior year.

Divisional performance

For the first time, we are presenting our performance split into four divisions, rather than as two divisions.

Information Management

This is the combination of what was formerly Records Management and Digital. It is substantially the largest and most profitable division in the Group.

For 2024, revenue was £167.9m, down 1% on 2023, with adjusted operating profit up 12% on 2023 at £45.8m. Adjusted operating margin was 27.3% compared with 24.0% in 2023.

The former Records Management business experienced an increase in revenues driven by price increases on a broadly flat number of boxes. Service revenues related to box storage showed some growth, again largely as the result of higher prices rather than increased activity. Project work on box storage was satisfactory, although patchier than had been hoped.

We performed well on cost in the box storage business, with significant improvement in efficiency and tight cost control despite several cost headwinds. As budgeted, we saw continuing wage inflation. But we also faced steep increases in transport costs, as the price of vehicles and vehicle maintenance ran well ahead of inflation. We also witnessed unexpectedly high rent reviews on our properties, particularly in the South-East of England.

During the year we have embarked on an ambitious programme to minimise our property costs related to storage. There are two related components of this. Firstly, property costs in the South-East of England mean that rent makes up a disproportionate percentage of overall costs in this geography. Secondly, a number of our sites are too small or inadequately configured to enable efficient operation. The solution is to consolidate smaller sites into large sites in locations where rental costs are lower. As part of this strategy, over the last year we have taken on a c100,000 sq ft building at Markham Vale near Chesterfield, Derbyshire and more recently an 84,000 sq ft building near Durham. The former is now fully racked, storing approximately 700,000 boxes with a further 500,000 box slots expected to be steadily filled over the next two years. The latter is being racked and will ultimately hold approximately 900,000 boxes. As part of this site consolidation, we have been or will be able to exit around ten smaller, more expensive sites.

In 2024, we also completed the construction of a new building at our freehold site in Sittingbourne at a cost of £4m. This facility will hold an additional 250,000 boxes increasing our capacity for customers in the South-East of England who need a local service. While our business model is capital-light with few freehold properties, this freehold site partially protects us from ongoing rental increases in the South-East of England.

The former Digital business experienced a decline in revenues, despite several major contract wins. This was a result of lower bulk-scanning activity, with notably few large one-off projects. Over the last eighteen months, we have significantly reduced the number of scanning locations. We now have two dedicated scanning facilities in Wolverhampton, one specialising in digital mailrooms and the other specialising in bulk scanning and will be taking on a new site to house one of the UK's largest dedicated digital mailrooms for the Department of Work & Pensions ("DWP"), a contract won in 2024 which will become fully operational during 2025. We also have two scanning sites inside box storage facilities.

We provide digital mailroom services to several large clients including HM Revenue & Customs Service (renewed in 2023), HM Land Registry (awarded in 2023), the Office of the Public Guardian (awarded in 2024) and the Ministry of Justice (awarded in 2024), in addition to the DWP. We did however lose a significant public sector bulk scanning contract during the year.

Chief Executive Officer's Statement continued

We continue to provide digitisation for a significant part of the UK exam system, including the International Baccalaureate and a number of professional qualifications.

As noted above, the integration of the former Records Management and Digital businesses into the new Information Management division is now effectively complete. In addition to annualised cost savings of approximately £3m, we are now able to provide a single operation for customers looking for a service combining both physical and digital information management. There are significant barriers to entry into these activities, combined with highly contracted and recurring revenues.

Datashred

For 2024, revenue was £36.0m, broadly flat on prior year (2023: £35.9m), with adjusted operating profit up 19.4% on 2023 at £3.7m. Adjusted operating margin was 10.3% compared with 8.6% in 2023.

In the year, both the number of visits and average collections per vehicle per day increased. Combined with price increases, our service revenues increased by 2% to £27.7m. This reflects sharply increased operational efficiency.

In the year, we sold c52,000 tonnes of paper, including c11,000 tonnes generated from destructions from our own box storage business. Total revenues from paper sales were £8.3m, a slight decline on the previous year. This reflected an average selling price in the year of £175/tonne, £10/tonne lower than in 2023 and significantly lower than in 2022. The paper price started 2024 at a historically low £141/tonne and ended the year at £166/tonne. The appreciable swings we have seen in the paper price during and after COVID have had significant impact on the profitability of Datashred. Apart from the paper price, Datashred's revenues are stable with strong recurring revenue. In addition, we have recently agreed a fixed offtake price with a large UK paper mill for approximately half of our recycled paper volume during 2025 which will significantly mitigate the impact of potential future volatility in paper prices. This is the first hedging contract of significance within Datashred.

Datashred operates from 11 sites across the UK. Five of these are collection-only sites and two of which operate from our box storage sites.

In addition to the growth in contracts, improved pricing and greater operational efficiency, we are looking to increase the range of services we offer. In 2024, we increased our revenues from textile shredding, typically uniforms, as well as other related services, such as battery disposal. We expect to continue to grow these recycling services, leveraging the strength of our customer relationships both within Datashred and across the wider Group.

Harrow Green

For 2024, revenue was £35.3m, down 11.8% on 2023, with adjusted operating profit down 57.8% on 2023 at £1.9m. Adjusted operating margin was 5.4% compared with 11.3% in 2023.

Harrow Green has long been the preeminent office removal firm in the UK. In profit terms it experienced its worst performance since COVID with levels of activity well below usual. This reflected a very slow year in the relocations market as decisions were delayed both ahead of the General Election and while the Autumn Statement was awaited. Activity in our core London market was exceptionally slow, while business outside London was better but remained subdued.

Harrow Green started the year completing the biggest pharmaceutical move in the UK. While the forward orderbook looked reasonable, a number of major projects timetabled for 2024 were moved back and, in a few cases, cancelled. We undertook some cost-cutting at our flagship Silvertown branch during the year whilst maintaining the capabilities of the operation. Our new branch in Oxford traded in line with expectations and our branch in Cambridge continued to grow. Strong performances were seen in Croydon, Bristol and Birmingham.

We continue to focus on building our life sciences activities. We are undertaking another major laboratory move in 2025 and the biobank constructed at our Cambridge branch is performing well.

Technology

For 2024, revenue was £36.1m, up 16.1% on 2023, with an adjusted operating profit of £1.8m compared to an adjusted operating loss in 2023. Adjusted operating margin was 5.0% compared with (4.5%) in 2023.

The Technology management team has changed markedly since 2023 with positive results. Apart from significant operational and financial reporting improvements, we have changed our strategy to focus on blue-chip customers and on servicing the end-clients of the Value-Added IT Resellers ("VARs"). This has enabled us to achieve improved pricing for our services such as collection, wiping and reconfiguration, as well as providing better quality equipment for resale. Service charges increased by 55.2% year-on-year and resale values increased by 32.8%.

We have focused our Cardington site principally on servicing "channel" customers, providing lifecycle services to the end customers of VARs. Our largest customer for the year was CDW, on whose behalf we handled c145,000 items for a significant public sector entity. Our three other processing sites in Runcorn, Cannock and Birmingham are now focussed on end-of-life recycling, predominantly for regular, blue-chip customers, rather than sporadic collections of low-grade equipment. The expectation is that our Runcorn site will start offering lifecycle services to "channel" partners in 2025, thus increasing our capacity for growth and reducing any single point failure risk in this critical area. Our Bristol site specialises in destructions and continued to trade well.

Over recent months, we have rolled out a new ERP system which has brought many benefits: the ability to track equipment across the business rather than only in individual sites, more efficient transport deployment and a clearer understanding of the profitability of individual products and customers.

Our engineering activities, generally based on relocating IT equipment, experienced very low levels of activity, reflecting a hiatus in relocation activity ahead of the General Election and again around

the new Government's Autumn Statement. Ultratec, our hard drive wiping, repairing and trading business, performed weaker than in the previous year. Ultratest, our hard drive-processing software business, traded steadily with healthy licensing revenue and some equipment sales.

The market for IT recycling usually reflects levels of new IT equipment sales. These are starting to improve globally after a prolonged period of weakness. While this is becoming a helpful tailwind, I believe that the turnaround of this division is attributable to the hard and thoughtful work of the current Technology team. We are optimistic that Technology's performance will continue to improve in what is a fragmented and immature market.

Our people

Since I joined as CEO in September 2023, the number of senior roles has reduced from 58 to 41. Of these 41 positions, 22 are now filled by different people, including several internal transfers and promotions. Our overall workforce has reduced by c500 colleagues over the last two years from c2,900 to c2,400. While this has been painful, I am now confident that we have the right people in the right roles in the right structure. Our people can now be confident of future stability in a strong and growing company, with many opportunities for future development.

As a service business, the key to our success is well-motivated people who know what they are being asked to do and want to deliver excellently for our customers. They can expect that their work environment is fulfilling, secure and hopefully enjoyable. I am pleased to note that, despite recent changes, our "Your Say" survey, conducted by external consultants the Happiness Index, showed an improvement in all three key metrics: overall satisfaction, employee Net Promoter Score and response rate.

I would like to thank all of my colleagues across the company for their energy and commitment to the Group's success.

ESG

We are determined that Restore operates as a good citizen in all of its activities. I firmly believe that most businesses are steadily, and often quietly, moving ahead with environmentally positive change. We are keen to be in the vanguard of this, while managing the commercial implications smartly.

The largest single initiative to improving the environment that we are currently undertaking, after considerable investigation, is the conversion of our diesel vehicles, where appropriate, to Hydrotreated Vegetable Oil ("HVO"). This conversion will take place over the coming years. We have many and an increasing number of electric vehicles, but the technology is still inappropriate for much of our fleet, particularly at the larger end. We will invest c£0.4m per annum in EV infrastructure and storage tanks over the medium term to enact our strategy and also expect, given the current adverse discrepancy between the price of conventional fuel and HVO of c15p/litre, that profit will be adversely affected by c£0.5m, per annum; we believe this is an acceptable cost. Other ongoing environmental initiatives include the installation of LED

lighting across the majority of our estate at an investment of c£0.5m per annum over the coming years.

More detail on our ESG progress and priorities appear later on pages 24 to 45.

Strategy

We remain committed to our medium-term target of driving adjusted operating margins across the Group to 20%. As previously noted, this will be facilitated primarily by achieving 15% adjusted operating margins in our scanning (now part of Information Management), shredding and IT recycling operations. We are confident that these will continue to move in the right direction during 2025 and beyond and the time is now right to transition to the next stage of the Group's growth strategy.

We are generating and receiving a range of acquisition opportunities in our core businesses as well as in closely related areas. In the opening months of 2025, we have completed the acquisition of Synertec in addition to the acquisition of Bluetex, a small box storage business acquired in 2024. We expect to make further acquisitions, leveraging our strong market positions and long-standing capability of integrating acquired companies. We are also looking at opportunities in closely related areas where we can leverage our channel-to-market, based on the breadth and depth of our relationships with so many of the UK's leading companies and public sector entities. We will remain disciplined in the execution of our acquisition strategy, focused on strategic and cultural fit as well as attractive financial returns.

The Group is highly cash-generative and we are looking to deploy capital into opportunities where we can achieve returns comfortably higher than our cost of capital into activities which we understand. We will therefore target value accretive acquisitions in our core or adjacent business areas and, where appropriate, consider the return of surplus capital to shareholders in the form of share buybacks.

Outlook

Trading since the start of the year has been good, with all divisions expected to deliver an increase in adjusted operating profit for the full year. We are well positioned to deliver both organic and inorganic growth and remain confident in increasing the scale of the Group and delivering further value to shareholders.



Charles Skinner, Chief Executive Officer

12 March 2025

Chief Financial Officer's Statement

"The Group continues to be strongly profitable and highly cash generative, with leverage now decreased to the lower end of our target range. A number of measures have been implemented to improve profitability and these are delivering. We are now accelerating the strategic development of the Group in line with our updated capital allocation framework."

Dan Baker, Chief Financial Officer



Financial highlights

	2024 £m	2023 £m	Variance %
Revenue	275.3	277.1	(1%)
Adjusted operating profit	48.8	44.3	10%
Adjusted operating margin (%)	17.7%	16.0%	170bps
Adjusted profit before tax	34.4	30.3	14%
Statutory profit/(loss) before tax	17.9	(29.0)	162%
Adjusted basic earnings per share (pence)	19.0p	17.0p	12%
Free cash flow ¹	39.1	37.3	5%
Cash conversion (%) ²	107%	110%	(3%)
Net debt	89.0	97.8	9%
Leverage ²	1.6x	1.9x	16%

- 1 Calculated as cash generated from operations less income taxes paid, capital expenditure and lease payments, but before the cash impact of adjusting items (reconciled on page 87).
- 2 Calculated as adjusted EBITDA divided by net debt, including a pro-forma adjustment to EBITDA for acquisitions in line with financial debt covenants.

Overview

Revenue for the year ended 31 December 2024 was broadly flat at £275.3m. The high proportion of recurring storage income in our Records Management business, together with highly contracted services in the other businesses, continued to underpin overall Group revenue. However, we experienced some headwinds during 2024, including in particular a slow relocations market for Harrow Green, weaker sales and operational delivery within our Digital business, and reduced paper prices in Datashred during the first half. Together these offset revenue growth elsewhere in the Group.

Our primary focus in 2024 was to increase profitability and we implemented several measures during the year which are now delivering enhanced margins. As a result, adjusted operating margin increased by 170 basis points to 17.7% (2023: 16.0%), and adjusted operating profit grew 10% to £48.8m (2023: £44.3m). Active treasury management, through reducing excess cash on hand and unutilised debt facilities, resulted in lower borrowing costs and has driven adjusted profit before tax growth of 14% to £34.4m (2023: £30.3m).

On a statutory basis, the Group made a profit before tax of £17.9m (2023: loss before tax of £29.0m). The loss in the prior year was largely driven by £36.3m of asset impairments, primarily in Datashred (2024: Enil).

Good cash generation endures as a key quality of the Group, with cash conversion of 107% for 2024 (2023: 110%) and a free cashflow of £39.1m (2023: £37.3m). As a result, net debt decreased to £89.0m as at 31 December 2024 (2023: £97.8m), and the leverage ratio reduced to 1.6x from 1.9x in 2023, towards the bottom of our 1.5x – 2.0x target range.

Income statement

During 2024, we reassessed our operating segments and for the first time are presenting our results as four divisions. This better represents how we now manage the businesses within the Group, with each division having a dedicated Managing Director and senior leadership team. The four divisions are: Information Management (comprising our Records Management and Digital businesses); Datashred; Harrow Green; and Technology.

	2024 £m	2023 £m	Variance %
Information Management			
Revenue	167.9	170.1	
Adjusted operating profit	45.8	40.9	
Adjusted operating margin	27.3%	24.0%	330bps
Datashred			
Revenue	36.0	35.9	
Adjusted operating profit	3.7	3.1	
Adjusted operating margin	10.3%	8.6%	170bps
Harrow Green			
Revenue	35.3	40.0	
Adjusted operating profit	1.9	4.5	
Adjusted operating margin	5.4%	11.3%	(590bps)
Technology			
Revenue	36.1	31.1	
Adjusted operating profit/(loss)	1.8	(1.4)	
Adjusted operating margin	5.0%	(4.5%)	950bps
Group			
Revenue	275.3	277.1	
Divisional adjusted operating profit	53.2	47.1	
Central	(4.4)	(2.8)	
Adjusted operating profit	48.8	44.3	
Adjusted operating margin	17.7%	16.0%	170bps

Revenue

Information Management

Our Records Management business has a base of highly recurring revenues, primarily from blue-chip and Government customers. Inflationary price rises on a stable number of boxes (22.3 million as of the end of 2024; 2023: 22.5 million) provided good revenue growth in the year.

However, fewer non-recurring contracts in our Digital business, particularly in bulk scanning, alongside weaker operational execution resulted in lower scanning revenue. This was partially offset by recent contract wins with HM Land Registry and the Office of the Public Guardian for digital mailroom services, both of which increased activities during 2024, alongside the existing

mailroom contract with HM Revenue & Customs continuing to provide a solid base of contracted and recurring work. As previously announced, we also won the mailroom contract for the Department of Work and Pensions, one of the most significant mailrooms in the UK. This will commence in 2025 and will largely offset the loss of a significant public sector bulk scanning contract.

Datashred

Datashred service revenues are highly contracted with a good portion of recurring customers. In the year, both the number of visits and average collections per vehicle per day increased leading to a 2% increase in service revenue. Revenue from paper sales has recently been less predictable; whilst we consistently collect and shred in excess of 52,000 tonnes, there continues to be ongoing challenges in recycled paper pricing, with a full year average selling price in 2024 of £175 per tonne compared to £185 per tonne in 2023. Prices continued to be depressed in the first half of the year, although normalised in the second half of 2024 towards historical levels. As a result of these offsetting factors, overall revenue in the division was broadly flat.

Harrow Green

Following a strong 2023, which benefited from the delivery of a significant contract for a large multinational pharmaceutical firm, Harrow Green had a tough year in a slow relocations market. We believe that businesses delayed relocation decisions both ahead of the General Election and while the Autumn Statement was awaited, and the market continued to be weak through to the end of the year. As a result, revenue declined £4.7m to £35.3m.

Technology

The global IT sector began to recover in 2024 following a slowdown in 2023 and the unwinding of a cycle that had been introduced as a result of the COVID lockdowns and resultant home working. This is now having a knock-on impact of higher volumes of IT assets for recycling. Technology has also been refocusing on higher quality customers, which typically have higher quality IT assets, and the increasing number of customers who are outsourcing their IT lifecycle services to Value Added Resellers ("VARs"). Technology is partnering with the leading VARs to provide end of life and mid-life cycle services to a number of customers including significant Government departments.

Adjusted operating profit

Our primary focus during the year has been on improving margins. In order to achieve this, we have implemented the following measures:

- ▶ revitalisation of the businesses through decentralisation;
- ▶ reducing the size of head office, including the support functions;
- ▶ within Records Management, linking pricing to RPI/CPI and driving the ongoing property consolidation programme;
- ▶ the integration of Digital and Records Management into our newly formed Information Management division;

Chief Financial Officer's Statement continued

- ▶ refocusing our Technology business to higher quality customers and those outsourcing their IT lifecycle services;
- ▶ focusing on operational efficiencies and regaining market share within Datashred; and
- ▶ Harrow Green focusing on the specialist areas of life sciences and heritage.

Despite revenue in the Group being broadly flat, and some profitability headwinds as discussed above, these measures started to deliver in the year and resulted in higher Group profitability overall.

The property consolidation commenced in Spring 2024 with the signing of a lease for a c100,000 square foot facility in Markham Vale, near Chesterfield, with a capacity of around 1.2 million boxes. That facility is around half full as at the end of 2024 having received boxes from sites the Group exited in the South-East of England, and will continue to be filled over the next two years as other sites are exited. Towards the end of 2024 we commenced the second phase of the consolidation and signed a lease on an 84,000 square foot facility near Durham with a capacity of around 900,000 boxes. This will start to receive boxes in Spring 2025 from sites we are exiting in the North and North-East of England during 2025 and 2026. Once both of these two facilities are full, we will have exited around ten sites in order to fill them and relocated over two million boxes.

We announced the integration of our Records Management and Digital businesses into our newly formed Information Management division as part of our interim results in July 2024. At that time we anticipated that it would cost up to £3m to complete the integration and would provide the Group with annualised cost savings of c£3m. I am pleased to report that integration costs are running slightly under the expected £3m and that as of the end of 2024 we have been able to implement plans which will achieve the savings anticipated, some of which we benefited from during 2024. This integration will have been significantly completed by the end of the first half of 2025.

Central costs represent costs relating to the Board and the head office. We reduced the size of the head office team at the end of 2023 which has saved around £1m of annualised costs. However, the inclusion of a charge for management team bonuses in 2024 (2023: nil) and for share based payments relating to share schemes in 2024 (which was credit in 2023), resulted in an overall year on year increase in central costs.

Financing and interest expense

Net debt at 31 December 2024 was £89.0m (2023: £97.8m), with leverage decreasing from 1.9x to 1.6x.

	2021	2022	2023	2024
Net debt (£'m)	100.8	103.5	97.8	89.0
Leverage	1.8x	1.7x	1.9x	1.6x

Active treasury management has reduced the interest burden on the Group in the year. Excess cash on hand has been significantly reduced, and the Group has established a £10 million overdraft facility to help manage this. In addition, to save facility fees, £75m of the Rolling Credit Facility ("RCF") was voluntarily cancelled during the year, decreasing the facility from £200m to £125m. As a result, and despite some base rate headwinds, interest on borrowings reduced to £7.9m (2023: £8.9m).

	2024 £m	2023 £m
Interest on borrowings	7.9	8.9
Interest on finance lease liabilities ¹	6.2	4.4
Amortisation of deferred finance costs	0.6	0.6
Other finance costs	-	0.1
Total finance costs	14.7	14.0

1 Interest on finance lease liabilities increased due to a rise in the incremental borrowing rates used.

In addition to the RCF, the Group has US Private Placements ("USPP") of £25m with a fixed term and rate. Total available facilities of £150m is considered to be ample given the Group's strategy. Should it be needed, the RCF also includes an accordion which the Group can exercise to increase the facility by up to a further £25m. The Group has strong relationships with its lenders should additional facilities be required.

Adjusting items

Due to the nature of certain income or costs, the Directors believe that an alternative measure of profit before tax and earnings per share provides readers of the annual report with a useful representation of the Group's performance that should be considered together with statutory profit and earnings per share.

The adjusting items in arriving at adjusted profit before tax are as follows:

	2024 £m	2023 £m
Asset impairments	-	36.3
Amortisation	12.1	12.2
Acquisition transaction costs	-	0.2
Restructuring and redundancy	2.1	5.9
Property related costs*	1.5	3.1
Strategic IT reorganisation	0.8	1.6
Total adjusting items	16.5	59.3

* In 2024 this includes £0.3m presented in finance costs related to dual running lease liability interest costs

The largest component of adjusting items in 2023 related to asset impairments of £36.3m. This primarily comprised a £32.5m non-cash impairment of the goodwill in Datashred following a reassessment of future growth expectations, and a £3.6m impairment of assets relating to a business exit in the Technology business. There were no such impairments recorded in 2024.

No material acquisitions were made in 2024 leading to a stable amortisation charge.

There were significant restructuring costs presented in 2023 which related primarily to the dual running costs for the changes in Chair, CEO, and CFO, new management teams in the Technology and Datashred businesses, and a reduction in the head office team. This restructuring programme was largely completed in the first quarter of 2024. The bulk of the cost recorded in 2024 relates to the integration of Digital and Records Management into the Information Management division.

Property related costs in 2024 primarily reflect the cost of relocating boxes as part of our property consolidation strategy, as well as the dual running costs incurred whilst we move the boxes. The costs incurred in 2023 related to the strategic review of the Group's property estate which was conducted in preparation for the consolidation and primarily related to the crystallisation of dilapidations provisions on properties that we reassessed as being non-strategic and therefore likely to exit in the short to medium term.

Investment in the Group's strategic IT programmes relates to a new finance system implemented in Harrow Green in 2024, and in the former Digital business and Technology in 2023. These programmes have now been completed.

Following these adjusting items, the Group made a statutory profit before tax of £17.9m (2023: statutory loss before tax of £29.0m).

Earnings per share ("EPS")

	2024	2023
Weighted average number of shares in issue	136,129,425	136,580,425
Weighted average fully diluted number of shares in issue	137,698,973	137,302,753
Adjusted profit before tax (£m)	34.4	30.3
Tax at 25% (2023: 23.5%) (£m)	(8.6)	(7.1)
Adjusted profit after tax (£m)	25.8	23.2
Adjusted basic earnings per share	19.0p	17.0p
Adjusted fully diluted earnings per share	18.7p	16.9p

Adjusted basic earnings per share is calculated by reference to the adjusted profit before tax for the year with a standard tax charge applied, divided by the weighted average number of shares in issue during the year.

Adjusted fully diluted earnings per share is calculated by reference to the adjusted profit before tax for the year with a standard tax charge applied, divided by the weighted average fully diluted number of shares in issue.

The 12% increase in adjusted basic earnings per share to 19.0 pence (2023: 17.0 pence) resulted primarily from a 11% increase in adjusted profit after tax plus a slight decrease in the weighted average number of shares.

Statutory basic profit and diluted profit per share were 9.1 pence and 9.0 pence respectively.

Taxation

The tax charge for the year is £5.5m (2023: £1.7m).

Cashflow

Cash generation endures as a key quality of Restore and in 2024 the Group generated free cashflow before financing costs of £39.1m (2023: £37.3m).

Net cash generated from operating activities improved to £58.5m from £47.8m in 2023, with cash conversion at 107% (2023: 110%).

Capital allocation

The focus during 2024 has been to improve operational performance across the Group, deleverage the balance sheet and maintain shareholder returns. Whilst we are yet to achieve our target profitability, margins have improved and there is momentum in the business for further improvement in 2025 and beyond. We have previously stated a preferred leverage range of between 1.5x and 2x adjusted EBITDA; the Group started the year with leverage of 1.9x and finished the year with 1.6x. We are therefore refining our capital allocation framework as follows:

1. Invest for growth: invest in the business where it accelerates progress and will deliver attractive returns; and target value accretive acquisitions in our core business or adjacent areas.
2. Deliver shareholder returns: maintain a progressive dividend policy, with consistent dividend cover; and consider return of surplus capital to shareholders in the form of share buybacks.
3. Maintain a strong balance sheet with target leverage ratio over the medium term of 1.5 – 2.0 x net debt to adjusted EBITDA.

Statement of Financial Position

The Group remains in a strong financial position. Working capital management continues to be a strength of the business, with debt ageing broadly consistent at 53 days and total equity increasing to £233.8m (2023 restated: £229.9m). Whilst we manage our cash balances on a Group basis, we have separately presented our cash and overdraft balances on the Statement of Financial Position to align with recent FRC guidance.

The strength of the Statement of Financial Position is indicative of the overall good health of the business and provides substantial capacity to support future growth and investment requirements.



Dan Baker, Chief Financial Officer

12 March 2025

ESG Committee Report

“We have made significant progress along our ESG journey in 2024 with a renewed clarity and direction driving us into 2025.”

Lisa Fretwell, Chair of the ESG Committee



On behalf of the Board, I am pleased to report on the progress of the Group's ESG strategy for 2024. We have made good headway along our net zero journey, turning theoretical plans into tangible and practical strategies and have taken time to reevaluate and refine our overall ESG strategy to ensure it is impactful and pertinent yet is pragmatic and proportionate to the risks and opportunities the Group faces. Our strategic goals and ambitions are set out on page 25 and cover the full ESG landscape that is relevant to Restore. We have also enhanced our KPI reporting, ensuring alignment with both our revised strategy and the KPIs which are included within the Executive Directors incentivisation for the year.

Throughout this report, you will see how our thinking has matured across all areas of ESG, with a clear, sensible path towards achieving our strategic goals and ambitions in 2025 and beyond. Our ESG targets are ambitious but credible and while we may not have all the answers yet, we feel confident about our immediate, short-term and many of the medium-term steps we need to take to achieve them.



Governance of ESG

To ensure there is the appropriate focus and challenge on all aspects of the Group's ESG strategy, Restore operates a Board-level ESG Committee which is chaired by me as an Independent Non-Executive Director and attended by other Non-Executive and Executive Directors. This Committee formally reviews and challenges the Group's ESG strategy, holds management to account for delivery of committed execution plans and signs off ESG disclosures and assurance. The Terms of Reference are available on our website.

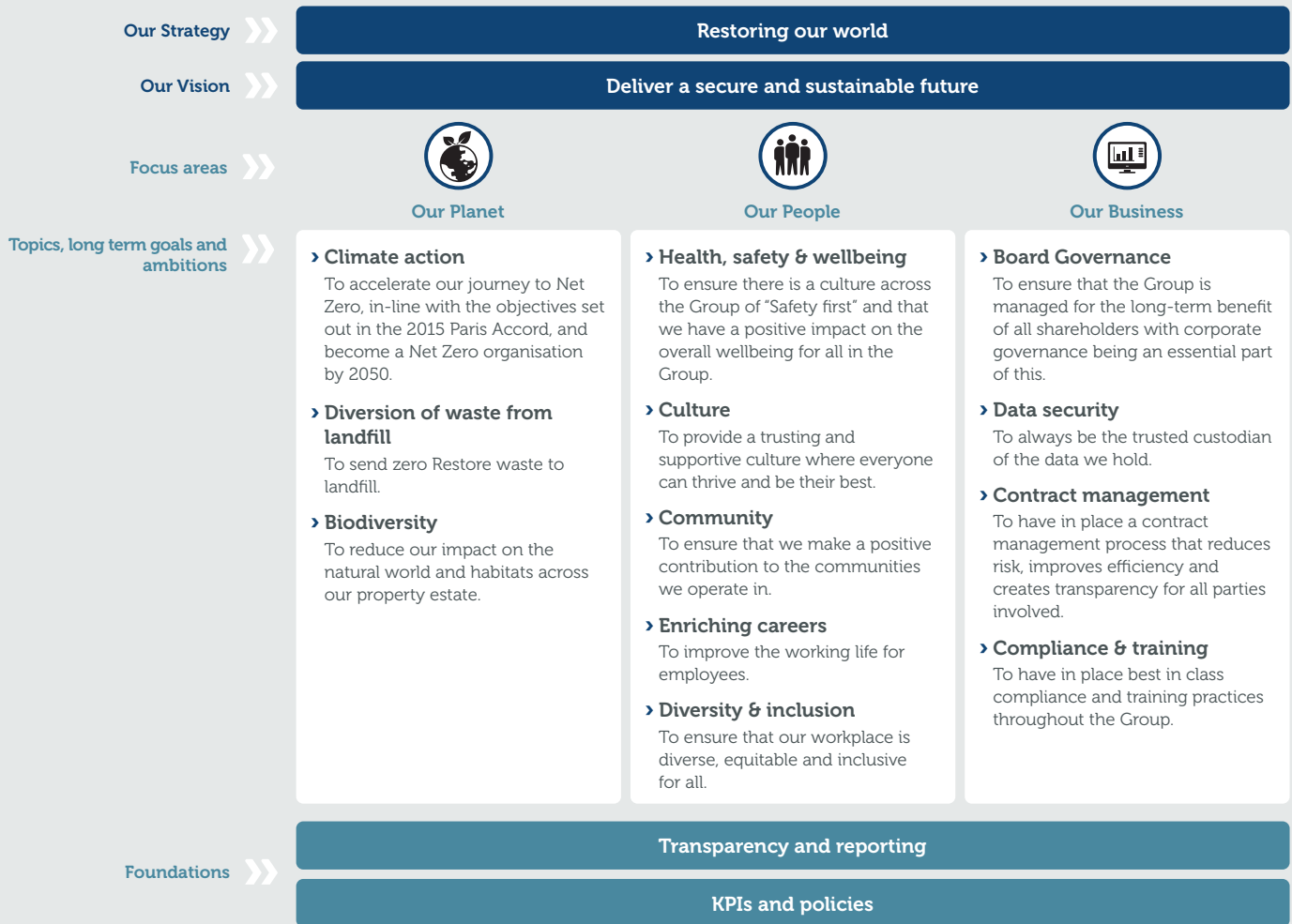
Key agenda items for the ESG committee in 2024 have been:

- › reviewing and challenging the overall ESG strategy, including 2024 priorities and reporting requirements;
- › reviewing and assessing 2024 progress and 2025 priorities for each focus area in the ESG strategy;
- › working with the Remuneration Committee to agree and implement ESG-related incentivisations into the Executive Directors 2024 annual bonus targets;
- › completing a deep dive into the Group's net zero commitments and ambitions, including the Group's fleet decarbonisation roadmap and soon-to-be published Transition Plan Taskforce ("TPT") Disclosure Framework aligned Net Zero Transition Plan; and
- › receiving training from external sustainability specialists, covering the current climate and net zero landscape along with how the ESG Committee can best govern and support Restore's specific climate journey.

ESG Strategy

We are working with our customers and suppliers to deliver a secure and sustainable business future, focusing on Our Planet, Our People and Our Business. Our overall “Restoring our world” strategy, and its constituent parts, was derived in 2021 following a materiality assessment, whereby a broad set of stakeholders were surveyed to derive consensus on the main ESG issues the Group faced. In 2024, we have reassessed the strategy and the strategic pillars underpinning it to ensure that the overall strategy and its key topics remain pragmatic and impactful and are focused on those areas that we believe are most relevant to the Group and the ESG landscape in which we operate.

The review in 2024 had led to the following updated strategy. Whilst the overall vision and focus areas remain appropriate, the “Topics, long-term goals and ambitions” have been refreshed to ensure they align both with the revised operational structure of Restore and also align with the areas we now believe to be the true key ESG focus areas for the Group.



The key changes from the strategy derived in 2021 are as follows:

- › Under Our Planet we have redefined “Resource Use” to be more focused on the treatment of the waste that we create; an environmental issue that we consider to be key to our ESG progress. During 2025 we will determine our commitment as to when we anticipate sending zero Restore waste to landfill. Following this, in the medium-term, our focus will move up the waste hierarchy, setting commitments around the amount of waste we actively recycle rather than just the amount that is diverted from landfill.
- › There have been no changes to Our People strategy, whilst the execution of the strategy may differ following changes to the people leadership team, the topics and goals set out in the original strategy are still considered to be the core foundations.
- › The most significant changes have been made to Our Business strategy. On reflection, most of the previous focus areas, whilst fundamental to the successful running of our businesses, are deemed to be core day-to-day elements of our divisional strategies rather than overarching principles of how we govern our business. We wanted the revised strategy to reflect the areas that were needed to underpin how we run our business; those that provide the foundations for our commitment to transparency, fairness, sustainability and equality. The revised strategic pillars also align with the areas that our Governance team oversee and focus on. No change is recommended to the Data security pillar given the fundamental importance this has to both our business and how we govern it.

The KPIs set out on page 26 have been refined to reflect the changes noted above.

ESG Committee Report continued

KPIs

The KPIs below represent the measures that we will use to track progress against our “Restoring our World” strategy for the foreseeable future and reflect the changes to the strategy referenced on page 25. We understand the importance of consistency in KPI reporting and will continue to report the measures below going forward. Where a key ESG topic does not yet have a relevant KPI, for example Biodiversity and Community, we will look to develop an appropriate measure in 2025.

These KPIs have also been updated to align with the ESG strategic objectives included within the Executive Directors 2024 bonus targets (refer to page 68 for further details). The Group understands that it is best practice to establish ESG-related incentivisation schemes to ensure that the ESG commitments made are appropriately embedded within the culture of the organisation and will look to cascade down appropriate targets to additional senior management in the Group as well as reviewing that the targets continue to be appropriate and relevant.

Our Planet	Link to strategy	2024	2023	2022
Reduction in Scope 1 and Scope 2 market-based emissions (tCO ₂ e)*	Climate action	6%	17%	Not measured
Intensity ratio (Scope 1, 2 and 3 market-based emissions per £m of revenue)	Climate action	31.3	34.3**	41.3
Hybrid/electric vehicles in the fleet (%)	Climate action	45%	17%	3%
Hybrid/electric company cars in the fleet (%)	Climate action	99%	91%	63%
Sites with REGO backed electricity contract (%)	Climate action	93%	86%	85%
Waste diverted from landfill (%)	Diversion of waste from landfill	93%	Not measured	Not measured



Our People	Link to strategy	2024	2023	2022
Women in management roles (%)	Diversity & inclusion	31%	33%	33%
Women on the Board (%)	Diversity & inclusion, Board Governance	33%	40%	50%
Women across the business (%)	Diversity & inclusion	30%	34%	34%
Employee engagement (%)*	Culture, Enriching careers	73%	Not measured	70%
Employee engagement survey response rate (%)*	Culture	78%	Not measured	74%



Our Business	Link to strategy	2024	2023	2022
Total e-learning training completed (%)	Compliance & training	87%	Not measured	Not measured
Health and safety e-learning training completed (%)*	Health, safety & wellbeing, Compliance and training	86%	Not measured	Not measured
Top 250 suppliers assessed through our 3rd party risk management tool (%)	Contract management	To be reported on in 2025 onwards		
Trustpilot rating (average)***	Data security, Contract management	4.6/5.0	4.6/5.0	4.6/5.0
Near miss and safety observations (numbers reported)*	Health, safety & wellbeing, Compliance & training	643	396	123
Number of major non-conformances found in external audits*	Health, safety & wellbeing, Compliance & training	1	Not measured	Not measured
Certifications awarded	Data security	Refer to pages 8 to 15		



* KPIs included in Executive Directors annual bonus targets (refer to page 68 for further details)

** KPI restated in line with GHG emissions – refer to page 35

*** relevant businesses are Datashred and Information Management

Strategic progress



Our Planet

2024 progress



Climate action

- › Operationalised our net zero roadmap through the introduction of various management-led working groups, the key one being the Environmental Operational Committee (the "EOC") which includes the CFO, Company Secretary and sustainability specialists from each of the businesses. The focus of this committee is to drive actions in the businesses to meet the Group's climate targets and commitments and is supported by the Fleet Forum and Property Working Group who focus on the decarbonisation of our fleet and estate respectively.
- › Increased the frequency of our carbon reporting from annually to quarterly. This has allowed us track progress against our interim net zero targets.
- › Developed a comprehensive fleet decarbonisation roadmap across all businesses, formalising the key strategic levers we plan to take including both the electrification of our fleet and the use of alternative fuels.
- › Completed the quantification of our full Scope 3 baseline, ensuring that all relevant emissions are now assessed—refer to page 32 for further details.
- › Collaborated with external sustainability specialists to develop the Group's first TPT Disclosure Framework aligned Net Zero Transition Plan. This TPT Plan will be published shortly on our website (www.restoreplc.com)
- › Secured REGO backed electricity contracts on 100% of sites where we directly procure electricity. Overall, 93% of our sites now have renewable electricity.
- › Implemented carbon-related incentives for the Executive Directors as part of their annual bonus targets.

Diversion of waste from landfill

- › Consolidated our waste providers across the Group to one single provider. This national provider has strong environmental principles and does not send waste to landfill unless there is no viable alternative. We expect this to significantly reduce the level of waste we send to landfill in the future.
- › Started to actively track our waste statistics across the Group with a view to determining our waste commitments in 2025. This includes understanding how much waste is recycled, how much is incinerated and how much goes to landfill.

Biodiversity

- › Published biodiversity policies in a number of our businesses.
- › Commenced an impact assessment of biodiversity risks and opportunities within the operations of the Group, guided by the LEAP approach (Locate, Evaluate, Assess, Prepare).
- › Initiated discussions with some of our larger landlords on the approach to biodiversity on their sites.



Our priorities and plans in 2025 are:

- › Execution of the fleet decarbonisation roadmaps proposed by the businesses. This will involve the further electrification of vehicles where possible alongside the usage of alternative fuels such as HVO in several of our businesses.
- › Develop a process to simplify the measurement of the Group's full scope 3 emissions to ensure that this becomes an annual repeatable process alongside developing further understanding of the Group's Scope 3 emissions and the strategic levers available to start to manage and reduce these emissions.
- › Develop further commitments in relation to waste and biodiversity to align with the focus of "Our Planet" strategy.
- › Cascade carbon incentivisation schemes down to additional senior management in the Group with the Remuneration Committee continuing to focus on how this can be further embedded within the Group's reward structure.
- › Submit our near-term and long-term net zero commitments for approval by SBTi.
- › Publish the Group's first TPT Disclosure Framework aligned Net Zero Transition Plan.

ESG Committee Report continued

Strategic progress continued



Our People

2024 progress

Health, safety and wellbeing

- › Successfully completed several external health and safety audits, undertaken by a 3rd party partner, with no major non-conformances unresolved by the end of 2024.
- › Enhanced our health and safety system landscape with the commitment to a new system which will significantly improve our incident reporting, allow us to benchmark our performance across the Group and will act as a single source of the truth across all businesses.
- › Significantly improved the Group's wellbeing data and reporting, allowing us to develop our understanding of key wellbeing issues within the businesses and helping to inform appropriate and proportionate responses and actions.
- › Improved access to wellbeing support services with a 10% increase in the utilisation of our Employee Assistance Programme.

Culture

- › Observed encouraging results from the "Your say" employee engagement survey which was run in the year, with an improved response rate of 78% (vs 74% when previously run) and an improvement in engagement from 70% to 73%.
- › Launched several new and improved recognition schemes across all divisions in the year, recognising long-service as well as performance.
- › Embedded colleague voice forums across large parts of the business, opening up two-way communication channels and allowing our colleagues to have their say.

Community impact

Each of our businesses has been actively engaged in the community, working with external partners and making it easier for our colleagues to donate and support charities, examples include:

- › partnering with local employability services and DWP to help support positive futures in our communities;
- › continuing to support and donate to several charities including the Mission Christmas Cash for Kids charity, Barnardos, Crisis, 2wish foundation and the Whitechapel Mission; and
- › making apprenticeship levy donations to SME's across our communities.

Enriching careers

- › Continued to roll out leadership development training across all senior and functional leaders and are on track for 100% of leaders to have participated in the programme by April 2025.
- › Launched the "Restores Futures" programme to encourage learning through apprenticeships. Technology currently have 20 colleagues on a live programme, Harrow Green have 15, and Datashred have 9. Information Management will launch 30 apprenticeships in 2025.
- › Improved access to support benefits following a benefits platform review. Enhanced benefits include the introduction of Wagestream and additional service-related holidays in Datashred, life assurance benefit launched for all employees across the Group, maternity and paternity provisions increased from a statutory minimum and care concierge services relaunched and promoted.

Diversity and inclusion

- › Raised awareness and promoted and celebrated diversity and inclusion through several calendar events such as Black History Month, South Asian Heritage Month, Pride and Diwali.
- › Completed extensive diversity and inclusion training with 90% of our colleagues completing the relevant courses, above our target of 85% for the year.
- › Improved data gathering and awareness of our workforce demographics following the "This is me" campaign in 2023. This has translated to monthly KPI dashboards being produced which are reviewed by the businesses.

Our priorities and plans in 2025 are:

- › Focus on equipping our people leaders to support wellbeing with 75% of leaders targeted to complete wellbeing training by the end of 2025.
- › Develop and roll-out the new health and safety system across the Group with a focus on enhancing incident reporting and the root cause analysis of incidents.
- › Continue to enhance our diversity and inclusion data with all businesses committing to targets and action plans to work towards a more diverse workforce at all levels by the end of 2025.
- › Reinvigorate and further embed our colleague networks, proactively supporting under-represented employee groups to provide feedback, share lived experiences and influence cultural change.



Our Business

2024 progress

Board governance

- › Completed a gap analysis in preparation for the introduction of the 2023 QCA code with additional focus on annual board evaluations and shareholder voting rights on our Remuneration Policy.
- › Appointed a new Non-Executive Director, Patrick Butcher, broadening the skills and experience of the Board.
- › Addressed the key findings from the 2023 Board evaluation process, refer to page 59 for further details.

Data security

- › Published and issued a new Data Protection Policy and sub-policies and procedures around subject access requests, data protection impact assessments, appointing sub-processors and data incidents.
- › Rolled out compulsory e-learning for all employees on data protection with supplementary in-person training being delivered to certain roles and functions who have more exposure to this area.
- › Obtained comprehensive cyber and professional indemnity insurance which is now in place across the Group.
- › Established a Bi-monthly Data Protection Oversight Committee to ensure issues are aired and best practice shared across the Group.

Contract management

- › Implemented new systems during the year to enhance and streamline both our contract repository and contract standardisation processes.
- › Reviewed existing supplier terms and conditions to ensure they remain fit for purpose and developed new framework supplier contracts to be used with our stakeholders.
- › Committed to a 3rd party risk management tool which will allow the Group to perform supplier due diligence on key current suppliers and during the onboarding process of new suppliers.
- › Invested in additional internal resource to ensure that the contract management process is efficient, robust and consistent across the Group and across stakeholders.

Compliance and training

- › Developed and externally published a supplier code of conduct, which focuses on the compliance, ethical and governance expectations we have of our supply chain.
- › Completed a substantial policy review and refresh exercise to ensure that policies are pertinent, consistent, non-duplicative and in line with the Group's aims and ambitions. Within this a new code of conduct has been developed and rolled out to all relevant stakeholders.
- › Rolled out a new e-learning platform across the Group, allowing access to a significant number of training modules and courses.

Our priorities and plans in 2025 are:

- › Develop a robust approach and mitigation strategy to address supply chain risk throughout the organisation. This will include the successful implementation of the Group's new 3rd party risk management tool, starting with the top 250 suppliers by spend being assessed and evaluated.
- › Implement practices to close all gaps identified in the introduction of the new 2023 QCA code.
- › Continue the development of our new e-learning platform, ensuring the training programmes undertaken are proportionate to roles and responsibilities, the schedule and cadence of training raises awareness of key issues across the Group and reporting is enhanced to allow the accurate monitoring of e-learning completion rates.

ESG Committee Report continued

Net zero journey

The Group aims to be a net zero organisation by 2050. From a 2023 baseline, interim targets are in place to reduce absolute Scope 1 and 2 emissions by 50% by 2030 and absolute Scope 3 emissions by 42% within the same timeframe. Additionally, the Group has committed to reducing absolute Scope 1 and 2 emissions by 90% by 2035. These targets have been set by following the Science Based Targets initiative (SBTi) Corporate Net Zero Standard, as this is the only credible and international framework that guides how companies can set targets that are aligned with climate science and the Paris Agreement. In 2025 the Group will be working to validate its targets with SBTi.

The Group will also shortly publish its first TPT Disclosure Framework aligned Net Zero Transition Plan. The transition plan turns commitments expressed under the 'Our Planet' pillar of our ESG Strategy into a real and tangible roadmap for how the Group will become a net zero organisation. Restore may not have all the answers yet, but in the coming years we are committed to transparently sharing updates on our progress.

To facilitate our 2050 net zero target, we will put in place a comprehensive decarbonisation roadmap to be delivered by each individual business and supported by strong governance within the Group.

We have engaged with a third-party to establish an initial set of actions to be completed along this roadmap. These actions are based on the outcomes of carbon footprint data analysis and a stakeholder questionnaire sent out to representatives of the businesses.

Roadmap to net zero

Restore will achieve net zero by reducing absolute Scope 1, 2, and 3 emissions by 90%, from a 2023 baseline, by the following target years:

- › Scope 1 and 2: 2035
- › Scope 3: 2050.

These long-term commitments are supported by near-term targets:

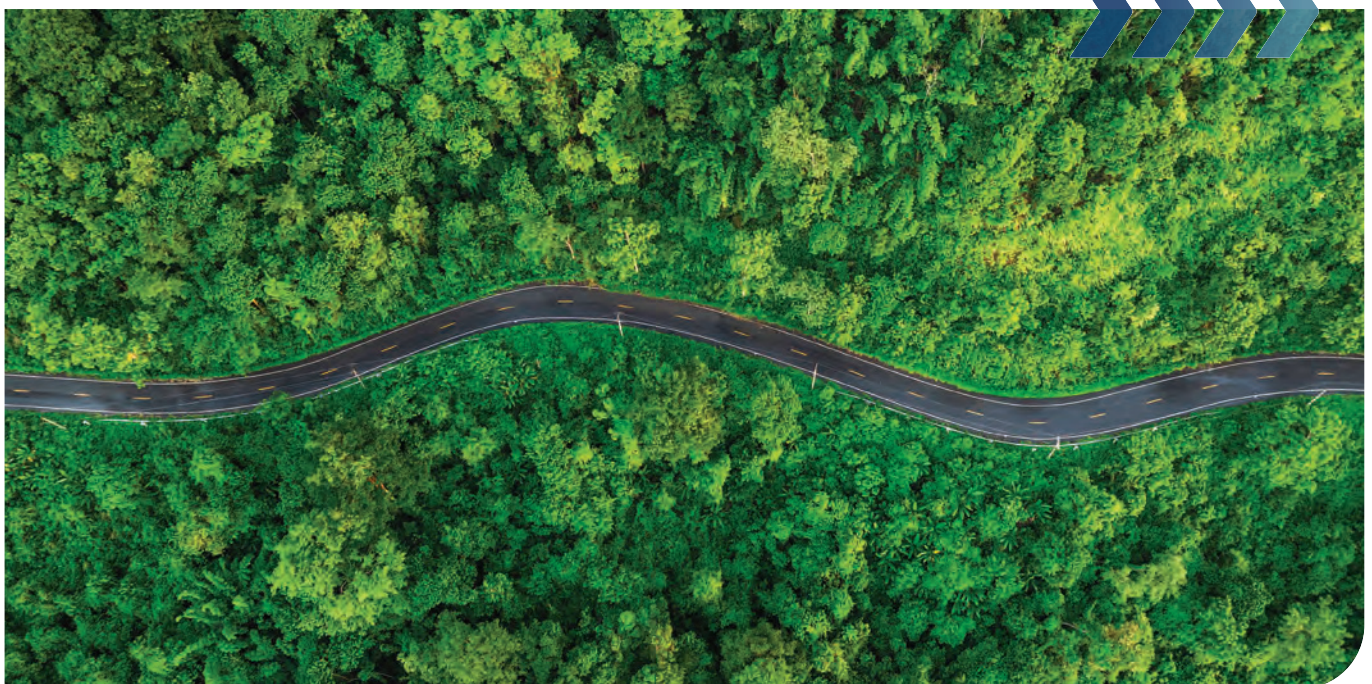
- › to reduce Scope 1 and 2 emissions by at least 50% by 2030;
- › to reduce Scope 3 emissions by 42% by 2030; and
- › to ensure that by 2030, suppliers covering 70% of emissions from Purchased Goods and Services have set net zero targets aligned with a 1.5°C pathway.



The actions aim to provide a comprehensive programme of decarbonisation, acknowledging that not all actions deliver direct carbon reduction initially, but are required to support a data led culture of decarbonisation and establish some essential foundations for future carbon savings.

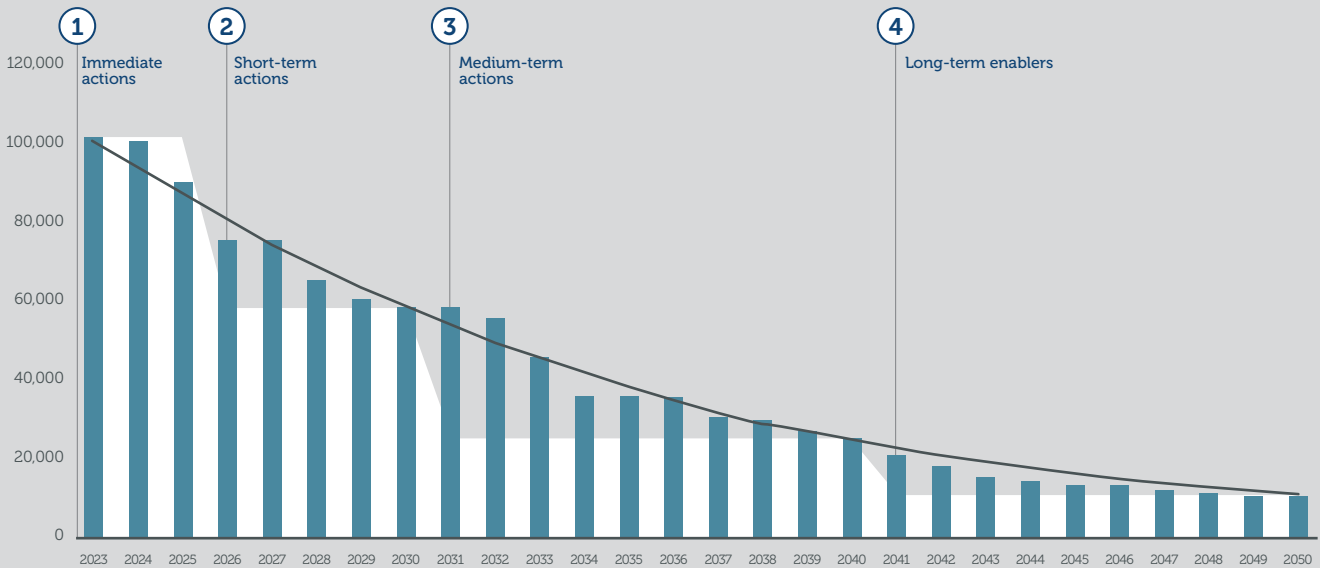
This roadmap will be integrated into our governance framework to ensure accountability and rigour in reporting. It is essential that as a Group we embed sustainability considerations into our decision-making processes, and our commitment to net zero will be reflected in Board oversight, executive compensation, and risk management practices.

The roadmap is broken down into four time horizons with the associated focus areas as set out on page 31.



Path to net zero – Time horizons

● Annual carbon footprints ● Step decarbonisation ● Theoretical decarbonisation pathway



Solutions for decarbonisation overview

- 1 **Immediate actions (2025)** – a focus on improving data quality for our key emissions sources. This will provide us with the granular detail required to strategically target key emissions sources for individual Scopes and categories of emissions. We will also initiate engagement with our suppliers to develop knowledge sharing and education.
- 2 **Short-term actions (2026 to 2027)** – will focus on a completion of a comprehensive review of supply chain net zero maturity, internal and external engagement activities and progressing with ongoing decarbonisation strategies for buildings and fleet.
- 3 **Medium-term actions (2028 to 2039)** – to include initiatives that build on our short-term actions. It is anticipated that by this point we will have achieved our near-term targets and will see changes to regulatory frameworks (e.g. carbon pricing) to guide our next steps.
- 4 **Long-term enablers (2040 to 2050)** – these fall into the last decade of action before our long-term net zero target. There is still a high level of uncertainty and related dependencies linked to our decarbonisation trajectory, however, we will update our approach in the next iteration of our Transition Plan once there is more clarity in the market.

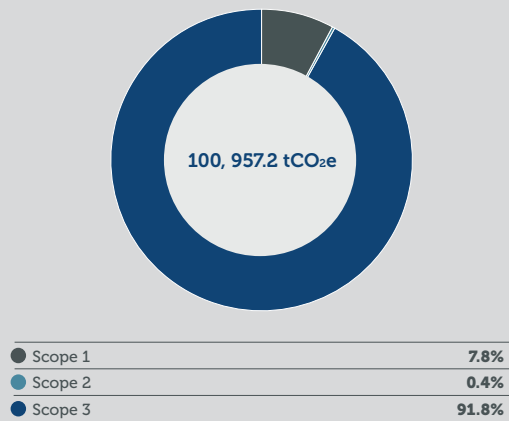
	Decarbonisation	Engagement	Governance	Policies
1 Immediate (2025)	<ul style="list-style-type: none"> ▶ Improving data quality with a focus on purchased goods and services and use of sold goods data. ▶ Setting strategies for decarbonisation of estate and fleet. 	<ul style="list-style-type: none"> ▶ Initial engagement activities with key suppliers. ▶ Initial net zero engagement and training with employees. 	<ul style="list-style-type: none"> ▶ Embedding environmental committees and working groups into the Group's corporate governance structure. ▶ Net zero training for Board Members. 	<ul style="list-style-type: none"> ▶ Updating sustainable procurement policies. ▶ Updating remuneration strategy for Executive Directors.
2 Short-term (2026 - 2027)	<ul style="list-style-type: none"> ▶ Start to access activity-based data. ▶ Determine feasibility of a large-scale solar array at the Monkton Farleigh mine. 	<ul style="list-style-type: none"> ▶ Comprehensive review of supply chain. ▶ Comprehensive employee training and engagement. 	<ul style="list-style-type: none"> ▶ Identify channels for internal and external communications. ▶ HR process to determine appropriate skills across the organisation levels. 	<ul style="list-style-type: none"> ▶ Updating travel policies. ▶ Updating procurement policies to drive energy efficiency, low waste and low carbon.
3 Medium-term (2028 - 2039)	<ul style="list-style-type: none"> ▶ Seek new suppliers if current ones do not meet criteria. ▶ Reduced Scope 1 and 2 emissions by 90% by 2035. 	<ul style="list-style-type: none"> ▶ Agree net zero action plans with key suppliers. ▶ Ongoing training on net zero. 	<ul style="list-style-type: none"> ▶ Review approach to Board remuneration on net zero transition. ▶ Understand what skills will be needed to lead the business beyond net zero. 	<ul style="list-style-type: none"> ▶ Review whether all relevant policies are in place. ▶ Ensure all supplier contracts mandate carbon disclosure.
4 Long-term (2040 - 2050)	<ul style="list-style-type: none"> ▶ Ensure smart carbon data collection solutions are embedded into finance systems. ▶ Continuous and transparent review of targets, actions and processes. 	<ul style="list-style-type: none"> ▶ Strong relationships with suppliers, knowledge sharing and innovation. ▶ Collaborative work with suppliers, peers and civil society focused on achieving net zero. 	<ul style="list-style-type: none"> ▶ Ongoing transparent reporting of progress. ▶ Ongoing monitoring and management of transition plan implementation. 	<ul style="list-style-type: none"> ▶ Ongoing review of process to enable net zero. ▶ Ongoing review of policies to enable net zero.

ESG Committee Report continued

2024 progress against the immediate actions

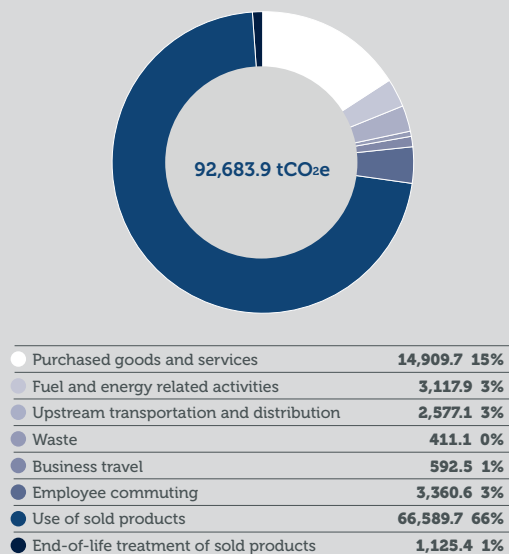
Improving data quality with a focus on purchased goods and services and use of sold goods data – during 2024 we completed the quantification of our full carbon baseline covering all scopes and all relevant emissions. The baseline represented 2023 data and highlights the significance of the emissions in our value chain compared to those in our operations.

Total scope 1, 2, and 3 carbon footprint (market-based) for YE 2023, tCO₂e



Our scope 3 emissions are further broken down into the following categories:

Scope 3 carbon footprint by emission source for YE 2023, tCO₂e



Our largest category of Scope 3 emissions is “use of sold products” and relates entirely to our Technology division who remarket a variety of IT equipment. Whilst these services support the expansion of the circular economy through their recycling credentials, the Scope 3 emissions calculated must represent the expected lifetime emissions of all relevant products sold which leads to the significant emissions recorded.

“Purchased goods and services” reflect emissions from purchases made throughout 2023, the largest emissions are generated from our purchase of building construction related materials and printing and recording services.

All emissions have been calculated based on the spend methodology and therefore have an inherent level of estimation within them. Our focus in 2025 will be two-fold:

1. Start to understand the strategic levers available to us to reduce our largest Scope 3 emissions. We want to implement pragmatic and impactful solutions that drive our emissions down but are also balanced and proportionate to the Group’s wider strategy.
2. Look to refine and improve the quality of the data behind the calculation of the largest Scope 3 emissions in order to reduce the level of estimation within these numbers. This will include starting to access activity-based data off which to calculate emissions more accurately.

Setting strategies for decarbonisation of estate and fleet – we have made good progress during 2024 in setting our net zero decarbonisation strategies for our estate and fleet:

Estate

- › We have c19MW of electricity consumption in our estate, 94% of which is directly procured by Restore. As at 31 December 2024, we have now secured REGO backed contracts against all directly procured electricity. This comes at a premium of c£0.2m which the Group incurs annually but which allows us to report zero carbon emissions in relation to this consumption. For the remaining electricity which is landlord procured, we are engaging with each landlord to understand their net zero journey and plans to “greenify” their electricity supply. Approximately one-third of this landlord-procured electricity is also now backed by REGO contracts and for the rest we will continue to engage with the landlords to understand their future plans when the current contracts expire.
- › We are currently unable to purchase equivalent “green” gas contracts due to cost so our focus on this area will be to reduce consumption of gas. Three of our sites consume over half of our gas so we will immediately focus on these sites to understand levers we can use to reduce consumption.

Fleet

c90% of Scope 1 emissions are driven by our fleet so this is our core strategic operational focus area. Our strategy is as follows:

- › all company cars to be moved to EV/Hybrid from ICE vehicles– we are at 99% of our fleet at 31 December 2024 and expect this to be 100% in the short-term.
- › all forklift trucks to be moved to EV from LPG or diesel - we are currently at 89% and expect this to be 100% in the short-term.
- › transitioning to an EV fleet for vans where it is reasonable and practicable to do so in terms of the range of the vehicles, the cost and the ability to create the relevant infrastructure to support it. We have 9% of electric vans currently and expect this to increase gradually over the medium and long term as technology and infrastructure advances appropriately.
- › where we are not yet able to move towards an EV fleet, for example our HGV’s and large shredding vehicles, we will invest in alternative fuels such as HVO as a transition fuel. We have our first HVO tank now in place at our Information Management site in Thurrock and are planning to roll out further tanks across our portfolio in the coming years, initially targeting the Datashred division who have the largest share of the Group’s Scope 1 emissions.
- › the incremental operating cost of our decarbonisation strategies for the immediate and short term is on average between £0.4-£0.5m per annum. This relates primarily to the current bio-fuel premium over diesel plus higher EV lease costs. Capital expenditure for the key fleet policies is also between £0.2m-£0.4m and represents the cost of the bio-fuel tanks and EV infrastructure.

Initial engagement activities with key suppliers – during 2024 a supplier code of conduct was developed which set out the expectations we have of our supply chain in terms of their ethical and compliance behavior. This supplier code of conduct includes several environmental areas including environmental responsibility, resource efficiency and waste minimisation, pollution and emissions reduction, and environmental reporting and is published on our website (www.restoreplc.com). During 2025 we will also be implementing a new 3rd-party risk management tool to allow us to complete robust supplier due diligence on our key suppliers, this will include an element of understanding their net zero journey and carbon footprint. The data gathered from this exercise will allow us to start to understand the net zero impact of our supply chain and ultimately allow us to engage appropriately with suppliers.

Initial net zero engagement and training with employees – all employees now must complete a mandatory environmental awareness training module on our new e-learning platform. During 2025 we will look to establish a programme of more bespoke training and communications that will raise the awareness of our net zero strategy across the Group.

Embedding environmental committees and working groups into the Group’s corporate governance structure –

various management led committees have been integrated into the Group’s governance structure as set out below, the remit of each of these groups is detailed further on page 36:

Restore plc’s net zero governance structure:



Net zero training for Board members – during 2024, the Board participated in training, facilitated by a 3rd party, focusing on the current net zero landscape, Restore’s specific net zero journey and how they can best govern and challenge the Group’s journey. We will continue to provide training to the Board and senior management as is deemed necessary throughout 2025.

Updating sustainable procurement policies – the Group developed a new Environment Policy in 2024 which is published on the Group’s website (www.restoreplc.com). The aim of this policy is to set out the strategies that will be implemented and actions which will be undertaken in order to reduce our impact in this area. As referenced above, we also implemented a supplier code of conduct that included the environmental expectations we have of our supply chain. In 2025 we will continue to develop our suite of sustainable policies including sustainable procurement policies.

Updating remuneration strategy for Executive Directors - as detailed in the Remuneration report on page 68, a portion of the Executive Directors annual bonus for 2024 was linked to an absolute reduction in Scope 1 and 2 market-based emissions. In 2025, carbon-related incentivisation will be cascaded down to additional senior management to ensure that all businesses are aligned in their commitment to the Group’s net zero targets and ambitions.

ESG Committee Report continued

Outlook

This pathway to net zero sets out the next chapter of our sustainability journey, and our robust commitment to our net zero target. We have already started to implement carbon reduction measures across the Group, but like most businesses in our industry, we have a complex ecosystem that will require consolidated action to decarbonise. Making sustainability an integral part of the organisation will help to unlock our potential, harnessing opportunities that our sustainability journey delivers whilst mitigating the key risks present and will ensure that we are fit for the future.

The path to net zero requires immediate action, innovative solutions and transformative change. To deliver against these net zero targets, therefore, we will be working to ensure all available carbon reduction opportunities and initiatives are embedded across our businesses. We have a strong foundation of sustainable action across the organisation and are culturally well placed to build upon this but must unify across the businesses to maximise impact.

We are confident that our net zero commitments are well aligned with our business strategy, and we are prepared to invest in making a net zero future the reality for Restore.

As part of our ongoing commitment to transparent and comprehensive reporting, our baseline and net zero targets will be reviewed for relevance on an annual basis as part of Net Zero Governance.*



2024 carbon emissions

In line with best practice, our Global Green House Gas ("GHG") emissions report is set out on the next page. The GHG data relates to emissions during the 12-month period from 1 January to 31 December 2024, and 100% of our emissions are UK based. Our carbon footprint is calculated using methodologies consistent with the GHG Protocol with additional guidance notes included as required and has been verified by a third-party as being compliant with the Streamlined Energy and Carbon Reporting guidelines to a level of limited assurance.

Location-based emissions (reflects the average emissions intensity of grids on which energy consumption occurs)

Total emissions reduced by 4% from 2023, with a reduction of 560 tCO₂e. Emissions from our fleet are the most significant driver of our carbon performance, comprising c58% of total emissions, and these emissions reduced by 1% from 2023 following the gradual replacement of our smaller fleet vehicles with electric/hybrid alternatives. Overall, 45% of our fleet is now either electric or hybrid, an increase from 17% in 2023, with 99% of our company cars now using lower-carbon technology. Emissions from waste have also significantly reduced (72% reduction) as our focus shifts to actively diverting waste from landfill, supported by a new national waste management provider.

Market-based emissions (reflects emissions from electricity that companies have purposefully chosen)

Total emissions have fallen by 9% from 2023, with a reduction of 894 tCO₂e. The reduction is driven by the same factors as the location-based emissions above but in addition the Group continues to take action to seek sustainably sourced energy in its estate. 93% of sites now have electricity supplied through REGO backed suppliers (2023: 86%) with 100% of directly procured electricity now being renewable. Where Restore does not manage that supply directly, for example where a landlord manages power supply, the Group is actively negotiating for that energy supply to transition to a renewable alternative.

Intensity ratios

In line with lower emissions, our market-based intensity ratio has reduced to 31.3 from 34.3 driven by the factors above.

* In line with the SBTi Corporate Net Zero Standard, companies are required to check targets annually and at minimum review them every five years. If necessary, companies must recalculate their target to reflect significant changes that might compromise the target. Recalculation should not be triggered by organic growth but should be triggered by significant changes in company structure / operation (e.g. mergers/acquisitions), in methodology used for calculating the base year inventory (e.g., improved emissions factors, improved data quality), and in the occurrence of significant errors.

Streamlined Energy and Carbon Reporting ("SECR")

The Group has continued to make good progress on improving our data collection, data coverage and data quality.

In line with prior year, we have included market-based reporting as well as location-based reporting to demonstrate how our procurement approach prioritises renewable energy sources. We do not yet include our full Scope 3 emissions in our SECR reporting but will endeavour to do so in the medium-term.

tCO ₂ e	2024	2023	2022
Fleet fuel emissions	7,122.6	7,222.6	8,281.0
Natural gas	474.5	509.0	412.4
Heating fuels	–	121.9	153.6
Total Scope 1¹	7,597.1	7,853.5	8,847.0
Electricity	3,919.0	3,824.2	3,841.8
Total Scope 2 location-based²	3,919.0	3,824.2	3,841.8
Electricity	177.0	416.2 ³	1,154.3
Total Scope 2 market-based²	177.0	416.2³	1,154.3
Total Scope 1 and 2 location-based	11,516.1	11,677.7	12,688.8
Total Scope 1 and 2 market-based	7,774.1	8,269.7³	10,001.3
Transmission and distribution losses	348.1	330.5	351.4
Business travel	319.6	443.0	397.8
Waste	113.0	404.1	731.5
Water	6.7	13.2	13.4
Procurement	43.0	37.6	29.1
Total Scope 3⁴	830.4	1,228.4	1,523.2
Total Scope 1, 2 and 3 location-based	12,346.5	12,906.1	14,212.0
Total Scope 1, 2 and 3 market-based	8,604.5	9,498.1³	11,524.5

Intensity measures

In line with previous years, management provides an intensity measure for carbon usage based on revenue and headcount in order to correlate emissions with levels of activity in the Group.

tCO ₂ e	2024	2023	2022
Intensity measure (per £'m of revenue)			
Group revenue (£'m)	275.3	277.1	279.0
Scope 1, 2 and 3 location-based emissions per £'m of revenue	44.8 (-3.9%)	46.6 (-8.4%)	50.9 (-12.5%)
Scope 1, 2 and 3 market-based emissions per £'m of revenue	31.3 (-8.7%)	34.3 (-16.9%) ³	41.3
Intensity measure (per employee)			
Average employee numbers (FTE)	2,556	2,727	2,892
Scope 1, 2 and 3 location-based emissions per employee	4.8 (2.1%)	4.7 (-4.0%)	4.9 (-12.5%)
Scope 1, 2 and 3 market-based emissions per employee	3.4 (-2.9%)	3.5 (-12.5%) ³	4.0

Energy consumption

The tables represent 100% of our business energy use, a breakdown of emissions by fuel type is provided below.

kWh	2024	2023	2022
Gas oil	–	253,283.9	290,951.3
Natural gas	2,594,549.2	2,782,374.3	2,259,222.0
Propane (buildings)	–	52,432.5	80,272.7
LPG (buildings)	–	87,121.1	8,269.8
Diesel oil (buildings)	–	41,522.9	76,509.5
Burning oil	–	34,226.9	126,909.2
Fleet	28,470,517.7	28,466,985.1	32,312,398.7
Grey fleet	1,033,847.3	1,426,441.7	1,536,848.4
Electricity	19,014,703.9	18,492,891.0	19,894,303.8
Total energy consumption⁵	51,113,618.1	51,637,279.4	56,585,685.4

1 Scope 1 (direct) – measures which relate to emissions resulting from activities owned or controlled by Restore.

2 Scope 2 (energy indirect) – emissions are those released into the atmosphere that are associated with the Group's consumption of purchased electricity, heat, steam and cooling. These indirect emissions are a consequence of the Group's energy use but occur at sources the Group does not own or control.

3 The 2023 market-based electricity emissions have been restated as it was discovered in 2024 that an incorrect conversion factor had been applied to the electricity at one site.

4 Scope 3 (other direct) – emissions are a consequence of the Group's actions that occur at sources that the Group does not own or control and are not classed as Scope 2 emissions.

5 Energy consumption data is captured through utility meter reads or estimates.

ESG Committee Report continued

Task Force on Climate-related Financial Disclosures (“TCFD”) and non-financial and sustainability information statement

This is our fourth year of reporting climate-related disclosures, in line with the TCFD recommendations and in recognition of The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

The TCFD disclosures also address section 414CB (2A) Companies Act requirements in relation to climate-related disclosures. Adherence to the relevant parts of these requirements is set out on page 43. The Group has continued to use the TCFD framework to structure our reporting in this area to ensure consistency with previous years, however we will continue to map our TCFD disclosures to the relevant sections of the Companies Act framework.

Governance

The Board maintains overall responsibility and oversight of climate-related risks and opportunities, ensuring alignment with Group vision and direction. However, to ensure there is the appropriate strategic and operational focus on climate-related matters, a Board-level ESG Committee was established in 2023. This Committee is chaired by Lisa Fretwell, a Non-Executive Director, and attended by other Non-Executive and Executive Directors. Whilst this Committee covers all environmental, social and governance matters, it is acutely responsible for the oversight and challenge of our climate strategy; holding management to account for the execution of the strategy, ensuring our climate reporting meets regulatory requirements and ensuring that the Group's approach to climate-related risks and opportunities is balanced, measured and appropriate for our business.

Key climate-related agenda items for the ESG committee in 2024 have been:

- › reviewing and challenging the overall climate-related strategy, including 2024 priorities and reporting requirements;
- › reviewing and assessing 2024 progress and 2025 priorities for each focus area in the climate-related strategy;
- › working with the Remuneration Committee to agree and implement climate-related incentivisations into the Executive Directors 2024 annual bonus targets;
- › completing a deep dive into the Group's net zero commitments and ambitions, including the Group's fleet decarbonisation roadmap and soon-to-be published TPT Disclosure Framework aligned Net Zero Transition Plan; and
- › receiving training from external sustainability specialists, covering the current climate and net zero landscape along with how the ESG Committee can best govern and support Restore's specific climate journey.

The Board and the ESG Committee are supported by the following management committees who carry out the day-to-day delivery of our climate commitments:

- › **Risk Committee:** this committee, which is also chaired by Lisa Fretwell, supports in the oversight of climate-related risks, and the overall effectiveness of risk management arrangements. The climate-related risk register is reviewed as part of the enterprise-wide risk framework assessment every three months which enables management to incorporate ongoing refinement and quantification of risks. In the September Risk Committee meeting, there was also a deep dive into the overall environmental risk in the Group, including a review on the key risks which impact our climate strategy and how they are evolving.
- › **Environmental Operational Committee (“EOC”):** this is a newly formed committee in 2024 and includes the CFO, Company Secretary and the sustainability leads of each of the BU's. The EOC meets every 2 months and its remit includes: driving the Group's net zero journey including the overview and monitoring of the Group's fleet and property decarbonisation roadmaps; monitoring of quarterly carbon reporting outputs; training and awareness; management of the Group's journey to reduce the amount of waste to landfill; and driving our environmental agenda through our value chain. This committee is supported by a Fleet Forum who are responsible for developing and implementing the fleet decarbonisation roadmap. This forum comprises each of the divisional Fleet Directors and sustainability specialists. The EOC is also supported by a Property Working Group which is responsible for the decarbonisation of our estate, waste initiatives and bio-diversity concerns.

In addition to the above committees, execution of our climate strategy is the also the responsibility of the MD's of each of our businesses. They have the task to deliver the strategy on a day-to-day basis; understanding the climate-related risks that impact their business whilst also harnessing the opportunities that climate-related matters can bring. They are supported by sustainability experts embedded into the businesses' leadership teams.

At an employee level, sustainability champions work on the achievement of our sustainability goals whilst all colleagues are responsible for adhering to the Group's strategy and Environment policy on a day-to-day basis.

The Board continues to ensure that there is appropriate climate-related expertise within the business and in 2025 will continue to build on this level of knowledge and understanding.

The Board and the ESG Committee understands that it is best practice to establish carbon-related incentivisation schemes to ensure that the climate commitments made are appropriately embedded within the culture of the organisation. This was implemented for the Executive Directors in 2024 with an absolute carbon reduction target representing a portion of their bonus for the year. For 2025 this will be cascaded down to additional senior management in the Group with the Remuneration Committee continuing to focus on how this can be further embedded within the Group's reward structure.

Risk management

The Group has considered all risk and opportunity categories outlined in the TCFD guidance, across all our operations and supply chains, to ensure that appropriate climate-related risks have been identified and analysed. These were identified and assessed over four time-horizons:

- › **Immediate: 2025**

Focuses on improving data quality, initial engagement with suppliers and initial execution of our operational strategies
- › **Short-term: 2026 to 2027**

In line with current strategic planning and considers expected capital expenditures
- › **Medium-term: 2028 to 2039**

Aligns to where we will mostly likely see changes to regulatory frameworks and technological developments and includes initiatives that build on our current actions and enable achievement of near-term targets.
- › **Long-term: 2040 to 2050**

Aligned to the UK Governments Net Zero pledge, it informs the longer-term aspects of our "Restoring our World" ESG strategy and includes initiatives that may require significant budget, structural or industry change, or technological innovation not yet available but which are facilitators of our net zero aspirations and achievement of long-term targets.

Climate-related risks and opportunities are identified, assessed, and managed as part of the existing enterprise-wide risk framework to determine their relative significance in relation to other Group risks. The enterprise-wide risk framework is reviewed by the Risk Committee quarterly and is signed off by the Board at least annually, with climate-related risks aggregated into a single environmental principal risk. This allows a Group-level view of climate risk but also helps to understand the specific threats and opportunities that the individual businesses face. Refer to pages 46 to 49 for more details on our enterprise-wide risk management processes.

Whilst the Board recognises that to achieve its strategic objectives, it must accept and manage a certain degree of risk, it has a low appetite for risks that have significant negative consequences such as climate-related risks. It aims to ensure that the Group either avoids those activities that may result in climate-related risks accelerating or eliminate the risks through applied and focused mitigation efforts.

Based on our enterprise-wide risk framework, our overall climate risk exposure is assessed to be moderate. The potential impact of the identified climate-related risks and opportunities is set out on pages 40 to 41 and whilst we do not expect them to drive a fundamental change to current business strategy (with regularly horizon scanning to ensure we are aware of any macro environmental changes), our risk appetite in this area will push us to continue to reduce our risk exposure.



ESG Committee Report continued

Strategy

Our sustainability strategy, "Restoring our World", was developed and published in November 2021 and identifies clearly defined targets which mitigate against climate-related risks and capitalise on climate-related opportunities. The strategy is reviewed annually with any material changes in regulations, social context, technology availability and the development of climate science being incorporated as necessary.

The strategy was derived through climate-related workshops undertaken across the business, supported by external consultants. We have reviewed the strategy in 2024 to ensure it remains pertinent and appropriate for the business and whilst we have made some changes to the wider sustainability strategy, the climate-related element of the strategy is in line with 2023.

In previous years, we analysed the impact of our climate-related risks and opportunities on our strategy using three scenarios:

1. **Net Zero 2050 (NZE)** – where actions limit the global temperatures rise to 1.5 °C by 2100, with 50% probability, included as it informs decarbonisation pathways used by SBTi.
2. **Stated policies (STEPS)** – outlines a combination of physical and transition impacts as temperatures rise by 2.6°C by 2100 from pre-industrial levels, with a 50% probability.
3. **RCP 8.5** – an extreme physical risk scenario, where mean global surface temperatures rise by c4.3°C by 2100 from pre-industrial levels as the global response to mitigating climate change is limited.

Although a comprehensive resilience assessment has not been performed to fully quantify the impact of these scenarios on the Group's strategy, we have assessed the directional impact of the likelihood and impact of these scenarios on the identified risks and opportunities to ensure we understand how climate change may affect our business, these are set out on pages 40 to 41.

Our climate-related risks and opportunities have also informed our strategy and financial planning as follows:

Operations

Our Scope 1 and 2 emissions are those that are emitted by our operations. We have a near-term target to reduce scope 1 and 2 emissions by 50% by 2030 and by 90% by 2035 using the initiatives set out below. We expect our ability to reduce emissions will increase year on year as global technology and infrastructure accelerates to meet demand, particularly in relation to our fleet. Our strategy within our operations is as follows:

- › c90% of Scope 1 emissions are driven by our fleet so this is our core strategic operational focus area. Our strategy is as follows:
 - › all company cars to be moved to EV/Hybrid from ICE vehicles – we are at 99% of our fleet at 31 December 2024 and expect this to be 100% in the short-term.
 - › all forklift trucks to be moved to EV from LPG or diesel - we are currently at 89% and expect this to be 100% in the short-term.
 - › Transitioning to an EV fleet for vans where it is reasonable and practicable to do so in terms of the range of the vehicles,

the cost, and the ability to create the relevant infrastructure to support it. We have 9% electric vans currently and expect this to increase gradually over the medium and long term as technology and infrastructure advances appropriately.

- › Where we are not yet able to move towards an EV fleet, for example our HGV's and large shredding vehicles, we will invest in alternative fuels such as HVO as a transition fuel. We have our first HVO tank now in place at our Information Management site in Thurrock and are planning to roll out further tanks across our estate in the coming years, initially targeting the Datashred division who have the largest share of the Group's Scope 1 emissions.
- › We have c19MW of electricity used in our estate, 94% of which is directly procured by Restore. As at 31 December 2024, we have now secured REGO backed contracts against all directly procured electricity. This comes at a premium of c£0.2m which the Group incurs annually but which allows us to report zero carbon emissions in relation to this consumption. For the remaining electricity which is landlord procured, we are engaging with each landlord to understand their net zero journey and plans to "greenify" their electricity supply. Approximately one-third of this landlord-procured electricity is also now backed by REGO contracts and for the rest we will continue to engage with the landlords to understand their future plans when the current contracts expire.
- › We are currently unable to purchase equivalent "green" gas contracts due to cost so our focus on this area will be to reduce consumption of gas. Three of our sites consume over half of our gas so we will immediately focus on these sites to understand levers we can use to reduce consumption.

Value chain

We have already embedded several activities into our strategy in relation to our value chain:

- › A significant portion of our customer base are either public sector bodies or "blue-chip" private organisations who build net zero considerations into their BAU procurement decisions and expect us to contribute to their own net zero targets. Our strategy is to continue to increase the proportion of these types of customers to ensure that we have a quality customer base who we can work with on our net zero journey.
- › We have developed and externally published a new supplier code of conduct and our strategy is to only work with those suppliers who are comfortable signing up to this code of conduct. This supplier code of conduct includes several environmental areas including environmental responsibility, resource efficiency and waste minimisation, pollution and emissions reduction, and environmental reporting.
- › One of our interim net zero targets is to ensure that by 2030, suppliers covering 70% of emissions from purchased goods and services have set net zero targets aligned with a 1.5c pathway. We anticipate starting the due diligence on this process in 2025 with the aim of engaging with our top 100 suppliers by spend and emissions by the end of 2025 using a new 3rd-party risk management tool which the Group has invested in.

- › We have recently quantified our full scope 3 baseline and key strategic considerations that have been highlighted from this include:
 - › c66% of our overall footprint comes from “use of sold products” and this is entirely related to our Technology division who sell on laptops, hard drives and other computer equipment. Whilst this number will naturally reduce as the national grid of the countries we sell into becomes more renewable, we will also continue to assess the products we sell and the markets we sell into to drive a reduction in these emissions;
 - › c3% of our carbon emissions relate to employee commuting which is higher than many companies of our size, this is not unexpected as most of our sites are out of town and therefore there is limited public transport available to service these sites but we will look at potential initiatives we can implement to encourage lower car travel to site or a move towards employees having EV cars;
 - › and finally c15% of our footprint relates to purchased goods and services, this will inform our strategy in terms of us assessing whether those suppliers with high emissions are vital for delivery of our strategy going forward or whether we can novate to lower emission generating suppliers/services.

Products and services

With the focus on sustainable development and mitigating climate change, the circular economy is expected to expand. We see specific opportunities in two divisions that can be pursued further to expand our revenue: Technology and Harrow Green, which both already offer circular economy services relating to the recycling of IT or office furniture.

We are also looking at how we deliver our services to our customers, particularly focusing on route optimisation and ensuring that our driving is efficient and safe. We are also engaging with our on-site shredding customers to encourage them to move to off-site shredding services where possible, which will generate significantly lower emissions.

Financial planning

The largest financial impacts from our climate strategy are as follows:

- › The incremental operating cost of our fleet decarbonisation strategies for the immediate and short term is on average between £0.4-£0.5m per annum. This relates primarily to the current bio-fuel premium over diesel plus higher EV lease costs. Capital expenditure for the key fleet policies is also between £0.2m-£0.4m and represents the cost of the bio-fuel tanks and additional EV infrastructure. Given the uncertainty in the optimum future technology for our heavy-duty fleet, it is not practicable to quantify the financial impact it may have on the Group in the medium or long-term although we will keep this on our radar as technology and infrastructure develops.
- › The premium for purchasing REGO backed electricity contracts is c£0.2m per annum. There is a risk that if the cost of REGO contracts increase such that they become prohibitive to buy,

they may not long be able to form part of our decarbonisation strategy. To mitigate this risk we have recently entered into a three year flex-electricity contract with our electricity supplier that is backed by a REGO contract, therefore there is no short term risk of us being priced out of the REGO market

- › We also continue to invest in both internal and external climate-related resource as required. We spend c£0.1m on third-party specialists each year to support our growing internal team and to ensure we are building our climate expertise.

These strategies will largely be funded through our working capital facility as the Group is cash generative and has good headroom in its current facilities. There are no material effects of climate-related matters reflected in judgements and estimates applied in our 2024 financial statements. We will, however, continue to monitor our climate-related risks and opportunities through our internal risk management framework and apply financial consideration as our business evolves.

Annual budget process

We have significantly enhanced our annual budget process during 2024, bringing into the main budget process a specific carbon budgeting exercise across the Group. The exercise included:

- › a carbon roadmap for the Group and each division was developed, covering the period from 2024 to 2035. The roadmaps set out the anticipated trajectory of carbon emissions for each division based on their decarbonisation strategies and also included the short-term cost to achieve the reduction. The 2025 cost implications of the roadmaps are factored into the 2025 overall divisional budgets.
- › through this exercise, our purpose was to:
 - › confirm that our published net zero commitments are achievable;
 - › foster buy-in from the divisions and establish ownership for the execution of their individual roadmaps;
 - › understand the cost of our net zero journey and the trade-offs involved;
 - › be able to set meaningful and accurate carbon reduction incentivisation targets; and
 - › prepare the foundations for our SBTi submission.

The roadmaps covered scope 1, scope 2 and the elements of scope 3 that are annually verified (waste and business travel). They do not include the wider scope 3 emissions which have just been quantified. This process will be completed annually with the roadmaps reiterated as we move to the deployment and execution stage.

In time, we will build the remaining Scope 3 emissions into this process to ensure that we are driving reduction across our entire footprint, this will be once we have established a process to compile repeatable robust data and fully understand the strategic levers open to us to reduce these emissions.

ESG Committee Report continued

We have identified the following key climate-related risks and opportunities that could have a financial impact on the Group, we have highlighted the impacts most relevant to our sustainability strategy using the key below.

Risks

Time-period (Term)	Financial impact	Measurement used to track risk/opportunity	Divisions (most impacted)	Risk / opportunity rating				Directional impact of the scenarios identified on the risks/opportunities		
				Negligible	Low	Moderate	High	↑	↔	↓

TCFD category: Transition (Technology)

Decarbonisation of fleet

- Medium-term
- £0.4m-£0.5m incremental costs per annum
- Scope 1 emissions
- All divisions
- High
- Neutral likelihood of risk occurring/neutral impact on risk in scenarios

The Group's net zero pledge depends on the decarbonising of our vehicle fleet with emissions from vehicles making up c90% of our Scope 1 emissions. We believe that the long-term future technology for our fleet will be electric but the current state of EV technology and infrastructure in the UK is not sufficient for the Group to transfer to an all-electric fleet due to issues such as availability, battery range, charging infrastructure and cost. There is also an outside risk that the capital expenditure incurred could be written off in coming years if competing technology is developed, making EVs obsolete.

Given the significance of our fleet emissions, if we are not able to reduce these as planned and as predicted in our net zero journey, we are likely to suffer reputational damage from missing targets. This is more acute for Restore as a significant portion of our customer base are either public sector bodies or "blue-chip" private organisations who build net zero considerations into their BAU procurement decisions and who expect us to contribute to their net zero targets.

Our strategy to mitigate this risk is set out on page 38 to 39.

TCFD category: Transition (Emerging Regulation)

Carbon tax

- Medium-term
- Higher costs associated with energy prices and inbound purchases
- Costs
- All divisions
- Moderate
- Increased likelihood of risk occurring/increased impact of risk on scenarios

Carbon tax risk emanates both from our own operations and from a levy of a tax through our supply chain. The Group currently does not use carbon pricing but views the implementation of operational carbon pricing as a possibility.

Our principal value chain emissions originate from our suppliers. As the Group's suppliers come under carbon pricing mechanisms, or carbon border adjustments, this could result in the supplier passing on the added cost from the carbon tax. We think the introduction of carbon pricing either within our operations our value chain would have a moderate risk to the Group however this assumes that carbon prices rise gradually; the risk to the Group would come from the dislocation caused by sudden short-term carbon price shocks, potentially resulting from regulation or market dynamics.

Through our annual emissions reduction targets and low-carbon strategy we feel we have mitigating activities in place to largely deal with a forecasted increase in carbon taxation.

REGO premium sustainability

- Medium-term
- £0.2m incremental costs per annum
- % of sites with REGO back contracts
- All divisions
- Moderate
- Neutral likelihood of risk occurring/neutral impact of risk on scenarios

Restore directly procures 94% of their electricity with the remainder of their electricity being procured by landlords. All of the Group's directly procured electricity is now backed by REGO contracts with roughly one-third of the landlord procured electricity also being backed by REGO contracts. This approach to decarbonisation is a fundamental part of our net zero journey as it allows c18MW of electricity to have zero carbon emissions attached to it.

If the cost of the REGO premium increased significantly then these contracts may become cost prohibitive which would challenge our ability to meet our net zero commitments and ambitions. Given the significance of our consumption, if we are not able to continue to buy REGO contracts as predicted in our net zero journey, we are likely to suffer reputational damage from missing targets.

Our strategy to mitigate this risk is set out on page 38 to 39.

TCFD category: Physical (acute and chronic)

Flood and heat stress

- Long-term
- Lost/disrupted revenue
- % of sites in risk area
- Information Management
- Low
- Neutral likelihood of risk occurring/neutral impact of risk on scenarios

Whilst our primarily UK operations and supply chain means that we are at lower risk of many acute physical risks i.e. hurricanes, wildfires, droughts, we are at risk of some chronic physical risks such as increased flooding and heat stress. Rising global temperatures may cause issues at some of our sites as many of our storage sites in the Information Management division are tall to provide optimal storage utilisation of customers documents. During periods of high temperatures, working conditions can become uncomfortable at the higher levels of the buildings and there are currently no temperature regulating systems at these sites. Excessively high working temperatures would require more breaks for employees, reducing efficiency or, in the extreme, expose employees to heat stress. In addition, periods of hot dry weather raise external fire risks. From the Group's perspective, the risk of fire itself is not significant however nearby fires can disrupt services and potentially impact revenue.

Information Management's storage units would be most at risk of the increasing flooding probabilities, due to increased rainfall. Certain operations may be at higher risk than others but through the WRI's Aqueduct Water Risk Atlas analysis none of the sites assessed are currently considered above a low-medium risk of flooding. However, flooding at our sites could disrupt the services we provide due to the sites having to be evacuated for safety concerns or damage to records or equipment from water ingress.

As part of our mitigation each division contains a business continuity management team which assess the protection and support of colleagues, critical operations, and infrastructure during emergencies and disasters, including man-made and weather-driven natural disasters. Our business continuity and disaster recovery plans are regularly tested and continually updated. Appropriate insurance policies are also in place. To mitigate the risk in relation to flooding, we will also continue to assess the suitability of current key sites and if there are any medium to long term flooding risks posed at these locations. Our property acquisition strategy will also look to avoid areas that could be susceptible to an increased risk of flooding. To date, there have been no incidents of water ingress or flooding and with our business continuity plans we believe we are well placed to deal with any increase in probability of flooding.

Opportunities

Time-period (Term)	Financial impact	Measurement used to track risk/opportunity	Divisions (most impacted)	Risk / opportunity rating				Directional impact of the scenarios identified on the risks/opportunities		
				Negligible	Low	Moderate	High	↑	↔	↓
				●	●	●	●			

TCFD category: Products and services

Expansion of circular economy services

<ul style="list-style-type: none"> Medium-term Increased sales Revenue Technology and Harrow Green Moderate Increased likelihood of risk occurring/ increased impact of risk on 	<p>With the focus on sustainable development and mitigating climate change, the circular economy is expected to expand. We see specific opportunities in two businesses that can be pursued further to expand our revenue: Technology and Harrow Green, which both already offer circular economy services relating to the recycling of IT or office furniture</p>
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TCFD category: Energy sources

Self-generation of electricity

<ul style="list-style-type: none"> Medium-term Decreased costs Renewable energy sources All divisions Moderate Neutral likelihood of risk occurring/ neutral impact of risk on scenarios 	<p>The Group sees renewable energy contracts as a strong opportunity to reduce our emissions intensity with REGO backed contracts now in place against all directly procured electricity. Where electricity is landlord procured, we are engaging with each landlord to understand their net zero journey and how they can contribute to Restore's net zero ambitions.</p> <p>The Group also has the potential to generate its own renewable energy. With the significant space across the estate there is an opportunity to install solar panels and develop solar arrays, subject to landlord consent. This offers an opportunity to become less dependent on the national grid, decarbonise quicker, reduce the Group's dependence on fossil fuels and in the medium-term lower its cost base and provide the opportunity to sell this energy back to the national grid.</p>
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TCFD category: Resource efficiency

Decarbonisation of fleet

<ul style="list-style-type: none"> Medium-term Decreased costs % of fleet which are not ICE All divisions High Increased likelihood of risk occurring/ increased impact of risk on scenarios 	<p>The Group sees the chance to make its vehicle fleet more sustainable through electrification or other sustainable technologies also as an opportunity. The Group has already established a programme to rotate fleet towards new technology as noted on page 38. Transferring the fleet to low-carbon technology will provide the opportunity for the Group to reduce our emissions footprint, especially Scope 1 emissions from company owned vehicles and to ultimately reduce the cost of running the fleet.</p> <p>EV chargers are currently installed at 22% of our sites, with plans to install a further network of electric charging points across the Group's property estate so journeys between sites will be made fossil fuel free.</p> <p>Whilst this opportunity is significant, the pace at which it can be realised is interlinked with the technological advancement risk noted on page 40.</p>
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TCFD category: Transition (market)

Group's sustainability positioning

<ul style="list-style-type: none"> Medium-term Increased revenue Revenue All divisions Moderate Increased likelihood of risk occurring/ increased impact of risk on scenarios 	<p>Stakeholders are increasingly incorporating climate change into key business decisions as the world transforms into a low carbon economy. Customers are also increasingly incorporating sustainability into their tenders (e.g. UK Government) and adding supplier carbon assessment as part of their everyday business.</p> <p>Certain customers will have specific demands and criteria that are sustainability-linked which the Group can adhere to. Relative to our peers we believe we are very well placed in terms of sustainability governance, reporting and strategy. Our ESG strategy "Restoring our World" emphasises how even with more stringent sustainability regulation and standards we are in a good position to capitalise on sustainability initiatives, and our soon-to-be published TPT plan also sets out the tangible steps we will undertake to meet our goals and ambitions.</p>
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ESG Committee Report continued

Metrics and targets

The metrics and targets that the Group monitors are closely linked to our climate-related risks and opportunities. Our reporting includes Scopes 1, 2 and some Scope 3 greenhouse gas (GHG) emissions as well as energy consumption. The calculation of our carbon footprint is in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and is externally verified to a limited level of assurance using ISO 14064.

Other metrics that we track include (refer to page 26):

- › Emissions intensity
- › % of hybrid/EV company cars and total fleet
- › % of sites which have electricity which is REGO-backed
- › % of waste diverted from landfill

We believe that by monitoring these metrics, it will allow the Group to drive emissions reductions in line with our net zero target.

We will continue to develop our metrics throughout 2025 and will look to capture a number of the measurement metrics set out on pages 40 to 41, to enable them, in time, to be climate KPIs.

Our overall target is to be a net zero organisation by 2050, in line with the UK Government's commitment to be net zero by 2050. To meet this climate commitment, the Group has established interim targets for the near and medium-term – these are outlined in more detail on pages 30 to 34. By monitoring these metrics and targets, we can ensure that we are mitigating risk exposure.

We have completed several of the priorities we had in the place at the start of the year in relation to metrics and targets:

- › We have increased the frequency of our carbon reporting, from annually to quarterly. This has allowed us track progress against our interim net zero targets.
- › We have completed the quantification of our Scope 3 baseline including all emissions. Refer to page 32 for further details.
- › We have invested in a 3rd-party risk management tool which will allow us to track the net zero commitments of our key suppliers and to work towards our net zero interim target of 70% of suppliers having science-based targets in place.

Our climate related priorities for 2025 include further objectives to enhance our metrics and targets in the near-term, these include:

- › Developing an engagement plan for our top suppliers, using the 3rd-party risk management tool referred to above and will aim to have our top 100 suppliers engaged and assessed by the end of 2025.
- › Developing a process to simplify the measurement of our full scope 3 baseline in order to ensure that this becomes an annual repeatable process that is sustainable to maintain.
- › Developing further commitments in relation to diversion of waste from landfill and biodiversity to align with the focus of "Our Planet" strategy.



Climate-related framework compliance

Recommendation	Recommended disclosures	Response		Companies Act S414CB
Governance Disclose the organisation's governance around climate-related risks and opportunities	a) Describe the Board's oversight of climate-related risks and opportunities	The Board has overall responsibility for climate-related risks and opportunities with a Board-level ESG Committee also in place to help drive strategic and operational focus.	Page 36	a
	b) Describe management's role in assessing and managing climate-related risks and opportunities	The CEO oversees the operational delivery of climate-related activity in alignment with operational priorities. He is supported by the Risk Committee, the EOC and the divisional MD's.	Page 36	a
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	The Board has identified environmental risk as a principal risk as detailed on page 49, which is underpinned by specific climate-related risks and opportunities outlined within the Group's climate risk assessment.	Pages 37 to 41	d
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	The Group recognises the impact that climate change may have on its strategy, operations and financial planning and is taking action to address the implications of climate-related risks across our business. The latest financial quantification of the key risks is on page 39. We have also identified the risk rating and directional impact of how the risks and opportunities respond to various scenarios.	Pages 37 to 42	e
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Although a comprehensive resilience assessment has not been performed to fully quantify the impact of these scenarios on the Group's strategy we have assessed the directional impact of the likelihood and impact of these scenarios on the identified risks and opportunities to ensure we understand how climate change may affect our business	Pages 37 to 41	f
Risk management Disclose how the organisation identifies, assesses, and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks	The Group's overall risk management approach captures Group-wide risks, including climate change. As risks are captured, an assessment in terms of the impact on the Group's strategy is undertaken, in addition to a likelihood vs impact assessment, which determines the significance of all risks.	Page 37	b
	b) Describe the organisation's processes for managing climate-related risks	Risk assessment, based on our agreed likelihood and impact criteria drives the prioritisation of mitigating action.	Page 37	b
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Climate-related risks and opportunities are identified, assessed and managed on the existing Group risk management framework.	Page 37	c
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Metrics used to assess climate-related risks and opportunities are outlined on page 42.	Page 42	h
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	The Group reports Scope 1, 2 and some Scope 3 greenhouse gas (GHG) emissions as set out on page 35. We have also quantified our full Scope 3 baseline for 2023 as set out on page 32. We will repeat this exercise each year to track progress.	Page 42	h
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	The Group's journey to net zero is set out on pages 30 to 34 and includes near-term, medium-term and longer-term targets.	Page 42	g

ESG Committee Report continued

ESG principles

Below is a summary of the key policies held by the Group in relation to non-financial matters.

Code of conduct

High standards of ethical behaviour and compliance with laws and regulations are essential to protecting the reputation and long-term success of the Group. Our Code of conduct sets out the ethical standards that should govern the activities of Restore, its subsidiaries, its employees, and any business partners. It gives guidance on recognising when and where ethical problems exist, and how to avoid them or what to do if they cannot be avoided.

Our Code applies to all our employees, contractors and sub-contractors working in all our businesses. We expect our customers, suppliers, distributors, agents, and all other stakeholders we interact with to abide by it or to operate to similar standards. Our Code applies across all our operations, wherever they are based, and it always applies.

We provide a dedicated independent whistleblowing support line, available always, through which concerns can be raised, anonymously if required. All concerns raised will be investigated in a timely, fair, and transparent manner.

A copy of our Code of Conduct and Speak Up policy are available to view on our website.

Anti-bribery and collusion policy

The Group has a zero-tolerance policy towards bribery and corruption and is committed to acting fairly and with integrity in all its business dealings.

No party may:

- ▶ give or promise any financial or other advantage to another party (or use a third party to do the same) on the Group's behalf where that advantage is intended to induce the other party to perform a particular function improperly, to reward them for the same, or where the acceptance of that advantage will itself constitute improper conduct;
- ▶ request or agree to receive any financial or other advantage from another party where that advantage is intended to induce the improper performance of a particular function, where the acceptance of that advantage will in itself constitute improper conduct, or where the recipient intends to act improperly in anticipation of such advantage; or
- ▶ collude with other parties in order to achieve an improper purpose including influencing improperly the actions of another party specifically in relation to a bid or tendering process.

Parties must:

- ▶ be aware of and alert at all times of all bribery risks;
- ▶ exercise due diligence at all times when dealing with third parties on behalf of the Group; and

- ▶ report any and all concerns to the relevant person in accordance with the Group's Speak Up Policy. In the case of non-employees, they should contact their normal point of contact in the Group or if that person may be implicated, they should contact a Director or the Company Secretary.

A copy of the Anti-bribery and collusion policy is available to view on our website.

Equality and diversity policy

The Group wants to ensure that employees can benefit from employment, training, and development regardless of sex, colour, race or ethnic or national origin, religion or belief, disability, age, marital status, sexual orientation, gender assignment or having part time or fixed term employment.

The Group are committed to becoming an inclusive place to work, where all employees can reach their true potential in the job that they choose to do. We are committed to eliminating discrimination amongst our workforce and our objective is to create a working environment in which there is no unlawful discrimination, and all decisions are based on merit. We value the contribution which all individuals can make to the success of the Group, and we will strive, therefore, to ensure equality of opportunity for all to compete fairly. We aim to employ a workforce which recognises and takes account of the diverse, multi-cultural society in which we live.

Modern slavery and human trafficking statement

Through our people we deliver vital services to our customers. We therefore condemn slavery in all its forms and will never tolerate it both within our businesses and across our supply chains. We will not engage in any form of human trafficking and nor will we use forced, bonded, compulsory, illegal or child labour – or knowingly work with anyone who does. Working primarily within the UK, we believe our modern slavery risk is low, but we remain vigilant and continuously challenge ourselves to better understand the risk and its associated controls.

The Group has published its Modern Slavery and human trafficking statement in respect of the year ended 31 December 2024 on our website. The 2025 statement will be published on our website in compliance with the required deadline.

Human rights and ethical practices

The Code of Conduct serve as guidelines for all the Group's business and ethical practices. The Group's position on human rights reflects the core requirements of the Universal Declaration of Human Rights: freedom from torture, unjustified imprisonment, unfair trial and other oppression, freedom of expression, religion and political or other representation, respect for privacy and family life, freedom of thought and religion, and the right not to be subjected to modern slavery. Everyone has the right to be treated with respect and dignity and we want the places where we work to reflect this.

The Group will not provide support or work with businesses or organisations which fail to uphold basic human rights within their sphere of influence.

Environment policy

We understand that our activities affect the environment and the communities in which we operate. We have a responsibility to identify the resulting impacts and to manage them as effectively as possible.

The aim of the environment policy is to set out the environmental actions that we expect to occur, and the strategies that will be implemented, in order to reduce our impact in this area. We are committed to improving our environmental performance and to implementing best practice to minimise the environmental impacts of our business operations.

This policy keeps senior management and employees informed about their environmental roles and responsibilities within the Group and demonstrates our willingness to work sustainably with all our stakeholders, recognising that a sustainable environment is central to our organisation and the lives and work of our employees.

A copy of our Environment policy is available to view on our website.



Introduction of HVO

Our Information Management site in Thurrock welcomed the Group's first HVO tank during the year. HVO is a sustainable, high-quality alternative to diesel fuel. It gets its name from how it's made—by hydrotreating vegetable oils and can reduce carbon emissions by c90%, making it a fundamental cornerstone of our net zero journey, as set out on pages 30 to 34.

Right now, the vans at the site are running on HVO as part of a trial and we're planning to roll out more HVO tanks across the business in 2025 with Datashred and Technology also exploring HVO for their larger vehicles where electric alternatives are not an option.

The transition will take time, with some of our older vehicles not yet able to use HVO, but we're making the important first steps and look forward to seeing how this supports the Group in meeting their near-term and long-term net zero ambitions.

Risk Committee Report

“The Group encourages and empowers employees, at all levels across the organisation, to identify, assess and mitigate risks, with the Risk Committee in place to improve the Group’s resilience to these potential risks and threats.”

Lisa Fretwell, Chair of the Risk Committee



Introduction

I am pleased to provide the Risk Committee’s annual report for 2024.

The Risk Committee’s focus is to provide oversight, ensure accountability, and appropriately challenge the Group’s identification, assessment, and control of principal and emerging risks. It does this by taking both a “top-down” and “bottom-up” approach, ensuring that the Board has sufficient oversight of risk management and decision-making, whilst supporting colleagues at all levels across the Group to identify, assess and mitigate risks as part of both a structured governance approach and as part of their day-to-day activities.

The Risk Committee is chaired by me with the Executive Directors and the Managing Directors of the businesses as members of the Committee. The Company Secretary and Director of Group Finance are standing attendees with other subject matter experts including the Group IT Director, the Group Head of Health and Safety and the Group Property Director attending on a regular basis to provide expert input into enterprise risk management discussions as well as detailed insight on key topics. The Risk Committee meets quarterly and provides an update to the Board after each meeting. Where a risk is considered to be increasing, such as the information and cyber security risk noted on page 48, separate sub committees may be formed, with appropriate personnel appointed to discuss the risks and potential mitigation strategies in more detail. The output of these sub committees is presented as an agenda item in the quarterly Risk Committee meetings.

Non-Executive Directors are invited to attend Risk Committee meetings and Jamie Hopkins, Non-Executive Chair, attended 3 Committee meetings throughout the year. External advisers are engaged as and when required. The terms of reference for the Risk Committee are reviewed annually by the Board and a copy is available on the Group’s website.

The Group’s enterprise-wide risk register is maintained by the Company Secretary and Director of Group Finance and periodically reviewed by the Risk Committee (the “top down”). In addition, each business has its own risk register which is reviewed at the Risk Committee and feeds up into the enterprise risk register (the “bottom up”). Whilst the Board has taken steps during 2024 to empower the senior management of the businesses, they do so subject to the Group delegated authority levels approved by the Board. This ensures that the Board maintains appropriate oversight and control over key strategic and financial decisions including the appropriateness of material investment decisions. I am satisfied that the Group has the appropriate governance in place and the Risk Committee has the appropriate balance of skills, diversity, and relevant expertise to fulfil its remit effectively and for the Board to discharge its duties.

In its programme of work, the Risk Committee reviewed risk through three complementary perspectives:

- › Risk within business-as-usual activity.
- › Risk identified as barriers to strategic objectives and regulatory requirements.
- › Emerging risks identified through horizon-scanning and scenario analysis.

2024 activity

During the year the Committee met four times and undertook the following activities:




Topic	Activity
Enterprise risk management	<ul style="list-style-type: none"> › Completed detailed reviews of the enterprise risk management approach and risk classifications at the February and November Committee meetings, with updates provided and reviewed in June and September. › Discussed and reviewed emerging risks including the potential opportunities and risks to business strategy and performance from the emerging trends.
Divisional risk register reviews	<ul style="list-style-type: none"> › Completed detailed reviews of the divisional risk registers including the progress of mitigation actions.
Health, safety, and wellbeing	<ul style="list-style-type: none"> › Received regular reports from the Group Head of Health and Safety which provided detailed data on leading and lagging indicators covering accidents (both 'lost time' and 'no lost time'), near misses and safety observations, as well as updates on e-learning completion rates. › Received an update on enhancements to the governance structure providing oversight of health, safety, and wellbeing, including the introduction of a new monthly 'Business Unit Best Practice Committee' (which reports into the quarterly 'Restore plc Non-Exec Committee') as well as changes to the monthly KPI reporting. › Received a detailed update on the health, safety and wellbeing strategy and current status across all businesses. › Monitored the progress of the NatWest Mentor and BSI external audits undertaken during 2024 to assess health and safety standards within Restore.
Information security/ cyber security	<ul style="list-style-type: none"> › Received feedback from the quarterly cyber subcommittee meetings which were run by the Group IT Director and which were in place throughout the year. › Considered the Group's insurance portfolio in the context of cyber risk and, having recommended the purchase of cyber insurance in the Digital and Technology businesses in 2023, has in 2024 recommended the purchase of a comprehensive cyber insurance policy Group-wide. › Continued to monitor and review progress against the Group's mitigation plan to refresh legacy IT infrastructure and ensure availability of support and maintenance. › Received a report on and considered the outcome of the ongoing and extensive phishing attack simulation testing alongside feedback on the new firewall functionality implemented. › Reviewed, discussed, and challenged the key mitigation strategies in place across the Group in relation to data security and data protection. › Discussed the structure of the IT team and the potential for additional resource in order to augment expertise.
Financial	<ul style="list-style-type: none"> › Reviewed in detail the trajectory of the financial principal risk as well as the associated sub-risks and the on-going mitigations, including the changes made to the structure of the Group's borrowing facilities.
Environment	<ul style="list-style-type: none"> › Received a detailed update from the Director of Group Finance on the environment principal risk and underlying sub-risks, noting changes to the Group's environmental strategy and the extensive work being done across the Group to mitigate risk, particularly in the areas of fleet and the procurement of REGO-backed electricity.
Compliance and ethics	<ul style="list-style-type: none"> › Received a detailed update from the Group General Counsel on compliance risks and the approach to attaining compliance assurance. › Received an update on the Group's policy review project and noted the proposed approach to on-going policy review and maintenance. › Received an update on the roll-out of the new e-learning platform. › Noted the improvements made to the contracting process. › Considered the approach to supply chain due diligence and noted the proposed engagement of a third-party managed platform to improve process in this area.
Property	<ul style="list-style-type: none"> › Received a detailed update on the property risks and mitigating actions across the Group from the Group Property Director. › Noted the enhanced oversight provided by the revised governance structure with the introduction of a regular Property Committee, chaired by Jamie Hopkins (Chair of the Board) and consisting of the Executive Directors, the MD of the Information Management division and the Group Property Director. › Carried out a detailed review of capex spend on building maintenance and improvements to support planned preventative maintenance and mitigate potential dilapidations costs on lease exit.
People	<ul style="list-style-type: none"> › Received a detailed update from the People Team on the Group's people risks and mitigation plans, particularly in the context of impending legislation following the change in Government. › Considered a presentation by Restore's Security Manager on the topic of IPSA (Industrial Personnel Security Assurance) and Restore's IPSA accreditation.
Market risk	<ul style="list-style-type: none"> › Received a detailed update from the CEO on the Group's market risks and mitigation plans.
Business continuity	<ul style="list-style-type: none"> › Received attestation from all businesses that they have Business Continuity Plans in place for every site and have successfully tested their execution. › Noted further improvements include a move towards on-site testing from the current desktop reviews.

Risk Committee Report continued

Principal risk assessment

The Group considers the following risks to be their principal risks; each are aligned to its strategy. They are regularly reviewed and mitigated through targeted investment, proactive actions, and continuous improvement. The trend indicator depicts the direction of the residual risk rating during 2024 and, whilst subjective, we believe assists readers of the financial statements with a more dynamic assessment of risk across the Group.

Risk	Description of risk and potential impact	Mitigation
Organic growth 	<p>Failure of the business to grow in line with forecasts and investor expectations, particularly in the scanning and relocations businesses which have had a challenging 2024.</p>	<ul style="list-style-type: none"> Integration of the former Records Management and Digital businesses into the Information Management division, improving the Group's offering to its customers and adding enhanced focus to its scanning activities. New management team in Technology with a revised operating model that is fit for purpose and a strategy that has markedly improved profitability. Focus on driving growth and improving operational efficiency and profitability in Datashred, including expanding into adjacent service offerings and innovative strategies to mitigate the negative impact of a lower-than-expected paper price. Successful execution of margin enhancement strategies, including right sizing the Group's cost base, implementing supportable price increases and the ongoing property consolidation programme. These strategies will also allow the Group to somewhat mitigate the significant impact of the National Insurance increases delivered in the Autumn Statement going forward. Monthly re-forecasting of profit and cash across all businesses to ensure performance is regularly tracked against investor expectations and market consensus.
Systems, technology, data and cyber defence failure 	<p>Failure or loss of systems, operational technology or cyber defence results in business interruption for Restore, loss of service and potential data breaches, impacting customers as well as revenues and business reputation for Restore.</p>	<ul style="list-style-type: none"> A Group IT strategy is in place with appropriate investment plans to mitigate material operational and cyber risk. This includes a focus on the protection of the Group's systems against unauthorised access, viruses, malware, and spyware. Enhancement of training across the Group to increase awareness of the key risks, this has also included using realistic phishing simulations to identify vulnerabilities in the Group. The Group IT strategy is in line with the National Cyber Security Centre ("NCSC") cyber security guidelines with Cyber Essential Plus certifications achieved across all businesses. Disaster recovery and business continuity plans are in place and tested for each site and as required for the Group's IT platforms. There is now comprehensive cyber and professional indemnity insurance in place across the entire Group. Detailed data protection policies and procedures are in place to mitigate the risk of significant data incidents in the Group alongside enhanced levels of training and awareness across the Group.
Workforce health, safety, and wellbeing 	<p>Any loss of life, injury, mental health issues, are all of serious concern to Restore and will impact Restore's reputation, workforce morale and financial performance.</p>	<ul style="list-style-type: none"> There are clear policies in place across the Group covering a wide range of key health, safety, and wellbeing risks: health and safety, fire prevention, wellbeing, stress, safe driving, drugs, and alcohol. Governance of the risk has been strengthened with the appointment of a Group Head of Health and Safety during the year whose role is to drive consistency and best practice across the Group. There continues to be a holistic approach to driver and vehicle risk management. There is a well-maintained fleet that is fit for purpose, with driving risk management systems conducting licence checks and driver assessments alongside extensive telematic data. The Group has committed to a new health and safety system that will be fully implemented in 2025. This system will significantly improve incident reporting, allowing extensive root cause analysis and benchmarking of performance across the Group.
Property – extent, complexity, and suitability of the Group's property portfolio 	<p>Property is the Group's second largest cost, and the property network is a key enabler of business efficiency. Damage to property or inefficient utilisation impacts customer service, whilst headwinds of unforeseen dilapidation, rents and rates increase costs.</p>	<ul style="list-style-type: none"> There is an acute focus and strong governance surrounding the Group's property risk with a regular Property Committee meeting in place with the Chair (who has real estate expertise), CEO, CFO, MD of the Information Management division, and the Group Property Director. There has been strategic consideration and progress with the execution of site consolidation opportunities to support the Group's strategy of margin optimisation (to counter cost headwinds) and expansion strategies. The management-led Property Working forum, chaired by the Group Property Director and sponsored by the CFO, also continues with representation from operations, facilities, finance and health and safety.

Risk	Description of risk and potential impact	Mitigation
Staff recruitment and retention resulting in insufficient resources to meet objectives 	Potential difficulties in expansion of resources or loss of operational staff and management makes it harder to deliver an effective and efficient business customer service experience.	<ul style="list-style-type: none"> ▶ A decentralisation of the people team has led to further empowerment and collaboration and has given the people leaders the ability to manage business specific issues more directly. ▶ The “Your Say” survey has provided valuable data and insight into the views of the people within the Group. Each business is preparing a specific action plan to address the points raised and any improvements that are required. ▶ The people leadership programme is on-going to further augment leadership talent and support succession planning. ▶ The Group has improved access to support benefits following a benefits platform review, focusing on those benefits that people need and want.
Environment – impact of climate-related matters 	The Group’s climate-related commitments are challenging and will require the appropriate decarbonisation of its fleet and the ability to work with its value chain to reduce emissions both upstream and downstream. There is a reputational, and potentially commercial, risk to the Group from not meeting these commitments.	<ul style="list-style-type: none"> ▶ The net zero commitments made by the Group are subject to annual review by the ESG Committee. Changes will be made, if required, in line with the SBTi Corporate Net Zero standard, to ensure the Group’s journey to meet net zero is credible. ▶ Each business has developed a comprehensive fleet decarbonisation roadmap, employing strategic levers including both the electrification of the fleet where possible and the use of alternative fuels where this is not yet possible. ▶ Electricity at 93% of the Group’s sites is now backed by a REGO contract, with all directly procured electricity now renewable. ▶ The Group now has a fully quantified carbon footprint which allows us to understand the full scope of its emissions and the levers in place with which to manage this.
Financial 	Ongoing macro-economic instability could lead to pressure on the Group’s financial covenants through volatile interest rates, increasing level of inflationary costs, restricted access to future liquidity and enhanced credit risk as customers face their own challenges to the instability.	<ul style="list-style-type: none"> ▶ The Group’s RCF is provided by a broad and supportive banking syndicate with a credit facility of up to £125m in place until April 2027. ▶ There is also a portion of fixed rate debt in the Group’s debt profile with £25m of US private placement debt in place until 2028 at a fixed term and rate. ▶ The Group operates well within borrowing covenants with monthly reviews of cashflow forecasts and forecast covenant compliance. ▶ Credit risk is assessed by the businesses at the time of onboarding customers and then subsequently on a monthly basis.

Future plans for 2025

The Risk Committee’s role continues to evolve, and it has set a challenging agenda for 2025. Aside from the standing agenda items, specific areas to be covered include:

- ▶ Broader and more regular assessment and discussions of emerging risks which have the potential to threaten the execution of the Group’s strategy or operations over the medium to long term. This is likely to include supply chain and operational risks; economic and geopolitical volatility; and technological advances such as increased cyber and AI uncertainties.
- ▶ Monitoring and reviewing the implementation of new risk-focused systems, this includes both a new health and safety tool which is being introduced to enhance incident reporting and a 3rd party risk management tool which is being implemented to be able to perform robust due diligence on the Group’s existing

and new supplier base. The management of risks within the Group’s supply chain is a key challenge for the Risk Committee in 2025. Alongside the implementation of the new 3rd party risk management system, the Group is developing, at pace, its overall approach and understanding of how these risks permeate through the Group and how they can most effectively be managed.

- ▶ Deep-dives into the following: health, safety, and wellbeing (particularly the wellbeing element); property (with particular focus on the progress of the property consolidation programme); financial risk (with a focus on M&A readiness and execution); data and cyber (with a focus on crisis and incident management) and execution of the growth strategy (as the Group’s strategy for growth, both organically and through potential bolt-on acquisitions is further developed).

Section 172(1) Statement

Directors' duties

The Board has a duty to promote the long-term, sustainable success of the Company and of the wider Group. The general duty is set out in s172 of the Companies Act 2006 ("CA 2006"), under which a director must act in a way they consider (in good faith) would be most likely to promote the success of the Group for the benefit of its members and lists certain factors that the Board should have regard to in so doing.

The Board believes that good governance and strong ethics are essential to the success of Restore and for it to continue to be an attractive business for investors, customers, employees, and other stakeholders. The Board strives to maintain an open dialogue with key stakeholders and recognises that this is key to the Group's success. Throughout 2024, the Chief Executive Officer and Chief Financial Officer in particular have held numerous meetings with shareholders. In addition, Restore held two investor days during the year at four different sites, with presentations by the Chief Executive Officer, Chief Financial Officer, the MD of the Information Management division and the MD of the Datashred division.

This statement sets out some of the main ways that the Board has engaged with stakeholders in 2024 and put in to practice the various factors underpinning s172 of the CA 2006. It should be read in conjunction with the following sections of the Annual Report:

[Chair's Introduction – pages 2 to 3](#)

[Chief Executive Officer's Statement – pages 16 to 19](#)

[Chief Financial Officer's Statement – pages 20 to 23](#)

[Risk Committee Report – pages 46 to 49](#)

[Governance Statement – pages 56 to 60](#)

[ESG Committee Report – pages 24 to 45](#)

The likely consequences of any decision in the long term

The Directors recognise the need to take a long-term view in every decision they take. Following the change in executive leadership in 2023, decisive action was taken across the Group to right-size and re-structure Restore which, alongside a number of other strategic actions, has delivered an improvement in margin during 2024. More information on the actions undertaken during 2024 is set out in the Strategic Report on pages 2 to 49. In taking the decisions it has during 2024, the Board has been focused on the priorities of Restore's shareholders, namely to see further margin improvement and to put Restore in the best possible position to push for growth during 2025 and beyond. As always, the Board makes any decision with the interests of numerous other stakeholders in mind, not least to ensure that the Group's service offering is the best it can be for our customers and that we continue to pursue our ESG strategy and the short, medium and long-term goals we have set ourselves.

The interests and wellbeing of the Group's employees

At Restore our people are at the heart of how we engage with each other, our clients, and the services that we provide. We know that to maintain and build upon the great service we offer our customers, we must continue to invest in a safe, inclusive, and rewarding environment for our employees to work in. We continue to pursue the "Our People" strategy and, whilst there is still more to do, we have made good progress in a number of key areas, enabling people to perform at their best and generating a positive culture for all employees. For our business to succeed we need to manage our people's performance and development and bring through talent while ensuring we operate as efficiently as possible.

"Our People" strategy focuses on five key themes:

- › Health, safety and wellbeing
- › Culture
- › Community impact
- › Enriching careers
- › Diversity and inclusion

The Directors believe that engagement with our employees is vital in helping to continuously drive our business culture. Employees are the Group's most important asset and contribute to the successes achieved to date. The Board encourages an open, two-way dialogue with all of Restore's employees.

The Board receives updates from the Executive Directors on people matters at Board meetings, with a focus on employee engagement and culture, ensuring that employee considerations are taken into account in the Board's decision-making. In addition, the Nominations Committee reviews succession and retention of senior staff on an annual basis, supported by the Remuneration Committee which looks at mechanisms to best align remuneration of the senior employees and the wider workforce to the strategic priorities of the Group with the use of LTIPs and Restore's all-employee SAYE scheme. Furthermore, the Risk Committee regularly reviews the status of people-related risks and the mitigating actions that are in place and in-flight.

During 2024, the Group conducted an employee survey (Your Say 2024), the purpose of which was to measure employee engagement and happiness across topics including meaning and purpose, opportunities to grow, psychological safety and enablement to succeed. This has enabled Restore to gain an insight into how our employees thrive at work and are fulfilled and, in turn, to better understand what it is doing well and where we can make improvements. This was of particular importance given the period of significant change within Restore as a result of some of the management and structural changes made during late 2023 and 2024. Whilst the results were positive and showed an improvement when compared with the Your Say 2022 survey, there is still work to do. The results have allowed us to better understand what is important to our employees and will be used to help guide us on where we can further improve.

2024 also saw the appointment of a new Group Head of Health and Safety and an improved governance structure around health, safety and wellbeing. This has ensured an even greater focus on

this critical topic at both Executive Committee and Board meetings, where a monthly Health, Safety and Wellbeing report is presented to the Board as the first item on the agenda every meeting.

The Group's employee intranet "Circle" is a key medium for maintaining dialogue with the workforce and ensuring that employees are kept up to date with the latest news relating to the Group and the businesses, as well as Group-wide and local initiatives and compliance and policy updates.

The Executive Directors continue to be very actively engaged with the businesses, carrying out regular site visits.

Read more:

[Our people – pages 24 to 45](#)

The need to foster the Group's business relationships with suppliers, customers and others

Our strategy focuses on operational performance, margin improvement and maintaining high levels of cash generation. We need to develop and maintain strong customer and supplier relationships in order to deliver on our goals.

Restore continues to focus on how it can best provide its critical outsourced services to our customers in order to ensure an efficient, cost effective and secure service across our complementary offerings. We believe we are responsive to the needs of our customers and continue to develop our ESG strategy in a way that we can support the ESG ambitions of our customers as well as other stakeholders.

The Group has a formal process in place for new suppliers, which includes new suppliers contracting with and agreeing to Restore's terms of business wherever possible. In 2024, the decision was made to appoint a third-party supply chain risk management provider to help improve and standardise our approach to supplier on-boarding and the risk profile of existing suppliers. This will be fully rolled out in 2025 and will enable Restore to make better informed supplier management decisions.

Read more:

[Customers and suppliers – pages 24 to 45](#)

The impact of the Group's operations on the community and the environment

The Group's approach is to use our position of strength to create positive change for the people and communities with which we interact, along with delivering a secure and sustainable business future, focusing on Our Planet, Our People and Our Business. We leverage our expertise to enable colleagues to support the communities around us and to ensure that we are focused on the impact we make on the environment we operate in. For more information, please refer to the Strategic Progress section of the ESG Committee Report on page 27 onwards.

Read more:

[Communities and the environment – pages 24 to 45](#)

The importance of the Group maintaining a reputation for high standards of business conduct

The Board are aware of the responsibility of setting the appropriate tone from the top. This ensures that we maintain our reputation for providing the highest quality of service for our customers whilst operating with the highest level of integrity. Our governance framework enables effective decision-making and clear accountabilities, underpinned by regularly reviewed and clearly communicated policies and procedures and supported by on-line and in-person training.

Read more:

[Governance Statement – pages 56 to 60](#)

[Risk Committee Report – pages 46 to 49](#)

[ESG Committee Report – pages 24 to 45](#)

[Audit Committee Report – pages 61 to 64](#)

The need to act fairly as between the members of the Company

The Board is conscious of the need to balance the broad range of interests and perspectives of our shareholders and is committed to openly engaging with our shareholders. We recognise the importance of a continuing effective dialogue, whether with institutional investors, private, or employee shareholders. It is important to us that shareholders understand our strategy and objectives, so these are explained clearly, feedback heard, and any issues or questions raised are properly considered.

Read more:

[Shareholders – pages 73 to 75](#)

The Strategic Report on pages 2 to 49 was approved by the Board of Directors on 12 March 2025 and signed on their behalf by:



Charles Skinner,
Chief Executive Officer

12 March 2025



Dan Baker,
Chief Financial Officer

12 March 2025



Governance

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Board of Directors

Our key principle is that power and responsibility go hand in hand. Our people know what is expected of them and we give them the power to make their own decisions.



Jamie Hopkins

Chair (independent on appointment)

Appointed to the Board January 2020

Jamie was previously Chief Executive Officer of Workspace Group plc from 2012 until May 2019. Prior to that he served as Chief Executive and then as a non-executive director of Mapeley plc from 2002 until 2010 and a director of Chester Properties from 2009 to 2012. Jamie also acted as Investment Director of Delancey Estates and Savills between 1990 to 2002. Jamie is a member of the Royal Institution of Chartered Surveyors.

Jamie has significant experience of running a FTSE 250 company, bringing diversity of thought and an excellent understanding of business and the property sector, which is important due to Restore's large property estate.

Current external appointments

- › Non-executive director of Allsop LLP

Committees

- › Chair of Nominations Committee and Property Committee
- › Member of Audit, Remuneration and ESG Committees



Charles Skinner

Chief Executive Officer

Appointed to the Board September 2023

Charles was Chief Executive Officer of Restore between 2009 and 2019 and has spent most of his working life in the business-to-business services sector with over thirty years of senior management experience in listed companies, over twenty years of which have been as Chief Executive. Prior to his ten years as Chief Executive Officer of Restore, Charles was Chief Executive Officer of Brandon Hire plc and Chief Executive Officer of Johnson Service Group plc. Charles is an Honorary Fellow of Oriel College, University of Oxford.

Current external appointments

- › Non-executive director of Alliance Tool Hire Limited
- › Non-executive director of Edge Tool & Equipment Hire Limited

Committees

- › Member of ESG Committee



Dan Baker

Chief Financial Officer

Appointed to the Board November 2023

Dan joined Restore from EV Metals Group plc where he was CEO of its Battery Materials business following its acquisition from Johnson Matthey plc in 2022. Between 2018 and 2022 he held the role of Finance and Strategy Director, Battery Materials at Johnson Matthey plc. Prior to that, Dan had a number of senior roles at Smith & Nephew plc, including Group Financial Controller and CFO China.

Dan is a qualified chartered accountant and joined Smith & Nephew plc in 2013 from Deloitte LLP where he was an Audit Director, having spent eleven years within their audit practice.

Current external appointments

- › None

Committees

- › Member of ESG Committee



Susan Davy

Senior Independent Director

Appointed to the Board January 2019

Susan is currently Chief Executive Officer at Pennon Group plc, a FTSE 250 environmental infrastructure group, a position held since 31 July 2020, having previously been Chief Financial Officer since 2015 and non-executive director at Viridor. In her 28+ years' experience in the listed utility sector, Susan has also held several other senior roles in the sector, including at Kelda Group plc.

Susan is a qualified chartered accountant.

Susan's FTSE experience, alongside significant corporate and financing experience brings a diversity of experience to Restore.

Current external appointments

- › Chief Executive Officer of Pennon Group plc
- › Director and President of the Institute of Water
- › Director of CREWW (Centre for Resilience in Environment, Water and Waste)
- › Director of Water UK

Committees

- › Chair of Audit Committee
- › Member of Remuneration, ESG and Nominations Committees



Lisa Fretwell

Independent Non-Executive Director

Appointed to the Board April 2022

Lisa's executive career has spanned over twenty-five years, covering business and consulting roles within financial services, technology, data, retail and manufacturing industries. She has held senior executive positions at Experian, Cisco and Capgemini, focusing on business growth and transformation through product innovation and leveraging technology transitions. She was awarded Business Leader of the Year by Women in Credit in 2020.

Lisa is currently a portfolio non-executive and business advisor for a range of businesses.

Current external appointments

- › Non-executive director of Santander UK
- › Member of Council at the University of Birmingham
- › Strategic advisor to Tresmares Capital
- › Director of Fleetwell Mgt Limited

Committees

- › Chair of Remuneration Committee, Chair of Risk Committee and Chair of ESG Committee
- › Member of Audit and Nominations Committees



Patrick Butcher

Independent Non-Executive Director

Appointed to the Board October 2024

Patrick has held numerous CFO roles, including at Capita plc, The Go-Ahead Group plc and Network Rail Limited, most recently serving as Interim CFO of Headlam Group plc. He is currently a non-executive director at Sheffield Forgemasters and Endava plc.

Patrick received his B. Compt. (Hons) in Accounting and Finance from the University of South Africa and is a qualified Chartered Accountant (South Africa).

With almost 30 years experience as a CFO in public sector, private equity and listed businesses, Patrick brings to Restore a broad range of leadership, operational change and governance experience across a variety of capital and operationally intensive businesses providing critical services to their clients.

Current external appointments

- › Non-executive director of Endava plc
- › Non-executive director of Sheffield Forgemasters

Committees

- › Member of Audit, Remuneration, Nominations and ESG Committees

Governance Statement

"On behalf of the Board of Restore plc, I am pleased to report on the Group's corporate governance during the 2024 financial year."

Jamie Hopkins, Chair



The role of the Board

The Board ensures that the Group is managed for the long-term benefit of all shareholders with corporate governance being an essential element of this. It takes an important role in setting and reflecting the Group's culture and core values and the Non-Executive Directors work closely with the Executive Directors to ensure the success of the Group. The Board is responsible for the overall leadership, strategy, development and control of the Group in order to achieve its strategic objectives.

The Group is led and controlled by the Board which, following the appointment of Patrick Butcher as Non-Executive Director on 14 October 2024, now consists of two Executive Directors and four Non-Executive Directors, including myself as chair. Board meetings are held on a regular basis and no significant decision is made other than by the Directors. All Directors participate in the key areas of decision making.

Our approach to governance

Governance in the Group underpins how we run our business and our commitment to transparency, fairness, sustainability and equality. The Group recognises who our key stakeholders are and values building strong relationships with them in order to gain a better understanding of what is important to them and how our decisions impact them.

The business is led by a highly qualified and experienced Board with industry and functional expertise drawn from working across FTSE 100 and FTSE 250 organisations. The Group had previously adopted the 2018 Quoted Companies Alliance Corporate Governance Code (the "2018 QCA Code"). When the revised version was published by the QCA on 13 November 2023 (the "2023 QCA Code"), the Board (supported by advisers) carried out a gap analysis to consider changes from the 2018 QCA Code and our ability to comply with the updated version. Following that review the Board has confirmed its commitment to adopt and comply with the 2023 QCA Code in full with effect from 1 January 2025. Our application of the 2023 QCA Code to the Group can be found on our website.

The Board of Directors is the principal decision-making body of the Group. The Group's governance framework is structured to maintain good oversight and control over: financial and management reporting; compliance/regulatory matters; risk management; and approval of material decisions. Except for those matters reserved for the Board (as set out on the next page), it operates through delegating certain of its responsibilities to sub-committees of the Board (consisting of the Non-Executive

Directors) and other executive committees (consisting of relevant senior Restore employees). More information on these executive and non-executive committees is provided below and in the reports of the Audit, Remuneration, ESG and Risk Committees.

The Senior Independent Director ("SID") acts as a sounding board for the Chair and is available as a trusted intermediary for other Directors and external stakeholders as required. The Company Secretary's responsibilities include providing clear and timely information to the Board and providing advice and support to the Board on legal matters as well as corporate governance and risk.

The strong governance structure extends into the day to day running of the business through the Executive Committee (the "ExCo") comprising the CEO and CFO, the General Counsel and Company Secretary, and each of the four divisional Managing Directors. The ExCo meets monthly to review financial and operational performance and to discuss key financial, strategic, compliance and HR issues, including reviewing the monthly health, safety and wellbeing report. Each business has its own Senior Leadership Team ("SLT") under the guidance of the relevant business unit Managing Directors. In addition, the CEO and CFO periodically attend these monthly SLT meetings, typically held at different Restore sites, in order to discuss performance first-hand and to support the development of business strategy across a balanced scorecard of management areas.

The Group maintains a panel of external professional advisers to ensure legal, tax and regulatory compliance. These include KPMG (tax), Fieldfisher (legal), Investec and Canaccord (joint brokers) and Ellason (remuneration). Investec acts as the Group's nominated advisor ("Nomad") and guides management in ensuring adherence to current, and preparing for future, market requirements and best practice. Reporting assurance is provided by PwC who acts as the Group's independent auditor with rotation as required in accordance with good practice.

The Group is recognised as the sector leader in providing secure, highly accredited services to public and private sector organisations. Delivering consistently high-quality services is central to our customer-focused approach and assurance is provided to the Board and customers through the extensive quality, compliance and health, safety and wellbeing teams in the businesses who manage process quality to a high standard.

Processes are subject to both internal review and external audit and our continuous improvement culture ensures our operational leadership team are continually enhancing process effectiveness to improve quality and efficiency.



The Board engages directly with shareholders and employees and this helps our decision-making as well as delivering our strategy. The Group recognises the impact of its operations on the environment, its responsibility to the communities it operates within and its obligations to its people, its suppliers and other stakeholders.

Read more:

[Our business model and strategy – page 5](#)

[Principal risks and uncertainties – pages 48 to 49](#)

Matters reserved for the Board

The matters reserved for the approval of the Board include the following:

- › any changes to the range of services offered by the Group;
- › significant acquisitions or entry into major supply or customer contracts;
- › the release of all RNS announcements except for those relating to the share-based incentives or notifications of changes in holdings from investors;
- › the release of all significant press announcements;
- › the issue of equity;
- › the issue of new grants under existing share-based incentive schemes;
- › the creation of any new equity-based employee incentive schemes or bonus schemes for the executive members;
- › the disposal of any Group company;
- › the annual budget, business plan and Group strategy;
- › any change in external auditors;
- › Directors' share dealing;
- › market purchase of shares in the Group;
- › approval of material capex outside of the Group budget;
- › appointment of new Directors and approval of Directors' remuneration;
- › approval of the annual report and interim statement;
- › approval of all dividends;
- › approval of changes in accounting policies;
- › approval of new, and material changes to existing, Group policies;
- › approval of conduct of any major litigations; and
- › approval of policies on political and charitable contributions.

Board Committees

The Audit Committee, chaired by Susan Davy, comprises the Chair and Non-Executive Directors and is responsible for monitoring the integrity of the financial statements of the Group. The Audit Committee report is set out on pages 61 to 64.

The Remuneration Committee, chaired by Lisa Fretwell, comprises the Chair and Non-Executive Directors and its report is set out on pages 65 to 72.

The ESG Committee is chaired by Lisa Fretwell and comprises the Chair and the Executive and Non-Executive Directors with subject matter experts in attendance. The ESG Committee Report is set out on pages 24 to 45.

The Nominations Committee comprises all of the Non-Executive Directors. The Committee is chaired by myself unless the matter under discussion is my own succession. The Executive Directors and other senior Restore subject matter experts are invited to attend as appropriate. The Committee is also assisted by external executive search consultants as and when required. The Committee will typically meet once a year with additional ad hoc meetings where necessary. The Committee's principal responsibility is to lead the process for Board appointments and to make recommendations for maintaining an appropriate balance of skills on the Board. The Committee also reviews succession planning for Board and key senior roles annually. The Board aims to maximise the development of internal talent and where appropriate involves external advisers. As a Board, we remain actively committed to encouraging all forms of diversity across the business.

In addition to the Board Committees referred to above, the Group has an established Risk Committee, chaired by Lisa Fretwell, comprising the Executive Directors and the Divisional Managing Directors as members. The Risk Committee Report is set out on pages 46 to 49 and provides detail on the governance and controls in place around risk management. There is also a Property Committee which meets regularly, chaired by Jamie Hopkins and attended by the CEO, CFO and Group Property Director, the focus of which is to establish, review and monitor the implementation of the Group's property strategy.

The terms of reference of each Committee are available on our website and are reviewed annually by the Board, with the last review in December 2024.

Governance Statement continued

Board and Leadership changes during the year

After a period of significant change at Board level during 2023, 2024 has been quieter, allowing Charles, Dan and the Board to focus on steering the business. Following the departure of Sharon Baylay-Bell in 2023 after her nine years as a Non-Executive Director and my appointment as Chair to replace her, this left a vacancy for the appointment of a new Non-Executive Director. As a Board, we were very keen to take our time over the appointment and to find the individual with the right balance of skills and experience to reflect the sector in which we operate and the nature and mix of clients that we service. On 14 October 2024 the Group announced the appointment of Patrick Butcher as Non-Executive Director. This followed an in-depth and measured search process managed by an external search firm (Teneo). Patrick stood out as a candidate given his executive experience (primarily as CFO) in large, listed organisations, providing business critical services to both blue-chip private sector companies and the public sector. It was felt that his functional, business and sector experience provided the perfect addition to enhance the skills matrix provided by the existing Executive and Non-Executive Directors. Patrick has provided a great deal of energy and insight in Board interactions to date. Patrick also sits on the Audit, Remuneration, Nominations and ESG Committees.

With the exception of the appointment of Patrick Butcher to the various Board Committees, the membership of those Committees (and their respective Chairs) has remained the same.

Below Board level, following a restructuring of our business units and segmental reporting with the consolidation of our Records Management and Digital businesses into the combined Information Management division, Nigel Dews (previously the Managing Director of Records Management) was appointed as Managing Director of Information Management. Nigel's appointment to this enlarged role recognises his length of service and depth of experience at Restore and the fantastic job he has done in driving improved performance year on year in the Records Management business.

In addition, Iain Hulmes was appointed as Managing Director of Restore's Technology business on 18 March 2024, following an external search process through Odgers Berndston. Iain stood out as the preferred candidate given his relevant experience, particularly in operational excellence, as we look to drive improved performance and efficiencies in our Technology business.

As previously mentioned, in 2024, the Nominations Committee received advice from independent search firms, Teneo and Odgers Berndston. There was no disclosable connection between Teneo or Odgers and any Board Directors or with the Group.

Diversity and inclusion

As a Group, we continue to value our diversity at all levels throughout the organisation, both in terms of gender, ethnicity and experience. At Board level, whilst our gender diversity balance changed slightly with the departure of Sharon Baylay-Bell in 2023 and appointment of Patrick Butcher, we continue to maintain strong gender diversity with two out of the six Board Directors being female, including a female SID in Susan Davy. Gender, ethnic and experiential diversity continues to be an important

topic for consideration in all hiring processes and succession plan discussions, not least at Board level.

Skills, experience and independence

The Board is satisfied that there is a suitable balance between Group knowledge and independence in order to discharge its duties and responsibilities effectively. All Non-Executives (including myself as Chair) are considered independent and commit the required time necessary to fulfil their roles.

During 2024 there were 11 Board meetings, 1 of which was a brief virtual meeting to discuss and approve the trading update issued on 18 January 2024.

Director availability and time commitment is essential for a properly functioning Board. No issues in this regard have been experienced during the year. Whilst the Board has no formal policy on external appointments, other than to the extent that an appointment could be perceived to be a conflict of interest under Restore's Declaration of Interest Policy, the Board monitors time commitments and availability on an on-going basis.

As the Group continues to develop, the composition of the Board is regularly considered in order to ensure that it remains appropriate. All Directors retire annually and are required to be reappointed by the shareholders at the Annual General Meeting.

The Board takes decisions regarding the appointment of new Directors, and this is done following the appointment of an external independent recruiter as well as a thorough assessment of potential candidates' skills and suitability for the role.

The Board considers and reviews the requirement for continued professional development of the Directors and undertakes to ensure that their awareness of developments in corporate governance and the regulatory framework is current, as well as remaining knowledgeable of any industry-specific updates. Our Nomad (Investec) and external advisers also support this development, by providing guidance and updates as required. During the year the Board received training or updates in the following areas:

- › A presentation on developments and current practice in the remuneration landscape from our external remuneration adviser.
- › A summary of the changes to the QCA Code from the Company Secretary and external remuneration adviser.
- › An AIM Rules refresher provided by our Nomad, Investec.
- › A talk from the cyber advisory team of our insurance broker and risk adviser (Marsh) on the risks and opportunities associated with the emergence of AI.
- › An interactive discussion with PlanetMark, Restore's environment consultants, on the ever-changing net zero landscape.

The biographies of each of the Directors, including their experience and skills, are shown on pages 54 to 55. A skills matrix setting out the respective areas of expertise/experience for each Director is set out on the next page:

	Jamie Hopkins	Susan Davy	Lisa Fretwell	Patrick Butcher	Charles Skinner	Dan Baker
Strategy and M&A						
Finance and accounting						
Risk management & regulation						
Digital, cyber and technology						
Property						
Sales (private sector)						
Sales (public sector)						
Sustainability						
Talent and remuneration						
Public market investor relations						
	Expertise					
	Experience					

The Directors are responsible for preparing the financial statements as set out in the Statement of Directors' Responsibilities on page 76. Information on the remuneration arrangements for the Directors and senior management is set out in the Directors' Remuneration Report on pages 65 to 72.

Board performance evaluation

The Board has, during the year, followed through on many of the recommendations arising out of the previous internal Board evaluation process, including:

- consideration of the Board's composition and skills and a focussed search process (culminating in the hire of Patrick Butcher) to help address any perceived areas for improvement;
- a review of succession plans at both Board and senior management level, following a period of change at Board level and restructuring across the divisions;
- an improvement in the quality and clarity of CEO and CFO reporting, including a more standardised approach with KPIs wherever possible, particularly in financial and health, safety and wellbeing reporting;
- a review of our ESG strategy, in part driven by a change in those personnel with responsibility for the ESG pillars, resulting in a

revised strategy and greater alignment to our business objectives; and

- a greater focus on training and development opportunities at Board level, noting in particular the training and updates referred to under "Skills, experience and independence" on the previous page.

In January and February 2025, an internal questionnaire-based evaluation was carried out to assess the performance of the Board and the principal Committees during 2024. The responses were then collated into a report for review and discussion by the Board and the principal Committees. In addition, the Chair held one-to-one confidential discussions with each Director, with the SID holding one-to-one confidential discussions with each Director on the performance of the Chair.

The key findings from this recent evaluation include the following:

- Training and development:** Following the increased activity in this area during 2024, consider more focussed training and development for the Board Committees, including:
 - Remuneration Committee – ensuring sufficient time with our third party advisor (Ellason) to discuss the remuneration landscape and emerging trends around remuneration
 - Nominations Committee - arranging training/development around diversity and inclusion

2024 Board and Committee meetings and attendance

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

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	ESG Committee meetings	Nomination Committee meetings
Executive Directors					
Charles Skinner	11/11	N/A	N/A	2/2	N/A
Dan Baker	11/11	N/A	N/A	2/2	N/A
Non-Executive Directors					
Jamie Hopkins	11/11	5/5	4/4	2/2	2/2
Susan Davy	11/11	5/5	4/4	2/2	2/2
Lisa Fretwell	11/11	5/5	4/4	2/2	2/2
Patrick Butcher ¹	3/3	1/1	1/1	1/1	1/1

¹ Patrick Butcher was appointed to the Board on 14 October 2024.

Governance Statement continued

- › **Risk:**
 - › Aim to transition from a non-executive chaired to a senior management chaired Risk Committee during 2025, with risk updates channelled through the Audit Committee
 - › Give more time to the discussion of emerging risks and consider engaging a third party expert to lead that discussion
- › **Succession and diversity:**
 - › Continue to increase the focus on succession planning at Board and senior management level and the on-going development of key senior employees to aid progression
 - › Consider the frequency and timing of Nominations Committee meetings to ensure that sufficient time is given over to discussions around succession
 - › Continue to give diversity sufficient prominence in discussions around succession planning
- › **Strategy:** After a thorough strategy discussion in October 2024, maintain the focus on strategy at Board meetings

The Board will follow-up on these findings and make recommendations to address them.

In line with Principle 8 of the 2023 QCA Code, the Board intends to carry out an externally-facilitated board evaluation in 2025. The last external evaluation was carried out in November 2022 and reported on in the 2022 Annual Report and Accounts.

Relations with shareholders

The Chief Executive Officer and the Chief Financial Officer are the Group's principal contact for investors, fund managers, the press and other interested parties. The Group meets regularly with its large investors and institutional shareholders who, along with analysts, are invited to meetings by the Group after the announcement of the Group's results.

During 2024, the Group held two investor days; the first took place on 24 October at South Kirkby (a Datashred site) and Markham Vale (an Information Management site), and the second, focussed on private investors, on 28 November at Optima Park (Datashred) and Rainham (Information Management). Both events were very well attended.

At the Annual General Meeting, investors are given the opportunity to put questions to the Board.

Internal control

The Board acknowledges its responsibility for establishing and monitoring the Group's systems of internal control.

Whilst no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately. As noted in the Audit Committee Report, the Committee reviews and discusses the control risks across the business including review of documentation, engagement of external audit and compliance assurance and process improvement plans as required.

Compliance statements

2018 QCA Code

Throughout the year ended 31 December 2024, the Group has complied with the recommendations as set out in the 2018 QCA Code. Following the introduction of the 2023 QCA Code and the review referred to on page 65, the Board has confirmed its intention to comply with the 2023 QCA Code, with effect from 1 January 2025. An explanation of the Board's view on this matter is set out on page 56 in the Governance Statement and also on our website.

Risk management and internal control

The Group's approach to risk management and internal control is set out on pages 46 to 49.

Section 172(1) Companies Act 2006 statement

Section 172(1) of the Companies Act 2006 imposes on directors a duty to act in the interests of a broad range of stakeholders including shareholders, employees, suppliers and local communities. A statement in respect of compliance with s172(1) is on pages 50 to 51.

Board certification

The Strategic Report, and this Annual Report generally, has been reviewed and approved by the Board. The Board confirms that it considers that the financial statements taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance.



The Board and Audit Committee continue to assess the effectiveness of the governance and internal controls environment through regular discussion with management and the external auditors.

No significant control deficiencies have been identified during the year and no weakness in internal financial control has resulted in any material losses, contingencies or uncertainties which would require disclosure. The Board considers that, given the control environment described above, there is no current requirement for a separate internal audit function. The Board will keep this under review during 2025.

Jamie Hopkins, Chair

12 March 2025



Audit Committee Report

“On behalf of the Board, I am pleased to provide the Audit Committee’s Report for 2024. This report is intended to provide shareholders with an insight into the work of the Audit Committee together with details of how it has discharged its responsibilities throughout the year, including overseeing the process of assurance over the integrity of the 2024 Annual Report and Accounts”

Susan Davy, Chair of the Audit Committee

The Audit Committee continues to focus on three key responsibilities:

- › ensuring the quality and integrity of the Group’s financial reporting. This is done through an assessment of the appropriateness of the accounting policies applied and through challenging management regarding the key judgements and estimations which underlie the Group’s financial reporting;
- › assessing the adequacy of the Group’s governance and internal controls environment through regular discussion with management and the external Auditors and consideration of the evolution of the Group’s financial systems strategy; and
- › consideration of both near term and strategic financial risk.

These responsibilities are discharged throughout the year in accordance with a schedule of business that reflects the annual reporting cycle of the Group and provision of sufficient time for other Audit Committee matters.

For the 2024 Annual Report, we have considered whether the report when taken as a whole, is fair balanced and understandable. In doing so we have ensured management’s disclosures reflect the supporting detail, and we have carefully considered the key financial judgements of management.

Audit Committee membership

Consistent with last year, the Audit Committee consisted of myself as Chair together with the other Non-Executive Directors. Only members of the Audit Committee have the right to attend meetings with other parties attending by invitation, this includes the Chief Executive Officer, Chief Financial Officer, Company Secretary and the external Auditors, PricewaterhouseCoopers LLP (“PwC”). The Audit Committee holds private discussions with the external Auditor without management present, and the Audit Committee Chair communicates with the Chief Financial Officer, PwC and the Audit Committee members outside of meetings to better understand any issues or areas for concern.

The Board considers that each member of the Audit Committee was independent throughout the year, and remains so, and that the knowledge and experience of the Audit Committee members means that the Audit Committee is competent in the sector in which the Group operates. Susan Davy, the Chair of the Audit Committee, is a chartered accountant, former Chief Financial Officer and has recent and relevant financial experience. We have further strengthened the competence of the Audit Committee through the recent appointment of Non-Executive Director Patrick Butcher, a former Chief Financial Officer and chartered accountant.

Attendance by individual members of the Audit Committee is disclosed in the table on page 59.

Audit Committee structure

The Audit Committee operates under written terms of reference which can be found on the Group’s website. They are reviewed annually by the Audit Committee and are recommended to the Board for approval. The Audit Committee has in its terms of reference the power to engage outside advisors and to obtain its own independent external advice at the Group’s expense, should it be deemed necessary.

Significant matters considered by the Audit Committee

A schedule of ordinary business was agreed by the Audit Committee prior to the commencement of 2024 and a calendar was set in place to ensure that the Audit Committee was able to manage its affairs efficiently and was able to concentrate on the key Audit Committee matters that affect the Group.

During the year the Audit Committee met five times to consider these ordinary business matters. The ordinary matters that the Audit Committee considered during the year and, where appropriate, since the year end, are set out on the next page.



Audit Committee Report continued

Ordinary matters considered by the Audit Committee since my last report include:

Audit and external assurance	<ul style="list-style-type: none"> › Assessment of the independence and effectiveness of PwC in performing their role › Oversaw the statutory audit, including key audit risks and level of maturity applied by the external Auditors › Recommendation to the Board on the reappointment of PwC as external Auditors at the Group's AGM in May 2024 and agreement of their fees › Approval of the PwC audit plan for the year to 31 December 2024 › Consideration of the external Auditors' report for the year to 31 December 2024
Financial reporting	<ul style="list-style-type: none"> › Reviewed and discussed reports from management on the financial statements, considered key accounting judgements and estimations, and assessed the findings of the statutory audit in respect of the integrity of the full and half year results › Review of the 2024 Annual Report and results announcement › Review of half-year results and half-year results announcement › Review of management's application of relevant reporting standards › Reviewed the internal assessment of going concern on behalf of the Board
Governance	<ul style="list-style-type: none"> › Review of whistleblowing reports for 2024 › Review of management's Senior Accounting Officer report, and continuation of KPMG as Group tax advisor › Review of the financial statements of the Restore plc Employee Benefit Trust for the year ending 31 December 2023 and consideration of shares held by the trust for satisfaction of share incentive schemes
Internal controls	<ul style="list-style-type: none"> › Held meetings with the external Auditor without members of the management being present › Assessment of the requirement for an internal audit function and performance of external assurance provider › Consideration of the Group's financial systems strategy › Review of the business's compliance with the Group reporting manual
Accounting policies	<ul style="list-style-type: none"> › Review of the evolution of accounting policies adopted by the Group › Consideration of Alternative Performance Measures ("APMs") › Consideration of the appropriateness of operating segments for reporting purposes
Financing risk	<ul style="list-style-type: none"> › Proposals to voluntarily cancel an element of the Group's revolving credit facility in March 2024 and proposal to extend term to April 2027 › Detailed review of cashflows for the purposes of going concern, including tests for the potential impact of an economic downturn

Areas of focus

Regarding the monitoring of the integrity of the financial statements, which is a key responsibility of the Audit Committee, the significant areas of judgement considered in relation to the financial statements for the year ended 31 December 2024 are set out below. At the Audit Committee's meetings throughout the year, the Audit Committee and the external Auditor have discussed these key judgements, together with the areas of particular audit focus as reported in the independent auditor's report on pages 77 to 82.

Adjusting items

The Group believes it is useful to provide readers of the financial statements with Adjusted Performance Measures ("APMs") that describe the performance of the Group before the effects of significant costs or income that are considered to be distorting due to their nature and size, and non-cash amortisation primarily arising from acquired intangible assets. Adjustments made from statutory measures to adjusted measures are referred to as adjusting items within the financial statements. The transactions treated as adjusting items are governed by a Group policy which sets out the criteria for recording such transactions.

The Audit Committee has reviewed and challenged the items presented by Management and recorded as adjusting items and are satisfied that all transactions are in line with the APM Group policy and are appropriately reflected within the financial statements.

Carrying value of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. The Audit Committee recognises that goodwill is a material balance and that its value can be sensitive to key assumptions in the relevant cash flow projections, including the discount rate applied, the long-term growth rate applied, and the underlying cash flows used.

Following a detailed review of the analysis undertaken, and consideration of management assumptions, the Audit Committee is satisfied that a robust and consistent approach has been followed. The carrying value of the assets are considered to be appropriate and the disclosures within the annual report, balanced and reasonable; therefore, the Audit Committee is able to approve the amounts recorded and disclosures presented in the financial statements.

Dilapidations provision

The Group is required to recognise a provision in respect of the reinstatement and dilapidation costs from exiting a property. The Audit Committee recognises that the value of the provision recorded is based on a number of key estimations and judgements including the cost per square foot required for dilapidations and the likelihood of the Group exiting the site. Management's judgements were considered in the context of the Group's property strategy. Following a review of the dilapidations provision at the year end, the Audit Committee is satisfied that the provision is appropriately recorded and that the judgements and estimations underlying it are balanced and reasonable.

Going concern basis for the preparation of the financial statements

A report from the Chief Financial Officer of the financial performance of the Group, including forward looking estimates, funding levels and covenant compliance was provided to the Audit Committee. Consideration of the report and constructive challenge of the scenario testing has enabled the Audit Committee to satisfy itself that it remains appropriate to adopt the going concern basis of accounting in preparation of the financial statements.

Valuation of leases

The Group has a significant property portfolio, much of which is leasehold. The valuation of the right-of-use assets and lease liabilities related to these properties is material and there are significant judgements inherent in their valuation, including the incremental borrowing rate applied, the application of any extension or termination options and the timing of modifications to the lease.

Following a review of management's assumptions, judgements and conclusions, the Audit Committee is satisfied that the valuation of the right-of-use assets and lease liabilities is appropriately recorded and the disclosures included within the annual report, particularly around the prior year restatement of related balances, are clear and appropriate.

Oversight of risk management and internal controls

The Board is responsible for the effectiveness of the Group's risk management and internal controls. In the May Audit Committee meeting, the Audit Committee received a report detailing each business' compliance with the Group Reporting manual and key controls, along with the follow up actions needed to address any issues identified. Whilst several control observations were noted, none were deemed to be material and the Audit Committee was satisfied with the remediation approaches suggested. In subsequent meetings, the Audit Committee reviewed the progress of the actions to address the issues identified and were comfortable with the pace and outcome of the rectification work.

A confidential whistleblowing process is available to colleagues and stakeholders to facilitate reporting of any malpractice, illegal acts, or omissions. All reported incidents are followed up and the actions taken reviewed by the Board. A review of the 2024 whistleblowing matters has been conducted by the Audit Committee with no material matters to note.

Oversight of the external auditor and performance evaluation

Shareholders formally approved the re-appointment of PwC at the Annual General Meeting in May 2024. There is no intention to conduct a re-tendering exercise currently, but this will be reviewed annually, taking into account the performance and effectiveness of the external Auditor, as assessed by the Audit Committee.

During the year, the Audit Committee reviewed the external Auditor's effectiveness and the quality of their audit. In July, PwC provided the Audit Committee with their plan for the 2024 audit,

Audit Committee Report continued

including the scope of the audit, identified key audit risks and the audit approach to these risks. The Audit Committee reviewed and challenged this audit plan, including the quality, knowledge and service of the audit team and concluded that PwC were providing the relevant and required level of audit quality.

In addition, for the year ended 31 December 2023, the Group assessed PwC's performance using a questionnaire sent to key finance stakeholders across the Group. The questionnaire covered a range of topics including the integrity and professional scepticism of the audit team, their approach to key risks and their understanding of our business, systems, and internal control systems. Results from the feedback process were satisfactory and have been shared with both the external Auditor and the Audit Committee, with the findings contributing to the Audit Committee's assessment of the performance of PwC.

The Audit Committee has reviewed the independence of PwC for the year ended 31 December 2024 and concluded it to be satisfactory. During the year, PwC have formally confirmed its independence to the Audit Committee and has reported on its actions to comply with professional and regulatory requirements designed to ensure its independence.

The Audit Committee recommends, and the Board agrees, that a resolution for the reappointment of PwC as Auditor of the Company for a further year will be proposed at the 2025 Annual General Meeting.

Non-audit services

No non-audit services have been provided by PwC in the year.

Fair, balanced and understandable

The Audit Committee consider that the annual report, taken as a whole, is fair, balanced, and understandable, and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy. In preparing

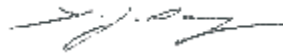
and finalising the 2024 Annual Report, the Audit Committee considered a report on the actions taken by management in respect of a fair, balanced and understandable assessment. This assisted the Committee in carrying out its own assessment and being able to advise the Board that it considered that the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Internal audit

The Group does not currently have an internal audit function with assurance principally being received through finance controls reviews completed by the Group Finance Team. The Audit Committee does however review on an annual basis the need for establishing an internal audit function and will continue to do so considering any trends or current factors relevant to the Group's activities, markets or other aspects of its external environment that have increased, or are expected to increase, the risks faced by the company.

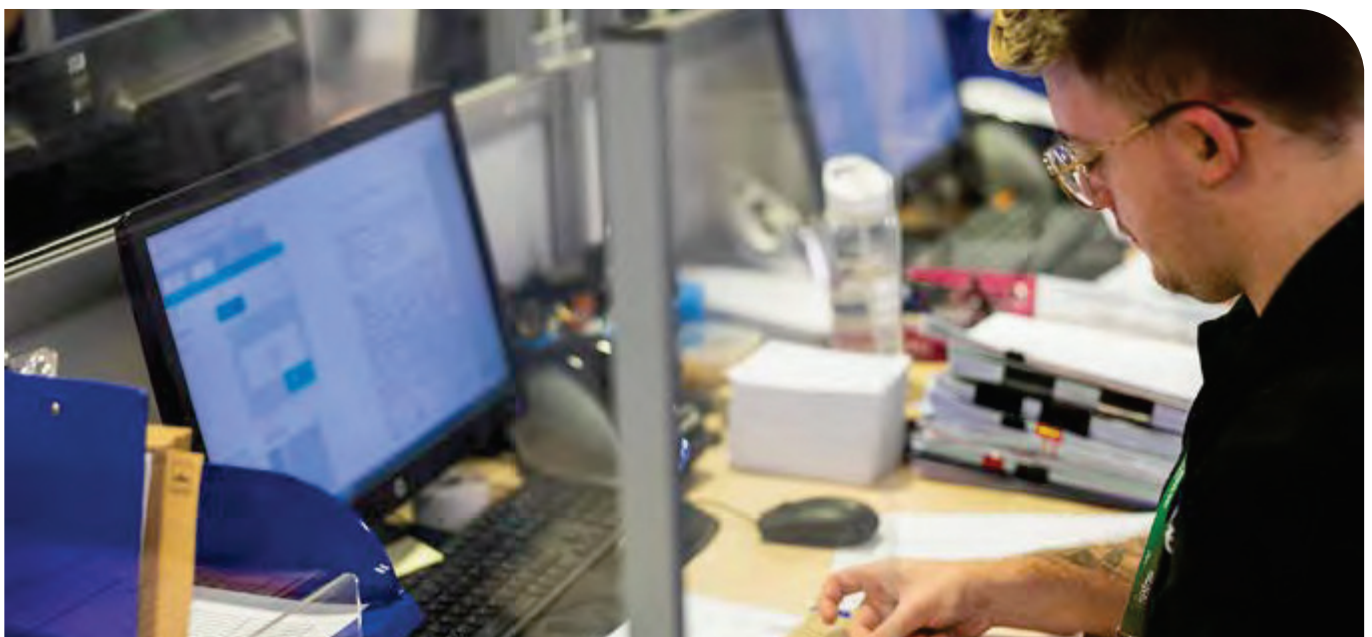
Looking forward

During 2025, the Audit Committee will remain focused on the key areas of responsibility delegated to it by the Board ensuring that standards of good governance are maintained, and that appropriate assurance is obtained across all areas of the business.



Susan Davy, Audit Committee Chair

12 March 2025



Directors' Remuneration Report

"On behalf of the Remuneration Committee, I am pleased to present our 2024 Remuneration Report. This report explains the role of the Committee, the policies it has implemented, and its activities during the year. As a committee, we strive to foster a strong performance culture through a well-balanced and aligned remuneration policy."

Lisa Fretwell, Chair of the Remuneration Committee



The Committee is responsible for determining the remuneration policy for the Executive Directors and senior management, as well as its implementation and development over time to ensure that it supports the delivery and attainment of the Group's purpose, business model, strategy and culture.

The Committee has agreed Terms of Reference which are available on our website. These are kept under regular review (most recently in December 2024) to ensure that they remain appropriate and reflect any changes which may be required to keep pace with changing regulation, legislation, or best practice.

During 2024 and early 2025, the Committee undertook a detailed review of the Company's approach to executive remuneration to ensure its continued relevance and alignment to current market practice and in order to support Restore on attracting and retaining executive talent. This review was carried out in the context of, and with the desire to ensure compliance with, the revised 2023 QCA Code. As part of the review, consideration was given to the appropriateness of the disclosures included within the Remuneration Report. As a result of this review, the Committee resolved the following:

- › a non-binding resolution to approve the Directors' Remuneration Report will be put to shareholders at the 2025 AGM and annually thereafter;
- › a detailed review of the remuneration policy will be carried out during 2025, following which it is proposed that an additional non-binding resolution will be put to shareholders at the 2026 AGM to approve the revised remuneration policy. Subsequent votes will be offered at such time as material changes are proposed to the policy;
- › to include additional disclosures in the 2024 Directors' Remuneration Report, to articulate how the structure of Executive Director remuneration, specifically the 2024 bonus scheme, supports delivery and attainment of the purpose, business model, strategy and culture; and
- › to formalise and disclose Restore's shareholding guidelines for Executive Directors.

Remuneration Committee composition

The Committee consists of myself as Chair and the other Non-Executive Directors, including Patrick Butcher who we welcomed to the Committee with effect from 14 October 2024. The Committee meets at least three times a year and at other times as appropriate. During 2024, the Committee retained Ellason LLP as its appointed independent advisor, with other advisors engaged from time to time as required.

The Committee is committed to adhering to good practice for executive pay, ensuring that Restore's remuneration philosophy and approach is fit-for-purpose, aligns executive interests with those of shareholders and other stakeholder groups, and is appropriately competitive in the context of market practice to enable Restore to attract, motivate and retain talented individuals to deliver success. The fixed salary and fees for Executive and Non-Executive Directors are set out within this report, as are the structures that govern variable or performance-based reward.

As Chair of the Committee, I continue to be satisfied that the Committee has an appropriate level of skill and experience to execute its duties and that it appropriately engages external advisors to support the work of the Committee.

Alignment of remuneration structure to Restore's purpose, business model, strategy and culture

When making decisions on remuneration for Executive Directors and senior management, the Committee considers how best to achieve alignment to the Group's purpose, business model, strategy and culture. We also take into account the expectations of Restore's shareholders and other stakeholders, as well as remuneration arrangements offered to the wider workforce, in our decision-making

As set out in more detail below, the Committee is satisfied that the remuneration outcomes for the Executive Directors in 2024 are a fair reflection of performance over the period. The 2024 remuneration structure for Executive Directors, in particular the performance conditions for the 2024 LTIP award and the targets for the 2024 bonus scheme, support the following key drivers for Restore:

- › the continued focus on actions to improve performance and rebuild shareholder value; and
- › the desire to progress our ESG Strategy, with a particular emphasis on health, safety and wellbeing, employee engagement and culture, and making tangible progress along our carbon roadmap.

Looking ahead, the performance conditions and targets attaching to the 2025 bonus and LTIP cycle, whilst not disclosed in this report, have been set by the Committee to continue to promote behaviours and decision-making that are aligned to Restore's purpose, business model, strategy and culture.

Directors' Remuneration Report continued

Significant matters considered by the Committee

In 2024 the Committee met four times. Its main activities during the year were as follows:

Overarching remuneration policy and compliance

- › review the approach to senior executive remuneration to ensure it continues to appropriately incentivise delivery of the Group's strategy and reward performance;
- › review and approve the structure and content of the 2024 Directors' Remuneration Report;
- › review and approve certain clarificatory changes to the remuneration policy as published in the 2023 Annual Report and Accounts;
- › review and approve Restore's gender pay gap report;
- › consider feedback from shareholders and proxy voting bodies ahead of the 2024 AGM and agree appropriate responses;
- › review and approve the continued engagement of the external remuneration advisor for 2024; and
- › consider updates from Restore's external advisor on developments in the remuneration landscape and best practice.

Remuneration policy implementation and outcomes

- › review and approve the annual salary increases for Executive Directors;
- › review and benchmark the Chair's fee;
- › review and note the outcome and performance achievement against the targets for the 2023 bonus scheme;
- › review and note the vesting outcome of the 2021 LTIP scheme that vested during 2024;
- › review and agree the structure, measures and targets for the 2024 annual bonus scheme, including the linkage to ESG and strategic metrics;
- › agree the award opportunities, performance conditions and participants for the 2024 LTIP awards.

Ad hoc and wider remuneration matters

- › review the annual salary increases for senior management and the wider workforce;
- › consider whether to implement an all-employee SAYE scheme for 2024 and, if so, on what terms;
- › review the Group's life assurance offering for the wider workforce and recommend and approve certain enhancements to the coverage;
- › review dilution arising from equity-based incentive plans; and
- › approve the strategy for satisfying share awards, including funding of the Restore employee benefit trust in order to purchase Company shares in the market in order to do so.

Directors' contracts and letters of appointment

The Group's policy on Executive Directors' service contracts is that, in line with the best practice provisions of the UK Corporate Governance Code for notice periods to be one year or less, they are terminable by either party on six months' notice.

Executive Directors	Date of contract	Notice period
Charles Skinner	4 September 2023	6 months
Dan Baker	27 October 2023	6 months

The current Non-Executive Directors do not have service contracts but have letters of appointment. The dates of the original letters of appointment are shown below.

Non-Executive Directors	Date of letter	Notice period
Jamie Hopkins ¹	11 January 2024	3 months
Susan Davy	12 December 2018	3 months
Lisa Fretwell	19 April 2022	3 months
Patrick Butcher	14 October 2024	3 months

¹ Jamie Hopkins' previous letter of Non-Executive Director appointment was terminated and replaced on his appointment as Chair.

Annual report on remuneration

Directors' emoluments

The aggregate emoluments of the Directors of the Company during 2024 and 2023 were:

£'000	Salary and fees	Bonus	Benefits	Pension costs	Total 2024
Executive Directors					
Charles Skinner	482	349	2	24	857
Dan Baker	354	256	13	18	641
Non-Executive Directors					
Jamie Hopkins	126	–	–	–	126
Susan Davy	68	–	–	–	68
Lisa Fretwell	72	–	–	–	72
Patrick Butcher ¹	11	–	–	–	11
	1,113	605	15	42	1,775

¹ Patrick Butcher was appointed to the Board on 14 October 2024.

Charles Bligh received the final payment under his employment contract (being £48,117) in early 2024. He ceased to be a director of Restore on 6 July 2023 and his employment ended on 4 January 2024.

£'000	Salary and fees	Bonus	Benefits	Pension costs	Total 2023
Executive Directors					
Charles Skinner ¹	155	–	–	8	163
Dan Baker ²	48	–	2	1	51
Charles Bligh ³	236	–	9	23	268
Neil Ritchie ⁴	242	–	10	11	263
Mike Killick ⁵	151	–	–	–	151
Jamie Hopkins ⁶	139	–	–	–	139
Sharon Baylay-Bell ⁷	219	–	–	–	219
Non-Executive Directors					
Jamie Hopkins ⁶	79	–	–	–	79
Sharon Baylay-Bell ⁷	59	–	–	–	59
Susan Davy ⁸	63	–	–	–	63
Lisa Fretwell ⁹	67	–	–	–	67
	1,458	–	21	43	1,522

¹ Charles Skinner was appointed to the Board on 5 September 2023.

² Dan Baker was appointed to the Board on 13 November 2023.

³ Charles Bligh stepped down from the Board on 4 July 2023 and his employment ceased on 4 January 2024.

⁴ Neil Ritchie stepped down from the Board on 1 September 2023 and his employment ceased on 13 December 2023.

⁵ Mike Killick was appointed to the Board on 1 September 2023 and stepped down on 13 November 2023.

⁶ Jamie Hopkins served as Interim CEO between 4 July and 5 September 2023. He remained an Executive Director until 30 October 2023, at which time he was appointed as Non-Executive Chair.

⁷ Sharon Baylay-Bell served as Executive Chair between 4 July and 5 September 2023 after which she continued as Chair in a non-executive capacity until stepping down from the Board on 30 October 2023.

⁸ Susan Davy was appointed SID on 4 July 2023.

⁹ Lisa Fretwell was appointed Chair of the Remuneration Committee on 4 July 2023.

2024 Salary increases

The Executive Directors were awarded inflationary salary increases in April 2024 at the bottom end of the range of percentage pay rises awarded to the wider workforce, pro-rated to reflect the proportion of the 12-month period to 1 April 2024 (the date from which the pay rises for all employees were effective) for which they were employees of Restore. For Charles Skinner this resulted in a pay increase of 2% (reflecting his September 2023 employment start date), with Dan Baker receiving a pay increase of 1.5% (reflecting his November 2023 start date).

Directors' Remuneration Report continued

2024 Bonus outcome

The 2024 annual bonus for Executive Directors was subject to certain stretching financial and strategic objectives approved by the Committee as follows:

- › Group adjusted profit before tax ("adjusted PBT") (60% weighting);
- › cash conversion (20% weighting); and
- › shared strategic objectives focused on ESG (20% weighting).

The financial and strategic objectives, and the performance against those, are set out in more detail in the tables below. The Committee assessed performance against these objectives in early 2025 using a combination of quantitative and qualitative information. The maximum annual bonus opportunity for the CEO and CFO is 100% of salary.

Financial objectives:

Objective	Weighting	Performance target and actual result	Achievement (% of max.)
Financial			
Adjusted PBT	60%	Threshold: £31.9m Maximum: £35.9m Actual: £34.4m	63%
Cash conversion	20%	Threshold: 75% Maximum: 80% Actual: 107%	100%
Financial total			72%

Strategic objectives:

Objective	Weighting	Overview	Performance target and assessment by the Committee	Achievement (% of max.)
Strategic objectives				
Environmental	7%	Reduce absolute market-based Scope 1 & 2 carbon emissions from FY23 baseline	Target: Reduction of 5% Performance: Reduction of 6%	100%
Social	7%	Improve Divisional and overall Group participation in YourSay relative to the previous survey Improve overall Group outcome of YourSay relative to previous survey	Threshold: An improvement in participation and outcome from the previous survey Maximum: 5% improvement Performance: Between threshold and max.	61%
Governance	6%	Improve safety as evidenced by third party audits Improve safety through completion of training Improve safety through reporting of observations	Target: No major non-conformances found in external audits; minimum levels of training in each Division and at least the same level of safety observations in each Maximum: Each Division exceeds required training completion and each Division reporting increased numbers of safety observations. Performance: Between threshold and max.	50%
Strategic objectives total				71%

The above reflects a full summary of the targets set and the achievements delivered within the bounds of commercial confidentiality.

Based on performance to 31 December 2024, the outcome for Executive Directors during the year is shown below.

	% of maximum	% of salary	Bonus outcome £'000
Charles Skinner	72%	72%	349
Dan Baker	72%	72%	256

Long Term Incentive Plan ("LTIP")

During 2024 awards have been made under the LTIP to senior employees of the Group, including Executive Directors. The awards are calibrated as a percentage of the participants' salaries and scaled according to seniority. The details of all inflight awards held by the Executive Directors are set out in the table below.

Award Date	Number of options awarded	Percentage of salary awarded	Number of options as at 1 January 2024	Number of options vested in year (after application of performance conditions)	Number of options lapsed or forfeited in year	Number of options exercised in year	Number of options as at 31 December 2024	Date from which exercisable	Expiry date
Charles Skinner									
5 April 2024	385,397	175%	0	N/A	N/A	N/A	385,397	4 April 2027	5 April 2034
17 November 2023	549,132	200%	549,132	N/A	N/A	N/A	549,132	30 April 2026	17 November 2033
Dan Baker									
5 April 2024	242,693	150%	0	N/A	N/A	N/A	242,693	4 April 2027	5 April 2034
17 November 2023	258,620	150%	258,620	N/A	N/A	N/A	258,620	30 April 2026	17 November 2033

2024 LTIP awards

Charles Skinner and Dan Baker were both awarded LTIP options during the year, with award face values of 175% and 150% of salary, respectively, and within the maximum LTIP opportunity limit stated in the remuneration policy.

The 2024 LTIP awards are subject to stretching 3-year performance conditions based on total shareholder return ("TSR") and earnings per share ("EPS"), weighted as follows: 75% on absolute TSR and 25% on EPS growth. The Committee considered the structure and targets of the performance conditions carefully and concluded that, given the continued focus on actions within Restore to rebuild shareholder value, the majority of the 2024 LTIP should again be linked to TSR. The remaining 25% is based on EPS.

The 2024 LTIP awards to the Executive Directors are also subject to a post-vesting holding period, with 50% of any vested award subject to a holding period of six months after the vesting date, with the remaining 50% subject to a holding period of 12 months.

2021 LTIP vesting outcome

As a result of the performance thresholds not being met, the 4 July 2021 LTIP awards lapsed in full during the year.

SAYE scheme

Following the decision of the Committee, an SAYE scheme was launched during 2024 with options being awarded on 16 May 2024 to those employees who elected to participate. The Executive Directors both elected to participate in the scheme, resulting in an award of an option over 5,300 shares to each of Charles Skinner and Dan Baker at an exercise price of 175p per share, representing a discount of 20% to the share price at the time of award.

Share price

The closing price for Restore plc shares at 31 December 2024 was 241p. During the year, the market price of the Company's ordinary shares ranged between 213p and 290p.

Directors' Remuneration Report continued

Directors' interests in shares

The table below shows the holdings of ordinary shares in the Company for each of the Directors (including family interests) who were in office as at 31 December 2024:

	Number of ordinary shares of 5p each 2024 ¹	Number of ordinary shares of 5p each 2023 ¹
Charles Skinner	1,646,022	1,546,022
Dan Baker	100,000	50,000
Jamie Hopkins	54,756	54,756
Susan Davy	4,000	4,000
Lisa Fretwell	4,999	–
Patrick Butcher	–	–

¹ Some of these may be held through nominees.

As at 12 March 2025 there has been no change in any of the above holdings.

Executive Directors' shareholding guidelines

In line with Principle 9 of the 2023 QCA Code which encourages senior management to build and hold a meaningful shareholding to foster alignment with shareholders, we have introduced a minimum shareholding requirement for Executive Directors. Executive Directors are expected to build over time a holding in the Company's shares equivalent in value to 200% of base salary. It is expected that this should be achieved within five years of the relevant Executive Director's appointment to the Board. All Restore shares, whether purchased on the open market or received through share scheme exercises, are included in the assessment of the extent to which the minimum shareholding requirement has been met.

This requirement will be reflected in the updated remuneration policy proposed to be published in Restore's 2025 Annual Report and Accounts and put to a non-binding shareholder vote at the 2026 AGM.

Charles Skinner currently meets the shareholding guideline. Dan Baker is building his shareholding towards the required level. Dan has acquired 100,000 Restore shares in the open market since commencing employment in November 2023 and, until such time as the shareholding requirement is met, he will be required to retain no less than 50% of the net of tax value of any share awards vesting to him through the LTIP.

Future matters

The Committee will continue to focus on its core areas of responsibility in determining and implementing the remuneration policy for the Executive Directors and senior management, ensuring that these remain appropriate and reflect changes that may be needed to ensure alignment to Restore's strategy (including its ESG Strategy) and market best practice.

Specifically, in 2025 the Committee will be undertaking a market assessment, supported by its appointed independent advisor, Ellason LLP, of Board remuneration against pay trends within AIM 100 and similar indices to ensure that remuneration at Restore continues to be competitive, fit-for-purpose and supports our strategic ambitions.



Lisa Fretwell,
Chair of the Remuneration Committee

12 March 2025

Appendix: Directors' remuneration policy

This section sets out the Directors' Remuneration Policy (the "Remuneration Policy"). The Remuneration Policy was developed taking into account the regulations applicable to main market listed companies, the principles of the QCA Code and relevant UK institutional investor guidance. The recommendations set out in the 2023 QCA Code apply for accounting periods beginning on or after 1 April 2024. As noted in the Directors' Remuneration Report, the Committee intends to carry out a detailed review of the Remuneration Policy against the 2023 QCA Code during 2025, as well as a market assessment of our remuneration practices, with a view to putting a non-binding resolution on the Remuneration Policy to shareholders at the 2026 AGM (and subsequent votes offered at such time as changes are proposed to the Remuneration Policy).

The Remuneration Policy is aimed at aligning the interests of the Executive Directors with the growth strategy of the Group and creation of shareholder value over the longer-term. The Committee reviews the Remuneration Policy from time to time to ensure that it:

- › reinforces the achievement of Restore's long-term goals and supports its culture and purpose;
- › reflects market practice;
- › is competitive for companies of similar scale and complexity; and
- › is simple.

Executive Directors' remuneration policy

Element of package	Objective	Operation	Opportunity
Base salary	To provide a competitive base salary for the market in which the Group operates, to help attract, motivate and retain Directors with the experience and capabilities required to achieve the Group's strategic aims.	There is no maximum. Salaries are reviewed annually taking into account Group performance, role, experience, and market positioning.	Salary increases are reviewed in the context of, and typically set in line with, the increases awarded to the wider workforce, taking into account Group performance, and an individual's role, experience and market positioning.
Benefits	To provide a market competitive benefits package as part of a competitive total package.	Executive Directors receive benefits in line with market practice, principally private medical insurance, life assurance and a car allowance.	Set at a level which the Committee deems appropriate.
Pension	To provide an appropriate level of retirement benefit.	Executive Directors are eligible to participate in the Group's defined contribution pension plan or receive a cash allowance in lieu thereof.	Pension contributions are paid at an agreed rate.

Incentive plan	Objective	Operation	Opportunity	Performance linkage
Annual bonus	Rewards achievement of short-term financial and strategic goals that are closely aligned with the Group's strategy and underpin creation of value for shareholders.	The outcome of the annual bonus is based on the achievement of annual performance targets set at the start of the year. The Committee has discretion to adjust the outcome up or down within the Policy limits, where the formulaic outcome does not reflect the Committee's assessment of underlying business performance. Any bonus earned is paid in cash. Bonus payments may also be subject to clawback for a period of up to three years in the event of material financial misstatement or gross misconduct, at the discretion of the Committee.	The maximum annual bonus opportunity is 125% of base salary.	The performance measures, weighting and targets are set annually by the Committee. The bonus opportunity will be linked to the achievement of challenging financial and, when appropriate, non-financial performance targets.

Directors' Remuneration Report continued

Incentive plan	Objective	Operation	Opportunity	Performance linkage
LTIP	To drive and reward the achievement of longer-term objectives, maximise returns to shareholders, support retention and promote share ownership by Executive Directors.	<p>Awards of nil-cost share options may be made annually. Vesting will be subject to the achievement of specified performance conditions, typically over a period of three years. To the extent that an award vests, it may be subject to a further holding period of up to two years such that shares may not be sold by the Director during this period other than to settle tax liabilities in relation to those shares.</p> <p>Awards may also be subject to malus over the vesting period, and clawback for a period of up to two years after vesting, at the discretion of the Committee.</p> <p>Dividend equivalents may also accrue over the vesting period and be paid on any awards that vest.</p>	<p>The normal maximum LTIP opportunity is 175% of salary in respect of a financial year.</p> <p>Under the LTIP rules, an award of up to 200% of salary may be granted in respect of a financial year in exceptional circumstances.</p>	<p>The vesting of LTIP awards will be subject to the achievement of defined performance targets.</p> <p>The measures, their weightings and the targets set will be reviewed by the Committee prior to making an award and the targets may be reviewed over the vesting period in exceptional circumstances.</p>

Non-Executive Directors' remuneration policy

The remuneration policy for the Non-Executive Directors is to pay fees necessary to attract an individual of the calibre required, taking into consideration the scale and complexity of the business and the time commitment of the role.

Details are set out in the table below:

Approach to setting fees	Basis of fee	Other items
The Chair's fee is determined by the Committee. The fees of the Non-Executive Directors are agreed by the Chair and Executive Directors. Fees are reviewed annually. Fees are set taking into account the level of responsibility, relevant experience and specialist knowledge of each Non-Executive Director.	<p>Fees may include a basic fee and additional fees for further responsibilities (for example, chairing the Remuneration and Audit Committee). Additional fees may also be paid to the Chair and/or Non-Executive Directors on a per diem (or other) basis to reflect increased time commitment in certain limited circumstances.</p> <p>Overall fees will not exceed the maximum stated in the Company's Articles of Association.</p> <p>Fees are paid in cash.</p>	Non-Executive Directors do not receive any benefits or pension contributions. Travel and other reasonable expenses incurred in the course of performing their duties are reimbursed.

Directors' Report

"The Directors present their report together with the consolidated financial statements for the year ended 31 December 2024."

Chris Fussell, Company Secretary



	Detail	Section	Location
Information as permitted by the Companies Act 2006, the disclosures to the right, which are included in the Strategic Report, are incorporated into the Directors' Report by reference	An indication of the activities of the Company and its subsidiary undertakings.	Strategic Report	
	An indication of likely future developments in the business of the Company and its subsidiary undertakings.	Strategic Report	
	Engagement with suppliers, customers and others.	ESG Committee Report	Page 29
	Employee engagement.	Section 172(1) statement	Page 51
Directors	The names and biographical details of the Directors who were in office in year and up to the date of signing the financial statements are given on pages 54 to 55.	Governance	Pages 54 to 55
	Directors' remuneration, long-term executive plans, pension contributions, benefits and interests.	Directors' Remuneration Report	Pages 65 to 72
Appointment and retirement of Directors	The Company's Articles of Association, the Companies Act 2006 and related legislation govern the appointment and retirement of Directors.		
	In accordance with the Company's Articles of Association, all Directors are subject to election by shareholders at the first AGM following their appointment, and subject to annual re-election thereafter.		
Directors' insurance	The Company maintains liability insurance for its Directors and Officers, the Company's Articles of Association allow the indemnification of Directors out of the assets of the Company to the extent permitted by law. Indemnities in favour of the Directors have not been entered into during the year.		
Directors' interests	The interests of the Directors and their connected persons in the Company's shares are set out in the Directors' Remuneration Report.	Directors' Remuneration Report	Pages 65 to 72
Related party transactions	Any related party transactions required to be disclosed under the AIM rules are disclosed in note 34 to the consolidated financial statements.		
Corporate Governance Statement	The Corporate Governance Statement is incorporated by reference into this Directors' Report and includes details of our compliance with the QCA Code and how the Company has applied the main principles.	Governance Statement	Pages 56 to 60
Internal control	A description of the main features of the Group's internal control and risk management systems in relation to the financial reporting process can be found in the Governance Statement, the Risk Committee Report and the Audit Committee Report.	Governance Statement	Page 60
		Risk Committee Report	Pages 46 to 49
		Audit Committee Report	Pages 61 to 64

Directors' Report continued

	Detail	Section	Location																								
Emissions reporting	Our disclosures in respect of emissions and energy consumption are set out on pages 34 to 35.	ESG Committee Report	Pages 34 to 35																								
Share capital	At 31 December 2024, the Company's issued share capital consisted of 136,924,067 ordinary shares of 5p each. Further details on the issued share capital, including any changes during the year, can be found in note 24 to the financial statements.																										
Substantial shareholders	<p>As at 28 February 2025, the Company had been notified of the following interests amounting to 3% or more of the voting rights attaching to the Company's issued share capital:</p> <table border="1"> <thead> <tr> <th>Substantial shareholder</th> <th>Number of ordinary shares of 5p each</th> <th>Percentage of issued share capital</th> </tr> </thead> <tbody> <tr> <td>Octopus Investments (London)</td> <td>16,883,989</td> <td>12.33%</td> </tr> <tr> <td>Harwood Capital (London)</td> <td>14,296,000</td> <td>10.44%</td> </tr> <tr> <td>Canaccord Genuity Wealth Mgt (London)</td> <td>10,117,109</td> <td>7.39%</td> </tr> <tr> <td>Slater Investments (London)</td> <td>8,210,809</td> <td>6.00%</td> </tr> <tr> <td>Invesco (Oppenheimer Funds) (New York)</td> <td>7,039,037</td> <td>5.14%</td> </tr> <tr> <td>Investec Wealth & Investment (London)</td> <td>5,466,300</td> <td>3.99%</td> </tr> <tr> <td>Charles Stanley (London)</td> <td>4,918,076</td> <td>3.59%</td> </tr> </tbody> </table>	Substantial shareholder	Number of ordinary shares of 5p each	Percentage of issued share capital	Octopus Investments (London)	16,883,989	12.33%	Harwood Capital (London)	14,296,000	10.44%	Canaccord Genuity Wealth Mgt (London)	10,117,109	7.39%	Slater Investments (London)	8,210,809	6.00%	Invesco (Oppenheimer Funds) (New York)	7,039,037	5.14%	Investec Wealth & Investment (London)	5,466,300	3.99%	Charles Stanley (London)	4,918,076	3.59%		
Substantial shareholder	Number of ordinary shares of 5p each	Percentage of issued share capital																									
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Charles Stanley (London)	4,918,076	3.59%																									
Authority to allot shares	The Company requests authority from shareholders for the Directors to allot shares on an annual basis, and a similar resolution will be proposed at the 2025 AGM. At the 2024 AGM, the Directors were authorised to allot shares up to an aggregate nominal amount of £2,282,067.75, representing approximately one third of the Company's then issued share capital. In addition, authority was sought and approved at the 2024 AGM to give the Directors authority to allot shares on a non-pre-emptive basis for cash (i) up to an aggregate nominal amount of £684,620.30 (representing approximately 10% of the issued ordinary share capital of the Company), and (ii) up to an additional aggregate nominal amount of £684,620.30 (representing approximately 10% of the issued ordinary share capital of the Company) solely in connection with the financing of an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group. The Directors intend to seek similar additional authorities from shareholders at the 2025 AGM.																										
Purchase of own shares	At the 2024 AGM, the Company obtained shareholder approval to purchase up to 13,692,406 of its own ordinary shares of £0.05 each (representing 10% of its issued share capital). No shares were purchased under this authority during the year. At the 2025 AGM, the Directors will again seek authority to purchase the Company's own shares.																										
Articles of association	The Company's Articles of Association were adopted at the 2019 AGM. Any amendments to the Articles of Association can only be made by a special resolution at a general meeting of shareholders.																										
Annual General Meeting	The notice of the Annual General Meeting to be held on 13 May 2025 is set out on pages 147 to 151.																										
Dividends	Details of the dividends are shown in the note 11 to the financial statements.																										
Employee involvement process	The Directors believe that the involvement of employees is an important part of the business culture. Employees are its most important asset and are vital to the successes achieved to date.	ESG Committee Report Section 172(1) Statement	Page 28 Pages 50 to 51																								

	Detail	Section	Location
Equal opportunities	<p>The Group is committed to eliminating discrimination and encouraging diversity. Its aim is that each employee is able to perform to the best of their ability. The Group will not make assumptions about a person's ability to carry out their work, for example, based on their ethnic origin, gender, sexual orientation, marital status, religion or beliefs, age or disability. Full and fair consideration is given to applications made to the Group by individuals with recognised disabilities to ensure they have equal opportunity for employment and development.</p> <p>In the event of an employee becoming disabled, every effort is made to retain them in order that their employment with the Group may continue. It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.</p>		
Employee Benefit Trust	The Company has established an Employee Benefit Trust ("EBT") for the purpose of facilitating the operation of the Company's share schemes. The EBT waives any voting rights and dividends that may be declared in respect of such shares which have not been allocated for the settlement of awards made under the Company's share plans.		
Research and development	During 2024, the Group spent £0.6m on research and development, primarily related to the development of in-house software.		
Donations	Donations of £8,488 were made by the Group for charitable purposes during the year (2023: £12,213). The Group does not make political donations.		
Property values	The Directors are aware that a significant difference may exist between market and book values, as shown in the Consolidated statement of financial position at 31 December 2024, for the Group's freehold properties, some of which have a market value in excess of the book value recorded.		
Financial instruments	Our risk management objectives and policies in relation to the use of financial instruments can be found in note 21 to the financial statements.		
Going concern	The Directors are satisfied that the Group has adequate resources to continue in operation for the foreseeable future and that it is appropriate to prepare financial statements on the going concern basis. Further details are given in note 2 to the financial statements on page 88.		
Events since the balance sheet date	Details of post balance sheet events after 31 December 2024 are given in note 35.		
Disclosure of information to the auditor	The Directors in office at the date of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Directors have confirmed that they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.		
Statutory details for Restore plc	<p>The Company is a public company limited by shares, incorporated in the United Kingdom and registered in England and Wales with registered number 05169780.</p> <p>Its registered office is 8 Beam Reach, Coldharbour Lane, Rainham, Essex, RM13 9YB.</p> <p>The Company's shares are listed on the AIM market under the ticker RST.</p>		

This Directors' report was approved and signed on behalf of the Board on 12 March 2025.



Chris Fussell, Company Secretary

Statement of Directors' Responsibilities

in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report 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 and the Parent Company financial statements in accordance with UK-adopted international accounting standards.

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, 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.



Jamie Hopkins, Chair

12 March 2025

Independent auditors' report

to the members of Restore plc

Report on the audit of the financial statements

Opinion

In our opinion, Restore 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 December 2024 and of the group's profit and the group's and parent company's cash flows for the year then ended;
- › have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- › have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated and the Parent Company statements of financial position as at 31 December 2024; the Consolidated statement of comprehensive income, the Consolidated and Parent Company statements of changes in equity, and the Consolidated and Parent Company statements of cash flows 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 other listed entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the parent company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- › We performed full scope audits at the Parent Company (comprising Records Management and Head Office), Harrow Green and Digital
- › We performed specified audit procedures over one or more account balances or classes of transactions for Technology and Datashred
- › We performed full scope audit procedures in respect of 74% of the Group's revenues and obtained coverage of a further 24% of revenues through specified audit procedures.

Key audit matters

- › Impairment of intangible assets and goodwill (group and parent)
- › Accounting for dilapidation provisions (group and parent)

Materiality

- › Overall group materiality: £1,700,000 (2023: £1,500,000) based on approximately 5% of adjusted profit before tax.
- › Overall parent company materiality: £1,440,000 (2023: £1,350,000) based on 1% of total assets (capped at 90% of group overall materiality).
- › Performance materiality: £1,275,000 (2023: £1,125,000) (group) and £1,080,000 (2023: £1,012,000) (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

Independent auditors' report continued

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.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of intangible assets and goodwill (group and parent) As at 31 December 2024, the net book value of goodwill and other intangible assets held by the Group was £274.4m and by the Parent Company in relation to Records Management was £169.4m. Goodwill is subject to an annual impairment test and impairment tests for intangible assets are also required if there are any indications of an impairment trigger.</p> <p>Management prepared a discounted cash flow model at a cash generating unit ('CGU') level in order to assess the recoverable amount of goodwill and other intangible assets. The assessments contain a number of key assumptions including short and long term revenue growth rates, operating / EBITDA margins, and CGU-specific discount rates. The assessments include downside scenarios sensitising these assumptions. Where a reasonable possible change in these assumptions could result in a material change in the recoverable amount of the assets, there is a risk that goodwill and other intangible assets are no longer deemed to be recoverable and hence should be impaired.</p> <p>Management's model demonstrated there is significant headroom over the carrying amount of the CGUs for Records Management, Harrow Green and Datashred. The Technology and Digital CGUs have limited headroom and related sensitivity disclosures are included within the relevant note.</p> <p>We determined impairment in respect of the Technology and Digital CGUs to be a key audit matter because of the magnitude of the balance and estimation uncertainty involved in management's assessment. Refer to Note 13 and Note 36 of the financial statements ('Intangible assets').</p>	<p>We obtained management's impairment assessments and in evaluating the impairment models for Technology and Digital at 31 December 2024, we performed the following procedures:</p> <ul style="list-style-type: none"> ▶ We tested the mathematical integrity of the impairment calculations; ▶ We assessed the allocation of goodwill and acquired intangibles to CGUs; ▶ We evaluated the allocation of central costs to the CGUs and assessed whether this was a reasonable basis for allocation; ▶ We obtained the Board-approved 2025 budget and 2026-2029 forecasts which formed the basis of the model used in management's impairment calculation to check that these were consistent with the forecasts in the impairment models; ▶ We challenged management forecasts and compared future cashflow expectations to historic levels as part of our assessment as to whether the planned performance was considered achievable; ▶ We reviewed key assumptions used by management (short and long term revenue growth rates, operating / EBITDA margin, CGU-specific discount rates) and sensitised these to determine whether there were any reasonably possible changes in these assumptions that would lead to an impairment; ▶ Where relevant, we corroborated key assumptions through to contracts and third party data sources such as external market data; ▶ We assessed the appropriateness of the discount rate and long term growth rate applied using the support of our internal valuation experts; and ▶ We assessed the disclosures associated with impairment in the financial statements, including the sensitivity disclosures in respect of key assumptions highlighting that a reasonably possible change to these assumption could result in an impairment. <p>Based on our work, we have concluded that management's assessment is supportable and related disclosures are appropriately included in accordance with IAS 36 'Impairment of assets'.</p>

Key audit matter	How our audit addressed the key audit matter
<p>Accounting for dilapidation provisions (group and parent) At 31 December 2024, the Group and the Parent Company held dilapidation provisions of £13.5m (2023: £18.6m) and £11.2m (2023: £15.6m) respectively, relating to the future anticipated costs to restore leased properties to their original state at the end of the lease term. During 2024, management continued the strategic review of the Group's property portfolio. The review led to a reassessment of sites, determining which properties are considered to be strategically important and would be unlikely to be exited until the end of their useful life, and those expected to be exited before the end of their useful life.</p> <p>Management has estimated the amounts of future costs the Group will incur to restore properties to their original condition based on the average actual costs in the previous years. The categorisation of the sites and estimation of cost of exit together have a material impact on the provision.</p> <p>We determined the valuation of dilapidation provisions represents a key audit matter due to the estimation uncertainty involved in calculating the expected future costs of restoring the leased premises, as well as the judgements over the timing of expected settlement of these amounts. We also considered there to be judgement in determining whether the associated costs are capital or expense in nature. Refer to Note 6, Note 23 and Note 47 of the financial statements ('Provisions').</p>	<p>We obtained management's dilapidation workings and performed the following procedures:</p> <ul style="list-style-type: none"> ▶ We tested the mathematical accuracy of the calculations; ▶ We assessed the categorisation of the properties and specifically the judgements over the strategic importance of the properties to the Group and Parent Company. This included holding discussions with the Group's executive team, and obtaining specific representations from the Group's directors on the intended future use of the properties; ▶ We evaluated the dilapidation costs crystallised during the year and previous year and compared these to the estimate of costs included in the provision calculation; ▶ We assessed whether the forecast costs are capital or expense in nature, including comparing management's assessment to its recent experience of costs incurred; ▶ We sensitised management assumptions and considered to what extent reasonably possible changes in its estimate of costs per property could result in a material change to the overall provision; and ▶ Where relevant, we corroborated key assumptions through to contracts and third party data sources. <p>Based on our work, we have concluded that the carrying value of provisions at 31 December 2024, and associated movement in the year is supportable and related disclosures are appropriately included in the financial statements.</p>

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 operates in the United Kingdom through four divisions: Information Management (Records Management and Digital), Datashred, Technology and Harrow Green. There is also a central head office function. There were considered to be three financially significant operating units which required a full scope audit being the Parent Company (comprising Records Management and Head Office), Digital and Harrow Green. We performed specified audit procedures over one or more account balances or classes of transactions for Technology and Datashred.

The Parent Company comprises Records Management and Head Office, both of which were subject to full scope audit and consolidated results are presented in the Parent Company financial statements.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the Group's progress on its ESG Strategy "Restoring Our World" and the extent of the potential impact of climate risk on the Group's and Parent Company's financial statements. We considered when performing our audit procedures any indicators of the impact of climate risk on the financial statements, including in particular the Group's accounting estimates in relation to impairment assessment.

Independent auditors' report continued

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
<i>Overall materiality</i>	£1,700,000 (2023: £1,500,000)	£1,440,000 (2023: £1,350,000)
<i>How we determined it</i>	approximately 5% of adjusted profit before tax	1% of total assets (capped at 90% of group overall materiality)
<i>Rationale for benchmark applied</i>	Based on the key measures reported on in the Group's Annual Report, adjusted profit before tax is the primary metric used by the shareholders in assessing the performance of the Group. We therefore concluded that this is the most appropriate benchmark on which to calculate materiality. This is consistent with prior year.	Based on the benchmarks used in the annual report 1% of total assets (capped at 90% of group materiality) is the primary measure used by shareholders in assessing the financial position of the company. This is consistent with prior year.

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 £400,000 to £1,440,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

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% (2023: 75%) of overall materiality, amounting to £1,275,000 (2023: £1,125,000) for the group financial statements and £1,080,000 (2023: £1,012,000) 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 £85,000 (group audit) (2023: 75,000) and £72,000 (parent company audit) (2023: 67,500) 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 directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- › Management has prepared a going concern paper, alongside detailed calculations supporting their assessment of future cash flows, available funding sources and covenant compliance. Management has highlighted why it is comfortable that the Group remains a going concern for the period of at least one year from the signing of the financial statements. We have understood, evaluated and challenged the key assumptions made by management in its paper and are satisfied with the rationale used in these forecasts having performed the following procedures:
- › We have tested the mathematical accuracy of the forecast models;
- › We have agreed the underlying cash flow projections to Board-approved forecasts;
- › We have considered the basis for the forecasts by reference to historical performance of the Group as well as the appropriateness of the downside scenarios;
- › We have reviewed the terms of the financing agreements and forecasts used in the compliance testing of the covenants for the period up to 30 June 2026 and tested the calculation of the covenant ratios based on the forecast results and cash flows; and
- › We have assessed the appropriateness of the related disclosures in the financial statements.

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 directors' 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 directors 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 directors 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.

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 December 2024 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 directors for the financial statements

As explained more fully in the Statement of directors' responsibility in respect of the financial statements, the directors 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 directors 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 directors 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 directors 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.

Independent auditors' report continued

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to General Data Protection Regulation (GDPR) and UK Employment Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK taxation legislation. 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 manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- ▶ Discussions of compliance with the Group Head of Risk, Divisional management teams, the Group management team and the external tax advisors including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- ▶ Inspection of external press releases, legal correspondence and whistle-blowing reports;
- ▶ Challenging the assumptions and judgements made by management in determining their significant accounting estimates, in particular in relation to impairment of intangible assets and goodwill (see related key audit matter);
- ▶ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations including unusual or unexpected journal postings to revenue; and

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. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

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.

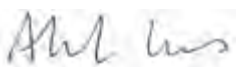
Other required reporting

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 directors' 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.



Alex Lazarus (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 March 2025

Financial Statements

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Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £'m	Year ended 31 December 2023 £'m
Revenue – continuing operations	5	275.3	277.1
Cost of sales	5	(152.8)	(160.7)
Gross profit	5	122.5	116.4
Administrative expenses		(89.8)	(94.4)
Movement in trade receivables loss allowance	17	(0.1)	(0.7)
Impairment of non-current assets	13, 15	–	(36.3)
Operating profit/(loss)	7	32.6	(15.0)
Finance costs	8	(14.7)	(14.0)
Profit/(loss) before tax		17.9	(29.0)
Taxation	9	(5.5)	(1.7)
Profit/(loss) after tax		12.4	(30.7)
Other comprehensive income/(loss)		0.1	(0.1)
Total comprehensive income/(loss) for the year from continuing operations and profit/(loss) attributable to owners of the parent		12.5	(30.8)
Earnings/(loss) per share attributable to owners of the parent (pence)	10		
Total – basic		9.1p	(22.5)p
Total – diluted		9.0p	(22.5)p

The reconciliation between the statutory results shown above and the non-GAAP adjusted measures are shown below:

	Note	Year ended 31 December 2024 £'m	Year ended 31 December 2023 £'m
Operating profit/(loss)		32.6	(15.0)
Adjusting items – administrative expenses	6	4.1	10.8
Adjusting items – amortisation of intangible assets	6	12.1	12.2
Adjusting items – impairment	6	–	36.3
Total adjusting items		16.2	59.3
Adjusted operating profit		48.8	44.3
Adjusted operating profit		48.8	44.3
Tax at 25% (2023: 23.5%)		(12.2)	(10.4)
NOPAT (Net operating profit after tax)		36.6	33.9
Profit/(loss) before tax		17.9	(29.0)
Adjusting items – operating costs (as stated above)		16.2	59.3
Adjusting items – finance costs	6	0.3	–
Adjusted profit before tax		34.4	30.3

Consolidated statement of financial position

At 31 December 2024

Company registered no. 05169780		31 December 2024	31 December 2023 Restated*	31 December 2022 Restated*
	Note	£'m	£'m	£'m
ASSETS				
Non-current assets				
Intangible assets	13	274.4	284.7	331.9
Property, plant and equipment	14	83.1	79.4	79.7
Right of use assets	15	125.6	112.2	113.7
Other receivables	17	4.6	5.2	5.1
		487.7	481.5	530.4
Current assets				
Inventories	16	1.3	1.5	2.0
Trade and other receivables	17	56.5	63.1	64.9
Cash and cash equivalents	19	8.0	22.7	30.2
Current tax assets		0.2	1.2	–
		66.0	88.5	97.1
Total assets		553.7	570.0	627.5
LIABILITIES				
Current liabilities				
Trade and other payables	18	(40.5)	(44.9)	(49.1)
Financial liabilities – borrowings	19	(3.2)	–	–
Financial liabilities – lease liabilities	20	(19.3)	(20.6)	(18.9)
Current tax liabilities		–	–	(1.6)
Derivative liability		–	(0.1)	–
Provisions	23	(3.9)	(4.4)	(1.7)
		(66.9)	(70.0)	(71.3)
Non-current liabilities				
Financial liabilities – borrowings	19	(93.8)	(120.5)	(133.7)
Financial liabilities – lease liabilities	20	(120.7)	(105.7)	(105.1)
Deferred tax liability	22	(28.7)	(29.3)	(30.9)
Provisions	23	(9.6)	(14.2)	(15.4)
Other payables	18	(0.2)	(0.4)	(0.1)
		(253.0)	(270.1)	(285.2)
Total liabilities		(319.9)	(340.1)	(356.5)
Net assets		233.8	229.9	271.0
EQUITY				
Share capital	24	6.8	6.8	6.8
Share premium	25	187.9	187.9	187.9
Other reserves	26	(0.5)	3.7	6.9
Retained earnings	27	39.6	31.5	69.4
Total equity		233.8	229.9	271.0

*Refer to note 2 for details of the restatement.

These financial statements on pages 84 to 145 were approved by the Board of Directors and authorised for issue on 12 March 2025 and were signed on its behalf by:



Charles Skinner
Chief Executive Officer



Dan Baker
Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Attributable to owners of the parent					Total equity £'m
	Note	Share capital £'m	Share premium £'m	Other reserves £'m	Retained earnings £'m	
Balance at 1 January 2023 (as previously stated)		6.8	187.9	6.9	71.6	273.2
Restatement (refer to note 2)		–	–	–	(2.2)	(2.2)
Balance at 1 January 2023 (restated)		6.8	187.9	6.9	69.4	271.0
Loss for the year	27	–	–	–	(30.7)	(30.7)
Other comprehensive loss for the year		–	–	(0.1)	–	(0.1)
Total comprehensive loss for the year		–	–	(0.1)	(30.7)	(30.8)
Transactions with owners:						
Dividends	27	–	–	–	(9.1)	(9.1)
Share-based payments	26	–	–	(0.5)	–	(0.5)
Deferred tax on share-based payments	26	–	–	(0.2)	–	(0.2)
Transfer*	26	–	–	(3.3)	3.3	–
Purchase of treasury shares	26	–	–	(0.6)	–	(0.6)
Disposal of treasury shares		–	–	1.5	(1.4)	0.1
Balance at 31 December 2023 (restated)		6.8	187.9	3.7	31.5	229.9
Balance at 1 January 2024		6.8	187.9	3.7	31.5	229.9
Profit for the year	27	–	–	–	12.4	12.4
Other comprehensive income for the year		–	–	0.1	–	0.1
Total comprehensive income for the year		–	–	0.1	12.4	12.5
Transactions with owners:						
Dividends	27	–	–	–	(7.3)	(7.3)
Share-based payments	26	–	–	1.3	–	1.3
Transfer*	26	–	–	(3.2)	3.2	–
Purchase of treasury shares	26	–	–	(2.6)	–	(2.6)
Disposal of treasury shares		–	–	0.2	(0.2)	–
Balance at 31 December 2024		6.8	187.9	(0.5)	39.6	233.8

* In 2024 a net amount of £3.2m (2023: £3.3m) was reclassified from the share-based payments reserve to retained earnings in respect of lapsed and exercised options.

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £'m	Year ended 31 December 2023 £'m
Cash generated from operating activities	28	78.1	66.9
Net finance costs		(14.5)	(12.8)
Income taxes paid		(5.1)	(6.3)
Net cash generated from operating activities		58.5	47.8
Cash flows used in investing activities			
Purchase of property, plant and equipment and applications software IT	13, 14	(15.2)	(10.3)
Proceeds from sale of property, plant and equipment		0.1	–
Purchase of subsidiary undertakings, net of cash acquired	12	–	(1.3)
Purchase of trade and assets	13	(0.5)	(0.4)
Net cash used in investing activities		(15.6)	(12.0)
Cash flows used in financing activities			
Dividends paid		(7.3)	(9.1)
Purchase of treasury shares		(2.6)	(0.6)
Proceeds from disposal of treasury shares		–	0.1
Repayment of revolving credit facility		(27.0)	(48.0)
Drawdown of revolving credit facility		–	10.0
Drawdown of US Private Placement notes facility		–	25.0
Lease principal repayments		(23.9)	(20.7)
Net cash used in financing activities		(60.8)	(43.3)
Net decrease in cash and cash equivalents		(17.9)	(7.5)
Cash and cash equivalents at start of year		22.7	30.2
Cash and cash equivalents at end of year¹	21	4.8	22.7

¹ Cash and cash equivalents at end of year include overdraft of £3.2m (2023: nil) (refer to note 19).

A reconciliation between the statutory results above and the non-GAAP cashflow measures is shown below:

	Note	Year ended 31 December 2024 £'m	Year ended 31 December 2023 £'m
Cash generated from operating activities		78.1	66.9
Income taxes paid		(5.1)	(6.3)
Purchase of property, plant and equipment and applications software IT	13, 14	(15.2)	(10.3)
Lease principal repayments		(23.9)	(20.7)
Add back: Cash impact of adjusting items – administrative expenses	6	5.2	7.7
Free cashflow		39.1	37.3
NOPAT (Net operating profit after tax)		36.6	33.9
Cash conversion		107%	110%

Notes to the Group financial statements

For the year ended 31 December 2024

1. General information

Restore plc ("Restore" or the "Group" or the "Company") and its subsidiary undertakings provide secure and sustainable business services for data, information, communications and assets and has four divisions: Information Management, Datashred, Harrow Green and Technology. The Group primarily operates in the UK. The Company is a public company limited by shares incorporated and domiciled in England, the United Kingdom. The address of its registered office is 8 Beam Reach, Coldharbour Lane, Rainham, Essex, RM13 9YB, England.

The Company is listed on the AIM.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 12 March 2025.

2. Material accounting policies

Basis of preparation

The consolidated financial statements of Restore plc have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities and share options which are held at fair value. The accounting policies have been consistently applied, other than where new policies have been adopted. The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

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

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance, financial position, cash flows, liquidity position and principal risks and uncertainties affecting the business are set out in the Strategic report on pages 2 to 49.

The Group meets its day-to-day working capital requirements through its financing facilities and the cash generated through its earnings. Details of the Group's borrowing facilities are given in note 19 of the financial statements.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the approval date of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

In making this assessment, the Directors have considered the financing arrangements available to the Group and the Group's cashflow forecasts through to 30 June 2026, taking into account severe but plausible downside trading scenarios involving a reduction to non-recurring income streams. The Directors' assessment includes reviewing the level of liquidity headroom and financial covenant compliance headroom over the period in review, including in the downside scenarios modelled. The Group's budget for 2025 and forecasts for 2026 show that the Group is expected to operate within the level of its current facilities under the base case and severe but plausible downside trading scenarios during the going concern period.

Basis of consolidation

The Consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December 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.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations are accounted for in line with IFRS 3. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date. Provisional fair values are adjusted against goodwill if additional information is obtained within one year of the acquisition date about facts or circumstances existing at the acquisition date. Other changes in provisional fair values are recognised through profit or loss.

The Group holds a small number of "Other investments" as set out in note 39 in the Parent Company financial statements. There is no value ascribed to these investments on the grounds of materiality.

Prior year restatement

IFRS 16 leases

In 2024 it was noted that a small number of leases had not been appropriately recorded in prior periods. The right of use assets and lease liabilities have therefore been restated as at 31 December 2023 to appropriately record these transactions. There is no profit impact to the reported 2023 numbers as the adjustments relate to preceding periods. The opening balance in note 15 has also therefore been restated.

	As reported 31 December 2023 £'m	Impact of restatement 31 December 2023 £'m	Restated 31 December 2023 £'m
Consolidated statement of financial position			
Non-current assets			
Right of use assets	91.6	20.6	112.2
Current liabilities			
Lease liabilities	(18.6)	(2.0)	(20.6)
Non-current liabilities			
Lease liabilities	(84.9)	(20.8)	(105.7)
Equity			
Retained earnings	33.7	(2.2)	31.5

The restatement did not result in any change to reported profit, earnings per share or cash flows reported in 2023.

The impact on the opening Consolidated statement of financial position as at 1 January 2023 has been restated as follows:

	As reported 31 December 2022 £'m	Impact of restatement 31 December 2022 £'m	Restated 31 December 2022 £'m
Consolidated statement of financial position			
Non-current assets			
Right of use assets	106.8	6.9	113.7
Current liabilities			
Lease liabilities	(19.2)	0.3	(18.9)
Non-current liabilities			
Lease liabilities	(95.7)	(9.4)	(105.1)
Equity			
Retained earnings	71.6	(2.2)	69.4

Contingent consideration

Contingent consideration is recognised at fair value at the acquisition date. Changes in the fair value of liability-classified contingent consideration that are not measurement period adjustments are reflected in the income statement. Contingent consideration that is classified as an equity instrument is not remeasured and is subsequently settled and accounted for within equity.

Changes in contingent consideration arising from additional information, obtained within one year of the acquisition date, about facts or circumstances that existed at the acquisition date are recognised as an adjustment to goodwill.

Segmental reporting

Management has identified that the Board is the Chief Operating Decision Maker ('CODM') in accordance with the requirements of IFRS 8 'Operating Segments' and has based their assessment of the relevant operating segments on the information the Board uses to assess both the performance of the business and allocation of resources within the Group.

The financial information reviewed by the Board has evolved over the past year. Following the integration of the Digital and Records Management businesses into the Information Management division, the Group has the following four Divisions: Information Management; Datashred; Harrow Green and Technology. The Board reviews financial information at divisional level. To enhance the understanding of those items that are considered material

Notes to the Group financial statements continued

in the context of the financial statements as a whole, the Group have aligned the segmental disclosures with the presentation of the consolidated statement of comprehensive income. Segment revenue comprises sales to external customers most of whom are located in the UK. Services are provided primarily from the UK.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a good or service to a customer.

a) Sale of services

The most significant service revenue streams in the Group are as follows:

- i. document storage and retrieval services;
- ii. document scanning and IT services;
- iii. relocation services; and
- iv. document collection and destruction.

Document storage revenue is recognised based on the time apportioned period for which the documents and assets are stored. Retrieval services revenue is recognised at a point in time upon delivery of the customer's stored assets at the customer's premises or storage location. The Group allocates the sales transaction price to the relevant performance obligation based on the stand-alone selling price of services, which is typically based on contracted fixed unit prices and volumes delivered and stored.

Service revenue from the Group's scanning and IT services is typically recognised based upon the value of work completed, or on a contractual basis, either as a fixed proportion of managed costs or other fee mechanism, in which case revenue is recognised once those contractual conditions have been satisfied. The transaction price is typically allocated either based on managed costs incurred, on a time basis, or other appropriate contractual measurement.

The Group's relocations business provides services in respect of relocation, furniture storage, asset disposal and recycling. Revenue is recognised over the service period and is based upon the value of the work completed for removals. Storage revenue is recognised on a per day basis for the furniture stored on behalf of its customers and when a disposal is complete.

Service revenue from the document collection and destruction business relates to secure document destruction and recycling processes, including the rental and servicing of office recycling units as well as larger secure waste containers providing a confidential waste destruction process. Revenue is recognised on a time-apportioned basis in respect of rental and when destruction is complete.

An assessment of any constraints in variability in revenue recognised is made at the start of the entering into contracts with customers. The Group reviews the allocation of the transaction price to performance obligations in accordance with IFRS 15.

b) Sale of goods

The Group's sale of goods revenue represents the sale of shredded paper products and the sale of recycled IT assets to commercial

trade partners. Most contracts with customers have a single performance obligation. Revenue is recognised at a point in time that control of the goods passes to the customer, usually on delivery to the customer. The stand-alone selling price for paper sold and IT assets is based on market prices.

Contract assets and liabilities

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts within trade and other payables in the Consolidated statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable within trade and other receivables in its Consolidated statement of financial position depending on whether something other than the passage of time is required before the consideration is due.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of identifiable assets and liabilities of a subsidiary, at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Other intangible assets

Other intangible assets are recognised when they are controlled through contractual or other legal rights, or are separable from the rest of the business, and their fair value can be reliably measured.

Customer relationships

Acquired customer relationships are identified as a separate intangible asset as they are separable and can be reliably measured by valuation of future cash flows. This valuation also assesses the life of the particular relationship. The life of the relationship is assessed annually, and management believes that a useful life of between 10-20 years is appropriate for customer relationship related intangible assets, depending upon the nature of the customer contract. All customer relationships are being amortised on a straight-line basis. The customer lists are considered annually to ensure that this classification is still appropriate.

Trade names

Acquired trade names are identified as a separate intangible asset. Trade names are being amortised on a straight-line basis over ten years. The life of the trade name is assessed annually.

Application software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives (three to five years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised on a straight-line basis over their estimated useful lives (expected to be up to five years). Residual values and useful lives are reviewed each year.

Property, plant and equipment

Property, plant and equipment is stated at historical cost, less accumulated depreciation and accumulated impairment losses. Depreciation is provided on a straight-line basis on all property, plant and equipment, except freehold land. The useful economic lives of the Group's different asset classes are set out below:

	Basis
Freehold land and buildings	2–5% per annum
Leasehold improvements	over the life of the lease
Plant and machinery	5–50% per annum
Racking	5–10% per annum
Office equipment, fixtures and fittings	10–40% per annum
Motor vehicles	20–25% per annum

Right-of-use assets and lease liabilities

Leases are accounted for in accordance with IFRS16, with a right-of-use asset and a corresponding lease liability recognised at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed lease payments (less any lease incentives receivable) and variable lease payment that are based on an index or a rate. The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

The carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the fixed lease payments.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, interest rate structures based on the lessee's incremental borrowing rate have been used to reflect the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Group have applied the practical expedient as permitted by IFRS16 to apply a single discount rate to a portfolio of leases with reasonably similar characteristics. To determine the incremental borrowing rate, the Group starts with a UK gilt rate of the relevant tenor and makes adjustment specific to the Group's credit risk. The Group classifies part of the lease payment that represents the interest portion as finance costs within the operating activities section of the statement of cash flows which is consistent with the classification of interest paid on other forms of financing activities.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, lease payments made at or before the commencement date less any lease incentives received, initial direct costs and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and low-value assets comprise IT-equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Cloud based arrangements

Most cloud-based arrangements are accounted for as service contracts with the cost recognised over the service period, and with the associated implementation costs generally expensed as incurred.

In some circumstances, cloud-based arrangements can be accounted for as intangible assets under IAS 38 or as a lease under IFRS 16, with the full cost recognised as an asset and subsequently amortised or depreciated over the contract period. In such cases the directly attributable implementation costs would be initially recognised and subsequently charged to the income statement.

Given however that in these arrangements customers do not typically take possession of software or obtain a software licence, but rather just receive access to the supplier's application software via an internet connection, this does not provide the customer with an asset, and the relevant recognition criteria are not met.

Investments

Investments in subsidiaries of the Group's Parent Company are carried at cost. An impairment test is performed on the carrying

Notes to the Group financial statements continued

value of the investment when there is an impairment trigger. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount, when there is objective evidence for impairment.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a first in first out basis. Net realisable value is the price at which inventories can be sold in the normal course of business. Provision is made where necessary for obsolete, slow moving and defective inventories.

Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

The Group recognises an allowance for expected credit losses ("ECL") for all receivables held at amortised cost. The Group applies the simplified approach to measuring expected credit losses. To measure the expected credit losses, trade receivables have been grouped according to the shared credit risk characteristics and the days past due. The expected loss rates are based on historical payment profiles, credit losses experienced and forward-looking estimates. A specific provision for credit loss of contract assets is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms.

A provision for credit loss is established when the Group considers that there is a significant increase in credit risk, in line with the ECL model. The movement in the provision is recognised in profit or loss.

Customer incentives

Incentives provided to new customers are in the form of either costs borne on behalf of customers or the provision of services free of charge. Such incentives are recognised as an asset at amortised cost at the point when the contract is signed and the costs are incurred, or when the service is provided and are amortised in the income statement over five years.

Cash and cash equivalents

Cash and cash equivalents as defined for the Consolidated statement of cash flows comprise cash in hand, cash held at bank with immediate access, overdrafts, other short-term investments and bank deposits with maturities of three months or less from the date of inception.

Trade payables

Trade payables, classified as other liabilities in accordance with IFRS 9, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Other payables are stated at amortised cost.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised

cost. Finance charges are accounted for in profit or loss over the term of the instrument using the effective interest rate method.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Consolidated statement of comprehensive income because it excludes items of income or 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 tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profits nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to other comprehensive income and equity, in which case the deferred tax is also dealt with in other comprehensive income and equity.

Provisions

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 a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at an appropriate pre-tax discount rate.

The Group is required to restore its leased premises to their original condition at the end of the respective lease term. A dilapidation provision has been recognised for the value of the estimated expenditure required to remove any leasehold improvements or repair any wear or tear on the property. Where relevant, these costs have been capitalised as part of the leased asset and amortised over the useful life or charged to the income statement.

Equity instruments

Equity instruments issued by the Company are recorded at fair value net of transaction costs.

Share-based payments

The Group has applied the requirements of IFRS 2 Share-based payments.

The Group issues equity settled share-based payments to certain employees. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of 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.

The Group has the ability to net-settle share options such that only shares equating to the gain over the option price are issued directly to the option holder. This has the benefit of reducing the number of shares that must be issued in connection with an option exercise thereby reducing shareholder dilution.

The Group recognises an accrual in respect of national insurance payable on the exercise of all share options. The liability recognised depends on the number of options that are expected to be exercised, and the liability is adjusted by reference to the fair value of the options at the end of each reporting year.

Pensions

The Group operates a number of defined contribution pension schemes. Contributions are charged to profit or loss as incurred.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's Consolidated statement of financial position when the Group has become party to the contractual provisions of the instrument. The Group uses derivative financial instruments when considered appropriate such as interest rate swaps to hedge its risks associated with interest rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting are taken directly to profit or loss.

Adoption of new and revised standards

The following new standards and amendments to standards were effective for the first time during the financial year: Classification of Liabilities as Current or Non-Current (Amendments to IAS 1), Lease Liability in a Sale and Leaseback (Amendments to IFRS 16), Non-Current Liabilities with Covenants (Amendments to IAS 1), Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7). These new standards and amendments to standards did not have a material effect on the financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not

been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

3. Critical accounting estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements. These are considered to have the most significant effect on the amounts recognised in the financial statements.

Adjusting items

The Group's strategy is to grow through margin enhancement and organic growth with bolt-on acquisitions made when they are a good fit for the Group. To assess progress in delivery of this strategy, management believe it is useful to provide readers of the financial statements with alternative performance measures ("APMs") that describe the performance of the Group before the effects of significant costs or income that are considered to be distorting due to their nature or size, and non-cash amortisation primarily arising from acquired intangible assets. Adjustments made from statutory measures to adjusted measures are referred to as adjusting items within the financial statements and include impairments, amortisation, expenses associated with acquisitions and subsequent integration costs, costs associated with major restructuring programmes, and other significant costs or credits, that are considered to be distorting due to their nature or size when assessing the performance of the business. The transactions treated as adjusting items are governed by a Group policy which sets out the criteria for recording transactions as adjusting items.

The Group's APMs should be considered as supplementary to statutory measures and readers of the financial statements should note the limitations of the measures and that they are not comparable across companies. Refer to note 6 for further details.

Determination of lease term

In determining the lease term used to calculate the present value of future lease payments, management exercise judgement in considering whether to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Estimates and assumptions

The key assumptions and other key sources of estimation uncertainty at the reporting date 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.

Notes to the Group financial statements continued

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate and long-term growth rate in order to calculate the present value of those cash flows. Sensitivity details are included in note 13.

The Directors are satisfied that climate change does not have a material impact on either individual assets or cash-generating units in the financial statements.

Dilapidations provision

The Group is required to recognise a provision in respect of the reinstatement and dilapidation costs from exiting a property. The dilapidation cost per square foot of property can vary significantly based on the condition of the property, the nature of the landlord in question, as well as a number of other property specific factors. The key estimations in the calculation of the provision are as follows:

- ▶ The cost per square foot of property to be used – where a specific assessment has not been made, this has been estimated with reference to the average cost per square foot we have seen in third-party assessments and settlements made previously on our estate.
- ▶ The likelihood of exiting the site – where we expect to exit a site before the end of its useful life, we have recognised a provision. The judgement as to whether we will leave a site or not has been made by the divisions and the Director of Property and the assumptions made for the dilapidations provision are in line with the assumptions made in the wider property strategy for the Group.
- ▶ Accounting treatment of changes in the provision – when there are changes to the provision, it must be assessed whether the changes are due to rectification of enhancements to the property or general wear or tear as this drives where the provision is recorded i.e. as a right of use asset or in the income statement. Where there have been changes to our portfolio in the year due to the ongoing property consolidation programme we have used the experience of the property specialists in the Group alongside external specialists to estimate what these changes are likely to be rectifying and therefore what the appropriate accounting treatment is.

Sensitivity details are included in note 23.

4. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, foreign exchange risk, cash flow and fair value interest rate risk, credit risk, liquidity risk and capital risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group may use derivative financial instruments to hedge certain risk exposures.

Risk management is carried out centrally under policies approved by the Board of Directors. The Group evaluates and hedges financial risks where appropriate. The Board provides written principles for overall risk management.

Market risk

Market risks relate to the failure of the Group to grow in line with forecasts and investor expectations, particularly in the scanning and relocations businesses which have had a challenging 2024. To mitigate this we have:

- i. integrated the former Records Management and Digital businesses into the Information Management division, improving the Group's offering to its customers and adding enhanced focus to its scanning activities;
- ii. brought in a new management team in Technology with a revised operating model that is fit for purpose and a strategy that has markedly improved profitability;
- iii. focused on driving growth and improving operational efficiency and profitability in Datashred, including expanding into adjacent service offerings and innovative strategies to mitigate the negative impact of a lower-than-expected paper price;
- iv. successfully executed margin enhancement strategies, including right sizing the Group's cost base, implementing supportable price increases and the ongoing property consolidation programme. These strategies will also allow the Group to somewhat mitigate the significant impact of the National Insurance increases delivered in the Autumn Statement going forward; and
- v. re-forecasted profit and cash monthly across all businesses to ensure performance is regularly tracked against investor expectations and market consensus.

Foreign exchange risk

The Group operates primarily in the UK and has limited exposure to foreign exchange risk.

Cash flow and fair value interest rate risk

The Group's cash flow and fair value interest rate risk arises from long-term borrowings issued at variable rates. During the year, the Group's borrowings at variable rates were denominated in pounds sterling. The Group analyses its interest rate exposure using financial modelling. Based on the various scenarios, the Group manages its cash flow interest rate risk by using interest rate swaps when considered appropriate. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates at a certain level. Interest rate swaps are an agreement with other parties at quarterly intervals, to exchange the difference between fixed and floating rate calculated by reference to the notional principal amount. Refer to note 21 for further detail.

Credit risk

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each business is responsible for managing and analysing the credit risk for each of their new customers before standard payment, delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables and committed transactions. The maximum exposure is the carrying amount. With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity risk

The Group monitors its risk to a shortage of funds using a forecasting model. This model considers the maturity of both its financial assets and financial liabilities and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other secured loans in order to ensure that there is sufficient cash or working capital facilities to meet the requirements of the Group for its current business plan. A detailed analysis of the Group's debt facilities is given in note 19.

Capital risk

The Group's main objective when managing capital is to protect returns to shareholders by ensuring the Group will trade profitably in the foreseeable future. The Group also aims to maximise its capital structure of debt and equity so as to minimise its cost of capital.

The Group manages its capital with regard to the risks inherent in the business and the sector within which it operates by monitoring its gearing ratio on a regular basis. The Group considers its capital to include share capital, share premium, other reserves and retained earnings as noted (below). Net debt includes borrowings (including overdrafts) net of cash and cash equivalents, but excludes the effects of lease obligations under IFRS 16.

The Group's strategy is to strengthen its capital base in order to sustain the future development of the business.

	2024	2023 restated
	£'m	£'m
Debt to capital ratio		
Total debt (excluding IFRS 16)	97.0	120.5
Less: cash and cash equivalents	(8.0)	(22.7)
Net debt	89.0	97.8
Total equity	233.8	229.9
Debt to capital ratio	0.4	0.4

Refer to note 2 for details of the restatement.

The Group does not have any externally imposed capital requirements.

Fair value estimation

External borrowings fair values are not materially different from their carrying amounts, since the interest payable is either close to market rates or the borrowings are of a short-term nature.

Notes to the Group financial statements continued

5. Segmental analysis

Following the integration of the Digital and Records Management businesses into the Information Management division, the Group has the following four segments: Information Management; Datashred; Harrow Green and Technology. Services per segment operate as described in the Strategic report. The vast majority of the trading of the Group is undertaken within the United Kingdom. Segment assets include intangible assets, property, plant and equipment, right of use assets, inventories, receivables and operating cash. Central assets include deferred tax and head office assets. Segment liabilities comprise operating liabilities. Central liabilities include income tax and deferred tax, corporate borrowings and head office liabilities. Capital expenditure comprises additions to computer software, property, plant and equipment and includes additions resulting from acquisitions through business combinations. Segment assets and liabilities are allocated between segments on an actual basis.

Revenue and segmental information

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

	2024 £'m	2023 £'m
Revenue - continuing operations		
Information Management	167.9	170.1
Datashred	36.0	35.9
Harrow Green	35.3	40.0
Technology	36.1	31.1
Total revenue	275.3	277.1

For the year ended 31 December 2024 no customers individually accounted for more than 3% (2023: 3%) of the Group's total revenue.

The Group had sales of goods of £31.6m (£27.4m) relating to the sale of recycled paper and recycled IT assets. The remainder of revenue relates to the sales of services.

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting year relates to brought forward contract liabilities:

Revenue recognised that was included in the contract liability balance at the beginning of the year	2024 £'m	2023 £'m
Information Management	2.8	4.1
Datashred	0.1	0.1
Harrow Green	–	–
Technology	0.1	–
Total	3.0	4.2

Segmental information

2024	Information Management £'m	Datashred £'m	Harrow Green £'m	Technology £'m	Central £'m	31 December
						2024 Total £'m
Revenue	1679	36.0	35.3	36.1	–	275.3
Cost of sales	(84.0)	(21.1)	(24.5)	(23.2)	–	(152.8)
Gross profit	83.9	14.9	10.8	12.9	–	122.5
Adjusted operating profit/(loss)	45.8	3.7	1.9	1.8	(4.4)	48.8
Adjusted operating margin	27.3%	10.3%	5.4%	5.0%	–	17.7%
Adjusting items	(4.2)	(0.3)	(0.1)	(0.3)	(11.3)	(16.2)
Operating profit/(loss)	41.6	3.4	1.8	1.5	(15.7)	32.6
Finance costs						(14.7)
Profit before tax						17.9

2023 (restated)	Information Management £'m	Datashred £'m	Harrow Green £'m	Technology £'m	Central £'m	31 December
						2023 Total £'m
Revenue	170.1	35.9	40.0	31.1	–	277.1
Cost of sales	(91.1)	(21.8)	(26.6)	(21.2)	–	(160.7)
Gross profit	79.0	14.1	13.4	9.9	–	116.4
Adjusted operating profit/(loss)	40.9	3.1	4.5	(1.4)	(2.8)	44.3
Adjusted operating margin	24.0%	8.6%	11.3%	(4.5%)	–	16.0%
Adjusting items	(5.7)	(0.6)	(0.2)	(0.4)	(52.4)	(59.3)
Operating profit/(loss)	35.2	2.5	4.3	(1.8)	(55.2)	(15.0)
Finance costs						(14.0)
Loss before tax						(29.0)

The prior year balances in the segmental information table above have been restated to ensure consistent presentation with the disclosures in 2024.

Notes to the Group financial statements continued

	Information Management	Datashred	Harrow Green	Technology	Central	31 December 2024 Total
2024	£'m	£'m	£'m	£'m	£'m	£'m
Segment assets	429.1	37.9	31.8	43.5	11.4	553.7
Segment liabilities	135.9	23.7	19.0	11.2	130.1	319.9
Capital expenditure	12.6	0.7	0.7	1.2	–	15.2
Depreciation and amortisation	25.4	4.6	3.0	1.7	11.0	45.7
Impairment	–	–	–	–	–	–

	Information Management	Datashred	Harrow Green	Technology	Central	31 December 2023 Total
2023 (restated)	£'m	£'m	£'m	£'m	£'m	£'m
Segment assets	433.1	34.1	36.9	46.2	19.7	570.0
Segment liabilities	126.0	19.5	22.8	11.7	160.1	340.1
Capital expenditure	8.4	0.8	0.6	0.4	0.1	10.3
Depreciation and amortisation	24.8	4.2	2.7	1.9	11.4	45.0
Impairment	0.1	–	–	0.1	36.1	36.3

The prior year balances in the segmental information table above have been restated to ensure consistent presentation with the disclosures in 2024 and to take into account the relevant adjustments in note 2.

The impairment of goodwill and customer relationships and the amortisation of acquired intangible assets have been recorded centrally.

6. Adjusting items

Management believe it is useful to provide readers of the financial statements with alternative performance measures ("APMs") that describe the performance of the Group before the effects of significant costs or income that are considered to be distorting due to their nature or size, and non-cash amortisation primarily arising from acquired intangible assets.

Adjustments made from statutory measures to adjusted measures are referred to as adjusting items within the financial statements and include impairments, amortisation, expenses associated with acquisitions and subsequent integration costs, costs associated with major restructuring programmes, and other significant costs and credits that are considered to be distorting due to their nature when assessing the performance of the business. The Group's adjusting items are set out below:

	2024 £'m	2023 £'m
Amortisation	12.1	12.2
Restructuring and redundancy	2.1	5.9
Property related costs ¹	1.5	3.1
Strategic IT reorganisation	0.8	1.6
Impairments	–	36.3
Acquisition transaction costs	–	0.2
Total adjusting items	16.5	59.3

¹ 'Adjusting items – finance costs' of £0.3m related to dual running lease liability interest costs are included in property related costs.

Total adjusting items include £4.1m of "adjusting items – administrative expenses" (2023: £10.8m), £0.3m of "adjusting items – finance costs" (2023: nil), £12.1m of "adjusting items – amortisation of intangible assets" (2023: £12.2m) and nil of "adjusting items – impairment" (2023: £36.3m). Cash adjusting items are £5.2m (2023: £7.7m) and consist of all costs above apart from the non-cash amortisation charge. In addition, there is a £1.1m non-cash dilapidation provision movement which has also been excluded from these costs.

Amortisation

The amortisation charge primarily relates to acquired intangible assets arising from business combinations in prior years alongside a charge relating to the amortisation of software. Given the overall quantum of the amortisation charge and its non-cash nature, this cost is adjusted for in deriving the Group's alternative performance measures. For transparency, we note that the Group does not similarly adjust for the related revenue and profits generated from its business combinations in its alternative profit measures.

Restructuring and redundancy

The restructuring and redundancy costs relate primarily to the actions implemented to improve the operational efficiency and profitability of the Digital business, including the restructure of two sites and the integration of Digital and Records Management into the Information Management division (£1.4m), and the finalisation of the Group-wide organisational restructuring and "right-sizing" programme, which was ongoing across the Group throughout 2023 and continued into 2024 (£0.7m) (2023: £4.7m). The restructuring of the Digital business will continue into 2025. In 2023, £1.2m also related to the incremental costs that were incurred from the senior management changes during the year. Future cost savings are expected from some of the restructuring activity during the year, however, for transparency we note that these cost savings will not be adjusted for in deriving the Group's alternative performance measures.

Property related costs

A strategic consolidation of the Group's property estate is ongoing. During 2024, £2.6m has been incurred in relation to the cost of relocating boxes as part of this property consolidation programme, as well as the dual running costs incurred whilst we move the boxes. These costs are partially offset by a £1.1m release of dilapidation provisions following a change in the nature of some of the sites assessed under the strategic review conducted in 2023. In 2023, incremental dilapidation costs of £3.1m were recognised reflecting costs that were expected to crystallise in the future following the strategic review of the Group's property portfolio.

Notes to the Group financial statements continued

Strategic IT reorganisation

In 2024 the Group completed its multi-year programme to deliver cloud-based strategic IT programmes, particularly in relation to its financial systems. The implementation costs associated with these system transformations were expensed to the income statement as incurred, with the in-year cost of these programmes being £0.8m for 2024 (2023: £1.6m). Future cost savings are expected from these systems implementations, however, for transparency we note that these cost savings will not be adjusted for in deriving the Group's alternative performance measures.

Impairment

There are no impairment charges recorded in 2024. The non-cash impairment charge in 2023 related primarily to an impairment of goodwill in the Datashred CGU (£32.5m) resulting from reduced expectations on service activity, paper volumes and recycled paper pricing. In addition to this, there was a £3.6m million impairment in the Technology CGU following a business exit, this comprised the impairment of customer relationship related intangible assets (£3.4m) and right-of-use assets (£0.2m).

APMs	Description
Adjusted operating profit	Calculated as statutory operating profit before adjusting items.
Net operating profit after tax ("NOPAT")	Calculated as adjusted operating profit with a standard tax charge applied. APM used for calculation of cash conversion.
Adjusted EBITDA	Calculated as EBITDA before IFRS 16 and share-based payments. APM used for calculation of leverage, in line with the calculation of financial debt covenants.
Adjusted profit before tax	Calculated as statutory profit before tax and adjusting items.
Adjusted basic earnings per share	Calculated as adjusted profit before tax with a standard tax charge applied, divided by the weighted average number of shares in issue.
Adjusted fully diluted earnings per share	Calculated as adjusted profit before tax with a standard tax charge applied, divided by the weighted average fully diluted number of shares in issue.
Net debt	Calculated as external borrowings less cash, excluding the effects of lease obligations under IFRS 16.
Leverage	Calculated as adjusted EBITDA divided by net debt, including a pro-forma adjustment to EBITDA for acquisitions in line with financial debt covenants.
Free cashflow	Calculated as cash generated from operations less income taxes paid, capital expenditure and lease payments, but before the cash impact of adjusting items
Cash conversion	Calculated as free cashflow divided by NOPAT

The Group's APMs should be considered as supplementary to statutory measures and readers of the financial statements should note the limitations of the measures and that they are not comparable across companies.

7. Operating profit/(loss)

	2024 £'m	2023 £'m
The following items have been included in arriving at operating profit/(loss):		
Amortisation and impairment of intangible assets and right-of-use assets (note 13 and note 15)	12.1	48.5
Share-based payments charge (including related NI)	1.7	–
Fees payable to the company's auditors:		
– Audit of the Parent Company and consolidated financial statements	0.7	0.7
– Audit of the Parent Company's subsidiaries pursuant to legislation	0.1	0.1
Expenses by function:		
Staff costs (note 31)	106.7	111.3
Depreciation of property, plant and equipment and right-of-use assets (notes 14 and 15)	33.6	32.8
Property related costs (excluding rent)	18.4	23.5
Materials costs	15.7	13.8
Subcontractor costs	9.8	10.5
Selling and distribution expenses	9.9	12.8
Transport costs	14.0	16.0
IT and related costs	11.5	10.8
Professional services costs	4.5	6.8
Telecommunication and network costs	0.9	1.2
Loss/(profit) on sale of fixed assets	0.1	(0.2)
Other expenses	5.4	4.3
Total cost of sales and administrative expenses	230.5	243.6
Adjusting items – amortisation and impairment of intangible assets (note 6)	12.1	48.5
Total operating costs	242.6	292.1

8. Finance costs

	2024 £'m	2023 £'m
Interest on borrowings	7.9	8.9
Interest on finance lease liabilities	6.2	4.4
Other finance costs	–	0.1
Amortisation of deferred finance costs	0.6	0.6
Total finance costs	14.7	14.0

Notes to the Group financial statements continued

9. Taxation

	2024 £'m	2023 £'m
Current tax:		
UK corporation tax on profit/(loss) for the year	6.4	3.7
Adjustment in respect of previous years	(0.3)	(0.2)
Total current tax	6.1	3.5
Deferred tax: (note 22)		
Current year decrease in deferred tax	–	(1.7)
Adjustment in respect of previous years	(0.6)	(0.1)
Total deferred tax	(0.6)	(1.8)
Total tax charge	5.5	1.7

The charge for the year can be reconciled to the profit/(loss) in the Consolidated statement of comprehensive income as follows:

	2024 £'m	2023 £'m
Profit/(loss) before tax	17.9	(29.0)
Profit/(loss) before tax multiplied by the rate of corporation tax of 25% (2023: 23.5%)	4.5	(6.8)
Effects of:		
Expenses not deductible	1.4	0.4
Adjustment in respect of previous years	(0.9)	(0.3)
Goodwill impairment	–	7.7
Share-based payments	0.2	0.7
Other differences	0.3	–
Tax charge	5.5	1.7

The tax charge for the year is higher than the profit/(loss) before tax multiplied by the rate of corporation tax (2023: higher).

10. Earnings/(loss) per share attributable to owners of the parent

Basic earnings/(loss) per share have been calculated on the profit/(loss) for the year after taxation and the weighted average number of ordinary shares in issue during the year.

	2024	2023
Total profit/(loss) for the year (£m)	12.4	(30.7)
Total basic earnings/(loss) per share (pence)	9.1	(22.5)
Weighted average number of shares in issue	136,129,425	136,580,425
Dilutive options (number)	1,569,548	722,328
Weighted average fully diluted number of shares in issue	137,698,973	137,302,753
Total fully diluted earnings/(loss) per share (pence)	9.0	(22.5)

Adjusted earnings per share

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

	2024 £'m	2023 £'m
Profit/(loss) before tax	17.9	(29.0)
Adjusting items – amortisation of intangible assets	12.1	12.2
Adjusting items – administrative expenses	4.1	10.8
Adjusting items - impairment	–	36.3
Adjusting items – finance costs	0.3	–
Adjusted profit before tax	34.4	30.3

The adjusted earnings per share and adjusted fully diluted earnings per share, based on the weighted average number of shares in issue during the year of 136.1m (2023: 136.6m) and weighted average fully diluted number of shares in issue during the year of 137.7m (2023: 137.3m) respectively, are calculated below using a standard tax charge:

	2024 £'m	2023 £'m
Adjusted profit before tax (£'m)	34.4	30.3
Tax at 25% (2023: 23.5%) (£'m)	(8.6)	(7.1)
Adjusted profit after tax (£'m)	25.8	23.2
Adjusted basic earnings per share (pence)	19.0	17.0
Adjusted fully diluted earnings per share (pence)	18.7	16.9

11. Dividends

The Directors recommend a final dividend of 3.8p per share for the year ended 31 December 2024 (2023: 3.35p per share) to give a full year dividend of 5.8p per share (2023: 5.2p). The aggregate amount of the proposed dividend expected to be paid on 18 July 2025 out of retained earnings at 31 December 2024, but not recognised as a liability at year end is £5.2m. An interim dividend of 2.0p was paid during the year (2023: 1.85p).

12. Acquisitions

No business combinations have occurred in 2024. On 31 July 2023, Datashred acquired the trade and assets of WEEE Recycling Ltd for a cash consideration of £0.4m and contingent consideration of £0.1m that was paid in 2024.

Notes to the Group financial statements continued

13. Intangible assets

	Goodwill £'m	Customer relationships £'m	Trade names £'m	Applications software IT £'m	Total £'m
Cost					
1 January 2023	219.1	177.9	4.3	10.7	412.0
Additions	–	0.4	–	0.6	1.0
Disposals	–	–	–	(0.2)	(0.2)
31 December 2023	219.1	178.3	4.3	11.1	412.8
Additions	–	0.5	–	1.3	1.8
31 December 2024	219.1	178.8	4.3	12.4	414.6
Accumulation amortisation and impairment					
1 January 2023	17.6	53.0	3.0	6.5	80.1
Charge for the year	–	10.8	0.2	1.2	12.2
Disposals	–	–	–	(0.2)	(0.2)
Impairment	32.5	3.5	–	–	36.0
31 December 2023	50.1	67.3	3.2	7.5	128.1
Charge for the year	–	10.2	0.1	1.8	12.1
31 December 2024	50.1	77.5	3.3	9.3	140.2
Carrying amount					
31 December 2024	169.0	101.3	1.0	3.1	274.4
31 December 2023	169.0	111.0	1.1	3.6	284.7

Amortisation is charged to profit or loss as an administrative expense.

The changes to goodwill during the year were as follows:

	£'m
Cost	
1 January 2024	219.1
31 December 2024	219.1
Accumulated impairment	
1 January 2024	50.1
31 December 2024	50.1
Carrying amount	
31 December 2024	169.0
31 December 2023	169.0

Goodwill has been allocated to the Group's operating segments as follows:

	2024 £'m	2023 £'m
Information Management	143.6	143.6
Datashred	–	–
Harrow Green	4.5	4.5
Technology	20.9	20.9
Total goodwill	169.0	169.0

2023 has been represented to ensure consistent presentation with 2024 disclosures following the change in the Group's reportable segments.

Material intangible assets

	2024 £'m	2023 £'m
Information Management	82.8	89.8
Datashred	7.1	8.0
Harrow Green	1.6	1.9
Technology	9.8	11.3
Total material intangible assets	101.3	111.0
Remaining useful economic lives (average years)	6.1	8.6

2023 has been represented to ensure consistent presentation with 2024 disclosures following the change in the Group's reportable segments.

These intangible assets relate to customer relationships. There are no individually material assets relating to applications software IT and trade names.

Annual test for impairment

Goodwill is tested annually for impairment, or more frequently if there are indicators that an impairment may be required. For the purposes of impairment testing, goodwill, other intangible assets, property, plant and equipment and right of use assets are allocated to cash-generating units ("CGUs") which represent the smallest identifiable group of assets that generates cash inflows from continuing use. Despite the integration of the Digital and Records Management businesses into the Information Management division in 2024, they remain separate CGUs at 31 December 2024 since they still represent the smallest identifiable groups of assets that generate largely independent cash inflows. The recoverable amount of each CGU is determined from value-in-use calculations. The calculations use pre-tax cash flow projections based on financial budgets and forecasts approved by the Directors.

As at 31 December 2024, an impairment review was conducted over the carrying values of each the CGUs including downside scenario modelling, which indicated that no impairment was required. The model utilised forecasts based upon the Group's FY25 budget and 5 year-plan through to FY29. Terminal cash flows are based on the Group's FY29 projections assumed to grow perpetually at 2%. In accordance with IAS 36, the growth rates for beyond the initially forecast years do not exceed the long-term average growth rate for the industry. The forecasts have been discounted using a pre-tax discount rate specific to each CGU ranging from 11.9%-12.5% (2023: 11.9%-12.5%).

Notes to the Group financial statements continued

A summary of the management's base case value-in-use calculation, including key assumptions, is set out below:

Base case value-in-use calculation summary

	FY24 to FY29 revenue compound annual growth rate (%)	FY24 to FY29 EBIT compound annual growth rate (%)	FY24 to FY29 EBIT margin growth (bps)	Discount rate (%)	Carrying value of assets (£'m)	Headroom (£'m)	Headroom as % of asset carrying value (%)	NPV of terminal year cashflows into perpetuity as % of value-in-use calculation (%)
Records Management	2.8%	3.3%	80	11.9%	340.9	204.5	60.0%	57.0%
Digital	2.0%	20.4%	860	12.1%	53.9	6.0	11.1%	67.2%
Datashred	4.0%	8.8%	230	12.4%	30.0	22.5	75.0%	48.7%
Harrow Green	4.6%	25.2%	590	12.1%	22.2	22.7	102.3%	53.0%
Technology	6.8%	34.2%	890	12.5%	36.1	15.0	41.4%	66.6%

Climate related matters

The Group monitors climate-related risks and opportunities and has considered the potential impact of climate change on the impairment review conducted. Based on our assessment of climate-related risks likely to emerge, we do not expect these risks to drive a significant downturn in cashflows across the Group. Therefore, there are no overriding changes to key assumptions built into the forecasts and no specific sensitivities relating to climate change are considered necessary over and above the sensitivities performed below.

Sensitivity

A number of sensitivities have been modelled to highlight the way in which changes in trading and/or market conditions affect the value-in-use calculations. The table below highlights the sensitivity of the value-in-use calculations to changes in forecast cashflows and the discount rate.

In the Records Management, Harrow Green and Datashred CGUs, the Group have not identified any reasonably possible changes that would result in an impairment. Across the remaining CGUs, there are considered to be some reasonably possible scenarios which could result in an impairment. A summary of the sensitivity analysis performed covering Digital and Technology is summarised below:

	Revenue reduction assuming gross margin in line with plan (%)	FY24 to FY29 revenue compound annual growth rate (%)	Headroom/ (impairment) (£'m)	Headroom/ (impairment) as % of carrying value (%)
Digital	(2%)	1.6%	2.1	4.0%
	(3%)	1.4%	0.2	0.3%
	(4%)	1.2%	(1.8)	(3.3%)
Technology	(9%)	4.8%	0.4	1.0%
	(10%)	4.5%	(1.3)	(3.5%)
	(11%)	4.3%	(2.9)	(8.0%)

	EBIT reduction (%)	FY24 to FY29 EBIT margin growth (bps)	Headroom/ (impairment) (£'m)	Headroom/ (impairment) as % of carrying value (%)
Digital	(9%)	720	0.4	0.8%
	(10%)	710	(0.2)	(0.4%)
	(11%)	690	(0.8)	(1.6%)
Technology	(25%)	570	2.0	5.6%
	(30%)	500	(0.5)	(1.5%)
	(35%)	430	(3.1)	(8.7%)

	Discount rate	Headroom/ (impairment)	Headroom/ (impairment) as % of carrying value
Digital	1%	0.3	0.5%
	2%	(4.5)	(8.4%)
	3%	(8.6)	(15.9%)
Technology	3%	2.8	7.7%
	4%	(0.2)	(0.4%)
	5%	(2.7)	(7.5%)

Digital

The drop in Digital's revenue and profitability in FY24 was driven by a slower period of public sector activity linked to the change in Government and subsequent uncertainty around the Autumn Statement. Given that c30% of Digital's revenue is non-recurring, there is a reasonably possible scenario in which non-delivery of revenue and profit in line with the base plan could result in a potential impairment. A revenue reduction of 4% in each of the forecast years dropping down to profit with gross margin in line with the plan would trigger an impairment of £1.8m. A 10% reduction to EBIT in each of the forecast years would drive an impairment of £0.2m. A 2% increase in a pre-tax discount rate would drive an impairment of £4.5m.

As discussed on page 22, the Group will incur c£3m of costs as part of this integration, a significant proportion of which have been incurred in 2024, with the integration resulting in annualised cost savings of approximately c£3m for the Group. Those cost savings which were committed to before the end of 2024 have been included in our impairment assessment. Further cost savings are expected from additional restructuring activity that was not committed at 31 December 2024, however in line with IAS 36, these cost savings have not been included in the assessment.

Technology

Given that Technology's revenue is subject to cyclical market dynamics, there is a reasonably possible scenario in which non-delivery of revenue and profit in line with the base plan could result in a potential impairment. A revenue reduction of 10% in each of the forecast years dropping down to profit with gross margin in line with the plan would trigger an impairment of £1.3m. A 30% reduction to EBIT in each of the forecast years would drive an impairment of £0.5m. A 4% increase in a pre-tax discount rate would drive an impairment of £0.2m.

In 2023, the following impairments were recorded:

- ▶ an impairment to goodwill of £32.5m was recognised in Datashred. This impairment resulted principally from reduced expectations on service activity, paper volumes and recycled paper pricing, as well as an increase in the discount rate partly driven by the change in the interest rate.
- ▶ an impairment of customer relationship related intangible assets and right-of-use assets amounting to £3.6m was recognised in the Technology CGU in relation to a business exit.

Notes to the Group financial statements continued

14. Property, plant and equipment

	Freehold land & buildings £'m	Leasehold improvements £'m	Racking plant & machinery £'m	Office equipment fixtures & fittings £'m	Motor vehicles £'m	Total £'m
Cost						
1 January 2023	36.6	27.8	48.5	12.3	2.3	127.5
Additions	2.7	1.3	2.8	2.8	0.1	9.7
Reclassification	0.9	(0.1)	(0.8)	–	–	–
Disposals	–	(0.4)	(0.2)	(0.5)	(0.1)	(1.2)
31 December 2023	40.2	28.6	50.3	14.6	2.3	136.0
Additions	3.6	1.4	4.1	4.5	0.3	13.9
Disposals	–	(0.8)	(0.3)	(0.3)	(0.3)	(1.7)
31 December 2024	43.8	29.2	54.1	18.8	2.3	148.2
Accumulated depreciation						
1 January 2023	4.2	10.9	26.1	5.3	1.3	47.8
Charge for the year	0.6	3.0	3.6	2.5	0.3	10.0
Disposals	–	(0.4)	(0.2)	(0.5)	(0.1)	(1.2)
31 December 2023	4.8	13.5	29.5	7.3	1.5	56.6
Charge for the year	0.7	3.1	3.5	2.3	0.2	9.8
Disposals	–	(0.6)	(0.1)	(0.3)	(0.3)	(1.3)
31 December 2024	5.5	16.0	32.9	9.3	1.4	65.1
Net book value						
31 December 2024	38.3	13.2	21.2	9.5	0.9	83.1
31 December 2023	35.4	15.1	20.8	7.3	0.8	79.4

Capital expenditure contracted for but not provided in the financial statements is shown in note 32.

Depreciation is charged to profit or loss as an administrative expense.

15. Right of use assets

	Leasehold Property £'m	Motor Vehicles £'m	Total £'m
Cost			
1 January 2023 (restated)	155.8	15.1	170.9
Additions (restated)	20.0	4.7	24.7
Disposals	(7.7)	(3.4)	(11.1)
31 December 2023 (restated)	168.1	16.4	184.5
Additions	31.0	8.1	39.1
Disposals	(16.2)	(2.2)	(18.4)
31 December 2024	182.9	22.3	205.2
Accumulated depreciation			
1 January 2023	48.4	8.8	57.2
Charge for the year	19.8	3.0	22.8
Disposals	(4.6)	(3.4)	(8.0)
Impairment	0.3	–	0.3
31 December 2023	63.9	8.4	72.3
Charge for the year	19.7	4.1	23.8
Disposals	(14.4)	(2.1)	(16.5)
31 December 2024	69.2	10.4	79.6
Net book value			
31 December 2024	113.7	11.9	125.6
31 December 2023 (restated)	104.2	8.0	112.2

Refer to note 2 for details of the restatement.

The following are the amounts recognised in profit or loss:

	2024 £'m	2023 £'m
Depreciation expense of right-of-use assets	23.8	22.8
Interest expense on lease liabilities	6.2	4.4
Expense relating to short-term leases (included in operating expenses)	2.0	2.3
Impairment of right-of-use assets	–	0.3
Total amount recognised in profit or loss	32.0	29.8

The Group had total cash outflows for leases of £30.1m in 2024 (2023: £25.1m). The Group also had non-cash additions to right-of-use assets and lease liabilities of £39.1m in 2024 (2023 restated: £24.7m). The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the lease-asset portfolio and align with the Group's business needs.

See note 20 for corresponding lease liability.

Notes to the Group financial statements continued

16. Inventories

	2024 £'m	2023 £'m
Finished goods and goods for resale	1.3	1.5

£11.2m (2023: £7.4m) of inventories were recognised as an expense in cost of sales in the year.

17. Trade and other receivables

	2024 £'m	2023 £'m
Trade receivables	41.3	43.8
Less: Loss allowance	(1.2)	(1.1)
Trade receivables – net	40.1	42.7
Other receivables	0.5	1.8
Prepayments	7.7	10.9
Contract assets	8.2	7.7
	56.5	63.1

The average credit period is 53 days (2023: 58 days). No interest is charged on the trade receivables for the first 30 days from the date of the invoice. Thereafter, interest may be charged on the outstanding balance.

Trade receivables are stated net of allowance for expected credit losses and provisions for sales credit notes and customer rebates. An allowance has been made for estimated credit losses from trade receivables of £1.2m at 31 December 2024 (2023: £1.1m).

Movement in the allowance for expected credit losses

An expected credit loss ("ECL") model in accordance with IFRS 9 has been applied to the Group's trade receivables. The Group have utilised a simplified approach which is permitted by the standard, which applies a credit risk percentage based upon historical risk of default against receivables that are grouped into age brackets. The Group has a low credit risk on its trade receivables and historic defaults.

	2024 £'m	2023 £'m
At 1 January	1.1	0.4
Charged to the Consolidated income statement	0.1	0.7
At 31 December	1.2	1.1

The expected loss rates have been assessed by each business and are based on the payment profiles of sales over the period to 31 December 2024, the availability of credit insurance and the historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables and any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date and makes a provision for impairment accordingly. In calculating ECLs, a loss is either a debt written off or overdue by more than 12 to 24 months depending on the business and/or expected likelihood of recovery. Debts are generally written off following official notice of insolvency, conclusion of legal proceedings or when there is no reasonable expectation of recovery. ECL provisions have been adjusted where relevant to take account of experience during the year and forward looking information.

31 December 2024	< 30 days £'m	30-60 days £'m	61-90 days £'m	> 91 days £'m	Total £'m
ECL rate	0.6%	3.9%	7.8%	13.1%	2.9%
Total gross carrying amount	26.4	8.4	3.0	3.5	41.3
ECL	(0.2)	(0.3)	(0.2)	(0.5)	(1.2)

31 December 2023	< 30 days £'m	30-60 days £'m	61-90 days £'m	> 91 days £'m	Total £'m
ECL rate	0.4%	1.6%	7.3%	22.8%	2.4%
Total gross carrying amount	28.9	10.1	1.9	2.9	43.8
ECL	(0.1)	(0.2)	(0.1)	(0.7)	(1.1)

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Contract assets

The Group has recognised the following assets related to contracts with customers:

	2024 £'m	2023 £'m
Contract assets	12.8	12.9

£8.2m (2023: £7.7m) of the balance is due within one year with £4.6m (2023: £5.2m) due after one year. The balance due after one year has been presented as a non-current asset on the face of the Consolidated statement of financial position.

Contract assets	2024 £'m	2023 £'m
Information Management	10.1	10.5
Datashred	0.4	0.3
Harrow Green	1.8	1.6
Technology	0.5	0.5
Total contract assets	12.8	12.9

18. Trade and other payables

	2024 £'m	2023 £'m
Trade payables	11.7	14.1
Other taxation and social security	5.8	8.4
Accruals	18.2	18.2
Contract liabilities	4.8	4.2
	40.5	44.9

The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period for trade purchases is 36 days (2023: 38 days).

Notes to the Group financial statements continued

Contract liabilities

	2024 £'m	2023 £'m
Contract liabilities	5.0	4.6

£4.8m (2023: £4.2m) of the balance is due within one year with £0.2m (2023: £0.4m) due after one year. The balance due after one year has been presented as a non-current liability on the face of the consolidated statement of financial position.

Contract liabilities	2024 £'m	2023 £'m
Information Management	4.7	4.4
Datashred	0.2	0.1
Harrow Green	0.1	–
Technology	–	0.1
Total contract liabilities	5.0	4.6

19. Financial liabilities – borrowings

	2024 £'m	2023 £'m
Current:		
Overdraft facility	3.2	–
Non-current:		
Bank loans – unsecured	70.0	97.0
Other loans – unsecured	25.0	25.0
Deferred financing costs	(1.2)	(1.5)
Total non-current borrowings	93.8	120.5
Total borrowings	97.0	120.5

At 31 December 2024 the Group's financing arrangements comprise a £125m RCF (due 30 April 2027) including a carved out £10m overdraft facility with Barclays Bank plc and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF includes an accordion which the Group can exercise to increase the facility by up to a further £25m. £70m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at year end. The Group utilised £3.2m of the overdraft facility at 31 December 2024. Committed but undrawn borrowings at 31 December 2024 amounted to £51.8m including £6.8m of unutilised overdraft.

The RCF borrowings are subject to a floating interest rate, at SONIA, plus credit adjusted spread and a margin of 1.80% which can vary depending on the leverage the Group.

In 2024 the Group has made the following changes to its financing arrangements. There was no material financial cost involved in executing these transactions.

- › voluntarily cancelled £75m of the RCF, decreasing the RCF from £200m to £125m;
- › extended the RCF to 30 April 2027; and
- › entered into a £10m overdraft facility with Barclays Bank plc.

At 31 December 2023 the Group's financing arrangements comprised a £200m RCF (due 30 April 2026) and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF included an additional £25m uncommitted accordion and overdraft facility of £1.5m with Barclays Bank plc. £97m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at 31 December 2023. Committed but undrawn borrowings at 31 December 2023 amounted to £103m. £1.5m of the overdraft facility was unutilised.

The interest rate profile and an analysis of borrowings is given in note 21.

Under the bank facilities the Group was required to meet quarterly covenant tests in respect of interest cover and leverage. All covenant tests were met during the year.

	2024 £'m	2023 £'m
Analysis of net debt		
Cash at bank and in hand	8.0	22.7
Borrowings due within one year	(3.2)	–
Borrowings due after one year	(93.8)	(120.5)
Net debt	(89.0)	(97.8)

20. Financial liabilities – lease liabilities

	2024 £'m	2023 Restated £'m
Obligations under leases – present value of lease liabilities		
Repayable by instalments:		
In less than one year	19.3	20.6
In two to five years	57.0	55.1
More than five years	63.7	50.6
	140.0	126.3

Refer to note 2 for details of the restatement.

See note 15 for the corresponding right-of-use asset disclosures.

21. Financial instruments

The Group's financial instruments comprise cash at bank, borrowings and various other receivable and payable balances that arise from its operations. The main purpose of these financial instruments is to finance the Group's operations.

	2024 £'m	2023 £'m
Financial assets at amortised cost:		
Other receivables	0.5	1.8
Trade receivables and accrued income	45.7	47.9
Cash at bank and on hand	8.0	22.7
Total	54.2	72.4

The Directors consider that the fair values of cash at bank and on hand and trade receivables approximate their carrying value, largely due to the short-term maturities of these instruments. The fair value is not significantly different to the carrying amount.

Of the above cash at bank on hand, £78m (2023: £21.8m) is denominated in Sterling, £0.1m (2023: £0.6m) in Euros, £0.1m (2023: £0.3m) in USD.

As at 31 December 2024, trade receivables of £5.8m (2023: £4.0m) were past due but not impaired. These relate to a number of independent customers with no recent history of default. The ageing analysis of these trade receivables is as follows:

	2024 £'m	2023 £'m
60–90 days	2.8	1.8
Greater than 90 days	3.0	2.2

Notes to the Group financial statements continued

	2024 £'m	2023 £'m
Financial liabilities at amortised cost:		
Trade payables and accruals	29.9	32.3
Borrowings (including deferred financing costs)	97.0	120.5
Contingent and deferred consideration	–	0.1
Lease liabilities	140.0	126.3
Total	266.9	279.2

The Directors consider that the fair values of trade and other payables and deferred consideration approximate to their carrying value due to their short-term nature.

Financial risk management

The Group's finance and treasury policies set out the Group's approach to managing treasury risk. The objectives of the Group's financial risk management policies are to ensure sufficient liquidity to meet the Group's operational and strategic needs and the management of financial risk at optimal cost.

The Group is exposed to credit risk, liquidity risk and interest rate risk. The Board oversees the management of these risks through implementation of the Group treasury policy which drives the activities of the Group Treasury Function and who report to the Board on a regular basis.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Trade receivable credit exposure is controlled by counterparty limits that are set, reviewed and approved by operational management on a regular basis.

Trade receivables consist of a large number of typically small to medium sized customers, spread across a number of different market sectors and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and to determine whether the credit risk has increased since initial recognition. Where appropriate, credit guarantee insurance cover is purchased.

The Group does not have any significant credit risk exposure to any single customer, with no single customer representing more than 3% of the Group's revenue.

Liquidity risk management

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due. In order to minimise this risk, the Group seeks to balance certainty of funding and a flexible, cost-effective borrowing structure. The key sources of finance are the RCF and USPP facility providing the Group with £150m of facilities as at 31 December 2024. Should it be needed, the RCF includes an accordion which the Group can exercise to increase by up to a further £25m. The Group also maintains cash balances which are more than sufficient to meet the requirements of the working capital cycle taking into account the seasonality of the business. In March 2024, the Group enacted changes to its financing arrangements in order to more appropriately match the facilities to the Group's needs. Refer to page 112 for more details.

To manage liquidity risk the Group prepares and reviews rolling monthly cash flow forecasts, actual cash and debt positions along with available facilities and headroom. In addition, full annual forecasts are prepared including cash flow and headroom forecasts. The Group is in a good liquidity position and at 31 December 2024 held cash of £8.0m (2023: £22.7m), had £45m (2023: £103.0m) of undrawn debt from the RCF and £6.8m of unutilised overdraft (2023: £1.5m).

Interest rate risk management

The Group has exposure to movements in interest rates on its outstanding floating interest rate RCF debt. To reduce this risk the Group monitors its mix of fixed and floating rate debt and, if required, uses derivative financial instruments to manage this mix. In 2023, the Group entered into interest rate swap arrangements to swap a portion (£25m) of the floating interest rate debt with fixed rate debt on a 12 month tenor. The swap expired on 31 July 2024. The Group also has a £25m fixed rate, 5 year term debt arrangement under the USPP facility.

Currency and interest rate risk profile of financial liabilities

The currency and interest rate risk profile of the Group's gross borrowings for the year was:

Currency	Total £'m	Floating rate financial liabilities £'m	Weighted average interest rates %
Sterling at 31 December 2024	97.0	72.0	6.9
Sterling at 31 December 2023	120.5	95.5	6.6

Interest rate sensitivity

At 31 December 2024, if interest rates had been 50 basis points higher and all other variables were held constant, it is estimated that the Group's profit before tax would be approximately £0.4m lower (2023: loss before tax would be approximately £0.5m higher). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings and is based on the change taking place at the beginning of the financial year and held constant throughout the year.

Financial assets recognised in the statement of financial position and interest rate profile

All financial assets are short-term receivables and cash at bank. The cash at bank earns interest based on the variable bank base rate and is held with Barclays Bank plc.

Maturity of financial liabilities

The maturity profile of the carrying amount of the Group's financial liabilities is as follows:

	Carrying amounts £'m	Contractual cash flows £'m	Within one year £'m	Between two and five years £'m	Five years or more £'m
2024					
Trade payables and accruals	29.9	29.9	29.9	-	-
Borrowings	97.0	97.0	3.2	93.8	-
Lease liabilities	140.0	182.9	23.5	76.0	83.4
	266.9	309.8	56.6	169.8	83.4
2023					
Trade payables and accruals	32.3	32.3	32.3	-	-
Borrowings	120.5	120.5	-	120.5	-
Contingent and deferred consideration	0.1	0.1	0.1	-	-
Lease liabilities	126.3	156.2	24.4	68.4	63.4
	279.2	309.1	56.8	188.9	63.4

The 2023 balances have been restated to reflect the relevant adjustments in note 2.

Notes to the Group financial statements continued

Borrowing facilities

At 31 December 2024 the Group's financing arrangements comprise a £125m RCF (due 30 April 2027) including a carved out £10m overdraft and £25m of USPP fixed rate secured notes (due 28 March 2028). £70m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at year end. The Group utilised £3.2m of the overdraft facility at 31 December 2024. Committed but undrawn borrowings at 31 December 2024 amounted to £51.8m including £6.8m of unutilised overdraft.

The RCF borrowings are subject to a floating interest rate, at SONIA, plus credit adjusted spread and a margin of 1.80% which can vary depending on the leverage the Group.

In 2024, Group has made the following changes to its financing arrangements. There was no material financial cost involved in executing these transactions:

- › voluntarily cancelled £75m of the RCF, decreasing the RCF from £200m to £125m;
- › extended the RCF to 30 April 2027; and
- › entered into a £10m overdraft facility with Barclays Bank plc.

At 31 December 2023 the Group's financing arrangements comprised a £200m RCF (due 30 April 2026) and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF included an additional £25m uncommitted accordion and overdraft facility of £1.5m with Barclays Bank plc. £97m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at 31 December 2023. Committed but undrawn borrowings at 31 December 2023 amounted to £103m. £1.5m of the overdraft facility was unutilised.

All of the Group's borrowings are currently in sterling.

Fair values of financial assets and financial liabilities

Excluding the USPP fixed rate notes, the Group's financial assets and liabilities bear floating interest rates and are relatively short-term in nature. In the opinion of the Directors the book values of the assets and liabilities equate to their fair value.

At 31 December 2023 the Group held interest rate swaps to hedge a portion of its exposure to interest rate risks arising from financing activities. The fair value of derivative financial instruments was derived from "mark-to-market" valuations obtained from the Group's relationships with banks. As at 31 December 2023 the fair value of outstanding interest rate swaps was £0.1m. The swap expired on 31 July 2024.

22. Deferred tax

Summary of balances

	2024 £'m	2023 £'m
Deferred tax liabilities	(40.7)	(39.2)
Deferred tax asset	12.0	9.9
Net position at 31 December	(28.7)	(29.3)

The movement in the year in the Group's net deferred tax position is as follows:

	2024 £'m	2023 £'m
1 January	(29.3)	(30.9)
Credit to consolidated statement of comprehensive income for the year	0.6	1.8
Tax charged directly to equity	–	(0.2)
31 December	(28.7)	(29.3)

The following are the major deferred tax liabilities and assets recognised by the Group and the movements thereon during the year:

Deferred tax (assets)/liabilities	Assets	Liabilities	Net	Assets	Liabilities	Net
	2024	2024	liabilities/ (assets)	2023	2023	liabilities/ (assets)
	£'m	£'m	2024	£'m	£'m	2023
Property, plant and equipment	(1.0)	7.1	6.1	–	4.8	4.8
Share based payments	(0.4)	–	(0.4)	(0.2)	–	(0.2)
Intangibles	–	26.0	26.0	–	27.8	27.8
Pension	–	–	–	(0.2)	–	(0.2)
IFRS 16	(9.9)	7.6	(2.3)	(9.4)	6.3	(3.1)
Other	(0.7)	–	(0.7)	(0.1)	0.3	0.2
(Assets) / liabilities	(12.0)	40.7	28.7	(9.9)	39.2	29.3

The Group has no unrecognised deferred tax balances relating to cumulative tax losses and other deductible temporary differences. At the balance sheet date, no deferred tax liability is recognised on temporary differences associated with investments and subsidiaries on the basis the Group is in a position to control the timing of the reversal of these temporary differences, it is probable that they will not reverse in the foreseeable future and ultimately no tax liabilities are expected to arise as a result of their reversal.

Analysis of net deferred tax liabilities / (assets)	1 January	Recognised in	Recognised in	31 December
	2024	profit	equity	2024
	£'m	and loss	£'m	£'m
Property, plant and equipment	4.8	1.3	–	6.1
Share based payments	(0.2)	(0.2)	–	(0.4)
Intangibles	27.8	(1.8)	–	26.0
Pension	(0.2)	0.2	–	–
IFRS 16	(3.1)	0.8	–	(2.3)
Other	0.2	(0.9)	–	(0.7)
	29.3	(0.6)	–	28.7

Analysis of net deferred tax liabilities / (assets)	1 January	Recognised in	Recognised in	31 December
	2023	profit	equity	2023
	£'m	and loss	£'m	£'m
Property, plant and equipment	4.6	0.2	–	4.8
Share based payments	(1.1)	0.7	0.2	(0.2)
Intangibles	31.1	(3.3)	–	27.8
Pension	–	(0.2)	–	(0.2)
IFRS 16	(2.9)	(0.2)	–	(3.1)
Other	(0.8)	1.0	–	0.2
	30.9	(1.8)	0.2	29.3

Notes to the Group financial statements continued

23. Provisions

	2024 £'m	2023 £'m
1 January	18.6	17.1
Additional provision	4.4	6.2
Utilised	(2.6)	–
Released	(6.9)	(4.7)
31 December	13.5	18.6

The balance above represents dilapidation provisions which relate to the future anticipated costs to restore leased properties into their original state at the end of the lease term. Estimates are stated at nominal value because the impact of discounting is not material. An increase in costs of 5% per square foot across the portfolio would result in an increase in the provision of £0.4m.

Provisions are analysed as follows:

	2024 £'m	2023 £'m
Current	3.9	4.4
Non-current	9.6	14.2
Total	13.5	18.6

24. Called up share capital

	2024 £'m	2023 £'m
Authorised:		
199,000,000 (2023: 199,000,000) ordinary shares of 5p each	10.0	10.0
Allotted, issued and fully paid:		
136,924,067 (2023: 136,924,067) ordinary shares of 5p each	6.8	6.8

No ordinary shares were issued during the year (2023: no ordinary shares) to fund the Group's Employee Benefit Trust.

25. Share premium account

	2024 £'m	2023 £'m
1 January and 31 December	187.9	187.9

The Company may use the reserve to reduce a deficit in the retained earnings of the Company from time to time subject to shareholders and court approval and the Company may release the reserve upon transferring to a blocked trust bank account a sum equal to the remaining amount outstanding to non-consenting creditors that existed at the date of the capital reduction.

26. Other reserves

	Share-based payments reserve £'m	Hedge Reserve £'m	Treasury shares £'m	Total £'m
1 January 2023	8.5	–	(1.6)	6.9
Other comprehensive loss for the year	–	(0.1)	–	(0.1)
Share-based payments	(0.5)	–	–	(0.5)
Deferred tax on share-based payments	(0.2)	–	–	(0.2)
Transfer*	(3.3)	–	–	(3.3)
Purchase of treasury shares	–	–	(0.6)	(0.6)
Disposal of treasury shares	–	–	1.5	1.5
31 December 2023	4.5	(0.1)	(0.7)	3.7
Other comprehensive income for the year	–	0.1	–	0.1
Share-based payments	1.3	–	–	1.3
Transfer*	(3.2)	–	–	(3.2)
Purchase of treasury shares	–	–	(2.6)	(2.6)
Disposal of treasury shares	–	–	0.2	0.2
31 December 2024	2.6	–	(3.1)	(0.5)

* In 2024 a net amount of £3.2m (2023: £3.3m) was reclassified from share-based payments reserve to retained earnings in respect of lapsed and exercised options.

The share-based payments reserve comprises charges made to the income statement in respect of share-based payments under the Group's equity compensation schemes.

The Trustee of the Group's Employee Benefit Trust ("EBT") holds shares in the Company for future satisfaction of options to employees granted under the Group's Share Option Plans. These shares are accounted for as treasury shares. The number of shares held in the EBT as at 31 December 2024 was 1,283,589 (31 December 2023: 343,642).

27. Retained earnings

	2024 £'m	2023 restated £'m
1 January	31.5	69.4
Profit/(loss) for the year	12.4	(30.7)
Dividends	(7.3)	(9.1)
Transfers*	3.2	3.3
Disposal of treasury shares	(0.2)	(1.4)
31 December	39.6	31.5

* In 2024 a net amount of £3.2m (2023: £3.3m) was reclassified from the share-based payments reserve to retained earnings in respect of lapsed and exercised options.

Refer to note 2 for details of the restatement.

Retained earnings are the balance of income retained by the Group. Retained earnings may be distributed to shareholders by a dividend payment.

Notes to the Group financial statements continued

28. Cash flow information

	2024 £'m	2023 £'m
Cash generated from operations		
Profit/(loss) before tax	17.9	(29.0)
Depreciation of property, plant and equipment and right-of-use assets	33.6	32.8
Amortisation of intangible assets	12.1	12.2
Impairment charge	–	36.3
Net finance costs	14.7	14.0
Share-based payments charge (including related NI)	1.7	–
Share-based payment settlement	(0.2)	(0.7)
Loss on disposal of fixed assets	0.3	0.2
Decrease in inventories	0.2	0.5
Decrease in trade and other receivables	7.2	1.8
Decrease in trade and other payables	(9.4)	(1.2)
Cash generated from operating activities	78.1	66.9

	2024 £'m	2023 £'m
Reconciliation of net cash flow to movements in net debt		
Decrease in cash and cash equivalents in the year	(17.9)	(7.5)
Cashflows	27.0	13.0
Debt financing costs	0.3	0.8
Decrease in net debt resulting from cash flows	9.4	6.3
Amortisation of deferred financing costs (non-cash)	(0.6)	(0.6)
Decrease in net debt in the year	8.8	5.7
Net debt at 1 January	(97.8)	(103.5)
Net debt at 31 December	(89.0)	(97.8)

Analysis of net debt

	At 31 December 2023 Restated £'m	Cash flows £'m	Non-cash items* £'m	At 31 December 2024 £'m
Cash at bank and on hand	22.7	(17.9)	–	4.8
Liabilities arising from financing activities				
Borrowings due after one year	(122.0)	27.0	–	(95.0)
Deferred financing costs	1.5	0.3	(0.6)	1.2
Net debt (pre IFRS 16 and derivative liability)	(97.8)	9.4	(0.6)	(89.0)
Lease liabilities	(126.3)	30.1	(43.8)	(140.0)
Derivative financial liability	(0.1)	0.1	–	–
Net debt (post IFRS 16 and derivative liability)	(224.2)	39.6	(44.4)	(229.0)

* Non-cash items include the amortisation of deferred financing costs, non-cash movements in lease liabilities due to lease extensions and unwinding of effective interest, and fair value movement of debt recognised in the year which does not give rise to a cash inflow or outflow. 2023 has been restated to reflect the relevant adjustments in note 2.

29. Pensions

The Group operates a number of defined contribution schemes for all 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 profit or loss of £2.6m (2023: £2.4m) represents contributions payable to these schemes by the Group at rates specified in the rules of the plan.

30. Share-based payments

Savings related share option scheme ("Sharesave")

The Group operates a savings related share option scheme. This is an approved HMRC scheme which was established in 2018.

Under the Sharesave scheme, participants remaining in the Group's employment at the end of the three-year savings period are entitled to use their savings to purchase shares in the Company at a stated exercise price.

Employees leaving for certain reasons are able to use their savings to purchase shares within six months of their leaving. During the year, 1,005,409 awards were granted (2023: nil).

A reconciliation of Sharesave share option movements is below:

	2024 Number	2024 Weighted average exercise price	2023 Number	2023 Weighted average exercise price
Outstanding at 1 January	570,598	327.5p	1,169,658	326.9p
Issued	1,005,409	175.0p	–	–
Lapsed	(28,543)	321.4p	(2,298)	274.0p
Forfeited	–	–	(15,047)	330.8p
Cancelled	(326,913)	278.1p	(541,756)	330.3p
Exercised	–	–	(39,959)	274.0p
Outstanding at 31 December	1,220,551	215.3p	570,598	327.5p
Exercisable at 31 December	210,916	309.0p	3,941	274.0p

The weighted average remaining vesting period of the options outstanding at 31 December 2024 was 1.9 years (2023: 0.9 years).

Long term incentive plan ("LTIP")

The Group operates an LTIP which was established in 2018 and the first awards were made in 2019. Under the Long-Term Incentive Plan, shares are conditionally awarded to senior employees of the Group. The awards are calculated as a percentage of the participants' salaries and scaled according to seniority.

Performance is measured at the end of the three-year performance period. If the required performance conditions have been met, the awards vest and may be subject to a further holding period of up to two years. These awards have no associated exercise price.

A reconciliation of LTIP share option movements is below:

	2024 Number	2023 Number
Outstanding at 1 January	2,720,338	2,415,272
Issued	1,094,405	2,323,484
Lapsed	(653,934)	(394,010)
Forfeited	(272,261)	(877,115)
Exercised	(64,631)	(633,532)
Cancelled	–	(113,761)
Outstanding at 31 December	2,823,917	2,720,338
Exercisable at 31 December	6,503	71,134

The weighted average remaining vesting period of the LTIP awards is 1.6 years (2023: 1.7 years).

The weighted average share price of options exercised during the period was 236.0p at the date of exercise.

Notes to the Group financial statements continued

The fair value of the options granted in the year without market-based performance conditions were estimated using the share price at the date of grant. The fair value of the options granted with market-based performance conditions were estimated using a Monte-Carlo model taking into account the terms and conditions upon which the options were granted. The following table lists the key inputs and assumptions used to value the LTIP grants during the year:

	2024 LTIP subject to fully diluted EPS	2024 LTIP subject to TSR	2024 LTIP subject to fully diluted EPS	2024 LTIP subject to TSR	2024 LTIP subject fully diluted EPS	2024 LTIP subject to TSR
Grant date	1 August	1 August	1 July	1 July	5 April	5 April
Weighted average share price at grant date	£2.56	£2.56	£2.64	£2.64	£2.22	£2.22
Exercise price	£nil	£nil	£nil	£nil	£nil	£nil
Share options	5,504	16,511	14,241	42,721	253,857	761,571
Expected volatility	n/a	40.89%	n/a	40.89%	n/a	40.89%
Risk free rate of return	n/a	4.04%	n/a	4.04%	n/a	4.04%
Expected dividend yield	n/a	n/a	n/a	n/a	n/a	n/a
Expected life of options (years)	3.0	3.0	3.0	3.0	3.0	3.0
Weighted average fair value per option	£2.56	£1.02	£2.64	£1.02	£2.22	£1.02
Model used	Share price	Monte-Carlo	Share price	Monte-Carlo	Share price	Monte-Carlo

The total fair value of LTIP options issued in 2024 was £1.5m (2023: £3.7m).

The expected volatility was determined by calculating the historical volatility of the Group's share price over the previous number of years commensurate with the expected life of options.

Executive committee bonus surrender for shares award

In 2021, because of the COVID-19 pandemic, instead of awarding a cash bonus to the executive committee, a deferred discretionary bonus was awarded in the form of a share award, conditional only upon individuals remaining in employment over a fixed period of time. These awards have no associated exercise price.

A reconciliation of the share option movements is below:

	2024 Number	2023 Number
Outstanding at 1 January	17,873	17,873
Granted	–	–
Exercised	(17,873)	–
Outstanding at 31 December	–	17,873
Exercisable at 31 December	–	17,873

The weighted average remaining vesting period of the award is nil years (2023: nil).

The weighted average share price of options exercised during the year was £2.18 at the date of exercise.

Legacy share option scheme

The Legacy share option scheme was introduced in 2010 and the last award under the scheme was made in 2018. Under the scheme the Remuneration Committee could grant options over shares in the Company to Directors and employees of the Group.

Options were granted at a fixed price equal to the market price of the shares under option at the date of grant. Awards under the scheme were generally reserved for employees at senior management level and above.

Between 2010 and 2018 the Company made grants of options to Senior Management and Directors, on which there are no performance conditions, and which are exercisable within 0–10 years.

A reconciliation of the legacy share option movements is below:

	2024 Number	2024 Weighted average exercise price	2023 Number	2023 Weighted average exercise price
Outstanding at 1 January	675,000	406.2p	825,000	359.5p
Exercised	(100,000)	240p	(150,000)	149.5p
Lapsed	–	–	–	–
Outstanding at 31 December	575,000	435.1p	675,000	406.2p
Exercisable at 31 December	575,000	435.1p	675,000	406.2p

The weighted average contractual life of the remaining awards is 2.5 years (2023: 3.2 years).

The weighted average share price of options exercised during the year was 262.0p at the date of exercise.

The exercisable options outstanding at 31 December 2024 had an exercisable price of between 271.0p and 501.0p.

31. Directors and employees

Staff costs during the year	2024 £'m	2023 £'m
Wages and salaries	93.2	99.0
Social security costs	9.2	9.8
Post employment benefits	2.6	2.5
Share-based payments charge (including related NI)	1.7	–
Total	106.7	111.3

Average monthly number of employees during the year	2024 Number	2023 Number
Directors	2	2
Management	92	159
Administration	536	515
Operatives	1,950	2,051
Total	2,580	2,727

Key management compensation	2024 £'m	2023 £'m
Short-term employment benefits	7.4	8.1
Social security costs	1.0	1.1
Post-employment benefits	0.4	0.4
Other benefits	0.2	0.2
Share-based payments charge (including related NI)	1.1	–
	10.1	9.8

Key management personnel of the Group are considered to be the executive and non-executive directors and management attending senior leadership team meetings. Further information about the remuneration of individual directors (including the highest paid director) is provided in the audited section of the Directors' Remuneration Report on page 67.

The prior year numbers in the table above have been represented to ensure consistent presentation with the disclosure in 2024.

Notes to the Group financial statements continued

32. Capital commitments

Capital expenditure	2024 £'m	2023 £'m
Contracted for but not provided in the financial statements	1.8	0.3

The capital commitments consist of £1.8m (2023: £0.2m) in respect of general plant and equipment and nil (2023: £0.1m) in respect of land and buildings.

33. Contingent liabilities

The Company has entered into a bank cross guarantee with its subsidiaries. The guarantee amounts to £89.0m at 31 December 2024 (2023: £97.8m). The assets of the Company and its subsidiaries are pledged as security for the borrowings, by way of a fixed and floating charge.

As at the balance sheet date, the Group had outstanding obligations under customer guarantees and claims of up to £nil (2023: £nil).

As disclosed within note 39, subsidiary undertakings that are fully owned trading companies and holding companies have taken exemption available under Section 479A of the Companies Act 2006 in respect of the requirement for audit. As a condition of the exemption, the Company has guaranteed the year end liabilities of the entity until they are settled in full.

In previous years, the Group has provided a letter of financial support to its subsidiary Harrow Green Limited, who have been able to draw on financial support from the Group for a period of at least one year from the date of signing the relevant financial statements. If required, we will continue to provide this letter for 2024.

In the ordinary course of our business the Group is exposed to the risk of legal, tax and other exposures. Where costs are likely to arise in defending and concluding such matters, and these costs can be measured reliably, they are provided for in the financial statements.

34. Related party transactions and controlling party

The remuneration of key management personnel and details of the Directors' emoluments are shown in note 31. During the year, dividends of £84,712, £2,929, £214 and £3,175 were paid to Charles Skinner, Jamie Hopkins, Susan Davy and Dan Baker respectively. During 2023, dividends of £28,601, £2,857, £1,691, £1,027, £1,368, £266 and £185 were paid to Charles Skinner, Charles Bligh, Neil Ritchie, Sharon Baylay-Bell, Jamie Hopkins, Susan Davy and Mike Killick respectively.

The Directors do not consider there to be a controlling party.

Details of subsidiary undertakings of the parent entity at the end of the year is disclosed in note 39.

35. Post balance sheet events

On 13 March 2025, the Group acquired the entire issued share capital of Synertec (Holdings) Limited, a UK based leading document management business, for an initial consideration of £22.0m. The consideration will be fully satisfied in cash on 13 March 2025. Contingent consideration is due in 2028 and 2029 depending on future performance. Given the proximity of the transaction to the announcement of the Group's financial statements, a full purchase price allocation exercise has not yet been completed and the fair value of the assets and liabilities acquired will be assessed prior to the next reporting date.

Parent Company statement of financial position

At 31 December 2024

Company registered number:05169780

	Note	31 December 2024 £'m	31 December 2023 Restated* £'m	31 December 2022 Restated* £'m
ASSETS				
Non-current assets				
Intangible assets	36	169.4	175.1	180.0
Property, plant and equipment	37	69.0	65.8	60.2
Right of use assets	38	88.5	81.3	84.8
Investments	39	91.2	90.7	95.2
Other receivables	41	4.6	5.2	5.1
		422.7	418.1	425.3
Current assets				
Inventories	40	0.4	0.5	0.8
Trade and other receivables	41	125.5	130.6	141.5
Cash and cash equivalents	43	0.4	11.6	13.7
		126.3	142.7	156.0
Total assets		549.0	560.8	581.3
LIABILITIES				
Current liabilities				
Trade and other payables	42	(18.1)	(22.0)	(30.3)
Financial liabilities – borrowings	43	(3.2)	–	–
Derivative liability		–	(0.1)	–
Current tax liabilities		(1.3)	(5.8)	(5.2)
Financial liabilities – leases liabilities	44	(13.1)	(14.3)	(12.8)
Provisions	47	(3.5)	(3.2)	(1.4)
		(39.2)	(45.4)	(49.7)
Non-current liabilities				
Financial liabilities – borrowings	43	(93.8)	(120.5)	(133.7)
Financial liabilities – lease liabilities	44	(88.4)	(78.5)	(81.7)
Other long term liabilities	44	(44.6)	(34.0)	(34.0)
Deferred tax liability	46	(20.3)	(20.7)	(20.3)
Provisions	47	(7.7)	(12.4)	(12.1)
		(254.8)	(266.1)	(281.8)
Total liabilities		(294.0)	(311.5)	(331.5)
Net assets		255.0	249.3	249.8
EQUITY				
Share capital	48	6.8	6.8	6.8
Share premium		187.9	187.9	187.9
Other reserves		(1.2)	3.0	6.2
Retained earnings		61.5	51.6	48.9
Total equity		255.0	249.3	249.8

* Refer to pages 128 to 129 for details of the restatement.

The Parent Company's profit for the financial year was £14.2m (2023: £9.9m).

These financial statements on pages 125 to 145 were approved by the Board of Directors and authorised for issue on 12 March 2025 and were signed on its behalf by:



Charles Skinner
Chief Executive Officer



Dan Baker
Chief Financial Officer

Parent Company statement of changes in equity

For the year ended 31 December 2024

	Attributable to owners of the parent				Total equity £'m
	Share capital £'m	Share premium £'m	Other reserves £'m	Retained earnings £'m	
Balance at 1 January 2023 (as previously stated)	6.8	1879	6.2	54.3	255.2
Restatement	–	–	–	(5.4)	(5.4)
Balance at 1 January 2023 (restated)	6.8	1879	6.2	48.9	249.8
Profit for the year	–	–	–	9.9	9.9
Other comprehensive loss for the year	–	–	(0.1)	–	(0.1)
Total comprehensive (loss)/income for the year	–	–	(0.1)	9.9	9.8
Transactions with owners:					
Dividends	–	–	–	(9.1)	(9.1)
Share-based payment	–	–	(0.5)	–	(0.5)
Deferred tax on share-based payment	–	–	(0.2)	–	(0.2)
Transfers*	–	–	(3.3)	3.3	–
Purchase of treasury shares	–	–	(0.6)	–	(0.6)
Disposal of treasury shares	–	–	1.5	(1.4)	0.1
Balance at 31 December 2023 (restated)	6.8	1879	3.0	51.6	249.3
Balance at 1 January 2024	6.8	1879	3.0	51.6	249.3
Profit for the year	–	–	–	14.2	14.2
Other comprehensive loss for the year	–	–	0.1	–	0.1
Total comprehensive income for the year	–	–	0.1	14.2	14.3
Transactions with owners:					
Dividends	–	–	–	(7.3)	(7.3)
Share-based payment	–	–	1.3	–	1.3
Transfers*	–	–	(3.2)	3.2	–
Purchase of treasury shares	–	–	(2.6)	–	(2.6)
Disposal of treasury shares	–	–	0.2	(0.2)	–
Balance at 31 December 2024	6.8	1879	(1.2)	61.5	255.0

* In 2024 a net amount of £3.2m (2023 £3.3m) was reclassified from share-based payments reserve to retained earnings in respect of lapsed and exercised options.

Refer to pages 128 to 129 for details of the restatement.

Parent Company statement of cash flows

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £'m	Year ended 31 December 2023 £'m
Cash generated from operating activities	49	65.6	48.4
Net finance costs		(12.8)	(11.5)
Income taxes paid		(4.5)	(5.0)
Net cash generated from operating activities		48.3	31.9
Cash flows from investing activities			
Purchase of property, plant and equipment and applications software	36, 37	(9.5)	(72)
Purchase of trade and assets	36	(0.5)	–
Net intercompany loan drawdown	41, 42, 44	–	8.2
Net cash generated from investing activities		(10.0)	1.0
Cash flows used in financing activities			
Dividends paid		(73)	(9.1)
Purchase of treasury shares		(2.6)	(0.6)
Proceeds from disposal of treasury shares		–	0.1
Repayment of revolving credit facility		(270)	(48.0)
Drawdown of revolving credit facility		–	10.0
Drawdown of US Private Placement notes facility		–	25.0
Lease principal repayments		(15.8)	(12.4)
Net cash used in financing activities		(52.7)	(35.0)
Net decrease in cash and cash equivalents		(14.4)	(2.1)
Cash and cash equivalents at start of year		11.6	13.7
Cash and cash equivalents at end of year ¹	43	(2.8)	11.6

1 Cash and cash equivalents at end of year include overdraft of £3.2m (2023: nil) (refer to note 43).

Parent Company material accounting policies

For the year ended 31 December 2024

Basis of preparation

The Parent Company financial statements of Restore plc have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities and share options which are held at fair value. The accounting policies have been consistently applied, other than where new policies have been adopted. The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The Parent Company financial statements are presented in pounds sterling and, unless stated otherwise, shown in pounds million to one decimal place.

The Directors consider that the accounting policies as shown on pages 88 to 94 are appropriate for the Parent Company financial statements, are supported by reasonable judgements and estimates and have been consistently applied except where stated below.

Going concern

The going concern basis has been applied in these financial statements.

The going concern position is discussed further in the Consolidated financial statements of the Group on page 88 and applies to the Parent Company.

Parent Company profit and loss account

In accordance with section 408 of the Companies Act 2006 the Parent Company is exempt from the requirement to present its own profit and loss account. The results for the financial year of the Parent Company are given on page 125 of the financial statements.

Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Prior year restatement

IFRS 16 leases

In 2024 it was noted that a small number of leases had not been appropriately recorded in prior periods. The right of use assets and lease liabilities have therefore been restated as at 31 December 2023 to appropriately record these transactions. There is no profit impact to the reported 2023 numbers as the adjustments relate to preceding periods. The opening balance in note 38 has also therefore been restated.

Notes to the Parent Company financial statements

For the year ended 31 December 2024

	As reported 31 December 2023 £'m	Impact of restatement 31 December 2023 £'m	Restated 31 December 2023 £'m
Parent Company statement of financial position			
Non-current assets			
Right of use assets	67.7	13.6	81.3
Current liabilities			
Lease liabilities	(13.2)	(1.1)	(14.3)
Non-current liabilities			
Lease liabilities	(60.6)	(17.9)	(78.5)
Equity			
Retained earnings	57.0	(5.4)	51.6

The restatement did not result in any change to reported profit or cash flows reported in 2023.

The impact on the opening Parent Company statement of financial position as at 1 January 2023 has been restated as follows:

	As reported 31 December 2022 £'m	Impact of restatement 31 December 2022 £'m	Restated 31 December 2022 £'m
Parent Company statement of financial position			
Non-current assets			
Right of use assets	79.3	5.5	84.8
Current liabilities			
Lease liabilities	(13.1)	0.3	(12.8)
Non-current liabilities			
Lease liabilities	(70.5)	(11.2)	(81.7)
Equity			
Retained earnings	54.3	(5.4)	48.9

Adoption of new and revised standards

The following new standards and amendments to standards were effective for the first time during the financial year: Classification of Liabilities as Current or Non-Current (Amendments to IAS 1), Lease Liability in a Sale and Leaseback (Amendments to IFRS 16), Non-Current Liabilities with Covenants (Amendments to IAS 1), Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7). These new standards and amendments to standards did not have a material effect on the financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

Notes to the Parent Company financial statements continued

36. Intangible assets

	Goodwill £'m	Customer relationships £'m	Applications software IT £'m	Total £'m
Cost				
1 January 2023	106.7	103.5	5.5	215.7
Additions – external	–	–	0.1	0.1
Addition arising on hive-up	0.9	–	–	0.9
31 December 2023	107.6	103.5	5.6	216.7
Additions – external	–	0.5	–	0.5
31 December 2024	107.6	104.0	5.6	217.2
Accumulated amortisation and impairment				
1 January 2023	3.8	27.8	4.1	35.7
Charge for the year	–	5.3	0.6	5.9
31 December 2023	3.8	33.1	4.7	41.6
Charge for the year	–	5.5	0.7	6.2
31 December 2024	3.8	38.6	5.4	47.8
Carrying amount				
31 December 2024	103.8	65.4	0.2	169.4
31 December 2023	103.8	70.4	0.9	175.1

Amortisation is charged to profit or loss as an administrative expense.

On 18 January 2023 the trade and assets of the Document Warehouse were transferred to Restore plc.

The changes to goodwill during the year were as follows:

	£'m
Cost	
1 January 2023	106.7
Hive up – The Document Warehouse	0.9
31 December 2023	107.6
31 December 2024	107.6
Accumulated impairment	
1 January 2023 and 31 December 2023	3.8
1 January 2024 and 31 December 2024	3.8
Carrying amount	
31 December 2024	103.8
31 December 2023	103.8

Annual test for impairment

Goodwill is tested annually for impairment, or more frequently if there are indicators that an impairment may be required. For the purpose of impairment testing, goodwill, other intangibles assets, property, plant and equipment and right of use assets are allocated to CGUs which represent the smallest identifiable group of assets that generate cash inflows from continuing use. The recoverable amount of each CGU is determined from value-in-use calculations. The calculations use pre-tax cash flow projections based on financial budgets and forecasts approved by the Directors.

An impairment review was conducted over the residual carrying values including downside scenario modelling, which indicated that no impairment was required. The year-end model utilises forecasts based upon the Group's FY25 budget and 5 year-plan through to FY29. Terminal cash flows are based on the Group's FY29 projections assumed to grow perpetually at 2%. In accordance with IAS 36, the growth rates for beyond the initially forecast years do not exceed the long-term average growth rate for the industry. The forecasts have been discounted using a pre-tax discount rate of 11.9% (2023: 11.9%).

A summary of the management's base case value-in-use calculation, including key assumptions, is set out below:

Base case value-in-use calculation summary								
	FY24 to FY29 revenue compound annual growth rate (%)	FY24 to FY29 EBIT compound annual growth rate (%)	FY24 to FY29 EBIT margin growth (bps)	Discount rate (%)	Carrying value of assets (£'m)	Headroom (£'m)	Headroom as % of asset carrying value (%)	NPV of terminal year cash flows into perpetuity as % of value-in-use calculation (%)
Records Management	2.8%	3.3%	80	11.9%	340.9	204.5	60.0%	57.0%

Sensitivity

The Parent Company has not identified any reasonable potential changes to key assumptions that would cause the carrying value of the remaining goodwill or intangible assets to exceed its recoverable amount and therefore no further sensitivity analysis has been completed.

37. Property, plant and equipment

	Freehold land & buildings £'m	Leasehold improvements £'m	Racking plant & machinery £'m	Office equipment fixtures & fittings £'m	Motor vehicles £'m	Total £'m
Cost						
1 January 2023	31.4	20.5	32.8	5.0	0.1	89.8
Reclassification	0.9	(0.1)	(0.8)	–	–	–
Additions	2.6	0.7	2.1	1.7	–	7.1
Transfer from subsidiary	4.0	–	0.1	–	–	4.1
31 December 2023	38.9	21.1	34.2	6.7	0.1	101.0
Additions	3.3	0.5	3.0	2.7	–	9.5
Disposals	–	(0.7)	(0.2)	–	–	(0.9)
31 December 2024	42.2	20.9	37.0	9.4	0.1	109.6
Accumulated depreciation						
1 January 2023	3.3	8.2	15.2	2.8	0.1	29.6
Charge for the year	0.7	2.0	2.2	0.7	–	5.6
31 December 2023	4.0	10.2	17.4	3.5	0.1	35.2
Charge for the year	0.7	2.1	2.2	0.9	–	5.9
Disposals	–	(0.5)	–	–	–	(0.5)
31 December 2024	4.7	11.8	19.6	4.4	0.1	40.6
Net book value						
31 December 2024	37.5	9.1	17.4	5.0	–	69.0
31 December 2023	34.9	10.9	16.8	3.2	–	65.8

Capital expenditure contracted for but not provided in the financial statements is shown in note 53.

Depreciation is charged to profit or loss as an administrative expense.

Notes to the Parent Company financial statements continued

38. Right of use assets

	Leasehold Property £'m	Motor Vehicles £'m	Total £'m
Cost			
1 January 2023 (restated)	123.5	2.0	125.5
Additions (restated)	11.4	1.4	12.8
Disposals	(0.9)	(0.8)	(1.7)
31 December 2023 (restated)	134.0	2.6	136.6
Additions	24.2	1.3	25.5
Disposals	(15.2)	(0.9)	(16.1)
31 December 2024	143.0	3.0	146.0
Accumulated depreciation			
1 January 2023	38.7	2.0	40.7
Charge for the year	15.3	0.7	16.0
Disposals	(0.6)	(0.8)	(1.4)
31 December 2023	53.4	1.9	55.3
Charge for the year	15.8	0.8	16.6
Disposals	(13.5)	(0.9)	(14.4)
31 December 2024	55.7	1.8	57.5
Net book value			
31 December 2024	87.3	1.2	88.5
31 December 2023 (restated)	80.6	0.7	81.3

Refer to pages 128 to 129 for details of the restatement.

39. Investments

Shares in subsidiary undertakings

	£'m
Cost	
1 January 2023	136.3
Capital contribution – subsidiary share-base payment	0.3
Transferred to goodwill on hive-up of subsidiary	(0.9)
Transferred to assets on hive-up of subsidiary	(4.1)
Transferred to liabilities on hive-up of subsidiary	0.2
31 December 2023	131.8
Capital contribution – subsidiary share-base payment	0.5
31 December 2024	132.3
Accumulated impairment	
1 January 2023 and 31 December 2023	41.1
1 January 2024 and 31 December 2024	41.1
Net book value	
31 December 2024	91.2
31 December 2023	90.7

All fully owned trading companies and holding companies, excluding Harrow Green, have taken the exemption from audit under section 479A of the Companies Act 2006.

Dormant companies are exempt from filing financial statements under section 394 of the Companies Act 2006.

At 31 December 2024 the Parent Company held directly and indirectly equity and voting rights of the following undertakings:

Company	Class of holding	% held	Country of incorporation	Nature of business
Holding company				
Restore Group Holdings Limited ^{1,2}	Ordinary	100%	England and Wales	Holding
Information Management				
All UK companies within this business unit are registered at Village Way, Bilston, Wolverhampton, England WV14 0UJ unless otherwise stated.				
1 Big Data Management Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
The Document Warehouse (UK) Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
Wansdyke Security Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
Capture All Limited ³	Ordinary	100%	Scotland	Information Management
Didata Limited	Ordinary	100%	England and Wales	Dormant
EDM Business Services Holdings Limited	Ordinary	100%	England and Wales	Dormant
EDM Group Limited	Ordinary	100%	England and Wales	Information Management
EDM Group (Holdings) Limited	Ordinary	100%	England and Wales	Holding
EDM Insurance Services Limited	Ordinary	100%	England and Wales	Dormant
EDM Records Management Limited	Ordinary	100%	England and Wales	Dormant
Filing Plus Limited	Ordinary	100%	England and Wales	Dormant
Filing Plus Group Limited	Ordinary	100%	England and Wales	Dormant
Rainbow BidCo Limited	Ordinary	100%	England and Wales	Holding
Rainbow HoldCo Limited	Ordinary	100%	England and Wales	Holding
Restore Digital Limited	Ordinary	100%	England and Wales	Information Management
Scan Image Solutions UK Limited	Ordinary	100%	England and Wales	Dormant
Sala Imaging Limited	Ordinary	100%	England and Wales	Dormant
Sala Integrated Information Management Limited	Ordinary	100%	England and Wales	Dormant

Notes to the Parent Company financial statements continued

Company	Class of holding	% held	Country of incorporation	Nature of business
Technology				
All UK companies within this business unit are registered at Cardington Point, Telford Way, Bedford, MK42 0PQ unless otherwise stated.				
€ Recycling Limited	Ordinary	100%	England and Wales	Dormant
Computer Disposals Limited	Ordinary	100%	England and Wales	Dormant
Euro-Recycling Limited	Ordinary	100%	England and Wales	Dormant
MAC2CASH Limited	Ordinary	100%	England and Wales	Dormant
PCBITZ.COM Limited	Ordinary	100%	England and Wales	Dormant
PRM Green Technologies Limited	Ordinary	100%	England and Wales	Dormant
Restore Technology Limited	Ordinary	100%	England and Wales	Technology
Secure IT Destruction LTD	Ordinary	100%	England and Wales	Dormant
Secure IT Disposals Limited	Ordinary	100%	England and Wales	Dormant
The Bookyard LTD	Ordinary	100%	England and Wales	Dormant
Ultraerase Limited ²	Ordinary	100%	England and Wales	Dormant
Ultratec Limited	Ordinary	100%	England and Wales	Technology
Ultratec (Holdings) Limited	Ordinary	100%	England and Wales	Holding
Ultratest Solutions Limited	Ordinary	100%	England and Wales	Technology
Ultrarecycle Limited	Ordinary	100%	England and Wales	Technology
Datashred				
All UK companies within this business unit are registered at Optima Park, Unit 4 Thomas Road, Dartford, England, DA1 4QX unless otherwise stated.				
Data Shred Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
ID Secured Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
Restore Datashred Limited	Ordinary	100%	England and Wales	Shredding services
Restore Shred Limited ^{1,2}	Ordinary	100%	England and Wales	Dormant
Safe-Shred UK Limited	Ordinary	100%	England and Wales	Dormant
Harrow Green				
All UK companies within this business unit are registered at 2 Oriental Road, Silvertown, London, E16 2BZ.				
Harrow Green Limited	Ordinary	100%	England and Wales	Relocation
CAMA Workspace Limited	Ordinary	100%	England and Wales	Dormant
Other investments				
Except as stated, all companies within this section are registered at 52 Burners Lane, Kiln Farm, Milton Keynes, MK11 3HD.				
Ink and Toner Recycling LTD	Ordinary	40%	England and Wales	Remediation and waste management services
International Technology Products (UK) Limited	Ordinary	40%	England and Wales	Waste and scrap wholesale
International Technology Products GmbH ⁴	Ordinary	40%	England and Wales	Printer cartridge recycling
ITP Group Holdings Limited	Ordinary	40%	England and Wales	Head office activities
Office Green Limited	Ordinary	40%	England and Wales	Waste and scrap wholesale
Peabody QED Thurrock Management Limited ⁵	Ordinary	33%	England and Wales	Management of real estate
Takeback Limited	Ordinary	40%	England and Wales	Waste and scrap wholesale

¹ Held directly.

² The registered address is 2nd Floor 7 - 10 Chandos Street, London, United Kingdom, W1G 9DQ.

³ The registered address is 1 Dewar Square, Deans, Livingston EH54 8SA.

⁴ The registered address is Vogesenstrasse 1, Stockstadt am Main, Bavaria, 63811, Germany.

⁵ The registered address is 2nd Floor Butler House, 177-178 Tottenham Court Road, London, England W1T 7AF.

40. Inventories

	2024 £'m	2023 £'m
Finished goods and goods for resale	0.4	0.5

£2.1m (2023: £3.1m) of inventories were recognised as an expense in cost of sales in the year.

41. Trade and other receivables

	2024 £'m	2023 £'m
Due in less than one year:		
Trade receivables	17.9	17.0
Less: Loss allowance	(0.5)	(0.4)
Trade receivables – net	17.4	16.6
Amounts due from Group undertakings	99.1	101.8
Other receivables	0.2	1.5
Prepayments	4.9	7.1
Contract assets	3.9	3.6
	125.5	130.6
Due after more than one year:		
Contract assets	4.6	5.2
	4.6	5.2

*The average credit period is 50 days (2023: 50 days).

Trade receivables are stated net of allowance for estimated credit losses and provisions for sales credit notes and customer rebates. An allowance has been made for estimated credit losses from trade receivables of £0.5m at 31 December 2024 (2023: £0.4m).

Movement in the allowance for expected credit losses

An ECL model in accordance with IFRS 9 has been applied to the Group's trade receivables. The Group have utilised a simplified approach which is permitted by the standard, which applies a credit risk percentage based upon historical risk of default against receivables that are grouped into age brackets. The Group has a low credit risk on its trade receivables and historic defaults.

Movement in loss allowance	2024 £'m	2023 £'m
1 January	0.4	–
Created in the year	0.1	0.4
31 December	0.5	0.4

The expected loss rates have been assessed based on the payment profiles of sales over the period to 31 December 2024, the availability of credit insurance and the historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables and any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date and makes a provision for impairment accordingly. In calculating ECLs, a loss is either a debt written off or overdue by more than 12 to 24 months depending on the business and/or expected likelihood of recovery. Debts are generally written off following official notice of insolvency, conclusion of legal proceedings or when there is no reasonable expectation of recovery. ECL provisions have been adjusted where relevant to take account of experience during the year and forward looking information.

Notes to the Parent Company financial statements continued

31 December 2024	< 30 days £'m	30-60 days £'m	61-90 days £'m	> 91 days £'m	Total £'m
ECL rate	0.6%	4.1%	7.1%	12.9%	2.7%
Total gross carrying amount	11.3	4.2	1.0	1.4	17.9
ECL	(0.1)	(0.1)	(0.1)	(0.2)	(0.5)

31 December 2023	< 30 days £'m	30-60 days £'m	61-90 days £'m	> 91 days £'m	Total £'m
ECL rate	0.4%	0.8%	7.7%	32.4%	2.1%
Total gross carrying amount	9.9	5.5	0.9	0.7	17.0
ECL	–	(0.1)	(0.1)	(0.2)	(0.4)

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Contract assets

	2024 £'m	2023 £'m
Contract assets	8.5	8.8

42. Trade and other payables

	2024 £'m	2023 £'m
Trade payables	3.5	7.9
Amount due to Group undertakings	0.3	1.2
Other taxation and social security	2.9	3.7
Other payables	0.2	0.2
Accruals	8.5	6.9
Contract liabilities	2.7	2.1
	18.1	22.0

The Parent Company has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period for trade purchases is 25 days (2023: 55 days).

Contract liabilities

	2024 £'m	2023 £'m
Contract liabilities	2.9	2.5

£0.2m (2023: £0.4m) of contract liabilities are due after one year, refer to note 44.

43. Financial liabilities – borrowings

	2024 £'m	2023 £'m
Current:		
Overdraft facility	3.2	–
Non-current:		
Bank loans – secured	70.0	97.0
Other loans – secured	25.0	25.0
Deferred financing costs	(1.2)	(1.5)
Total non-current borrowings	93.8	120.5
Total borrowings	97.0	120.5

At 31 December 2024 the Parent Company's financing arrangements comprise a £125m RCF (due 30 April 2027) including a carved out £10m overdraft facility with Barclays Bank plc and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF includes an accordion which the Parent Company can exercise to increase the facility by up to a further £25m. £70m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at year end. The Parent Company utilised £3.2m of the overdraft facility at 31 December 2024. Committed but undrawn borrowings at 31 December 2024 amounted to £51.8m including £6.8m of unutilised overdraft.

The RCF borrowings are subject to a floating interest rate, at SONIA, plus credit adjusted spread and a margin of 1.80% which can vary depending on the leverage the Parent Company.

In 2024 the Parent Company has made the following changes to its financing arrangements. There was no material financial cost involved in executing these transactions.

- › voluntarily cancelled £75m of the RCF, decreasing the RCF from £200m to £125m;
- › extended the RCF to 30 April 2027; and
- › entered into a £10m overdraft facility with Barclays Bank plc.

At 31 December 2023 the Parent Company's financing arrangements comprised a £200m RCF (due 30 April 2026) and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF included an additional £25m uncommitted accordion and overdraft facility of £1.5m with Barclays Bank plc. £97m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at 31 December 2023. Committed but undrawn borrowings at 31 December 2023 amounted to £103m. £1.5m of the overdraft facility was unutilised.

The interest rate profile and an analysis of borrowings is given in note 45.

Under the borrowings facilities the Parent Company was required to meet quarterly covenant tests in respect of interest cover and leverage. All covenant tests were met during the year.

Analysis of net debt	2024 £'m	2023 £'m
Cash at bank and in hand	0.4	11.6
Borrowings due within one year	(3.2)	–
Borrowings due after one year	(93.8)	(120.5)
	(96.6)	(108.9)

44. Other financial liabilities

	2024 £'m	2023 Restated £'m
Financial liabilities – present value of lease liabilities		
Repayable by instalments:		
In less than one year	13.1	14.3
In two to five years	38.4	39.4
More than five years	50.0	39.1
	101.5	92.8

Refer to pages 128 to 129 for details of the restatement.

	2024 £'m	2023 £'m
Amount due to Group undertakings	44.4	33.6
Contract liabilities	0.2	0.4
	44.6	34.0

Notes to the Parent Company financial statements continued

45. Financial instruments

The Parent Company's financial instruments comprise cash at bank, borrowings and various other receivable and payable balances that arise from its operations. The main purpose of these financial instruments is to finance the Parent Company operations.

	2024 £'m	2023 £'m
Financial assets at amortised cost:		
Other receivables	0.2	1.5
Trade receivables and accrued income	18.7	17.7
Amounts due from Group undertakings	99.1	101.8
Cash at bank and on hand	0.4	11.6
Total	118.4	132.6

The Directors consider that the fair values of cash at bank and on hand and trade receivables approximate their carrying value, largely due to the short-term maturities of these instruments. The fair value is not significantly different to the carrying amount.

As at 31 December 2024 trade receivables of £2.1m (2023: £1.3m) were past due but not impaired.

These relate to a number of independent customers with no recent history of default. The ageing analysis of these trade receivables is as follows:

	2024 £'m	2023 £'m
60–90 days	0.9	0.8
Greater than 90 days	1.2	0.5

	2024 £'m	2023 Restated £'m
Financial liabilities at amortised cost:		
Trade payables and accruals	12.0	15.0
Amounts due to Group undertakings	44.7	34.8
Borrowings (including deferred financing costs)	97.0	120.5
Lease liabilities	101.5	92.8
Total	255.2	263.1

2023 has been restated to reflect the relevant adjustments on pages 128 to 129.

The Directors consider that the fair values of trade payables and accruals approximate to their carrying value due to their short-term nature.

Financial risk management

The Parent Company's finance and treasury policies set out the Group's approach to managing treasury risk. The objectives of the Group's financial risk management policies are to ensure sufficient liquidity to meet the Group's operational and strategic needs and the management of financial risk at optimal cost.

The Parent Company is exposed to credit risk, liquidity risk and interest rate risk. The Board oversees the management of these risks through implementation of the Group treasury policy which drives the activities of the Group Treasury Function and who report to the Board on a regular basis.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Parent Company. Trade receivable credit exposure is controlled by counterparty limits that are set, reviewed and approved by operational management on a regular basis.

Trade receivables consist of a large number of typically small to medium sized customers, spread across a number of different market sectors and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and to determine whether the credit risk has increased since initial recognition. Where appropriate, credit guarantee insurance cover is purchased.

The Parent Company does not have any significant credit risk exposure to any single customer, with no single customer representing more than 3% of the Parent Company's revenue.

Liquidity risk management

Liquidity risk is the risk that the Parent Company is unable to meet its financial obligations as they fall due. In order to minimise this risk, the Parent Company seeks to balance certainty of funding and a flexible, cost-effective borrowing structure. The key sources of finance are the RCF and USPP facility providing the Parent Company with £150m of facilities as at 31 December 2024. Should it be needed, the RCF includes an accordion which the Parent Company can exercise to increase by up to a further £25m. The Parent Company also maintains cash balances which are more than sufficient to meet the requirements of the working capital cycle taking into account the seasonality of the business. In March 2024, the Parent Company enacted changes to its financing arrangements in order to more appropriately match the facilities to the Parent Company's needs. Refer to page 137 for more details.

To manage liquidity risk the Parent Company prepares and reviews rolling monthly cash flow forecasts, actual cash and debt positions along with available facilities and headroom. In addition, full annual forecasts are prepared including cash flow and headroom forecasts. The Parent Company is in a good liquidity position and at 31 December 2024 held cash of £0.4m (2023: £11.6m), had £45m (2023: £103.0m) of undrawn debt from the RCF and £6.8m of unutilised overdraft (2023: £1.5m).

Interest rate risk management

The Parent Company has exposure to movements in interest rates on its outstanding floating interest rate RCF debt. To reduce this risk the Parent Company monitors its mix of fixed and floating rate debt and, if required, uses derivative financial instruments to manage this mix. In 2023, the Parent Company entered into interest rate swap arrangements to swap a portion (£25m) of the floating interest rate debt with fixed rate debt on a 12 month tenor. The swap expired on 31 July 2024. The Parent Company also has a £25m fixed rate, 5 year term debt arrangement under the USPP facility.

Currency and interest rate risk profile of financial liabilities

The currency and interest rate risk profile of the Parent Company's gross borrowings for the year was:

Currency	Total £'m	Floating rate financial liabilities £'m	Weighted average interest rates %
Sterling at 31 December 2024	97.0	72.0	6.9
Sterling at 31 December 2023	120.5	95.5	6.6

Interest rate sensitivity

At 31 December 2024, if interest rates had been 50 basis points higher and all other variables were held constant, it is estimated that the Parent Company's profit before tax would be approximately £0.4m lower (2023: £0.5m). This is mainly attributable to the Parent Company's exposure to interest rates on its variable rate borrowings and is based on the change taking place at the beginning of the financial year and held constant throughout the year.

Financial assets recognised in the statement of financial position and interest rate profile

All financial assets are short-term receivables and cash at bank. The cash at bank earns interest based on the variable bank base rate and is held with Barclays Bank plc.

Maturity of financial liabilities

The maturity profile of the carrying amount of the Parent Company's financial liabilities was as follows:

2024	Carrying amounts £'m	Contractual cash flows £'m	Within one year £'m	Between two and five years £'m	Five years or more £'m
Trade payables and accruals	12.0	12.0	12.0	-	-
Amounts due to Group undertakings	44.7	44.7	0.3	44.4	-
Borrowings	97.0	97.0	3.2	93.8	-
Lease liabilities	101.5	132.9	15.4	51.5	66.0
	255.2	286.6	30.9	189.7	66.0

Notes to the Parent Company financial statements continued

2023	Carrying amounts £'m	Contractual cash flows £'m	Within one year £'m	Between two and five years £'m	Five years or more £'m
Trade payables and accruals	15.0	15.0	15.0	-	-
Amounts due to Group undertakings	34.8	34.8	1.2	33.6	-
Borrowings	120.5	120.5	-	120.5	-
Lease liabilities	92.8	117.1	17.3	49.4	50.4
	263.1	287.4	33.5	203.5	50.4

The 2023 balances have been restated to reflect the relevant adjustments on page 128 to 129.

Borrowing facilities

At 31 December 2024 the Parent Company's financing arrangements comprise a £125m RCF (due 30 April 2027) including a carved out £10m overdraft and £25m of USPP fixed rate secured notes (due 28 March 2028). £70m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at year end. The Parent Company utilised £3.2m of the overdraft facility at 31 December 2024. Committed but undrawn borrowings at 31 December 2024 amounted to £51.8m including £6.8m of unutilised overdraft.

The RCF borrowings are subject to a floating interest rate, at SONIA, plus credit adjusted spread and a margin of 1.80% which can vary depending on the leverage the Parent Company.

In 2024, Parent Company has made the following changes to its financing arrangements. There was no material financial cost involved in executing these transactions:

- › voluntarily cancelled £75m of the RCF, decreasing the RCF from £200m to £125m;
- › extended the RCF to 30 April 2027; and
- › entered into a £10m overdraft facility with Barclays Bank plc.

At 31 December 2023 the Parent Company's financing arrangements comprised a £200m RCF (due 30 April 2026) and £25m of USPP fixed rate secured notes (due 28 March 2028). The RCF included an additional £25m uncommitted accordion and overdraft facility of £1.5m with Barclays Bank plc. £97m of drawn RCF debt and £25m of USPP fixed rate secured notes was outstanding at 31 December 2023. Committed but undrawn borrowings at 31 December 2023 amounted to £103m. £1.5m of the overdraft facility was unutilised.

All of the Parent Company's borrowings are currently in sterling.

Fair values of financial assets and financial liabilities

Excluding the USPP fixed rate notes, the Parent Company's financial assets and liabilities bear floating interest rates and are relatively short-term in nature. In the opinion of the Directors the book values of the assets and liabilities equate to their fair value.

At 31 December 2023 the Parent Company held interest rate swaps to hedge a portion of its exposure to interest rate risks arising from financing activities. The fair value of derivative financial instruments was derived from "mark-to-market" valuations obtained from the Parent Company's relationships with banks. As at 31 December 2023 the fair value of outstanding interest rate swaps was £0.1m. The swap expired on 31 July 2024.

46. Deferred tax

Summary of balances

	2024 £'m	2023 £'m
Deferred tax liabilities	(22.2)	(22.7)
Deferred tax asset	1.9	2.0
Net position at 31 December	(20.3)	(20.7)

Corporation tax for the year ended 31 December 2024 is calculated at the UK corporate tax rate of 25.0% (2023: 23.5%) of the estimated taxable profit for the year.

The movement in the year in the Parent Company's net deferred tax position is as follows:

	2024 £'m	2023 £'m
1 January	(20.7)	(20.3)
Credit/(charge) to profit or loss for the year	0.4	(0.2)
Tax charge directly to equity	–	(0.2)
31 December	(20.3)	(20.7)

The following are the major deferred tax liabilities and assets recognised by the Parent Company and the movements thereon during the year:

Deferred taxation

	Assets 2024 £'m	Liabilities 2024 £'m	(Liabilities)/ assets 2024 £'m
Property, plant and equipment	–	(5.9)	(5.9)
Share based payments	0.2	–	0.2
Intangibles	–	(16.3)	(16.3)
IFRS 16	1.6	–	1.6
Other	0.1	–	0.1
Assets / (liabilities)	1.9	(22.2)	(20.3)

	Assets 2023 £'m	Liabilities 2023 £'m	(Liabilities)/ assets 2023 £'m
Property, plant and equipment	–	(5.1)	(5.1)
Share based payments	–	–	–
Intangibles	–	(17.6)	(17.6)
IFRS 16	2.0	–	2.0
Assets / (liabilities)	2.0	(22.7)	(20.7)

The Parent Company has no unrecognised deferred tax balances relating to cumulative tax losses and other deductible temporary differences. At the balance sheet date, no deferred tax liability is recognised on temporary differences associated with investments and subsidiaries on the basis the Parent Company is in a position to control the timing of the reversal of these temporary differences, it is probable that they will not reverse in the foreseeable future and ultimately no tax liabilities are expected to arise as a result of their reversal.

Notes to the Parent Company financial statements continued

Analysis of net deferred tax assets and liabilities

	1 January 2024 £'m	Recognised in profit £'m	Recognised in equity £'m	31 December 2024 £'m
Property, plant and equipment	(5.1)	(0.8)	–	(5.9)
Share based payments	–	0.2	–	0.2
Intangibles	(17.6)	1.3	–	(16.3)
IFRS 16	2.0	(0.4)	–	1.6
Other	–	0.1	–	0.1
	(20.7)	0.4	–	(20.3)

	1 January 2023 £'m	Recognised in profit £'m	Recognised in equity £'m	31 December 2023 £'m
Property, plant and equipment	(4.9)	(0.2)	–	(5.1)
Share based payments	0.9	(0.7)	(0.2)	–
Intangibles	(18.5)	0.9	–	(17.6)
IFRS 16	2.2	(0.2)	–	2.0
	(20.3)	(0.2)	(0.2)	(20.7)

47. Provisions

	2024 £'m	2023 £'m
1 January	15.6	13.5
Additional provision	3.7	5.3
Utilised	(2.1)	–
Released	(6.0)	(3.2)
31 December	11.2	15.6

The balance above represents dilapidation provisions which relate to the future anticipated costs to restore leased properties into their original state at the end of the lease term. Estimates are stated at nominal value because the impact of discounting is not material. An increase in costs of 5% per square foot across the portfolio, would result in an increase in the provision of £0.2m.

Provisions are analysed as follows:

	2024 £'m	2023 £'m
Current	3.5	3.2
Non-current	7.7	12.4
Total	11.2	15.6

48. Share capital

	2024 £'m	2023 £'m
Authorised:		
199,000,000 (2023: 199,000,000) ordinary shares of 5p each	10.0	10.0
Allotted, issued and fully paid:		
136,924,067 (2023: 136,924,067) ordinary shares of 5p each	6.8	6.8

The issued ordinary share capital is as follows:

Date	Number of ordinary shares
31 December 2023	136,924,067
31 December 2024	136,924,067

No ordinary shares were issued during the year (2023: no ordinary shares) to fund the Group's Employee Benefit Trust in order to settle some of the Group's share options which were exercised during the year.

49. Cash generated from operating activities

	2024 £'m	2023 £'m
Profit before tax	19.3	11.0
Depreciation of property, plant and equipment and right-of-use assets	22.5	21.6
Amortisation of intangible assets	6.2	5.9
Net finance costs	8.8	8.6
Share-based payments charge/(credit) (including related NI)	1.2	(0.5)
Share-based payment settlement	(0.2)	(0.6)
Loss on disposal of fixed assets	0.4	–
Decrease in inventories	0.1	0.3
Decrease/(increase) in trade and other receivables	4.4	(5.3)
Increase in trade and other payables	2.9	7.4
Cash generated from operating activities	65.6	48.4

50. Share-based payments

Details of the share-based payments are given in note 30.

51. Dividends

Details of dividends are given in note 11.

Notes to the Parent Company financial statements continued

52. Directors and employees

Staff costs during the year	2024 £'m	2023 £'m
Wages and salaries	32.0	32.6
Social security costs	3.2	3.3
Other pension costs	1.0	1.0
Share-based payments charge/(credit) (including related NI)	1.1	(0.5)
	37.3	36.4

Average monthly number of employees during the year	2024 Number	2023 Number
Directors	2	2
Management	11	17
Administration	139	159
Operatives	772	800
	924	978

Key management compensation	2024 £'m	2023 £'m
Short-term employment benefits	4.5	4.9
Social security costs	0.7	0.6
Post employment benefits	0.2	0.2
Other benefits	0.1	0.1
Share-based payments charge (including related NI)	0.7	(0.5)
	6.2	5.3

Key management personnel of the Parent are considered to be the executive and non-executive directors and management attending senior leadership team meetings. Further information about the remuneration of individual directors (including the highest paid director) is provided in the audited section of the Directors' Remuneration Report on page 67.

The prior year numbers in the table above have been represented to ensure consistent presentation with the disclosure in 2024.

53. Capital commitments

Capital expenditure	2024 £'m	2023 £'m
Contracted for but not provided in the financial statements	1.2	0.3

54. Contingent liabilities

The Parent Company has entered into a bank cross guarantee. The guarantee amounts to £89.0m at 31 December 2024 (2023: £97.8m). The assets of the Parent Company are pledged as security for the borrowings, by way of a fixed and floating charge.

As at the balance sheet date, the Parent Company had outstanding obligations under customer guarantees and claims of up to £nil (2023: £nil).

As disclosed within note 39, subsidiary undertakings that are fully owned trading companies and holding companies have taken exemption available under Section 479A of the Companies Act 2006 in respect of the requirement for audit. As a condition of the exemption, the Parent Company has guaranteed the year end liabilities of the entity until they are settled in full.

In the ordinary course of our business the Parent Company is exposed to the risk of legal, tax and other exposures. Where costs are likely to arise in defending and concluding such matters, and these costs can be measured reliably, they are provided for in the financial statements.

55. Related party transactions and controlling party

Transactions with related parties

The following transactions occurred with related parties

	2024 £'m	2023 £'m
Sales and purchases of services		
Provision of management services and sales to subsidiary	7.1	5.3
Purchases from subsidiary undertakings	(2.2)	(2.2)
Interest charges and payments		
Net interest charges to subsidiaries	4.2	4.1

56. Post balance sheet event

Details of post balance sheet events are given in note 35.

Other Information

› In this section

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Notice of Annual General Meeting

Restore plc

Notice is hereby given that the Annual General Meeting of Restore plc (the "Company") will be held at the offices of Canaccord Genuity Limited, 88 Wood Street, London, EC2V 7QR on 13 May 2025 at 1.00pm for the following purposes:

Ordinary business

1. To receive the Company's annual report and accounts for the financial year ended 31 December 2024, together with the Directors' report and the auditors' report on those accounts.
2. To approve, on an advisory basis only, the Remuneration Report contained on pages 65 to 72 of the Company's annual report and accounts for the financial year ended 31 December 2024.
3. To re-appoint PricewaterhouseCoopers LLP as auditors to the Company to hold office from the conclusion of the meeting until the conclusion of the next annual general meeting at which annual report and accounts are laid.
4. To authorise the Directors to set the auditors' remuneration.
5. To re-appoint Charles Skinner, who retires pursuant to the Company's articles of association, as a Director of the Company.
6. To re-appoint Dan Baker, who retires pursuant to the Company's articles of association, as a Director of the Company.
7. To re-appoint Jamie Hopkins, who retires by rotation pursuant to the Company's articles of association, as a Director of the Company.
8. To re-appoint Susan Davy, who retires by rotation pursuant to the Company's articles of association, as a Director of the Company.
9. To re-appoint Lisa Fretwell, who retires by rotation pursuant to the Company's articles of association, as a Director of the Company.
10. To appoint Patrick Butcher as a Director of the Company.
11. To declare a final dividend of 3.8 pence per ordinary share in respect of the year ended 31 December 2024. This dividend will be paid on 18 July 2025 to the holders of ordinary shares at 6pm on 13 June 2025 (the ex-dividend date being 12 June 2025).

Special business

As special business, to consider and, if thought fit, to pass the following resolutions which will be proposed as to resolution 12 as an ordinary resolution and as to resolutions 13, 14 and 15 as special resolutions:

12. That the Directors be and they are hereby generally and unconditionally authorised in substitution for all existing authorities (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities) to exercise all the powers of the Company to allot equity securities (as defined in section 560 of the Companies Act 2006 (the "Act")) up to an aggregate nominal amount of £2,282,067.75 (being 45,641,355 ordinary

shares of 5 pence each) provided that this authority shall, unless renewed, expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or if earlier on the date which is 15 months after the date of this annual general meeting, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offers agreements as if the authority conferred by this resolution had not expired.

13. That, subject to the passing of resolution number 12 above, the Directors be and they are hereby empowered, pursuant to section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by resolution number 12 or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

13.1 the allotment of equity securities in connection with a rights issue or other pro rata offer in favour of holders of equity securities where the equity securities respectively attributable to the interests of all those persons at such record dates as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held by them subject to such exclusions or other arrangements as the Directors 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;

13.2 the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraph 13.1 above) up to an aggregate nominal amount of £684,620.30; and

13.3 the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 13.1 or paragraph 13.2 above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph 13.2 above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

and shall expire upon the expiry of the general authority conferred by resolution 12 above, 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 Directors 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.

Notice of Annual General Meeting continued

14. That, subject to the passing of resolution number 12 above, the Directors be and they are hereby empowered, pursuant to section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by resolution number 12 or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

14.1 the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £684,620.30, such authority to be used only for the purposes of financing (or refinancing, if such refinancing occurs within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice; and

14.2 the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 14.1 above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph 14.1 above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

and shall expire upon the expiry of the general authority conferred by resolution 12 above, 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 Directors 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.

15. That the Company be and is hereby generally and unconditionally authorised, in accordance with section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 5 pence each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the Directors may from time to time determine provided that:

15.1 the maximum number of Ordinary Shares authorised to be purchased is 13,692,406;

15.2 the minimum price which may be paid for each Ordinary Share is 5 pence (exclusive of expenses payable by the Company); and

15.3 the maximum price which may be paid for each Ordinary Share (exclusive of expenses payable by the Company) cannot be more than 105 per cent of the average market value of an Ordinary Share for the five business days prior to the day on which the Ordinary Share is contracted to be purchased.

The authority conferred shall expire at the conclusion of the next annual general meeting of the Company or if earlier on the date which is 15 months after the date of this annual general meeting except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.

By order of the Board



Chris Fussell
Company Secretary
12 March 2025

Registered Office

8 Beam Reach
Coldharbour
Lane
Rainham
Essex
RM13 9YB

PLEASE NOTE:

You will not receive a form of proxy for the Annual General Meeting in the post. Instructions on how to vote electronically and how to register are detailed in the Notes. You will still be able to vote in person at the Annual General Meeting, and may request a hard copy proxy form directly from the registrars, **MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL at shareholderenquiries@cm.mpms.mufg.com** (telephone number: 0371 664 0391 if calling from the United Kingdom, or +44(0)371 664 0391 if calling from outside the United Kingdom). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

Notes: These notes are important and require your immediate attention.

1. Only those members entered on the register of members of the Company at close of business on 9 May 2025 or, in the event that this meeting is adjourned, in the register of members as at close of business on the day two 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 by the close of business on 9 May 2025 or, in the event that this meeting is adjourned, in the register of members before the close of business on the day two 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.
 2. A Shareholder entitled to attend and vote at the Annual General 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 and to 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 does not need to be a shareholder of the Company.
 3. In the case of joint holders, the vote of the senior member who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other of the joint holders. For these purposes, seniority shall be determined by the order in which the names stand on the register of members.
 4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.
 5. You can vote either:
 - ▶ by logging on to www.signalshares.com and following the instructions;
 - ▶ by requesting a hard copy form of proxy directly from the registrars, MUFG Corporate Markets, at shareholderenquiries@cm.mpms.mufg.com or on Tel: 0371 664 0391 if calling from the United Kingdom, or +44(0)371 664 0391 if calling from outside the United Kingdom. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales;
 - ▶ in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below;
 - ▶ if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform.
- In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by MUFG Corporate Markets at PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 1.00 p.m. on 9 May 2025.
6. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.
 7. The return of a completed form of proxy, electronic filing, proxy vote via Proxymity or any CREST Proxy Instruction (as described in note 11 below) will not prevent a shareholder from attending the Annual General Meeting and voting in person if he/she wishes to do so.
 8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held at 1.00 p.m. on 13 May 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.
 9. 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. 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.
 10. 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 his 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

Notice of Annual General Meeting continued

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.

11. Proxymity Voting – 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 1.00 p.m. on 9 May 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.
12. 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 or withhold from voting.
13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
14. Any shareholder attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
15. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
16. Copies of all service agreements or letters of appointment under which the Directors of the Company are employed or engaged by the Company 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 Annual General Meeting and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting.
17. Biographical details of each director who is being proposed for re-appointment or re-election by shareholders can be found by visiting the Company's website www.restoreplc.com.

EXPLANATION OF RESOLUTIONS

Resolution 2 – approval of the Remuneration Report

As described in the Company's 2024 Remuneration Report, the Board has elected to submit for shareholder approval the Remuneration Report for the year ended 31 December 2024. This is in line with the 2023 QCA Code. As further mentioned in the Remuneration Report, it is the Board's intention to review the Company's Remuneration Policy during 2025, following which the Company's Remuneration Policy will be put to an advisory vote at its 2026 Annual General Meeting, with subsequent votes offered at such time as material changes are proposed to the policy. The Remuneration Report is set out in full on pages 65 to 70 (and excluding the Remuneration Policy) of the Annual Report. This Resolution is advisory only and does not affect the remuneration paid to any Director.

Resolution 12 – authority to allot shares

At the last annual general meeting of the Company held on 16 May 2024, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £2,282,067.75 representing approximately one third of the Company's then issued ordinary share capital.

The Directors consider it appropriate that a further authority be granted to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £2,282,067.75 representing approximately one third of the Company's issued ordinary share capital as at 12 March 2025 (the latest practicable date before publication of this document) during the shorter of the period up to the conclusion of the next annual general meeting in 2026 or 15 months.

As at the date of this notice the Company does not hold any ordinary shares in the capital of the Company in treasury.

Resolution 13 – disapplication of statutory pre-emption rights

Resolution 13 will empower the Directors to allot ordinary shares in the capital of the Company for cash on a non-pre-emptive basis:

- › in connection with a rights issue or other pro-rata offer to existing shareholders;
- › otherwise, up to a maximum nominal value of £684,620.30, representing approximately 10 per cent of the issued ordinary share capital of the Company as at 12 March 2025 (the latest practicable date before publication of this document); and
- › otherwise, up to a nominal amount equal to one fifth of any allotment pursuant to the bullet point above, to be used only for the purposes of a follow-on offer.

Resolution 14 – disapplication of statutory pre-emption rights to finance an acquisition or other capital investment

In addition to the powers granted by Resolution 13, Resolution 14 will empower the Directors to allot ordinary shares in the capital of the Company for cash on a non-pre-emptive basis:

- ▶ up to a maximum nominal value of £684,620.30, representing approximately 10 per cent of the issued ordinary share capital of the Company as at 12 March 2025 (the latest practicable date before publication of this document), such authority to be used only for the purposes of financing (or refinancing, if such financing occurs within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles of Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice; and
- ▶ otherwise, up to a nominal amount equal to one fifth of any allotment pursuant to the bullet point above, to be used only for the purposes of a follow-on offer.

The rights of pre-emption disapplication sought pursuant to Resolutions 13 and 14 represent, in aggregate, approximately 20% of the issued ordinary share capital of the Company as at 12 March 2025.

Resolution 15 – authority to make market purchases of own shares

Resolution 15 gives the Company authority to buy back its own ordinary shares in the market as permitted by the Companies Act 2006. The authority limits the number of shares that could be purchased to a maximum of 13,692,406 (representing approximately 10 per cent of the Company's issued ordinary share capital as at 12 March 2025 (the latest practicable date before publication of this document)), and sets minimum and maximum prices. This authority will expire at the conclusion of the next annual general meeting or, if earlier, 15 months after the resolution is passed.

The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The authority will be exercised only if the Directors believe that to do so would be in the best interest of shareholders generally.

Companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.



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Company Secretary

Chris Fussell

Registered Number and Office

05169780

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30 Gresham Street
London, EC2V 7QN

Joint Corporate Broker

Canaccord Genuity

88 Wood Street
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Public Relations

FTI Consulting

200 Aldersgate
Aldersgate Street
London, EC1A 4HD

Independent Auditor

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1 Embankment Place
London, WC2N 6RH

Financial and Tax Advisers

KPMG

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London, E14 5GL

Solicitors

Fieldfisher LLP

17th Floor
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Manchester, M3 3EB

Bankers

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London, E14 5HP

National Westminster Bank plc

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Bank of Ireland

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London, EC2V 7PG'

Citibank

33 Canada Square
London, E14 5LB

Bank of China

1 Lothbury
London, EC2R 7DB

Virgin Money UK Plc

177 Bothwell Street,
Glasgow, G2 7ER

Registrars

MUFG Corporate Markets

Central Square
29 Wellington Street
Leeds, LS1 4DL

Trading record

Year ended 31 December	2024 £'m	2023 restated* £'m	2022 restated* £'m	2021 £'m	2020 £'m
Revenue	275.3	277.1	279.0	234.3	182.7
Adjusted profit before taxation**	34.4	30.3	41.0	38.1	23.2
Adjusted earnings per share	19.0p	170p	24.3p	23.2p	15.0p
Net debt	89.0	97.8	103.5	100.8	66.1
Net assets	233.8	229.9	271.0	265.2	218.6

* In 2024 it was noted that a small number of leases had not been appropriately recorded in prior periods. The right of use assets and lease liabilities have therefore been restated as at 31 December 2023 to appropriately record these transactions. There is no profit impact to the reported 2023 numbers as the adjustments relate to preceding periods.

** Adjusted profit before taxation is stated before amortisation, impairment of intangible assets and investments, and adjusting items.

2025 Financial calendar

Annual General Meeting	13 May 2025
Half year results	29 July 2025
Financial year end	31 December 2025
Full year results	March 2026

Restore



Information
Management

Datashred

Relocation

Technology

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