

12 March 2026

Restore plc
("Restore" or the "Group" or the "Company")

Significantly improved performance; £20m share buyback; FY26 ahead of expectations

Restore plc (AIM:RST), the UK's leading provider of secure and sustainable business services for data, information, communications and assets, today announces its results for the year ended 31 December 2025.

SUMMARY OF RESULTS¹

Continuing operations	2025	2024	Change
Revenue (£m)	304.7	240.0	27%
Adjusted operating profit ² (£m)	55.5	46.9	18%
Adjusted operating margin ³ (%)	20.8%	19.5%	130bps
Adjusted profit before tax ⁴ (£m)	40.6	33.2	22%
Statutory profit before tax (£m)	7.7	17.0	(55%)
Net debt ⁵ (£m)	123.8	89.0	(39%)
Leverage ⁶	1.9x	1.6x	(0.3x)
Adjusted basic earnings per share ⁷ (pence)	22.5p	18.3p	23%
Statutory basic earnings per share (pence)	1.0p	8.8p	(89%)
Dividend per share (pence)	6.9p	5.8p	19%

FINANCIAL HIGHLIGHTS

- Revenue grew 27% to £304.7m, driven primarily by the acquisition of Synertec and six bolt-on acquisitions.
- Adjusted operating profit increased 18% to £55.5m, with Group adjusted operating margin rising to 20.8%, surpassing our 20% medium-term target.
- Adjusted profit before tax rose 22% to £40.6m and adjusted basic earnings per share increased 23% to 22.5p (2024: 18.3p), with a significantly improved performance in each business.
- Statutory profit before tax and basic earnings per share impacted by significant acquisition-related costs, including the Synertec earn-out recognised as remuneration over the earn-out period.
- Disposal of Harrow Green generated a loss from discontinued operations of £7.7m.
- Cash conversion⁸ of 103% (2024: 117%), with free cash flow⁹ of £42.9m, enabling continued organic and inorganic investment and return of surplus capital.
- Leverage within 1.5x–2.0x range at 1.9x (2024: 1.6x); net debt increased to £123.8m as a result of acquisitions.
- Proposed final dividend of 4.7p (2024: 3.8p), giving full year dividend of 6.9p (2024: 5.8p), up 19%.
- Share buyback programme of £20m over the next 12 months.

STRATEGIC HIGHLIGHTS

- Acquisition of Synertec and six further bolt-ons, expanding the Group's capabilities across inbound and outbound communications and strengthening market share in shredding. Two further bolt-on acquisitions added in early 2026.
- Disposal of Harrow Green, improving earnings visibility and Group margins.
- Integration of digital and physical storage businesses now complete, achieving annualised savings in excess of £5m and creating a unique offering for Information Management customers.
- Property consolidation programme in final phase, with more than fifteen sites exited in total.
- Strong growth at Datashred, supported by bolt-on acquisitions, operational efficiencies and paper price contract.
- Technology division transformation continued; positioned for double-digit margins in 2026.

CHARLES SKINNER, CEO, commented:

"We set ambitious financial targets for the Group in late 2023, and I'm pleased that we have delivered on them. Reaching our 20% medium-term margin objective demonstrates our disciplined operational execution, improved performance across the digital, shredding and IT lifecycle businesses, and the continued strength of our highly-visible, cash-generative businesses. This gives me real confidence in our ability to sustain adjusted operating margins above 20% for the foreseeable future.

The Group has generated over £120 million of free cashflow over the last three years which has enabled us to invest, acquire and return capital to shareholders. This ongoing cash generation has enabled us to announce a £20 million share buyback without impacting our continued focus on both organic and inorganic growth.

Trading since the start of the year has been strong. All divisions are performing in line with or above our expectations, and accordingly we expect full year adjusted profit before tax to be slightly ahead of current market expectations¹¹. 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."

- 1) Following the disposal of Harrow Green in December 2025, the performance of these activities has been presented as a discontinued operation with comparatives also restated. Discontinued operations are excluded from our headline performance metrics except for net debt, leverage and dividend per share.
- 2) Calculated as statutory operating profit before adjusting items (reconciled below Consolidated statement of comprehensive income)
- 3) Calculated as adjusted operating profit divided by revenue, excluding Synertec postage costs. Wherever adjusted operating margin is presented for the Group and the Information Management Division, it is calculated excluding Synertec postage costs (reconciled in note 2)
- 4) Calculated as statutory profit before tax and adjusting items (reconciled below Consolidated statement of comprehensive income)
- 5) Calculated as external borrowings less cash, excluding the effects of lease obligations under IFRS 16 (reconciled in note 11)
- 6) Calculated as adjusted EBITDA divided by net debt, including a pro-forma adjustment to EBITDA for acquisitions in line with financial debt covenants (reconciled in note 3)
- 7) Calculated as adjusted profit before tax with a standard tax charge applied, divided by the weighted average number of shares in issue (reconciled in note 5)
- 8) Calculated as free cashflow divided by net operating profit after tax¹⁰ (reconciled below Consolidated statement of cash flows)
- 9) Calculated as cash generated from operations less income taxes paid, capital expenditure and lease payments, but before the cash impact of adjusting items (reconciled below Consolidated statement of cash flows)
- 10) Calculated as adjusted operating profit with a standard tax charge applied (reconciled below Consolidated statement of comprehensive income)
- 11) FY26 Company compiled consensus is adjusted profit before tax of £46.6m.

Cautionary Statement: This announcement contains certain statements, statistics and projections that are or may be forward-looking. The accuracy and completeness of all such statements, including, without limitation, statements regarding the future financial position, strategy, projected costs, plans and objectives for the management of future operations of Restore and its subsidiaries is not warranted or guaranteed. These statements typically contain words such as 'intends', 'expects', 'anticipated', 'estimates' and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Although Restore believes that the expectations will prove to be correct, there are a number of factors, many of which are beyond the control of Restore, which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

Full year results presentation

Restore will host a presentation for analysts and investors at 9.30am today which can be accessed via the details below:

<https://www.investis-live.com/restoreplc/698af89460f1a900102c017e/hkityy>

Conference call:

United Kingdom (Local): [+44 20 3936 2999](tel:+442039362999)

United Kingdom (Toll-Free): [+44 808 189 0158](tel:+448081890158)

[Global Dial-In Numbers](#)

Access Code: 092784

The presentation will be webcast live and a recording will be available after the event.

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CHAIR'S INTRODUCTION

I am pleased to report on a year of positive delivery. The continued focus of Charles, Dan and the management team has been to drive adjusted operating margin towards our medium-term target of 20%, and the foundations they built in late 2023 and during 2024 to achieve this have borne fruit this year.

The focus on margin improvement was enabled through a number of measures introduced over the past two years: revitalisation of the businesses through decentralisation; right sizing of our head office and support functions; active treasury management; inflationary linked price rises as well as a property consolidation programme within the physical storage business; the integration of our digital and physical businesses into the Information Management division; refocusing our Technology business towards higher quality customers and those outsourcing their IT lifecycle services; and focusing on operational efficiencies and regaining market share within Datashred. You can read more about these from Charles and Dan in their respective reports, but in summary these measures are delivering both improved profits and margins, and 2025 saw the achievement of our 20% adjusted operating margin medium-term target.

Whilst we maintained our focus on organic growth and further margin improvement, your Company returned to the well-proven strategy of growth through acquisitions, with the purchase of seven businesses in sectors we lead in. In addition, we completed the disposal of Harrow Green, creating a leaner and more focused Group.

Artificial Intelligence ("AI") represents an exciting opportunity for Restore. AI cannot work with non-digitised data. We hold much undigitised data for our customers and are comfortably the UK's leading document digitiser. Restore is uniquely positioned to unlock physical documents for AI's use.

Health and safety

Health and safety remains at the top of our Board agenda and is the first matter we discuss at each of our meetings. The Group Health and Safety leader we appointed in 2024 has driven further improvements in 2025, with training from the Institution of Occupational Safety and Health rolled out across the leadership team, a clear step forward in making health and safety a shared responsibility in our business.

2025 performance¹

Our highly contracted and recurring income streams combined with operational improvements and acquisitions enabled the Group to deliver revenue growth of 27%, with revenue for the year ended 31 December 2025 of £304.7m (2024: £240.0m).

Adjusted operating margin improved 130 basis points to 20.8% (2024: 19.5%) and as a result our medium-term target of 20% has been achieved. Whilst clearly structurally helped by the disposal of Harrow Green, the 130-basis point improvement is primarily driven by the continuing business. This further builds on growth of 270 basis points in the previous year, giving a 400-basis point improvement over two years. Adjusted operating profit grew by 18% to £55.5m (2024: £46.9m).

Adjusted profit before tax increased by 22% to £40.6m (2024: £33.2m). This improvement in profitability reflects management's successful margin-enhancing initiatives. As a result, adjusted basic earnings per share increased to 22.5 pence per share, an increase of 23% compared to the 18.3 pence achieved in 2024.

Cash generation continued to be strong, with cash conversion of 103%. As a result of capital deployed on the acquisitions, leverage increased to 1.9x from 1.6x last year, remaining within our target range, and net debt increased to £123.8m (2024: £89.0m).

Our colleagues

After a significant amount of change in 2023 and 2024, I am pleased that 2025 has been a more stable year for our people. That said, 2025 has not been without change. We welcomed more than 600 new employees to the Group through acquisitions completed and contracts won while bidding farewell to approximately 300 colleagues as a result of the disposal of Harrow Green.

We have continued to work on the areas for improvement we identified from the all-staff survey we ran in 2024 and will be running a follow-up survey in 2026 to see how we are progressing.

Dividends

Your Board is recommending a final dividend of 4.7 pence, payable on 16 July 2026 to shareholders on the register at the close of business on 12 June 2026 and the Company's shares will be marked ex on 11 June 2026. This brings the total dividend for the year to 6.9 pence (2024: 5.8 pence), an increase of 19%.

1. Following the disposal of Harrow Green in December 2025, the performance of these activities has been presented as a discontinued operation with comparatives also restated. Discontinued operations are excluded from our headline performance metrics except for net debt and leverage.

The aggregate amount of the proposed dividend expected to be paid out of retained earnings at 31 December 2025 but not recognised as a liability at year end is £6.3m.

Strategic progress

The Restore business has been built on strengthening our positions in key markets, principally through the acquisition of businesses with strong customer retention and high-quality earnings. It has a strong record of being able to integrate these, and maximise returns, in order to create shareholder value. I am therefore pleased that during 2025, we returned to this pattern and acquired seven businesses, all in either Information Management or Datashred. Notably this included the Synertec business, which specialises in outbound communications, having sent millions of Covid vaccination letters during the pandemic on behalf of NHS England. This business has all of the attributes we like, with a strong record of growth, and plenty of further opportunity in its existing and adjacent markets. It is an excellent fit with our physical and digital offerings within Information Management, and we are pleased with its performance and growth prospects.

The other six acquisitions were bolt-on in nature, and immediately earnings accretive. We will continue to be active buyers in the sectors we understand, in accordance with our capital allocation framework.

Earlier in the year we undertook a strategic review of Harrow Green, which has for many years made a strong contribution to the Group. However, in today's climate the lack of revenue visibility and earnings quality meant that Restore was no longer the best custodian of the business. Therefore, after a tightly run process, in December 2025 we completed the sale of the business to the owners of Pickfords, the leaders in UK domestic removals. We wish both the new owners and our former colleagues the very best for the future.

Strong cash generation from high margin recurring revenues allows your Company to continually invest in capital for growth, either in our businesses where it accelerates progress, or through value accretive acquisitions in core or adjacent business areas, as we did in 2025 with seven acquisitions. We will continue to deliver shareholder returns through dividends and have launched a £20m buyback programme to return excess cash to shareholders.

Following on from the solid progress made in 2024 and delivery of strong growth in 2025 with improvement in each of our businesses, the Board remains confident in the Group's ability to continue to deliver further progress.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Introduction

I am pleased to report another year's improvement in your Company's performance, with adjusted profit before tax increasing by 22% to £40.6m (2024: £33.2m). The Group's adjusted operating margin is now above the 20% target set in November 2023 when Dan Baker and I had recently been appointed as CFO and CEO respectively. At the time we noted that the key to the Group achieving this was for our digital, shredding and IT Lifecycle businesses to drive towards 15% operating margins. We are steadily heading towards this achievement:

- Our digital business has now been fully integrated into our Information Management division and has been significantly restructured. This restructuring has taken time, and our digital activities have faced specific, expected issues in 2025. We feel most of these are behind us now and that our digital activities will achieve adjusted operating margins in excess of 15% within the short term.
- Our shredding division, Datashred, continued to make significant progress in 2025, supported by several bolt-on acquisitions. Adjusted operating margins have increased from 8.6% in 2023 to 12.3% in 2025 and we expect this improvement in margins will continue in 2026.
- Our IT Lifecycle division, Technology, was significantly loss-making in 2023. By removing ourselves from certain unattractive areas and greatly strengthening management controls, we moved adjusted operating margins up to 5.0% in 2024 and 7.8% in 2025. We are very hopeful of double-digit margins in 2026.

The Group's trading performance, adjusted operating margins and strong cashflow continues to be underpinned by the strength of the physical storage element of Information Management. The UK records management market is mature, but the growth opportunity deriving from our strength in both physical and digital records, which are increasingly interwoven, is significant. We have also continued to work hard on driving operating margins, particularly around rationalising our property portfolio which has enabled us to neutralise hikes in rent reviews and business rates.

Our confidence in our business model enabled us to return to making acquisitions in our existing and closely related markets. We acquired seven businesses in 2025. The most significant of these was Synertec, which is now our offering in the outbound communication market, balancing our strong position in inbound communications. Synertec is uniquely positioned: it has highly developed systems which enable communication with our clients' customers through letters, email and messaging. Synertec has an unrivalled market position with the NHS, where there remains huge opportunity, and is increasingly diversifying into other markets.

We undertook a strategic review of Harrow Green earlier in the year. Since its acquisition in 2012, it had made a significant contribution to the Group, particularly in terms of the significant number of stored boxes it held which were transferred to our records management business. Its core business as the leading office relocation provider in the UK contributed significant profits under our ownership and it supported our other activities. Nevertheless, its lack of earnings visibility and low operating margins meant it was an outlier in the Restore stable where recurring revenues and double-digit operating margins are the model. With the office relocation market steadily moving to a more commoditised service, we believed that it was better suited to ownership under a private industry specialist. Accordingly, we sold Harrow Green in December to Bouverie Holdings, the owner of the Pickfords removal business and therefore Harrow Green's trading is treated as "discontinued" in these financial statements.

Health and safety

Health and safety remains our foremost priority across the Group and is a fundamental measure of leadership accountability. In 2025, we further strengthened our expectations around individual and managerial responsibility for risk, underpinned by a clear focus on competence. As our systems, training, and data maturity increase, tolerance for poor or unsafe performance correspondingly reduces. Where our internal assurance mechanisms identified serious driving-related irregularities, decisive action was taken, including the removal of individuals from the business, regardless of seniority or wider performance. This reflects our clear position: as competence increases, so too does accountability, and unsafe behaviours cannot be justified or excused.

Our Group Head of Health and Safety reports into the Group Health and Safety Committee, which includes three Board Directors and meets twice a year. This is supported by a Business Unit Best Practice Committee that meets monthly to drive consistency and operational learning. I retain ultimate accountability for health and safety across the Group. Given the diversity of our operations, risk profiles vary significantly between activities—from desk-based roles to high-bay warehousing operations where work at height can exceed 10 metres. Regardless of activity, all our operations are underpinned by the prioritisation of health and safety, structured training, and the active promotion of a sustainable safety culture at every level of the organisation.

Competency was a key strategic focus in 2025, with the introduction of a Group-wide competency framework spanning Board members through to operational colleagues. This included engagement with our insurers, the Royal Society for the Prevention of Accidents ("ROSPA"), and most notably the Institution of Occupational Safety and Health ("IOSH"). Restore is now registered as an IOSH-approved training provider, enabling us to deliver certified training internally that is tailored to our specific risk profile while supporting professional development. During the year, 135 People Leaders completed certified Health & Safety Leadership training against a target of 85, and a further 8,272 ROSPA-approved health and safety courses were delivered across the Group.

During 2025, we achieved an 11.5% reduction in lost time incidents, including RIDDOR-reportable events. Manual handling incidents accounted for the largest proportion of accidents (35%), reflecting the physical nature of our operations, followed by cuts (20%) and vehicle-related incidents (16%). We anticipate an increase in reported vehicle incidents in 2026 as a direct consequence of our strengthened reporting culture and heightened accountability expectations.

A further priority in 2025 was enabling colleagues to proactively raise concerns and observations relating to risk. We have reinforced this two-way engagement by investing in risk management software (EcoOnline) to support incident reporting, audits, risk assessments, and health surveillance. Colleagues can report issues easily via app, link, or QR code while operating across our estate. While further progress is required, in 2025 we recorded an increase of over 10% in near-miss and safety observation reporting compared with 2024, which is an encouraging indicator of engagement. In 2026, this platform will be used more explicitly to evidence the application and impact of our competency investment.

We also continued our partnership with the British Standards Institution through ongoing ISO 45001 certification, enabling independent verification and benchmarking of our safety management systems across all divisions. Across the estate, external audit outcomes show clear and measurable improvement, with major non-conformances removed completely and an overall minor non-conformance reduction of 31%. Opportunities for improvement remained stable, reflecting both increased audit maturity and a continued focus on continuous improvement rather than compliance alone.

In both Information Management and Datashred, this strengthened performance was further recognised through the achievement of ROSPA Gold Awards, providing independent assurance that our leadership, governance, and operational safety performance withstand external scrutiny.

Trading performance

Group revenue for 2025 increased 27% to £304.7m, primarily reflecting the acquisition of Synertec, as well as smaller acquisitions. Organic growth was broadly flat as we continued to focus on operating margins, particularly in our digital and IT Lifecycle activities. We expect to see healthy organic growth in 2026, now that our businesses are in the right shape.

Adjusted profit before tax grew 22% to £40.6m, driven by a clear focus on operating margins and contribution from acquisitions exceeding interest costs. This was an impressive performance, given sharp increases in Employer's National Insurance Contributions and the National Minimum Wage which together impacted profitability by c£2.5m in 2025.

Divisional performance

Information Management

For 2025, revenue was £227.2m, up 35% on 2024, with adjusted operating profit up 16% on 2024 at £53.0m. Adjusted operating margin was 28.1% compared with 27.3% in 2024.

Adjusted operating margin excludes the postage costs at Synertec which are largely determined by a regulatory framework of which we have no control. Even allowing for this adjustment, Synertec's margins of c20% adversely impact the division's operating margins against historic comparisons.

The physical storage business continued to perform steadily with increased revenues supported by inflation-linked price increases on a broadly flat number of boxes. Profitability also remained steady with continued focus on cost needed to offset steep increases in labour and property costs.

During the year we continued to consolidate our large storage property estate to minimise our costs of storage. This involves moving approximately four million boxes over 3-4 years, no small feat of logistics. Given increases in rents and rates which our competitors are experiencing as well, we believe this exercise has been timely and that our costs of storing boxes is well below the industry norm. Our 104,000 sq ft building in Chesterfield, leased in 2024, is now at optimal capacity, with our 84,000 sq ft property near Durham, leased in 2025, approaching full capacity. These new sites have enabled us to close over 10 far more expensive sites.

We had expected to take on another large building in Southern England, but the combination of a new facility adjacent to our site in Stroud (Gloucestershire) and the acquisition of Archive Warehouse with surplus space near our site in Rainham (Essex) means that a further significant new site is unlikely to be required to achieve our property goal. Once this major project is completed, we will continue to seek smaller property rationalisation opportunities as relevant leases come up for renewal.

We made two physical storage-related acquisitions in the year. In July, we acquired Topwood in Wrexham which had records management and shredding activities. We have retained the leasehold as a storage site, where storage capacity has increased after we moved the shredding operations to Datashred's Manchester site. In October, we acquired the assets of Archive Warehouse in Rainham, close to our existing facility. There is surplus space at this site, giving us extra capacity in South-East England.

As noted earlier in this report, the UK physical record storage industry is mature. There remains certain large unvented opportunities, primarily in the public sector, where potential customers continue to store their records inefficiently in-house, but we do not expect the industry to grow rapidly as it has over the last forty years. But the volume of boxes held is unlikely to fall materially given the long-term nature of much of what we hold. There is a benefit in holding a constant number of boxes in terms of a stable operation and property portfolio.

There is also a significant opportunity deriving from the scale of our physical storage operations. We increasingly see our customers looking at physical and digital information as two sides of the same coin. The economics of digitising all stored documents are prohibitive, but many customers are increasingly looking to us as their physical document storer to work with them on managing their digitisation programmes. As comfortably the largest scanning business in the UK, this offers a strong opportunity for us, particularly at a time when data extraction has become so important.

Our scanning activities have gone through very significant change over the last two years, as the former Digital business has been integrated into our Information Management division and the senior personnel has undergone wholesale change. The issues faced ranged from an unsustainable overhead cost and operational inefficiencies such that we couldn't compete on price for basic scanning work, to huge complexity of IT platforms and winning demanding contracts where the capability to deliver was not established. I believe that we have worked through the majority of these issues and are now poised for healthy growth at attractive operating margins.

The supporting evidence is manifold. Overhead costs have fallen by £5m per annum. Several, but not all, previously marginal digital mailroom contracts are now decently profitable. The deployment of what we believe to be the largest digital mailroom for DWP in Europe has been successfully executed. We are consistently winning large bulk-scanning contracts, such as Oxford University Hospitals, North West London GP Practices, Shared Services Connected Limited and Derby and Burton NHS Foundation Trust at commercially viable rates.

I believe 2025 was a transitional and transformative year for the digital side of Information Management. We had suffered the loss of a major contract at the end of 2024 and the new DWP contract did not achieve full volumes until the end of 2025, but is now in full swing. Other digital mailrooms are operating more efficiently now than they were in 2025 and previously. The bulk-scanning wins referred to above will come on stream in 2026. We are improving our

online hosting services offering more flexibility to our customers for that service. Our major exam scanning contract was smoothly executed. We also acquired in October 2025 the digital mailroom activities of NEC Software, which has been successfully relocated to our Manchester scanning bureau.

In addition to our digital activities benefiting from sitting together with our physical storage business, the acquisition of Synertec in March 2025 further enhanced our mailroom activities and enhanced the Information Management division's capability.

Synertec manages outbound communications in post, emails and texts, predominantly serving the NHS. Although Synertec currently handles c25% of NHS outbound communications, there is considerable scope for this to expand much further, given the cost and operational efficiencies it delivers. Synertec has also been steadily winning customers in the private sector such as insurance and motor markets as well as other public sector bodies. There are extensive opportunities for cross-selling into the Group's wider customer base.

Synertec has traded in line with the expectations held at the time of the acquisition. There has been no erosion of the customer base and there is huge scope for further organic growth. The recent inclusion on the NHS Notify framework can be expected to drive revenues ahead of initial plans in 2026 and beyond. The translation of its core proprietary software platform, Prism, onto the cloud is underway and can be expected to significantly increase the functionality for both Synertec and its customer base. We continue to see several cost synergies resulting from Synertec being part of Restore.

Datashred

Datashred's 2025 revenue increased 16% to £41.6m. While the majority of the increased revenue was attributable to acquisitions, organic growth was healthy with visit numbers up year-on-year.

The increase in revenue is also despite a lower paper price across the market. We entered into a fixed price contract for c50% of our paper sales in 2025 so were not as badly affected as many of our competitors in this regard.

Adjusted operating profit increased by 38% to £5.1m and adjusted operating margin for 2025 was 12.3%. We are confident that the division will achieve operating margins of 15% or more in 2026, compared with 10.3% in 2024 and 8.6% in 2023.

Our focus continued to be on driving operational efficiency with both the average collections per vehicle per day and miles travelled per collection broadly consistent with the prior year, despite the significant challenge of integrating the acquisitions made in the year. This reflected our continually improving routing efficiency and constant vigilance from our transport team. Combined with price increases, our service revenues increased by 15% year-on-year while operating costs increased by 13%.

In the year, we sold c60,000 tonnes of paper, including c10,000 tonnes generated from destructions from our own box storage business. Total revenues from paper sales were up 17%, despite a lower average price per tonne. The price we achieved per tonne was nevertheless significantly above the market price, partly due to our hedging policy in a falling market but also down to the mills respecting the quality of the paper in our bales. I am particularly pleased with the latter as we incentivise our warehouse operators to take responsibility for their separation of low-quality content before shredding and baling to produce better quality bales. We have hedged over two thirds of our paper sales in 2026. This is at a lower price than in 2025, reflecting global paper price predictions. This reduction in price will be more than covered by the expected increase in volume. The paper price hedging reinforces the quality of earnings in this very stable operation.

We have continued to drive down operating costs by converting processing sites to collection sites. In Manchester, we are closing our processing site in Trafford Park and building a collection site in one of our Information Management site's car park. By the end of 2026, we will be operating 11 UK sites: two processing sites in England, one each in Wales and Scotland, and seven collection sites, including three on Information Management premises. This gives us optimal national coverage which only one other competitor can match.

The recent weak paper price combined with Datashred's several competitive advantages (including scale, a captive market from Information Management's box destructions, the ability to share Group sites and customers, Group synergies and historic investment) has meant our returns are significantly higher than smaller, independent operators. This has enabled us to consolidate the market through acquisition, with four shredding acquisitions made in the year, the largest of which was Shred-on-Site in Surrey. In 2026, we have continued to acquire smaller shredding businesses with two transactions completed in the year so far, with more expected.

We have also continued to increase the range of recycling services we offer. Through Restore Recycle, launched in 2024, we have seen steady, significant growth in collection of materials other than paper, such as dry mixed recycling, food, batteries and electrical equipment, alongside other material for shredding such as textiles, including uniforms. We expect to continue to grow these recycling services, leveraging the strength of our customer relationships both within Datashred and across the wider Group.

Like Information Management's physical activities (i.e. box storage), the UK shredding market is mature. Datashred holds a very strong market position with highly recurring revenues. The return on capital, including on acquisitions, is now highly attractive. The cash-flow is also very strong. This provides a platform for some growth within Datashred, including acquisitions, but also for funding development elsewhere in the Group.

Technology

Technology's 2025 revenue was broadly flat at £35.9m but adjusted operating profit increased by 56% to £2.8m. This is an impressive turnaround by new management for a business which lost £1.4m in 2023.

We are hopeful that double-digit operating margins will be achieved in 2026 as Technology moves towards its longer term goal of 15% adjusted operating margins. This is a challenging target as much of Technology's revenues derive from the sale of refurbished equipment where a rebate is often paid to the equipment's original owners, adversely impacting reported operating margins.

I am not disappointed that Technologies' revenues were flat. We have been repositioning Technology's customer base away from collecting low-quality equipment from customers who had limited concerns about information security and environmentally friendly disposal. This process is now largely complete and we can focus on organic growth in our preferred markets. We have greatly strengthened our management processes and information, we have a much-improved understanding of the profitability of individual customers and services, and we have restructured the cost base such that additional revenues will drive operating margins.

The change of strategic direction is highlighted by the volume of items processed. In 2023 we processed 1.9m assets. In 2025 we processed 1.5m items but recorded 15% higher revenues. Processing higher-value items at higher prices has been what we wanted to achieve in our IT recycling operations and this has been achieved.

We have also continued to build strong relationships with the IT hardware Value Added Resellers ("VARs") who accounted for 32% of our revenue in Technology, compared to 14% in 2023. This included major projects, through CDW, one of our VAR partners. As part of our relationship with the VARs, we continue to develop our "Joiner, Mover, Leaver" capability where we manage our customers' IT assets during their lifecycle, rather than focus exclusively on end-of-life recycling. We continue to work directly on end-of-life recycling for blue-chip customers with major projects in the year for well-established customers, such as EY, Aviva and BT.

We have completed the rationalisation of our IT recycling processing sites; we now have three facilities in Cardington, Runcorn and Birmingham. We closed our Cannock facility during the year and have subsequently taken on appreciably more operators at the three ongoing sites.

These sites are complemented by our specialist destruction operation in Bristol, which destroys equipment with little resale value, as well as highly sensitive equipment including non-IT material. All of the destroyed material is recycled as part of our "Zero to Landfill" policy.

Our engineering activities, generally based on relocating IT equipment, works increasingly closely with our VAR customer base. Activity has picked up from a low base, largely on the back of these relationships and continues to build healthily. Ultratec, our hard drive wiping, repairing and trading business, showed steady improvement over the previous year's performance. Ultratest, our hard drive-processing software business, traded well with healthy licensing revenue and stronger equipment sales, attributable to a strengthened sales team.

Technology sits comfortably in the Group's operations with a similar customer base to Information Management. Increasingly it has the scale and reputation to assure customers that their key assets are being looked after securely, as is the model for other Group activities. Its market is surprisingly immature with a wide range of smaller competitors. We now have a firm platform in place to grow what is an increasingly strong business.

Harrow Green

As noted earlier, we sold Harrow Green in December to Bouverie Holdings and are accordingly treating its trading performance as a discontinued activity.

Trading in the last two years has been very tough for Harrow Green. Inactivity in the move market resulted in intense competition and lower pricing on lower volumes. The simplification of many larger office lay-outs reduced Harrow Green's scope for differentiated pricing. Activity in our specialist market such as life-sciences and heritage has also been quiet. We hope and expect the market will improve to the benefit of our former colleagues who continued to operate highly professionally in a very difficult environment.

People

The last two years has seen considerable change in how we run our businesses. This has driven operating margins significantly higher and has given us better market positions in all of our businesses. It has also given us a robust platform for growth. While senior management can take some credit for this, the key element in achieving this has been the attitude and professionalism of our 2,600-strong colleagues. The degree of change has varied between

divisions, but our colleagues have accepted and worked with varying degrees of change in their working environment.

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 excellence for our customers. They can expect that their work environment is fulfilling, secure and hopefully enjoyable. In 2026 we are undertaking our biennial "Your Say" survey, conducted by external consultants. I hope this will show further 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. Our people can be confident of future stability in a strong and growing company, with many opportunities for future development.

Sustainability

We are determined that Restore operates as a good citizen in all of its activities. I firmly believe that businesses are leading the way 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. I am thrilled that CDP, the global environmental disclosure organisation, has placed Restore on their A-List, a status which is awarded to just 4% of the global companies they cover. This is particularly noteworthy as we have moved from a "D" rating in only two years.

The two key areas where our operations impact the environment are transport, reflecting the scale of our fleet of c800 vehicles, and buildings, reflecting our property estate of 72 sites with a total footprint of c6 million square feet.

On our fleet, we have continued to increase the number of electric vehicles and invest in EV infrastructure with 62% of our fleet now electric, hybrid or using biofuel and 25% of sites with EV charging facilities, but the EV technology is still inappropriate for much of our fleet, particularly at the larger end. So in 2025, our key initiative has been the introduction of Hydrotreated Vegetable Oil ("HVO") into our fleet, this is an alternative to diesel which has significant carbon benefit but does not require any adaptation of our vehicles. We now have 24% of our fleet using HVO in some capacity and have installed bunded HVO tanks at three of our sites with more on the horizon for 2026. We will continue to invest in EV infrastructure and storage tanks over the medium term to enact our strategy and expect, given the current adverse discrepancy between the price of conventional fuel and HVO, that profit will be adversely affected by c£0.2-£0.3m, per annum; we believe this is an acceptable cost as a trade-off to the environmental benefit we will realise.

On our buildings, c90% of our sites are already powered by renewable electricity and we continue to work with the remaining sites to transition to renewable electricity as and when their contracts allow. We also continued with several energy efficiency projects across the estate, in particular the installation of LED lighting at a number of our larger sites – this will continue into 2026.

More detail on our ESG progress and priorities appear in our Annual Report on pages 27 to 49.

Strategy

We have achieved our medium-term target, set in November 2023, of driving adjusted operating margins across the Group to 20%, although I acknowledge that the disposal of Harrow Green in 2025 has helped this. Achieving 15% adjusted operating margins in our former Digital (now part of Information Management), Datashred and Technology operations, was part of that target. In 2023, those three businesses were delivering margins of 6.8%, 8.6% and minus 4.5%. In the short-term, I expect that the former Digital business (to the extent it can be estimated given it is now part of Information Management) and Datashred will deliver in excess of 15% operating margins, and Technology will achieve double-digit operating margins.

Combining these with the robust operating margins in our physical storage business and the historic margins of c20% (after discounting postage costs) in our Synertec business acquired in 2025, I believe we are set to achieve adjusted operating margins in excess of 20% for the foreseeable future.

I am confident in making this statement on the back of the recurring revenues across our businesses. In Information Management, our physical storage activity and Synertec have highly visible revenues and the same is true of scanning apart from its bulk-scanning work. Datashred has very stable contractual revenues with a typical contract lasting approximately seven years. Technology can reflect the cyclicity of large customers' refresh programmes but as we move away from the spike caused by major refreshes during Covid, these patterns are becoming smoother. It is helpful that all of these activities are strongly cash-generative and well-invested. We have seen some element of exceptional cash expenditure over the last two years, such as the construction of a new building in Sittingbourne and the costs associated with double rents and moving four million boxes to rationalise our property portfolio, but we expect these to continue to decline.

With these strong businesses in good shape, our focus is now on driving revenue growth. We see decent opportunities for growth by acquisition through bolt-on acquisitions for Datashred and occasional acquisition

opportunities for our physical Information Management business, but we acknowledge that both of these are mature sectors with limited scope for material organic growth.

We do however see significant organic growth opportunities in the wider Information Management division, particularly as organisations look to capitalise on AI in order to both unlock information and maximise efficiencies. The combination of our physical and digital activities represents an attractive offering for our customers wrestling with how to organise their data at a time where extracting information securely, cost-efficiently and coherently is critical. We have been using AI for many years, where it can classify, extract and validate data, whilst ensuring that initiatives are secure, compliant and deliver genuine practical benefits. Our outbound communication offering, Synertec, has been a consistently high-growth business and this can be expected to continue given the amount of inefficient, unvented activity in this market. We are also hopeful that Technology can be a standard bearer in the highly fragmented UK IT Lifecycle market.

Given your Company's strong cash generation, recurring revenues, healthy operating margins and leading market positions, we are in a strong position to take advantage of opportunities available to us. Whilst we have a healthy acquisition pipeline and will continue to prioritise value accretive acquisitions in our core business or adjacent areas, we will also return excess cash to shareholders where leverage permits and have launched a share buyback programme to return excess cash to shareholders.

Outlook

We set ambitious financial targets for the Group in late 2023, and I'm pleased that we have delivered on them. Reaching our 20% medium-term margin objective demonstrates our disciplined operational execution, improved performance across the digital, shredding and IT lifecycle businesses, and the continued strength of our highly-visible, cash-generative businesses. This gives me real confidence in our ability to sustain adjusted operating margins above 20% for the foreseeable future.

The Group has generated over £120 million of free cashflow over the last three years which has enabled us to invest, acquire and return capital to shareholders. This ongoing cash generation has enabled us to announce a £20 million share buyback without impacting our continued focus on both organic and inorganic growth.

Trading since the start of the year has been strong. All divisions are performing in line with or above our expectations, and accordingly we expect full year adjusted profit before tax to be slightly ahead of current market expectations. 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

CHIEF FINANCIAL OFFICER'S STATEMENT

Financial highlights

£m	2025	2024	Variance
Revenue	304.7	240.0	27%
Adjusted operating profit	55.5	46.9	18%
Adjusted operating margin (%)	20.8%	19.5%	130bps
Adjusted profit before tax	40.6	33.2	22%
Statutory profit before tax	7.7	17.0	(55%)
Adjusted basic earnings per share (pence)	22.5p	18.3p	23%
Free cash flow	42.9	41.1	4%
Cash conversion (%)	103%	117%	(14%)
Net debt	123.8	89.0	(39%)
Leverage	1.9x	1.6x	(0.3x)

Adjusted operating margin calculation

As previously indicated, the acquisition of Synertec structurally reduces Group operating margins as more than half of its revenues are derived from postage charges. These are determined by a regulatory framework of which we have no control. Accordingly, in reporting the Group's performance in the year, the postage costs directly incurred by the Group are excluded when calculating adjusted operating margin.

£m	2025	2024
Revenue	304.7	240.0
Postage costs	(38.4)	-
Revenue (excluding postage costs)	266.3	240.0
Adjusted operating profit	55.5	46.9
Adjusted operating margin (%)	20.8%	19.5%

Overview

Revenue for the year ended 31 December 2025 increased by 27% to £304.7m. The high proportion of recurring income in our physical storage business, together with highly contracted collection fees in shredding, continued to underpin overall Group revenue. Contributions from the seven acquisitions made in the year, in particular Synertec and Shred-on-Site, were the principal drivers of revenue growth.

Profitability has continued to be a focus area. While the disposal of Harrow Green has clearly provided a structural uplift to margins, we are also seeing strong momentum from the margin-enhancement measures implemented across 2024 and 2025, which are now delivering tangible benefits. These measures notably include combining our digital activities and the physical storage business to create Information Management - achieving annualised savings in excess of £5m (almost double our initial estimate) - and the ongoing execution of the property consolidation programme which is now into its final phase. As a result, adjusted operating margin increased by 130 basis points to 20.8% (2024: 19.5%), now comfortably exceeding the 20% medium-term target we previously set. Adjusted operating profit also grew 18% to £55.5m (2024: £46.9m) with adjusted profit before tax improving 22% to £40.6m (2024: £33.2m), helped by lower interest rates.

On a statutory basis, the Group generated a profit before tax of £7.7m (2024: £17.0m), profitability being impacted by the charge relating to the Synertec earn-out consideration, which is recognised as remuneration and expensed over the earn-out period.

Good cash generation endures as a key quality of the Group, with cash conversion of 103% for 2025 (2024: 117%) and a free cashflow of £42.9 (2024: £41.1m). As a result of the acquisitions made in the year, net debt increased to £123.8m as at 31 December 2025 (2024: £89.0m), and the leverage ratio increased from 1.6x in 2024 to 1.9x, within our target range.

Income statement

Following the disposal of Harrow Green, our three divisions are: Information Management (comprising our physical, digital and outbound communications businesses), Datashred and Technology.

	2025	2024	Variance
	£m	£m	
Information Management			
Revenue	227.2	167.9	
Postage costs	(38.4)	-	
Revenue (excluding postage costs)	188.8	167.9	
Adjusted operating profit	53.0	45.8	
Adjusted operating margin	28.1%	27.3%	80bps
Datashred			
Revenue	41.6	36.0	
Adjusted operating profit	5.1	3.7	
Adjusted operating margin	12.3%	10.3%	200bps
Technology			
Revenue	35.9	36.1	
Adjusted operating profit	2.8	1.8	
Adjusted operating margin	7.8%	5.0%	280bps
Group – continuing operations			
Revenue	304.7	240.0	
Divisional adjusted operating profit	60.9	51.3	
Central	(5.4)	(4.4)	
Adjusted operating profit	55.5	46.9	
Adjusted operating margin	20.8%	19.5%	130bps

Revenue

Information Management

Our physical storage business has a base of highly recurring revenues, primarily from blue-chip and Government customers. This is a very mature market with box numbers continuing to be stable at 22 million in storage, unchanged from 2024. Inflation linked price rises have provided solid box storage revenue growth in the year.

The loss of a significant scanning contract for a large public sector organisation at the end of 2024 created a specific headwind for 2025 within our digital business. This was partially offset by the commencement of the DWP digital mailroom service, although this did not become fully operational until September 2025. That and the existing mailroom contract with HMRC provides a solid base of contracted and recurring work for the digital business, and we are seeing early indications of growth in this sector, especially as customers increasingly look to extract information in digital form from the physical boxes they store with us.

Synertec, our outbound communications business, was acquired in March 2025. This business has proprietary software that is able to triage different sources of data and determine the best form of communication with end users, be it in digital or physical form (i.e. emails/texts or letters). Over three quarters of its work is with the NHS, which follows the successful delivery of the Covid vaccination communications contract for NHS England during the pandemic. It has very high customer retention levels, a track record of strong growth, and significant opportunity within its market, both within the NHS and the wider public sector and corporate markets which the rest of our Information Management business serve.

We believe the combination of physical records storage, digitisation of records and inbound communications, and outbound communication in either physical or digital form, creates a unique offering and a clear opportunity for growth.

Datashred

Datashred's revenue benefited from four bolt-on acquisitions in the year which increased service and paper revenues.

Service revenues account for approximately three quarters of Datashred revenue and are highly contracted with a good portion of recurring customers. In the year, the number of visits increased with a broadly consistent average collections per vehicle per day despite the challenge of operationally integrating the acquisitions. This led to a 15% increase in service revenue.

The remaining revenue is derived from the sale of shredded paper to paper mills who use this in the manufacture of tissue-based products and cardboard. In 2025 we entered into a fixed price contract with a UK paper mill for 25,000 tonnes, around half of our expected 2025 paper production, and as a result, despite lower market prices in the second half of 2025, we were able to maintain an average selling price for paper in 2025 of £171 per tonne, only slightly lower than the £175 per tonne received in 2024 and higher than market prices would have dictated.

Technology

The Technology business continued to refocus on higher-quality customers, who typically possess more consistent and higher-value IT assets. This strategic shift created an in-year headwind, as revenue from lower-quality customers declined due to their smaller volumes and less homogeneous equipment profiles.

At the same time, this focus on higher-quality customers is positioning the business to benefit from the growing trend of organisations outsourcing their IT lifecycle services to leading VARs. Through partnerships with these VARs, Technology is now providing end-of-life and mid-life cycle services to a broadening customer base, including major Government departments. This offering delivered strong growth during the year, more than offsetting the revenue impact of our transition away from lower-quality customers.

Adjusted operating profit

We are pleased to report that each of our three divisions have improved both adjusted operating profit and adjusted operating margin in the year resulting in adjusted operating profit for the Group increasing by 18% to £55.5m, giving an adjusted operating margin of 20.8% (2024: 19.5%).

Information Management

Within Information Management, the integration of the physical and digital businesses was completed, achieving annualised savings in excess of £5m, almost double our initial estimate of £3m. The cost of this integration, mainly relating to redundancies, is included within adjusting items, and since the integration started in 2024 amounts to £4.2m.

The Information Management property consolidation programme has seen over two million boxes moved out of over ten smaller expensive sites into more efficient warehouses, principally to the c104,000 square foot facility in Markham Vale and the c84,000 square foot facility near Durham. With new leases in place for warehouses in Rainham and Stroud, this programme will complete in 2027 by which time we anticipate we will have moved around four million boxes and exited more than 15 sites.

Information Management faced one notable headwind during the year: the loss of the significant scanning contract referenced previously. In addition, while the acquisition of Synertec contributed positively to absolute profits—providing over nine months of trading in 2025—its historic operating margin of around 20%, excluding postage costs, is structurally dilutive to the division’s margin.

However, these factors were more than offset by the actions taken to enhance profitability and the continued disciplined focus on cost control, resulting in an 80-basis-point improvement in the divisional margin for the year.

Datashred

The fixed price paper contract provided increased stability for paper sale revenue and further increased the quality of earnings for Datashred. Momentum from operational efficiencies made in 2024, combined with initial synergies from the bolt-on shredding acquisitions, positively contributed to increased Datashred profit and margin.

Technology

As part of the focus on higher quality customers within the Technology business, we have significantly improved operational efficiency, with new systems and site rationalisation, resulting in increased profit and margin on relatively flat revenues.

Central costs

Central costs represent costs relating to the Board and the head office. An overall year-on-year increase in central costs is mainly attributable to an increase in the charge for share based management incentive schemes.

Disposal of Harrow Green

Harrow Green was sold in December 2025 following a strategic review of the business, and its results are therefore presented as a discontinued operation with prior-year comparatives restated. The business was disposed of for an initial consideration of £3.5m, with a further £2.0m receivable contingent on Harrow Green meeting defined performance conditions in FY26. The disposal resulted in a £7.7m loss from discontinued operations.

Financing and interest expense

Net debt at 31 December 2025 was £123.8m (2024: £89.0m), with leverage increasing from 1.6x to 1.9x, within our target range.

	2022	2023	2024	2025
Net debt (£m)	103.5	97.8	89.0	123.8
Leverage	1.7x	1.9x	1.6x	1.9x

The Group successfully completed the refinancing of its Revolving Credit Facility (“RCF”) in October 2025, entering into a new £150m three-year facility with the option of two one-year extensions and a £50m accordion. The facility is provided by NatWest, Barclays, Bank of China, Allied Irish Bank and Virgin Money. This new arrangement replaces the previous RCF, which was due to expire in April 2027, and delivers enhanced balance sheet flexibility at improved pricing.

In addition to the RCF, the Group has US Private Placement debt (“USPP”) of £25m with a fixed term and rate. Total available facilities of £175m is considered to be ample given the Group’s strategy. The Group has strong relationships with its lenders should additional facilities be required.

Continuing operations (£m)	2025	2024
Interest on borrowings	8.3	7.9
Interest on finance lease liabilities	6.4	5.5
Amortisation of deferred finance costs	0.8	0.6
Other finance costs	0.6	-
Total finance costs	16.1	14.0

The increase in net debt resulting from acquisitions has led to a higher interest expense on borrowings, although this impact has been partly offset by the favourable effect of declining base rates over the year. Additionally, interest on finance lease liabilities has risen, driven by the inclusion of further leases onto the balance sheet following acquisitions and adjustments to our property lease portfolio.

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:

Continuing operations (£m)	2025	2024
Amortisation of intangible assets	14.2	11.8
Acquisition related costs	13.1	-
Restructuring and redundancy costs	2.1	2.1
Property related costs	3.5	1.5
Strategic IT reorganisation	-	0.8
Total adjusting items	32.9	16.2
Adjusting items – operating costs	31.7	15.9
Adjusting items – finance costs	1.2	0.3
Total adjusting items	32.9	16.2

Amortisation of intangible assets increased to £14.2m from £11.8m due to the additional intangible assets recognised primarily as part of the acquisitions of Synertec and Shred-on-Site. Acquisition and related costs include £10.0m related to the Synertec earn-out consideration which will be recognised as remuneration and will be expensed over the earn-out period, £1.0m of third-party advisory fees, £1.3m of integration costs and £0.8m relating to the unwind of the discount on the Synertec contingent consideration liability. Restructuring and redundancy costs of £2.1m relate to the integration of the Group's Digital business into the Information Management segment. Property costs primarily reflect the ongoing property consolidation with incremental box move and dual-running costs.

Following these adjusting items, the Group made a statutory profit before tax of £7.7m (2024: £17.0m).

Earnings per share

Continuing operations	2025	2024
Weighted average number of shares in issues	135,273,308	136,129,425
Weighted average fully diluted number of shares in issue	138,160,052	137,698,973
Adjusted profit before tax (£m)	40.6	33.2
Tax at 25% (2024: 25%) (£m)	(10.2)	(8.3)
Adjusted profit after tax (£m)	30.4	24.9
Adjusted basic earnings per share	22.5p	18.3p
Adjusted fully diluted earnings per share	22.0p	18.1p

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 23% increase in adjusted basic earnings per share to 22.5 pence (2024: 18.3 pence) resulted primarily from a 22% increase in adjusted profit after tax.

Statutory basic earnings per share from continuing operations was 1.0 pence (2024: 8.8 pence) with statutory diluted earnings per share from continuing operations of 1.0 pence (2024: 8.7 pence).

Taxation

The tax charge for the year from continuing operations is £6.3m (2024: £5.0m).

Cashflow and capital allocation

Cash generation endures as a key quality of Restore and in 2025 the Group generated free cashflow before financing costs of £42.9m (2024: £41.1m).

£m	2025	2024
Free cashflow from continuing operations	42.9	41.1
Net operating profit after tax ("NOPAT")	41.6	35.2
Cash conversion (%)	103%	117%

£m	2025	2024
Opening net debt	(89.0)	(97.8)
Free cashflow from continuing operations	42.9	41.1
Proceeds from sale of subsidiary	2.2	-
Acquisitions	(35.1)	(0.5)
Acquired borrowings	(11.2)	-
Dividends	(8.1)	(7.3)
Finance costs	(16.6)	(13.8)
Purchase of treasury shares	(2.2)	(2.6)
Cash effect of adjusting items	(7.7)	(5.2)
Other (including discontinued operations)	1.0	(2.9)
Closing net debt	(123.8)	(89.0)

Our capital allocation framework remains largely unchanged from that presented in 2024:

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 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 – 2.0x net debt to adjusted EBITDA.

In 2025, we invested for growth through the acquisition of seven businesses, deploying £35.1m of capital and assuming £11.2m of debt.

Whilst we have a healthy acquisition pipeline and will continue to prioritise value accretive acquisitions in our core business or adjacent areas, we will also return excess cash to shareholders where leverage permits. In the context of our free cash flow outlook for 2026 and with consideration to our acquisition pipeline, we are today announcing a share buyback programme. We will return £20m of excess cash to shareholders over the next 12 months, whilst maintaining our target leverage range of 1.5-2.0x. We will continue to pay a sustainable dividend and will consider further excess cash returns to shareholders in the future.

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 48 days and total equity at £219.7m (2024: £233.8m).

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.

PRINCIPAL RISKS AND UNCERTAINTIES

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.

Risk	Mitigation
<p>Growth</p> <p>Failure of the business to grow in line with forecasts and investor expectations.</p>	<ul style="list-style-type: none"> • The Information Management division is now fully integrated, enhancing customer offerings and expanding scanning capabilities. • Strategic M&A activity has been executed, including bolt-on acquisitions to consolidate the shredding market, the acquisition of Synertec to introduce a complementary service, and the disposal of Harrow Green to remove a non-core service and enable greater focus on core businesses. • The strengthened team in Technology have implemented a revised market approach and strategy, reducing services in unattractive low-margin markets and driving improved profitability. • Pricing related to a portion of the paper sales in Datashred has been hedged to mitigate volatility and uncertainty. • Margin enhancement initiatives, including implementing sustainable price increases and progressing the property consolidation programme, have helped to offset rent review and business rate pressures. • Monthly profit and cash re-forecasting is completed across all businesses to ensure performance is closely monitored against investor expectations and market consensus.
<p>Systems, technology, data and cyber defence failure</p> <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 comprehensive Group IT strategy is in place, supported by appropriate investment plans to mitigate material operational and cyber risks. This includes robust measures to protect systems against unauthorised access, viruses, malware, and spyware. • Enhanced training programmes across the Group have increased awareness of key risks, incorporating realistic phishing simulations to identify vulnerabilities and a cyber incident simulation for the Board. • The Group IT strategy aligns with National Cyber Security Centre (NCSC) guidelines, with Cyber Essentials Plus certification achieved across all businesses. • Governance has been strengthened through the appointment of a Group Head of Cyber Security, tasked with driving consistency and best practice across the organisation. • Disaster recovery and business continuity plans are in place and regularly tested for each site and the Group's IT platforms. • Comprehensive cyber and professional indemnity insurance cover is maintained across the Group.

	<ul style="list-style-type: none"> Detailed data protection policies and procedures are implemented to mitigate significant data incident risks, supported by enhanced training and awareness initiatives across the organisation.
<p>Health, safety and wellbeing of the workforce</p> <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"> Clear policies are in place across the Group covering a wide range of health, safety, and wellbeing risks, including health and safety, fire prevention, wellbeing, stress, safe driving, and drugs and alcohol. Strengthened policies and process are now in place around contractor risk. A holistic approach to driver and vehicle risk management continues, supported by a well-maintained fleet, licence checks, driver assessments, and extensive telematics data. A new health and safety system implemented in 2025 has significantly improved incident reporting, enabling detailed root cause analysis and performance benchmarking across the Group.
<p>Extent, complexity and suitability of the Group's property portfolio</p> <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"> Strong governance of property risk is maintained through regular Property Committee meetings led by the Chair, an experienced real estate professional and attended by the CEO, CFO, MD of Information Management, and Group Property Director. Strategic progress has been made on site consolidation opportunities to support margin optimisation and expansion strategies. The management-led Property Working Forum, chaired by the Group Property Director and sponsored by the CFO, continues to operate with representation from operations, facilities, finance, and health and safety.
<p>Organisational change occurring within a condensed timeframe, which may result in challenges around adaptation and operational stability</p> <p>High volume of concurrent organisational changes may lead to reduced productivity, compromised quality and resource strain, impacting strategic delivery and overall performance.</p>	<ul style="list-style-type: none"> Decentralisation of the People team has driven greater empowerment and collaboration, enabling leaders to manage business-specific issues more effectively. The ongoing People Leadership Programme continues to strengthen leadership capability and support succession planning, with a focus on change management and transformation. Enhanced recognition initiatives include long-service awards and improved benefits, such as a more accessible benefits portal and enhanced life assurance, have helped in the retention of the workforce.
<p>Impact of climate-related matters</p> <p>The Group's climate-related commitments, whilst credible, are ambitious 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.</p>	<ul style="list-style-type: none"> The Group's net zero commitments are reviewed annually by the ESG Committee and adjusted as required in line with the SBTi Corporate Net Zero Standard to ensure credibility. Each business is implementing a comprehensive fleet decarbonisation roadmap, leveraging strategies such as electrification and alternative fuels where appropriate.

	<ul style="list-style-type: none"> • Electricity at 90% of Group sites is backed by REGO contracts. • The Group has a fully quantified carbon footprint and a TPT-aligned transition plan, setting out actions required to achieve net zero ambitions.
<p>Financial</p> <p>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.</p>	<ul style="list-style-type: none"> • The Group's revolving credit facility was refinanced in 2025, increasing the credit facility to £150m for an initial term of three years with an option of two one-year extensions, supported by a broad banking syndicate. • A portion of fixed-rate debt remains in the Group's profile, including £25m of US private placement debt at a fixed term and rate until 2028. • The Group operates well within borrowing covenants, with monthly reviews of cashflow forecasts and covenant compliance. • Credit risk is assessed at customer onboarding and monitored monthly thereafter.

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.

DIRECTORS' CONFIRMATIONS

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

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

Consolidated statement of comprehensive income

For the year ended 31 December 2025

		Year ended 31 December 2025	Year ended 31 December 2024 Restated*
	Note	£m	£m
Continuing operations			
Revenue	2	304.7	240.0
Cost of sales		(172.6)	(128.3)
Gross profit	2	132.1	111.7
Administrative expenses		(108.2)	(80.6)
Movement in trade receivables loss allowance		(0.1)	(0.1)
Operating profit		23.8	31.0
Finance costs		(16.1)	(14.0)
Profit before tax		7.7	17.0
Taxation	4	(6.3)	(5.0)
Profit after tax from continuing operations		1.4	12.0
(Loss)/profit from discontinued operations		(7.7)	0.4
(Loss)/profit after tax from total operations		(6.3)	12.4
Other comprehensive income		-	0.1
Total comprehensive (loss)/profit for the year		(6.3)	12.5
Total comprehensive (loss)/profit for the year:			
Continuing operations		1.4	12.1
Discontinued operations	8	(7.7)	0.4
From continuing operations:	5		
Basic earnings per share		1.0p	8.8p
Diluted earnings per share		1.0p	8.7p
From discontinued operations:	5		
Basic (loss)/earnings per share		(5.7p)	0.3p
Diluted (loss)/earnings per share		(5.7p)	0.3p
From continuing and discontinued operations:	5		
Basic (loss)/earnings per share		(4.7p)	9.1p
Diluter (loss)/earnings per share		(4.7p)	9.0p

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

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

		Year ended	Year ended
		31 December	31 December
		2025	2024
	Note		Restated*
Continuing operations		£m	£m
Operating profit		23.8	31.0
Adjusting items – administrative expenses	3	17.5	4.1
Adjusting items – amortisation of intangible assets	3	14.2	11.8
Total adjusting items		31.7	15.9
Adjusted operating profit		55.5	46.9
Adjusted operating profit		55.5	46.9
Tax at 25% (2024: 25%)		(13.9)	(11.7)
NOPAT (Net operating profit after tax)		41.6	35.2
Profit before tax		7.7	17.0
Adjusting items – operating costs (as stated above)		31.7	15.9
Adjusting items – finance costs	3	1.2	0.3
Adjusted profit before tax		40.6	33.2

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

Consolidated statement of financial position

At 31 December 2025

Company registered no. 05169780

	Note	31 December 2025 £m	31 December 2024 £m
ASSETS			
Non-current assets			
Intangible assets	9	310.0	274.4
Property, plant and equipment		84.9	83.1
Right of use assets		118.6	125.6
Other receivables		6.0	4.6
		519.5	487.7
Current assets			
Inventories		3.2	1.3
Trade and other receivables		61.1	56.5
Cash and cash equivalents	11	3.4	8.0
Current tax assets		-	0.2
		67.7	66.0
Total assets		587.2	553.7
LIABILITIES			
Current liabilities			
Trade and other payables		(46.0)	(40.5)
Financial liabilities – borrowings	11	(3.7)	(3.2)
Financial liabilities – lease liabilities		(19.3)	(19.3)
Current tax liabilities		(0.7)	-
Provisions	12	(2.8)	(3.9)
		(72.5)	(66.9)
Non-current liabilities			
Financial liabilities – borrowings	11	(123.5)	(93.8)
Financial liabilities – lease liabilities		(113.6)	(120.7)
Deferred tax liability		(34.2)	(28.7)
Provisions	12	(7.7)	(9.6)
Other payables		(16.0)	(0.2)
		(295.0)	(253.0)
Total liabilities		(367.5)	(319.9)
Net assets		219.7	233.8
EQUITY			
Share capital		6.8	6.8
Share premium		187.9	187.9
Other reserves		(1.8)	(0.5)
Retained earnings		26.8	39.6
Total equity		219.7	233.8

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance at 1 January 2024	6.8	187.9	3.7	31.5	229.9
Profit for the year	-	-	-	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	-	-	-	(7.3)	(7.3)
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)	-
Balance at 31 December 2024	6.8	187.9	(0.5)	39.6	233.8
Balance at 1 January 2025	6.8	187.9	(0.5)	39.6	233.8
Loss for the year	-	-	-	(6.3)	(6.3)
Total comprehensive loss for the year	-	-	-	(6.3)	(6.3)
Transactions with owners:					
Dividends	-	-	-	(8.1)	(8.1)
Share-based payments	-	-	2.2	-	2.2
Deferred tax on share-based payments	-	-	0.3	-	0.3
Transfer*	-	-	(1.6)	1.6	-
Purchase of treasury shares	-	-	(2.2)	-	(2.2)
Balance at 31 December 2025	6.8	187.9	(1.8)	26.8	219.7

* In 2025 a net amount of £1.6m (2024: £3.2m) 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 2025

		Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash generated from operating activities	10	78.6	78.1
Net finance costs		(17.3)	(14.5)
Income taxes paid		(8.1)	(5.1)
Net cash generated from operating activities		53.2	58.5
Cash flows used in investing activities			
Purchase of property, plant and equipment, right of use assets and applications software IT		(13.2)	(15.2)
Proceeds from sale of a subsidiary, net of cash disposed	8	2.2	-
Proceeds from sale of property, plant and equipment		0.3	0.1
Purchase of subsidiary undertakings, net of cash acquired	7	(32.2)	-
Purchase of trade and assets	9	(2.9)	(0.5)
Net cash used in investing activities		(45.8)	(15.6)
Cash flows used in financing activities			
Dividends paid		(8.1)	(7.3)
Purchase of treasury shares		(2.2)	(2.6)
Repayment of invoice credit facility, net		(1.5)	-
Repayment of other bank loans		(8.1)	-
Repayment of revolving credit facility		-	(27.0)
Drawdown of revolving credit facility		30.4	-
Lease principal repayments		(21.4)	(23.9)
Net cash used in financing activities		(10.9)	(60.8)
Net decrease in cash and cash equivalents		(3.5)	(17.9)
Cash and cash equivalents at start of year		4.8	22.7
Cash and cash equivalents at end of year*		1.3	4.8

* Cash and cash equivalents at end of year include overdraft of £2.1m (2024: £3.2) (refer to note 11).

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

		Year ended 31 December 2025	Year ended 31 December 2024 Restated*
	Note	£m	£m
Cash generated from operating activities – total operations	10	78.6	78.1
Cash generated from operating activities – discontinued operations	8	(3.1)	(1.5)
Cash generated from operating activities – continuing operations		75.5	76.6
Income taxes paid – continuing operations		(8.1)	(4.6)
Purchase of property, plant and equipment, right of use assets and applications software IT – continuing operations		(13.1)	(14.5)
Lease principal repayments – continuing operations		(19.1)	(21.6)
Add back: Cash impact of adjusting items – administrative expenses (continuing operations)	3	7.7	5.2
Free cashflow from continuing operations		42.9	41.1
NOPAT (Net operating profit after tax)		41.6	35.2
Cash conversion		103%	117%

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

Notes to the preliminary financial information

For the year ended 31 December 2025

1. General information

Basis of preparation

The financial information in this preliminary announcement has been extracted from the audited consolidated financial statements for the year ended 31 December 2025 and does not constitute the Group's statutory accounts for the years ended 31 December 2025 or 2024 within the meaning of s435 of the Companies Act 2006.

The Group's statutory accounts for the year ended 31 December 2024 have been filed with the Registrar of Companies, and those for 2025 will be delivered following the Company's Annual General Meeting. The Auditor has reported on the statutory accounts for 2025 and 2024. Their report for 2025 and 2024 was (i) unqualified, (ii) included no matters to which the auditor drew attention by way of emphasis and (iii) did not contain statements under Sections 498 (2) or 498 (3) of the Companies Act 2006 in relation to the financial statements.

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, share options and contingent consideration 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 consolidated financial statements are presented in pounds sterling and, unless stated otherwise, shown in pounds million to one decimal place.

Going concern

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 11.

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 2027, 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 2026 and forecasts for 2027 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. In each of these scenarios the Group is also forecast to be in compliance with the covenants on its current borrowing facilities.

Adoption of new and revised standards

The following new amendment to standards was effective for the first time during the financial year: Lack of Exchangeability (Amendments to IAS 21). This new amendment to standards did not have a material effect on the financial statements.

2. Segmental analysis

Following the disposal of the Harrow Green division in December 2025, the Group has the following three segments: Information Management, Datashred and Technology. Services per segment operate as described earlier in this 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 and property, plant and equipment. Segment assets and liabilities are allocated between segments on an actual basis.

Notes to the preliminary financial information

For the year ended 31 December 2025

2. Segmental analysis (continued)

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:

	2025	2024
	£m	Restated* £m
Revenue - continuing operations		
Information Management	227.2	167.9
Datashred	41.6	36.0
Technology	35.9	36.1
Total revenue	304.7	240.0

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

For the year ended 31 December 2025 no customers individually accounted for more than 3% (2024: 3%) of the Group's total revenue.

The Group had sales of goods of £31.5m (2024: £31.6m) relating to the sale of recycled paper and recycled IT assets. The remainder of revenue relates to the sales of services.

Segmental information

	Information Management	Datashred	Technology	Central	31 December 2025 Total
2025 (continuing operations)	£m	£m	£m	£m	£m
Revenue	227.2	41.6	35.9	-	304.7
Cost of sales	(124.6)	(25.0)	(23.0)	-	(172.6)
Gross profit	102.6	16.6	12.9	-	132.1
Adjusted operating profit/(loss)	53.0	5.1	2.8	(5.4)	55.5
Revenue	227.2	41.6	35.9	-	304.7
Postage costs	(38.4)	-	-	-	(38.4)
Revenue (excluding postage costs)	188.8	41.6	35.9	-	266.3
Adjusted operating margin¹	28.1%	12.3%	7.8%	-	20.8%
Adjusting items	(17.4)	(1.1)	(0.1)	(13.1)	(31.7)
Operating profit/(loss)	35.6	4.0	2.7	(18.5)	23.8
Finance costs					(16.1)
Profit before tax					7.7

1. As previously indicated, the acquisition of Synertec structurally reduces Group operating margins as more than half of its revenues are derived from postage charges. These are determined by a regulatory framework of which we have no control. Accordingly, in reporting the Group's performance in the year, the postage costs directly incurred by the Group are excluded when calculating adjusted operating margin.

Notes to the preliminary financial information
For the year ended 31 December 2025

2. Segmental analysis (continued)

Segmental information (continued)

2024 (continuing operations) Restated*	Information Management £m	Datashred £m	Technology £m	Central ¹ £m	31 December 2024 Total £m
Revenue	167.9	36.0	36.1	-	240.0
Cost of sales	(84.0)	(21.1)	(23.2)	-	(128.3)
Gross profit	83.9	14.9	12.9	-	111.7
Adjusted operating profit/(loss)	45.8	3.7	1.8	(4.4)	46.9
Adjusted operating margin	27.3%	10.3%	5.0%	-	19.5%
Adjusting items	(4.2)	(0.3)	(0.3)	(11.1)	(15.9)
Operating profit/(loss)	41.6	3.4	1.5	(15.5)	31.0
Finance costs					(14.0)
Profit before tax					17.0

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.
1. In 2024, the £0.2m amortisation of acquired intangibles related to Harrow Green segment was recognised centrally.

2025	Information Management £m	Datashred £m	Technology £m	Central £m	Total continuing operations £m	Discontinued operations £m	2025 Total £m
Segment assets	493.1	45.3	40.1	8.7	587.2	-	587.2
Segment liabilities	172.0	24.5	12.4	158.6	367.5	-	367.5
Capital expenditure	11.5	0.9	0.7	-	13.1	0.1	13.2
Depreciation and amortisation	25.0	5.0	1.8	13.3	45.1	2.4	47.5

2024 Restated*	Information Management £m	Datashred £m	Technology £m	Central £m	Total continuing operations £m	Discontinued operations £m	2024 Total £m
Segment assets	429.1	37.9	43.5	11.4	521.9	31.8	553.7
Segment liabilities	135.9	23.7	11.2	130.1	300.9	19.0	319.9
Capital expenditure	12.6	0.7	1.2	-	14.5	0.7	15.2
Depreciation and amortisation	25.4	4.6	1.7	10.8	42.5	3.2	45.7

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

The impairment of goodwill and customer relationships and the amortisation of acquired intangible assets have been recorded centrally.

Notes to the preliminary financial information

For the year ended 31 December 2025

3. 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 or size when assessing the performance of the business. The Group’s adjusting items are set out below:

	Cash adjusting items	Non-cash adjusting items	2025 Total	Cash adjusting items Restated*	Non-cash adjusting items Restated*	2024 Total Restated*
	£m	£m	£m	£m	£m	£m
Continuing operations						
Amortisation	-	14.2	14.2	-	11.8	11.8
Acquisition and related costs ¹	2.3	10.8	13.1	-	-	-
Restructuring and redundancy	2.1	-	2.1	2.1	-	2.1
Property related costs ²	3.3	0.2	3.5	2.3	(0.8)	1.5
Strategic IT reorganisation	-	-	-	0.8	-	0.8
Total adjusting items	7.7	25.2	32.9	5.2	11.0	16.2

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

1. Adjusting items – finance costs of £0.8m related to the unwind of the discount on the Synertec contingent consideration liability are included in acquisition and relate costs (2024: nil)

2. Adjusting items – finance costs of £0.4m related to dual running lease liability interest costs are included in property related costs (2024: £0.3m)

Total adjusting items include £17.5m of “adjusting items – administrative expenses” (2024: £4.1m), £1.2m of “adjusting items – finance costs” (2024: £0.3m) and £14.2m of “adjusting items – amortisation of intangible assets” (2024: £11.8m).

Amortisation

The amortisation charge primarily relates to acquired intangible assets arising from business combinations. 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.

Acquisition costs

- £10.0m relates to the Synertec earn-out that is treated as remuneration. Given the overall quantum of the earn-out remuneration expense and the fact that the nature of the charge is acquisition-related, this cost is adjusted for in deriving the Group’s alternative performance measures. Any changes to the value of the earn-out remuneration in future years will also be recognised in adjusting items.
- £1.3m primarily relates to property and restructuring and redundancy costs associated with the integration of the acquired businesses.
- £1.0m relates to legal, due diligence and other third-party advisory costs incurred in association with business acquisition activity.
- £0.8m relates to the unwind of the discounting of the Synertec contingent consideration liability.

For transparency, we note that the Group does not similarly adjust for the related revenue and profit generated from its acquisitions in its alternative profit measures.

Restructuring and redundancy

The restructuring and redundancy costs relate to the actions implemented to improve the operational efficiency and profitability of the digital business, including the integration of Digital and Records Management into the Information Management division, which was ongoing throughout 2024 and completed in 2025. Total costs associated with this restructuring programme were £4.2m spread over two years. Cost savings have been realised from 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.

Notes to the preliminary financial information

For the year ended 31 December 2025

3. Adjusting items (continued)

Property related costs

Property related costs of £3.5m relate primarily to the ongoing property consolidation programme with Information Management. This programme is anticipated to complete in 2027. Cost savings are expected from the site consolidation activity, however, for transparency we note that these cost savings will not be adjusted for in deriving the Group's alternative performance measures.

The Group's APMs are summarised below:

APMs	Description
Adjusted operating profit	Calculated as statutory operating profit before adjusting items.
Adjusted operating margin	Calculated as adjusted operating profit divided by revenue, excluding Synertec postage costs.
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, adjusting items and share-based payments, including a pro-forma adjustment to EBITDA for acquisitions. APM used for calculation of leverage, in line with the calculation of financial debt covenants. Reconciliation set out below.
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, which for the purposes of leverage in line with financial debt covenants includes £1.0m of pre-IFRS 16 leases and deferred consideration.
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

Discontinued operations are excluded from the Group's headline performance metrics except for net debt and leverage.

The Group's APMs should be considered as supplementary to statutory measures and readers of the accounts should note the limitations of the measures and that they are not comparable across companies.

	Year ended 31 December 2025	Year ended 31 December 2024
	Continuing operations	Total operations
	£m	£m
Operating profit	23.8	32.6
IFRS 16 impact	(4.3)	(4.2)
Add back: Adjusting items – operating costs	31.7	16.2
Add back: Depreciation	10.0	9.8
Add back: Share-based payments	2.1	1.3
Pro-forma adjustment	3.9	-
Adjusted EBITDA	67.2	55.7

Notes to the preliminary financial information

For the year ended 31 December 2025

3. Adjusting items (continued)

Proforma adjustments reflect the permitted modifications under our financing agreement that allow us to incorporate the historical performance and expected synergies of acquisitions into the leverage covenant calculation. As no acquisitions were completed in 2024, no proforma adjustments were required for the year.

4. Taxation

	Continued operations	Discontinued operations	2025 Total	Continued operations Restated*	Discontinued operations Restated*	2024 Total Restated*
	£m	£m	£m	£m	£m	£m
Current tax:						
UK corporation tax on profit for the year	9.0	0.2	9.2	5.9	0.5	6.4
Adjustment in respect of previous years	(0.6)	-	(0.6)	(0.3)	-	(0.3)
Total current tax	8.4	0.2	8.6	5.6	0.5	6.1
Deferred tax:						
Current year decrease in deferred tax	(2.7)	(0.1)	(2.8)	-	-	-
Adjustment in respect of previous years	0.6	-	0.6	(0.6)	-	(0.6)
Total deferred tax	(2.1)	(0.1)	(2.2)	(0.6)	-	(0.6)
Total tax charge	6.3	0.1	6.4	5.0	0.5	5.5

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

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

	Continued operations	Discontinued operations	2025 Total	Continued operations Restated*	Discontinued operations Restated*	2024 Total Restated*
	£m	£m	£m	£m	£m	£m
Profit/(loss) before tax	7.7	(7.6)	0.1	17.0	0.9	17.9
Profit/(loss) before tax multiplied by the rate of corporation tax of 25% (2024: 25%)	1.9	(1.9)	-	4.3	0.2	4.5
Effects of:						
Expenses not deductible	4.3	2.0	6.3	1.2	0.2	1.4
Adjustment In respect of previous year	-	-	-	(0.9)	-	(0.9)
Share-based payments	-	-	-	0.2	-	0.2
Other differences	0.1	-	0.1	0.2	0.1	0.3
Total tax charge	6.3	0.1	6.4	5.0	0.5	5.5

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

The tax charge for the year is higher than the profit before tax multiplied by the rate of corporation tax (2024: higher).

Notes to the preliminary financial information

For the year ended 31 December 2025

5. 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.

	2025	2024 Restated*
Profit after tax for the year from continuing operations (£m)	1.4	12.0
(Loss)/profit after tax for the year from discontinued operations (£m)	(7.7)	0.4
(Loss)/profit after tax for the year from total operations (£m)	(6.3)	12.4
Basic earnings per share (pence) from continuing operations	1.0	8.8
Basic (loss)/earnings per share (pence) from discontinued operations	(5.7)	0.3
Basic (loss)/earnings per share (pence) from total operations	(4.7)	9.1
Weighted average number of shares in issue	135,273,308	136,129,425
Dilutive options (number)	2,886,744	1,569,548
Weighted average fully diluted number of shares in issue	138,160,052	137,698,973
Fully diluted earnings per share (pence) from continuing operations	1.0	8.7
Fully diluted (loss)/earnings per share (pence) from discontinued operations	(5.7)	0.3
Fully diluted (loss)/earnings per share (pence) from total operations	(4.7)	9.0

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

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:

	2025 £m	2024 Restated* £m
Continuing operations		
Profit before tax	7.7	17.0
Adjusting items – amortisation of intangible assets	14.2	11.8
Adjusting items – administrative expenses	17.5	4.1
Adjusting items – finance costs	1.2	0.3
Adjusted profit before tax	40.6	33.2

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

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For the year ended 31 December 2025

5. Earnings/(loss) per share attributable to owners of the parent (continued)

Adjusted earnings per share (continued)

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 135.3m (2024: 136.1m) and weighted average fully diluted number of shares in issue during the year of 138.2m (2024: 137.7m) respectively, are calculated below using a standard tax charge:

	2025	2024 Restated*
Continuing operations		
Adjusted profit before tax (£m)	40.6	33.2
Tax at 25% (2024: 25%) (£m)	(10.2)	(8.3)
Adjusted profit after tax (£m)	30.4	24.9
Adjusted basic earnings per share (pence)	22.5	18.3
Adjusted fully diluted earnings per share (pence)	22.0	18.1

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

6. Dividends

The Directors recommend a final dividend of 4.7p per share for the year ended 31 December 2025 (2024: 3.8p per share) to give a full year dividend of 6.9p per share (2024: 5.8p). The aggregate amount of the proposed dividend expected to be paid on 16 July 2026 out of retained earnings at 31 December 2025 but not recognised as a liability at year end is £6.3m. An interim dividend of 2.2p was paid during the year (2024: 2.0p).

7. Business Combinations

Synertec (Holdings) Limited and Synertec Limited ("Synertec")

On 13 March 2025, the Group acquired the entire issued share capital of Synertec (Holdings) Limited and Synertec Limited, a UK based leading document management business, for an initial consideration of £22.0m. Synertec's business is a highly complementary addition to the Group and supports the Group's growth strategy in broadening its offering to existing customers and facilitating the cross-selling of existing services to Synertec customers.

A purchase price allocation exercise has been completed for the Synertec acquisition, which identified £10.9m of acquired intangible assets relating to customer relationships, £15.4m of acquired intangible assets relating to technology and £1.2m of acquired intangible assets relating to brand, which are identifiable and separable, and will be amortised between five and eleven years.

The discount rates applied to the forecast cash flows from the acquired customer relationships and brand and from the technology are 29% and 19% respectively. Goodwill of £10.7m has arisen on the acquisition, representing the excess of the consideration over the fair value of identifiable net assets acquired, including the recognition of a £6.5m deferred tax liability on the acquired intangible assets and £1.6m relating to the assembled workforce.

From 13 March 2025, the date of the acquisition, Synertec contributed £61.3m of revenue and £3.9m of adjusted operating profit to the Group's performance for the year. If the acquisition had taken place at the beginning of the year, Synertec would have contributed £75.2m of revenue and £5.1m of adjusted operating profit to the Group's performance for the year.

Mass Holdings and Investments Limited and Shred-on-Site Limited ("Shred-on-Site")

On 4 April 2025, the Group acquired the entire issued share capital of Mass Holdings and Investments Limited and Shred-on-Site Limited, a UK based shredding business. Purchase consideration settled in cash was £8.1m, with £7.9m paid in April 2025 and £0.2m paid in August 2025. Shred-on-Site is expected to be an accretive acquisition which will deliver growth in our core business activities.

A purchase price allocation exercise has been completed for the Shred-on-Site acquisition, which identified £1.8m of acquired intangible assets relating to customer relationships, which are identifiable and separable, and will be amortised over ten years.

The discount rate applied to the forecast cash flows from the acquired customer relationships is 12%. £5.9m of goodwill has arisen on the acquisition of Shred-on-Site and is primarily attributable to anticipated synergies.

Notes to the preliminary financial information

For the year ended 31 December 2025

7. Business Combinations (continued)

Mass Holdings and Investments Limited and Shred-on-Site Limited ("Shred-on-Site") (continued)

From 4 April 2025, the date of the acquisition, Shred-on-Site contributed £3.3m of revenue and £0.6m of adjusted operating profit to the Group's performance for the year. If the acquisition had taken place at the beginning of the year, Shred-on-Site would have contributed £4.7m of revenue and £0.7m of adjusted operating profit to the Group's performance for the year.

Topwood Limited ("Topwood")

On 3 July 2025, the Group acquired the entire issued share capital of Topwood Limited, a shredding and records management business, for an initial consideration of £2.8m.

A purchase price allocation exercise has been completed for the Topwood acquisition, which identified £1.6m of acquired intangible assets relating to customer relationships, which are identifiable and separable, and will be amortised between ten and twenty years.

The discount rate applied to the forecast cash flows from the acquired customer relationships related to the Information Management business is 11.9%, whilst 12.4% was applied to acquired customer relationships related to the shredding business. £1.7m of goodwill has arisen on the acquisition of Topwood and is primarily attributable to the use of Topwood's property to increase the storage capabilities of the Group.

From 3 July 2025, the date of the acquisition, Topwood contributed £0.7m of revenue and £0.3m of adjusted operating profit to the Group's performance for the year. If the acquisition had taken place at the beginning of the year, Topwood would have contributed £1.6m of revenue and £0.4m of adjusted operating profit to the Group's performance for the year.

Data Shredding Services Limited ("DSS")

On 1 July 2025, the Group acquired the entire share capital of Data Shredding Services Limited, a shredding business, for a cash consideration of £0.2m. The consideration was fully satisfied on 1 July 2025.

Assets acquired and liabilities assumed

The provisional fair values of the identifiable assets and liabilities of the acquired entity as at the acquisition date are disclosed below. The fair value of the identifiable assets and liabilities are estimated by taking into consideration all available information at the reporting date and are on a provisional basis due to the timing of the acquisitions.

	Synertec £m	Shred-on-Site £m	Topwood £m	DSS £m	Total £m
Assets					
Acquired intangible assets recognised on acquisition	27.5	1.8	1.6	0.2	31.1
Property, plant and equipment	3.9	0.9	0.4	-	5.2
Right of use assets	4.7	0.7	0.7	-	6.1
Inventory	1.8	-	-	-	1.8
Trade and other receivables	9.1	0.8	0.3	-	10.2
Cash and cash equivalents	-	0.5	0.4	-	0.9
	47.0	4.7	3.4	0.2	55.3
Liabilities					
Trade and other payables	(8.8)	(0.5)	(0.4)	-	(9.7)
Lease liabilities	(4.3)	(0.6)	(0.7)	-	(5.6)
Current tax liability	(0.5)	-	(0.1)	-	(0.6)
Deferred tax liability	(6.9)	(0.8)	(0.3)	-	(8.0)
Borrowings	(11.2)	-	-	-	(11.2)
Provisions	(1.8)	(0.6)	(0.3)	-	(2.7)
	(33.5)	(2.5)	(1.8)	-	(37.8)
Total identifiable net assets at fair value	13.5	2.2	1.6	0.2	17.5
Goodwill arising on acquisition	10.7	5.9	1.7	-	18.3
Fair value of consideration	24.2	8.1	3.3	0.2	35.8

The acquired lease liabilities were measured using the present value of the remaining lease payments as at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities, less any acquisition related adjustments.

Notes to the preliminary financial information

For the year ended 31 December 2025

7. Business Combinations (continued)

Assets acquired and liabilities assumed (continued)

The fair value of acquired receivables is £10.2m, which is equivalent to the gross contractual amount of acquired receivables. The best estimate at the acquisition date of the contractual cash flows not expected to be collected is nil.

The net deferred tax liabilities mainly comprise the tax effect of the accelerated amortisation of the acquired intangible assets recognised on acquisition.

Purchase consideration

	Synertec £m	Shred-on-Site £m	Topwood £m	DSS £m	Total £m
Amount settled in cash	22.0	8.1	2.8	0.2	33.1
Contingent cash consideration	2.2	-	0.5	-	2.7
Fair value of consideration	24.2	8.1	3.3	0.2	35.8

Consideration paid in the year, net of cash acquired, was £32.2m and is included in cash flows from investing activities.

The discounted fair value of the contingent consideration payable to the sellers of Synertec, subject to certain performance targets being achieved, was £2.2m as at the acquisition date. The unwinding of the discount applied will be recognised in the statement of comprehensive income over the earn-out period (refer to note 3). Contingent consideration of £2.9m payable to the sellers of Synertec is included in trade and other payables as at 31 December 2025.

Earn-out remuneration of £10.1m is the amount payable to the sellers of Synertec subject to certain future performance targets being achieved as well as their continuing services to Synertec (refer to note 3). This is included in trade and other payables as at 31 December 2025.

The earn out is primarily linked to Synertec's profit targets for FY28 and FY29, with a portion also subject to continued service requirements for certain sellers. The total earn out payable will range from nil to £50m, dependent on the achievement of these conditions.

An estimated £0.5m of contingent cash consideration will be payable 12 months after the acquisition date to the previous owners of Topwood dependant on the retention of customers. This is included in trade and other payables as at 31 December 2025.

Analysis of cash flows on acquisition

	Synertec £m	Shred-on-Site £m	Topwood £m	DSS £m	Total £m
Consideration paid (included in cash flows from investing activities)	22.0	8.1	2.8	0.2	33.1
Cash acquired with the subsidiary (included in cash flows from investing activities)	-	(0.5)	(0.4)	-	(0.9)
Total net cash flow included in cash flows from investing activities	22.0	7.6	2.4	0.2	32.2
Transaction costs (included in cash flows from operating activities)*	0.8	0.1	0.1	-	1.0
Net cash flow on acquisition	22.8	7.7	2.5	0.2	33.2

* Transaction costs are presented within adjusted items set out in note 3.

Notes to the preliminary financial information

For the year ended 31 December 2025

8. Discontinued operations

On 8 December 2025, the Group sold the Harrow Green division for a cash consideration of £5.5m of which £2.0m is contingent on the performance of the business in 2026. Harrow Green provides services in respect of relocation, furniture storage, asset disposal and recycling.

The net results of the Harrow Green division and the loss on disposal are presented in the (loss)/profit for the year from discontinued operations in the Group income statement.

Discontinued operations	2025 £m	2024 £m
Revenue	27.8	35.3
Cost of sales	(19.4)	(24.5)
Gross profit	8.4	10.8
Administrative expenses	(7.7)	(9.2)
Operating profit	0.7	1.6
Finance costs	(0.7)	(0.7)
Profit before tax	-	0.9
Taxation	(0.1)	(0.5)
(Loss)/profit after tax	(0.1)	0.4
Loss on disposal	(7.6)	-
(Loss)/profit after tax from discontinued operations	(7.7)	0.4

	2025 £m
Cash	3.5
Fair value of contingent consideration	2.0
Total disposal consideration	5.5
Costs to sell	(2.2)
Consideration less costs to sell	3.3
Net book value of assets disposed	
Intangible assets	(5.9)
Property, plant and equipment	(1.2)
Right of use assets	(14.7)
Trade and other receivables	(6.7)
Cash and cash equivalents	(0.1)
Trade and other payables	2.3
Finance liabilities – lease liabilities	15.4
Net book value of assets disposed	(10.9)
Loss on disposal	(7.6)

Notes to the preliminary financial information

For the year ended 31 December 2025

8. Discontinued operations (continued)

In the event that the operations of Harrow Green achieve certain performance criteria during the year from 1 January 2026 to 31 December 2026, cash consideration of up to £2.0m will be receivable. At 31 December 2025, the fair value of the consideration was determined to be £2.0m. It has been recognised as a financial asset at fair value through profit or loss and included in trade and other receivables as at 31 December 2025. The £2.2m costs to sell primarily relate to expenses incurred in assigning Harrow Green's main operational site as part of the disposal process.

On the date Harrow Green was designated as a held-for-sale disposal group, we performed an impairment assessment in accordance with IAS 36 and noted no impairment at that time. The subsequent loss on disposal reflects the outcome of the Group's strategic review, which concluded that despite its long-established presence, Harrow Green's limited earnings visibility and structurally low operating margins made it an outlier within Restore, where recurring revenues and double-digit operating margins are the standard. Given the increasing commoditisation of the office relocation market, the business was considered better placed under specialist private ownership.

Cash flow statement of discontinued operations

Discontinued operations	2025 £m	2024 £m
Cash generated from operating activities	3.1	1.5
Income tax paid	-	(0.5)
Net finance costs	(0.7)	(0.7)
Net cash flows from operating activities	2.4	0.3
Net cash flows from investing activities	(0.1)	(0.7)
Net cash flows from financing activities	(2.3)	(2.3)
Net cash flows from discontinued operations	-	(2.7)

The total cash inflows of £2.2m presented in the investing category of the Group cash flow statement materially comprise gross proceeds and the disposed cash and cash equivalents.

Notes to the preliminary financial information

For the year ended 31 December 2025

9. Intangible Assets

	Goodwill £m	Customer relationships £m	Technology £m	Trade names £m	Applications software IT ¹ £m	Total £m
Cost						
1 January 2024	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
Additions	-	2.9	0.8	-	2.8	6.5
Additions acquired through business combinations (note 7)	18.3	14.5	15.4	1.2	-	49.4
Disposal of a subsidiary (note 8)	(4.5)	(1.9)	-	-	-	(6.4)
Disposals	-	-	-	-	(0.2)	(0.2)
31 December 2025	232.9	194.3	16.2	5.5	15.0	463.9
Accumulated amortisation and impairment						
1 January 2024	50.1	67.3	-	3.2	7.5	128.1
Charge for the year ²	-	10.2	-	0.1	1.8	12.1
31 December 2024	50.1	77.5	-	3.3	9.3	140.2
Disposal of a subsidiary (note 8)	-	(0.5)	-	-	-	(0.5)
Charge for the year ²	-	11.1	1.8	0.3	1.2	14.4
Disposals	-	-	-	-	(0.2)	(0.2)
31 December 2025	50.1	88.1	1.8	3.6	10.3	153.9
Carrying amount						
31 December 2025	182.8	106.2	14.4	1.9	4.7	310.0
31 December 2024	169.0	101.3	-	1.0	3.1	274.4

1. Additions include internally generated intangible assets of £2.4m (2024: £0.9m).

2. Charge for year include charge related to continuing operations of £14.2m (2024: £11.8m) and charge related to discontinued operations of £0.2m (2024: £0.3m)

In 2025, the Group acquired the trade and assets from NEC Software Solutions for a cash consideration of £1.0m, from Archive Warehouse Limited for a cash consideration of £1.8m and from Shred First Limited for a cash consideration of £0.3m. The acquisitions included customer relationships of £2.9m and property, plant and equipment of £0.2m.

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. As a result of the business combinations in 2025 (refer to note 7), and disposal of Harrow Green (refer to note 8), the Group comprises five CGUs as at 31 December 2025 being Information Management (Physical), Information Management (Digital), Information Management (Synertec), Datashred, and Technology that 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.

Notes to the preliminary financial information

For the year ended 31 December 2025

9. Intangible Assets (continued)

Annual test for impairment (continued)

As at 31 December 2025, an impairment review was conducted over the carrying values of each the CGUs including downside scenario modelling. The model utilised forecasts based upon the Group's FY26 budget and 5 year-plan through to FY30. Terminal cash flows are based on the Group's FY30 projections assumed to grow perpetually at 2% (2024: 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% (2024: 11.9%-12.5%).

A summary of the management's base case value-in-use calculation, including key assumptions, is set out below:

2025		Base case value in use calculation summary						
	FY25 to FY30 revenue compound annual growth rate (%)	FY245 to FY30 EBIT compound annual growth rate (%)	FY25 to FY30 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 (%)
Information Management (Physical) ¹	2.4%	3.2%	120	11.9%	345.6	187.4	54.2%	56.1%
Information Management (Digital) ²	6.8%	14.6%	400	12.1%	53.6	23.2	43.3%	61.6%
Information Management (Synertec)	17.7%	34.8%	630	13.2%	45.4	78.7	173.3%	62.2%
Datashred Technology	4.9%	10.8%	370	12.4%	34.5	40.6	117.7%	52.1%
	5.5%	18.0%	630	12.5%	34.3	23.2	67.6%	61.9%

1. Records Management changed their name to Information Management (Physical).

2. Digital changed their name to Information Management (Digital).

2024		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 Digital	2.8%	3.3%	80	11.9%	340.9	204.5	60.0%	57.0%
Datashred	2.0%	20.4%	860	12.1%	53.9	6.0	11.1%	67.2%
Harrow Green	4.0%	8.8%	230	12.4%	30.0	22.5	75.0%	48.7%
Technology	4.6%	25.2%	590	12.1%	22.2	22.7	102.3%	53.0%
	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.

Notes to the preliminary financial information

For the year ended 31 December 2025

9. Intangible Assets (continued)

Sensitivity

Several sensitivities have been modelled to highlight the way in which changes in trading and/or market conditions affect the value-in-use calculation. These assumptions were modelled in isolation. The Group have not identified any reasonably possible changes that would result in an impairment in any CGU apart from Technology. A summary of the sensitivity analysis performed for Technology is summarised below:

	Revenue reduction assuming gross margin in line with plan (%)	Headroom/ (impairment) (£m)	Headroom/ (Impairment) as % of carrying value
Technology	(11%)	1.0	2.9%
	(12%)	(1.6)	(4.7%)
	(13%)	(4.2)	(12.2%)

	EBIT reduction (%)	Headroom/ (impairment) (£m)	Headroom/ (impairment) as % of carrying value
Technology	(40%)	2.2	6.6%
	(45%)	(0.6)	(1.7%)
	(50%)	(3.4)	(10.0%)

	Discount rate increase	Headroom/ (impairment) (£m)	Headroom/ (impairment) as % of carrying value
Technology	7%	0.8	2.3%
	8%	(1.1)	(3.2%)
	9%	(2.9)	(8.4%)

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 12% from the base case assumptions in each of the forecast years dropping down to profit with gross margin in line with the plan would trigger an impairment of £1.6m. A 45% reduction to EBIT from the base case assumptions in each of the forecast years would drive an impairment of £0.6m. An 8% increase in a pre-tax discount rate would drive an impairment of £1.1m.

Notes to the preliminary financial information

For the year ended 31 December 2025

10. Cash flow information	2025	2024
	£m	Restated* £m
Cash generated from operations		
Profit/(loss) before tax from:		
Continuing operations	7.7	17.0
Discontinued operations	(7.6)	0.9
Profit before tax from total operations	0.1	17.9
Depreciation of property, plant and equipment and right-of-use assets	33.1	33.6
Amortisation of intangible assets	14.4	12.1
Impairment charge	0.3	-
Net finance costs	16.8	14.7
Earn-out remuneration	10.0	-
Share-based payments charge (including related NI)	2.3	1.7
Share-based payment settlement	-	(0.2)
Loss on disposal of fixed assets	0.5	0.3
Loss on disposal of subsidiary	7.6	-
(Increase)/decrease in inventories	(0.1)	0.2
(Increase)/decrease in trade and other receivables	(0.4)	7.2
Decrease in trade and other payables	(6.0)	(9.4)
Cash generated from operating activities	78.6	78.1

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 8 for further details.

11. Financial liabilities – borrowings

	2025	2024
	£m	£m
Current:		
Overdraft facility	2.1	3.2
Bank loans	1.6	-
Total current borrowings	3.7	3.2
Non-current:		
Bank loans – unsecured	100.3	70.0
Other loans – unsecured (US Private Placement)	25.0	25.0
Deferred financing costs	(1.8)	(1.2)
Total non-current borrowings	123.5	93.8
Total borrowings	127.2	97.0

Notes to the preliminary financial information

For the year ended 31 December 2025

11. Financial liabilities – borrowings (continued)

At 31 December 2025 the Group's financing arrangements comprise a £150m RCF (due 23 October 2028) including a carved out £10m overdraft facility with Barclays Bank plc and £25m of USPP fixed rate notes (due 28 March 2028). The RCF was refinanced in October 2025 for an initial term of three years with the option of two further one-year extensions, £1.2m of costs were incurred in executing the refinancing. The RCF also includes an accordion which the Group can exercise to increase the facility by up to a further £50m. £100.3m of drawn RCF debt and £25m of USPP fixed rate notes was outstanding at year end. The Group utilised £2.1m of the overdraft facility at 31 December 2025. Committed but undrawn borrowings at 31 December 2025 amounted to £47.6 m including £7.9m of unutilised overdraft.

The RCF borrowings are subject to a floating interest rate and a margin of 1.70% which can vary depending on the leverage the Group.

At 31 December 2024 the Group's financing arrangements comprised a £125m RCF (due 30 April 2027) including a carved out £10m overdraft facility with Barclays Bank plc and £25m of USPP fixed rate notes (due 28 March 2028). The RCF included an accordion which the Group could exercise to increase the facility by up to a further £25m. £70m of drawn RCF debt and £25m of USPP fixed rate notes was outstanding at previous 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 and the USPP are subject to a leverage covenant (net debt to adjusted EBITDA not to exceed 3x) and an interest cover covenant (EBITDA to finance charges not to be less than 4x) as defined in the facility agreement. The Group has been in compliance with covenants throughout the year and as at 31 December 2025 the leverage covenant was 1.9x (2024:1.6x) and the interest cover was 7.0x (2024:6.5x).

Analysis of net debt	2025	2024
	£m	£m
Cash at bank and in hand	3.4	8.0
Borrowings due within one year	(3.7)	(3.2)
Borrowings due after one year	(123.5)	(93.8)
Net debt	(123.8)	(89.0)

12. Provisions

	2025	2024
	£m	£m
1 January	13.5	18.6
Acquired through business combinations (note 7)	2.7	-
Additional provision	1.8	4.4
Utilised	(3.5)	(2.6)
Released	(4.0)	(6.9)
31 December	10.5	13.5

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 (2024: £0.4m).

Notes to the preliminary financial information

For the year ended 31 December 2025

13. Post balance sheet events

On 30 January 2026, the Group acquired the trade and assets from RDS Confidential Shredding Limited for a cash consideration of £0.1m. The consideration was fully satisfied on 30 January 2026.

On 20 February 2026, the Group acquired the entire share capital of Russell Richardson & Sons LTD, a shredding and storage business, for a cash consideration of £2.1m. The consideration was fully satisfied on 20 February 2026.

The Group has launched a £20.0m share buyback programme.