28 July 2026

Restore plc

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

Half year 2026 results

Strong H1 performance with revenue up 21% and adjusted EPS up 24%; confident of delivering full year result at least in line with market 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 half year ended 30 June 2026.

SUMMARY OF RESULTS[1]

Continuing operations	**H1 2026**	H1 2025	Change
Revenue (£m)	**175.4**	144.4	21%
Adjusted operating profit[2] (£m)	**29.9**	25.2	19%
Adjusted operating margin[3] (%)	***20.1%***	*19.6%*	*50bps*
Adjusted profit before tax[4] (£m)	**22.3**	18.1	23%
Statutory profit before tax (£m)	**7.4**	5.8	28%
Net debt[5] (£m)	**122.5**	120.1	(2%)
Leverage[6]	**1.7x**	1.9x	n/a
Adjusted basic earnings per share[7] (pence)	**12.4p**	10.0p	24%
Statutory basic earnings per share (pence)	**3.6p**	2.6p	38%
Dividend per share (pence)	**2.6p**	2.2p	18%

FINANCIAL HIGHLIGHTS

- Group revenue up 21% to £175.4m, driven by both organic and inorganic growth in broadly equal proportions.
- Adjusted operating profit increased 19% to £29.9m (H1 2025: £25.2m), with adjusted operating margin up 50bps to 20.1% (H1 2025: 19.6%).
- Adjusted PBT up 23% to £22.3m (H1 2025: £18.1m) and adjusted basic EPS up 24% to 12.4p (H1 2025: 10.0p).
- Statutory profit before tax and basic EPS continue to be impacted by the accounting treatment of acquisition related costs, primarily relating to the Synertec earn-out recognised as remuneration over the earn-out period.
- Free cashflow[8] of £21.3m (H1 2025: £20.6m), with strong cash conversion[9] of 95% (H1 2025: 109%), enabling continued organic and inorganic investment and return of surplus capital.
- Leverage decreased to 1.7x (30 June 2025: 1.9x) within our target leverage range of 1.5x - 2.0x and reflecting strong cash flow, H1 acquisitions and £20m share buyback programme.
- Interim dividend increased 18% to 2.6 pence (H1 2025: 2.2 pence).

STRATEGIC HIGHLIGHTS

- Recurring revenues and strong cash generation, underpinned by physical box storage in Information Management and predictable inflows from Datashred, providing strategic flexibility to pursue further value-accretive acquisitions and capital returns.
- Good momentum in Information Management Digital Services & Outbound Communications, and Technology driving double digit organic revenue growth.
- Information Management property consolidation nearing completion with significant cost savings in line with expectations.
- Four bolt-on acquisitions this year for an aggregate consideration of £6.0m, with three in Datashred and one in Information Management; healthy pipeline of further acquisition opportunities.
- £20m share buyback programme is underway with £4.6m purchased in H1.
- Restore Board changes announced separately today, with Charles Skinner becoming Non-Executive Chair and Dan Baker becoming CEO with effect from January 2027.

Charles Skinner, CEO, commented:

"The Group made strong progress during the first half, with healthy organic revenue growth alongside the benefits of the successful integration of our recent acquisitions. The combination of recurring revenues, strong operating margins and predictable strong cash generation, combined with our organic growth opportunities, provides an excellent platform for delivering further shareholder value. We are well positioned to continue to deliver both organic and inorganic revenue and profit growth.

With all divisions performing in line with or above our expectations, the Board remains confident that the Group will deliver adjusted profit before tax for the full year at least in line with market expectations[11]."

1) Following the disposal of Harrow Green in December 2025, the performance of these activities was 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 the Condensed consolidated statement of comprehensive income)
3) Calculated as adjusted operating profit divided by revenue, excluding Synertec postage costs (reconciled in note 2). Wherever adjusted operating margin is presented for the Group and the Information Management Division, it is calculated excluding Synertec postage costs.
4) Calculated as statutory profit before tax and adjusting items (reconciled below the Condensed consolidated statement of comprehensive income)
5) Calculated as external borrowings less cash, excluding the effects of lease obligations under IFRS16 (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 cash generated from operations less income taxes paid, capital expenditure and lease repayments, but before the cash impact of adjusting items (reconciled below the Condensed consolidated statement of cash flows)
9) Calculated as free cashflow divided by net operating profit after tax[10] (reconciled below the Condensed consolidated statement of cash flows)
10) Calculated as adjusted operating profit with a standard tax charge applied (reconciled below the Condensed consolidated statement of comprehensive income)
11) Company compiled consensus for FY26 adjusted profit before tax is £47.2m, with a range of £44.9m - £48.2m.

Half 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/6a3bc063ca8e91000fb76695/bcft

Conference call:

United Kingdom (Local): +44 20 3936 2999

United Kingdom (Toll-Free): +44 808 189 0158

Global Dial-In Numbers

Access Code: 050084

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

For further information please contact:

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BUSINESS PERFORMANCE

Overview

Revenue for H1 2026 was £175.4m (H1 2025: £144.4m), an increase of 21%. This growth was attributable to both acquisitions and organic growth in broadly equal measure, with the Information Management Digital Services & Outbound Communications businesses and Technology all making strong contributions to organic growth.

Our largest division, Information Management, recorded a 26% increase in revenue to £133.9m (H1 2025: £106.5m). Datashred increased revenue by 3% to £20.8m (H1 2025: £20.2m). Technology increased revenue by 17% to £20.7m (H1 2025: £17.7m).

Adjusted operating profit was £29.9m (H1 2025: £25.2m), an increase of 19%. The majority of this increase was in the Information Management division, with Technology continuing its strong recovery, doubling operating profit year-on-year. Datashred's profit was flat year-on-year as the steep decline in the paper price was offset by contributions from recent bolt-on acquisitions. Adjusted operating margin in the period increased to 20.1% from 19.6%.

Cash conversion was 95% (H1 2025: 109%), enabling continued organic and inorganic investment and return of surplus capital. Net debt at the end of the period increased to £122.5m (H1 2025: £120.1m), with leverage of 1.7x (H1 2025: 1.9x), reflecting acquisitions and the ongoing share buyback programme.

Adjusted profit before tax was £22.3m (H1 2025: £18.1m), an increase of 23%.

Information Management

Information Management comprises the Physical Services, Digital Services and Outbound Communications businesses, and recorded revenue of £133.9m (H1 2025: £106.5m) with adjusted operating profit of £28.2m (H1 2025: £25.5m). Adjusted operating margin was slightly lower year-on-year, reflecting an increased contribution from Outbound Communications and Digital Services.

The core Physical Services activities, predominantly document storage, continued to perform strongly with a broadly stable number of boxes stored. Storage revenues moved up in line with inflation and we saw an increase in project revenues with a new scanning contract in the period for the Ministry of Defence. As customers increasingly view their physical and digital data as inter-related, the line between physical and digital activity continues to blur.

Our major property consolidation programme is well advanced and is expected to complete in H1 2027, at which point we will have relocated over 4 million boxes, exited 20 warehouses, and moved into 5 new warehouses. The cost of storing a box is a key metric and driver of operating margins; this programme has enabled us to keep our storage costs flat at a time of rising rents and rates.

As noted previously, we see the records management industry as mature and stable, with excellent cash generation, and providing a platform for our digitisation activities and broader document management services.

The division's Digital Services are now beginning to benefit from the substantial restructuring of the last two years. With a significantly lower overhead, we now have a more competitive and integrated offering both in digital mailrooms and in major scanning projects. As we undertake more of the latter, our processes are improving with a steady reduction in the key metric of labour as a percentage of revenue. We are also better set up to flex our pricing according to spare capacity. Our exam contract work, which reaches its peak with GCSE, A Levels and International Baccalaureate marking, has been successfully completed. Our largest digital mailroom, for the Department of Work & Pensions, which came on-stream at the end of 2025 and hence is a key part of the organic revenue growth, continues to run smoothly. We have also resolved many of the issues with our other digital mailrooms which had constrained profitability. We continue to generate appreciable revenue from on-line hosting and are steadily improving our offering in this space as well as other document management programmes.

Synertec, our Outbound Communications business which sends out post, email and texts, has continued to perform strongly and in line with our expectations at the time of its acquisition in March 2025. The business predominantly serves the NHS and has generated strong revenue from NHS Notify this period, informing patients of upcoming screening and vaccination appointments. There remains considerable scope to continue to expand its activities both with more NHS Trusts and parts of the private sector, particularly where the Group holds strong customer relationships. We have recently acquired MPS Marketing Services, a smaller print competitor with a focus on local authorities, whose work we will be moving to our existing facility in Bristol. As part of working more closely with the Group, we are rebranding Synertec as Outbound Communications and deepening the integration within the division.

Datashred

Datashred's adjusted operating profit was broadly flat at £2.2m (H1 2025: £2.1m) with marginally higher revenue of £20.8m (H1 2025: £20.2m). Adjusted operating margin was largely unchanged at 10.6% (H1 2025: 10.4%), with additional profit from acquisitions offsetting the effect of a significantly lower paper price. The UK paper price was exceptionally low during H1 2026, with an average of £145/tonne compared to £186/tonne in H1 2025, reflecting significant restructuring within the paper and packaging sector and UK paper mill closures.

The impact of this has been mitigated with the hedging of approximately 70% of our output, albeit at an appreciably lower rate than the previous year, and the contribution from seven acquisitions made in 2025 and 2026. In the current period we acquired RDS Confidential Shredding in Banbury, Russell Richardson in Sheffield and Paper Shredding Services in Glasgow. The overall return on invested capital on these seven acquisitions has been highly attractive despite the decline in the paper price. They have now been successfully integrated, a complex process involving the novation of long-term contracts and the rationalising of routing.

We continue to achieve industry-leading KPIs and are constantly looking at our operating structure. We have recently invested significantly in our site in South Kirkby, Yorkshire, which will enable us to consolidate operations and vacate our Trafford Park, Manchester processing site later this year. Service levels in the region will be maintained through the construction of a collection facility at one of our nearby Information Management sites. Restore Recycle continues to grow beyond paper and cardboard and now provides commercial collection and recycling of dry mixed recyclables, batteries, IT equipment, textiles, and food waste.

Datashred retains its significant competitive advantages in the UK shredding market based on its scale and being part of the Restore Group. While the current weak paper price has had an impact on short-term profit, we believe that the current challenging market conditions will drive further consolidation opportunities for us.

Technology

Technology has continued its strong recovery since it recorded operating losses in 2023. Adjusted operating profit doubled to £2.4m (H1 2025: £1.2m) on revenue that grew by 17% to £20.7m (H1 2025: £17.7m). Adjusted operating margin increased from 6.8% to 11.6%.

Whilst the division continues to benefit from a strong global market in IT hardware sales, much of the improved performance over the last two years is attributable to the self-help actions of the Technology management team. We have focused on the most valuable parts of the IT recycling market, significantly improved our internal systems and identified where we have a competitive advantage in adding value and charging appropriately.

Our sales activities continue to focus on building relationships with Value-Added Re-sellers ("VARs"), who need subcontractors such as Restore to support their customers, and improving our offering for direct customers. Growing these areas also benefits other services such as Engineering (typically relocating IT) and Destruction. Pleasingly, both Ultratec, our hard-drive and restoration business, and Ultratest, which provides systems for repurposing hard drives, traded strongly in the period.

We are encouraged by Technology's progress and are hopeful that we can continue to increase revenues and operating margins further.

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. We completed seven acquisitions in 2025, and a further four acquisitions so far in 2026. These four 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.

Ongoing strong cash generation from high margin recurring revenues allows your Company to continually invest in growth, either in our businesses where it accelerates progress, or through value accretive acquisitions in core or adjacent business areas.

Having achieved our medium term target of 20% adjusted operating margin, the target is now to continue to grow revenue whilst maintaining adjusted operating margins of at least 20%. We have previously identified three growth areas: Digital Services, Outbound Communications (both with our Information Management division), and Technology. We said that these growth areas will make up an increasing percentage of the Group, and therefore, we are pleased that they are contributing strongly to growth in H1 2026 and that the adjusted operating margin is maintained at 20.1%. We expect revenue from these three growth areas to exceed that of physical information management and shredding in the medium term.

In addition, we will continue to deliver shareholder returns through dividends and the current £20m buyback programme.

Outlook

The Group made strong progress during the first half, with healthy organic revenue growth alongside the benefits of the successful integration of our recent acquisitions. The combination of recurring revenues, strong operating margins and predictable strong cash generation, combined with our organic growth opportunities, provides an excellent platform for delivering further shareholder value. We are well positioned to continue to deliver both organic and inorganic revenue and profit growth.

With all divisions performing in line with or above our expectations, the Board remains confident that the Group will deliver adjusted profit before tax for the full year at least in line with market expectations.

FINANCIAL PERFORMANCE

Overview

Revenue for the period ended 30 June 2026 increased by 21% to £175.4m (H1 2025: £144.4m), driven by both organic and inorganic growth, in broadly equal proportions. Adjusted profit before tax was £22.3m (H1 2025: £18.1m), with the Group making a statutory profit before tax of £7.4m (H1 2025: £5.8m). Good cash generation endures as a key strength of the Group with cash conversion of 95% (H1 2025: 109%).

Revenue

£m	**H1 2026**	H1 2025	Change
Information Management	**133.9**	106.5	26%
Datashred	**20.8**	20.2	3%
Technology	**20.7**	17.7	17%
Total	**175.4**	144.4	21%

Adjusted profit

Adjusted operating profit was up 19% to £29.9m (H1 2025: £25.2m) reflecting increased profits in Information Management and Technology, and broadly flat profits in Datashred. Bank interest costs were flat at £4.3m (H1 2025: £4.3m). Consequently, the Group's adjusted profit before tax was £22.3m (H1 2025: £18.1m).

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 these results 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:

£m	**H1 2026**	H1 2025
Amortisation of intangible assets	**8.5**	6.7
Acquisition and related costs	**3.8**	3.2
Restructuring and redundancy costs	**-**	1.4
Property related costs	**2.6**	1.0
Total adjusting items	**14.9**	12.3
Adjusting items - operating costs	**14.1**	11.9
Adjusting items - finance costs	**0.8**	0.4
Total adjusting items	**14.9**	12.3

Amortisation of intangible assets increased to £8.5m from £6.7m due to the additional intangible assets recognised as part of the acquisitions made in 2025, principally relating to Synertec and Shred-on-Site. Acquisition and related costs includes £2.3m related to the H1 2026 portion of the Synertec earn-out consideration which is recognised as remuneration and is being expensed over the earn-out period, £0.7m of integration costs associated with the acquired businesses, £0.1m of third-party advisory fees and £0.7m relating to the unwind of the discount on the Synertec contingent consideration liability. Restructuring and redundancy costs in H1 2025 of £1.4m related 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 £7.4m (H1 2025: £5.8m).

Net debt and leverage

Net debt as at 30 June 2026 was £122.5m (H1 2025: £120.1m), with leverage decreasing from 1.9x to 1.7x, due to cash generated from operations partially offset by acquisitions made in the period and the share buyback programme.

Cashflow

The Group generated free cashflow of £21.3m (H1 2025: £20.6m). Net cash generated from operating activities was £26.5m (H1 2025: £25.7m). Cash conversion was 95% (H1 2025: 109%).

Discontinued operations

A charge of £2.3m was recognised within discontinued operations (H1 2025: £0.3m), principally relating to the derecognition of a £2.0m contingent receivable associated with the disposal of Harrow Green. The receivable was contingent upon Harrow Green achieving specified performance targets in 2026 and was derecognised following an assessment that those targets would not be met.

CONDENSED INTERIM FINANCIAL STATEMENTS

Condensed consolidated statement of comprehensive income

For the half year ended 30 June 2026

	Note	**Unaudited six months ended 30 June 2026**	Unaudited six months ended 30 June 2025 Restated*	Audited year ended 31 December 2025
		£m	£m	£m
Revenue	**2**	**175.4**	144.4	304.7
Cost of sales		**(104.3)**	(82.3)	(172.6)
Gross profit	**2**	**71.1**	62.1	132.1
Administrative expenses		**(55.1)**	(49.1)	(108.2)
Movement in trade receivables loss allowance		**(0.2)**	0.3	(0.1)
Operating profit		**15.8**	13.3	23.8
Finance costs		**(8.4)**	(7.5)	(16.1)
Profit before tax		**7.4**	5.8	7.7
Taxation	**4**	**(2.6)**	(2.2)	(6.3)
Profit after tax from continuing operations		**4.8**	3.6	1.4
Loss from discontinued operations		**(2.3)**	(0.3)	(7.7)
Profit/(loss) after tax from total operations		**2.5**	3.3	(6.3)
Total comprehensive profit/(loss) for the year		**2.5**	3.3	(6.3)
Total comprehensive profit/(loss) for the year:				
Continuing operations		**4.8**	3.6	1.4
Discontinued operations		**(2.3)**	(0.3)	(7.7)
From continuing operations:				
Basic earnings per share		**3.6p**	2.6p	1.0p
Diluted earnings per share		**3.5p**	2.6p	1.0p
From discontinued operations:				
Basic loss per share		**(1.7p)**	(0.2p)	(5.7p)
Diluted loss per share		**(1.7p)**	(0.2p)	(5.7p)
From continuing and discontinued operations:	**5**			
Basic earnings/(loss) per share		**1.9p**	2.4p	(4.7p)
Diluted earnings/(loss) per share		**1.8p**	2.4p	(4.7p)

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

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

Continuing operations	Note	**Unaudited six months ended 30 June 2026 £m**	Unaudited six months ended 30 June 2025 Restated* £m	Audited year ended 31 December 2025 £m
Operating profit		**15.8**	13.3	23.8
Adjusting items – administrative expenses	**3**	**5.6**	5.2	17.5
Adjusting items – amortisation of intangible assets	**3**	**8.5**	6.7	14.2
Total adjusting items – operating costs		**14.1**	11.9	31.7
Adjusted operating profit		**29.9**	25.2	55.5
Adjusted operating profit		**29.9**	25.2	55.5
Tax at 25% (2025: 25%)		**(7.5)**	(6.3)	(13.9)
NOPAT (Net operating profit after tax)		**22.4**	18.9	41.6
Profit before tax		**7.4**	5.8	7.7
Adjusting items – operating costs (as stated above)		**14.1**	11.9	31.7
Adjusting items – finance costs	**3**	**0.8**	0.4	1.2
Adjusted profit before tax		**22.3**	18.1	40.6

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

Condensed consolidated statement of financial position

At 30 June 2026

Company registered no. 05169780

	Note	**Unaudited 30 June 2026 £m**	Unaudited 30 June 2025 £m	Audited 31 December 2025 £m
ASSETS				
Non-current assets				
Intangible assets	**7**	**307.3**	314.1	310.0
Property, plant and equipment		**83.2**	87.6	84.9
Right of use assets		**118.6**	136.2	118.6
Other receivables		**4.2**	4.0	6.0
		513.3	541.9	519.5
Current assets				
Inventories		**3.8**	3.4	3.2
Trade and other receivables		**72.2**	68.9	61.1
Cash and cash equivalents		**5.2**	12.8	3.4
		81.2	85.1	67.7
Total assets		**594.5**	627.0	587.2
LIABILITIES				
Current liabilities				
Trade and other payables		**(63.1)**	(63.4)	(46.0)
Financial liabilities – borrowings	**11**	**(8.8)**	(7.9)	(3.7)
Financial liabilities – lease liabilities		**(18.0)**	(21.9)	(19.3)
Current tax liabilities		**(0.9)**	(0.7)	(0.7)
Provisions	**12**	**(2.9)**	(3.9)	(2.8)
		(93.7)	(97.8)	(72.5)
Non-current liabilities				
Financial liabilities – borrowings	**11**	**(118.9)**	(125.0)	(123.5)
Financial liabilities – lease liabilities		**(114.7)**	(128.2)	(113.6)
Deferred tax liability		**(31.6)**	(34.1)	(34.2)
Provisions	**12**	**(6.0)**	(9.4)	(7.7)
Other payables		**(17.9)**	(0.4)	(16.0)
		(289.1)	(297.1)	(295.0)
Total liabilities		**(382.8)**	(394.9)	(367.5)
Net assets		**211.7**	232.1	219.7
EQUITY				
Share capital	**13**	**6.7**	6.8	6.8
Share premium		**187.9**	187.9	187.9
Other reserves		**(3.4)**	(1.7)	(1.8)
Retained earnings		**20.5**	39.1	26.8
Total equity		**211.7**	232.1	219.7

Condensed consolidated statement of changes in equity

For the half year ended 30 June 2026

		Attributable to owners of the parent				
		Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance at 1 January 2025		6.8	187.9	(0.5)	39.6	233.8
Profit for the period		-	-	-	3.3	3.3
Total comprehensive income for the period		-	-	-	3.3	3.3
Transactions with owners:						
Dividends		-	-	-	(5.1)	(5.1)
Share-based payments charge		-	-	1.1	-	1.1
Transfer*		-	-	(1.3)	1.3	-
Purchase of treasury shares		-	-	(1.0)	-	(1.0)
Balance at 30 June 2025 (unaudited)		6.8	187.9	(1.7)	39.1	232.1
Balance at 1 July 2025		6.8	187.9	(1.7)	39.1	232.1
Loss for the period		-	-	-	(9.6)	(9.6)
Total comprehensive loss for the period		-	-	-	(9.6)	(9.6)
Transactions with owners:						
Dividends		-	-	-	(3.0)	(3.0)
Share-based payments charge		-	-	1.1	-	1.1
Deferred tax on share-based payments		-	-	0.3	-	0.3
Transfer*		-	-	(0.3)	0.3	-
Purchase of treasury shares		-	-	(1.2)	-	(1.2)
Balance at 31 December 2025 (audited)		6.8	187.9	(1.8)	26.8	219.7
Balance at 1 January 2026		**6.8**	**187.9**	**(1.8)**	**26.8**	**219.7**
Profit for the period		**-**	**-**	**-**	**2.5**	**2.5**
Total comprehensive income for the period		**-**	**-**	**-**	**2.5**	**2.5**
Transactions with owners:						
Dividends		**-**	**-**	**-**	**(6.3)**	**(6.3)**
Share-based payments charge		**-**	**-**	**0.4**	**-**	**0.4**
Transfer*		**-**	**-**	**(2.4)**	**2.4**	**-**
Purchase of shares (share buyback programme)	**13**	**-**	**-**	**(4.6)**	**-**	**(4.6)**
Cancellation of shares (share buyback programme)	**13**	**(0.1)**	**-**	**4.2**	**(4.1)**	**-**
Disposal of treasury shares		**-**	**-**	**0.8**	**(0.8)**	**-**
Balance at 30 June 2026 (unaudited)		**6.7**	**187.9**	**(3.4)**	**20.5**	**211.7**

***** In the period ended 30 June 2026 a net amount of £2.4m was reclassified from the share-based payment reserve to retained earnings in respect of lapsed and exercised options (H1 2025: £1.3m, year to 31 December 2025: £1.6m).

Condensed consolidated statement of cash flows

For the half year ended 30 June 2026

	Note	**Unaudited six months ended 30 June 2026 £m**	Unaudited six months ended 30 June 2025 £m	Audited year ended 31 December 2025 £m
Cash generated from operating activities	**10**	**39.1**	39.8	78.6
Net finance costs		**(7.4)**	(7.7)	(17.3)
Income taxes paid		**(5.2)**	(4.0)	(8.1)
Net cash generated from operating activities		**26.5**	28.1	53.2
Cash flows used in investing activities				
Purchase of property, plant and equipment, right of use assets and applications software IT	**2**	**(4.9)**	(5.7)	(13.2)
Proceeds from sale of a subsidiary, net of cash disposed	**9**	-	-	2.2
Proceeds from sale of property, plant and equipment		-	0.2	0.3
Purchase of subsidiary undertakings, net of cash acquired	**8**	**(3.6)**	(29.4)	(32.2)
Purchase of trade and assets	**7**	**(0.6)**	(0.3)	(2.9)
Net cash used in investing activities		**(9.1)**	(35.2)	(45.8)
Cash flows from financing activities				
Dividends paid		**-**	-	(8.1)
Purchase of treasury shares		**-**	(1.0)	(2.2)
Purchase of shares (share buyback programme)	**13**	**(4.6)**	-	-
(Repayment)/drawdown of invoice credit facility, net		**(1.2)**	1.1	(1.5)
Repayment of other bank loans		**-**	-	(8.1)
Repayment of revolving credit facility		**(10.0)**	(1.5)	-
Drawdown of revolving credit facility		**5.0**	28.0	30.4
Lease principal repayments		**(11.1)**	(11.5)	(21.4)
Net cash (used)/generated in financing activities		**(21.9)**	15.1	(10.9)
Net (decrease)/increase in cash and cash equivalents		**(4.5)**	8.0	(3.5)
Cash and cash equivalents at start of period*		**1.3**	4.8	4.8
(Overdraft)/cash and cash equivalents at end of period*		**(3.2)**	12.8	1.3

* Cash and cash equivalents as at 30 June 2026 includes overdraft of £8.4m (30 June 2025: nil; 31 December 2025: £2.1m) (note 11).

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

	Note	**Unaudited six months ended 30 June 2026**	Unaudited six months ended 30 June 2025 Restated*	Audited year ended 31 December 2025
		£m	£m	£m
Cash generated from operating activities – total operations	**10**	**39.1**	39.8	78.6
Cash generated from operating activities – discontinued operations	**9**	**-**	(2.8)	(3.1)
Cash generated from operating activities – continuing operations		**39.1**	37.0	75.5
Income taxes paid – continuing operations		**(5.2)**	(4.0)	(8.1)
Purchase of property, plant and equipment, right of use assets and applications software IT – continuing operations	**2**	**(4.9)**	(5.7)	(13.1)
Lease principal repayments – continuing operations		**(11.1)**	(10.3)	(19.1)
Add back: Cash impact of adjusting items – administrative expenses (continuing operations)	**3**	**3.4**	3.6	7.7
Free cashflow from continuing operations		**21.3**	20.6	42.9
NOPAT (Net operating profit after tax)		**22.4**	18.9	41.6
Cash conversion		**95%**	109%	103%

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

Notes to the condensed interim financial statements
For the half year ended 30 June 2026

1. Basis of preparation

The condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, adopting accounting policies that are consistent with those of the previous financial year and corresponding half year reporting period. The condensed interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The information for the year ended 31 December 2025 is based on audited statutory accounts which have been filed with the Registrar of Companies. The Auditor's report for 2025 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 six-month period to 30 June 2026 and 30 June 2025 was unaudited.

The condensed interim 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 condensed interim financial statements are presented in pounds sterling and, unless stated otherwise, shown in pounds million to one decimal place. The principal risks impacting the Group during the period remain unchanged from those disclosed in the 31 December 2025 Annual Report.

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

The Group's operations are not normally affected by significant seasonal variations between the first and second halves of the calendar year.

The condensed interim financial statements were approved by the Board of Directors on 27 July 2026.

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 the condensed interim financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the condensed interim 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 31 December 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 latest outlook for H2 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 scenarios during the going concern period.

New standards, interpretations and amendments adopted by the Group

The following amendments to standards were effective for the first time from 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 – amendments to the classification and measurement of financial instruments
- Annual Improvements to IFRS Accounting Standards – amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7
- Amendments to IFRS 9 and IFRS 7 – contracts referencing nature-dependent electricity

These amendments are not considered to have a material impact on the condensed interim financial statements.

2. Segmental analysis

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

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

Revenue

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

Revenue - continuing operations	**Six months ended 30 June 2026 £m**	Six months ended 30 June 2025 Restated* £m	Year ended 31 December 2025 £m
Information Management	**133.9**	106.5	227.2
Datashred	**20.8**	20.2	41.6
Technology	**20.7**	17.7	35.9
Total revenue	**175.4**	144.4	304.7

For the period ended 30 June 2026 no customers individually accounted for more than 4% of the Group's total revenue (H1 2025: 3%; year to 31 December 2025: 3%).

The Group had sales of goods of £17.5m relating to the sale of recycled paper and recycled IT assets (H1 2025: £16.0m; year to 31 December 2025: £31.5m). The remainder of revenue relates to the sales of services.

Segmental information

Six months ended 30 June 2026 (continuing operations)	**Information Management £m**	**Datashred £m**	**Technology £m**	**Central £m**	**Total £m**
Revenue	**133.9**	**20.8**	**20.7**	**-**	**175.4**
Cost of sales	**(78.4)**	**(12.8)**	**(13.1)**	**-**	**(104.3)**
Gross profit	**55.5**	**8.0**	**7.6**	**-**	**71.1**
Adjusted operating profit/(loss)	**28.2**	**2.2**	**2.4**	**(2.9)**	**29.9**
Revenue	**133.9**	**20.8**	**20.7**	**-**	**175.4**
Postage costs	**(26.3)**	**-**	**-**	**-**	**(26.3)**
Revenue (excluding postage costs)	**107.6**	**20.8**	**20.7**	**-**	**149.1**
Adjusted operating margin[1]	**26.2%**	**10.6%**	**11.6%**	**-**	**20.1%**
Adjusting items	**(3.2)**	**(0.6)**	**(0.1)**	**(10.2)**	**(14.1)**
Operating profit/(loss)	**25.0**	**1.6**	**2.3**	**(13.1)**	**15.8**
Finance costs					**(8.4)**
Profit before tax					**7.4**

2. Segmental analysis (continued)

Six months ended 30 June 2025 (continuing operations) Restated*	Information Management £m	Datashred £m	Technology £m	Central[2] £m	Total £m
Revenue	106.5	20.2	17.7	-	144.4
Cost of sales	(58.6)	(12.3)	(11.4)	-	(82.3)
Gross profit	47.9	7.9	6.3	-	62.1
Adjusted operating profit/(loss)	25.5	2.1	1.2	(3.6)	25.2
Revenue	106.5	20.2	17.7	-	144.4
Postage costs	(15.9)	-	-	-	(15.9)
Revenue (excluding postage costs)	90.6	20.2	17.7	-	128.5
Adjusted operating margin[1]	28.1%	10.4%	6.8%	-	19.6%
Adjusting items	(2.8)	(0.2)	(0.1)	(8.8)	(11.9)
Operating profit/(loss)	22.7	1.9	1.1	(12.4)	13.3
Finance costs					(7.5)
Profit before tax					5.8

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

Year ended 31 December 2025 (continuing operations)	Information Management £m	Datashred £m	Technology £m	Central £m	Total £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 margin[1]	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. 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, the postage costs directly incurred by the Group are excluded when calculating adjusted operating margin.

2. In the period to 30 June 2025, the £0.1m amortisation of acquired intangibles related to Harrow Green segment was recognised centrally.

2. Segmental analysis (continued)

30 June 2026	Information Management £m	Datashred £m	Technology £m	Central £m	Total continuing operations £m	Discontinued operations £m	Total £m
Segment assets	**497.2**	**48.6**	**41.7**	**7.0**	**594.5**	**-**	**594.5**
Segment liabilities	**181.8**	**24.7**	**12.2**	**164.1**	**382.8**	**-**	**382.8**
Capital expenditure	**4.3**	**0.4**	**0.2**	**-**	**4.9**	**-**	**4.9**
Depreciation and amortisation	**13.1**	**2.3**	**1.0**	**8.0**	**24.4**	**-**	**24.4**

30 June 2025 Restated*	Information Management £m	Datashred £m	Technology £m	Central £m	Total continuing operations £m	Discontinued operations £m	Total £m
Segment assets	490.4	49.9	44.0	11.1	595.4	31.6	627.0
Segment liabilities	168.5	28.0	12.2	160.3	369.0	25.9	394.9
Capital expenditure	5.1	0.4	0.2	-	5.7	-	5.7
Depreciation and amortisation	12.1	2.6	0.9	6.3	21.9	1.5	23.4

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

31 December 2025	Information Management £m	Datashred £m	Technology £m	Central £m	Total continuing operations £m	Discontinued operations £m	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

The amortisation of acquired intangible assets has been recorded centrally.

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 when assessing the performance of the business. The Group's adjusting items are set out below:

3. Adjusting items (continued)

Six months ended 30 June 2026 (continuing operations)	Cash adjusting items £m	Non-cash adjusting items £m	Total £m
Amortisation	**-**	**8.5**	**8.5**
Acquisition and related costs[1]	**0.8**	**3.0**	**3.8**
Property related costs[2]	**2.6**	**-**	**2.6**
Total adjusting items	**3.4**	**11.5**	**14.9**

Six months ended 30 June 2025 (continuing operations)	Cash adjusting items £m Restated*	Non-cash adjusting items £m Restated*	Total £m Restated*
Amortisation	-	6.7	6.7
Acquisition and related costs[1]	0.8	2.4	3.2
Restructuring and redundancy	1.4	-	1.4
Property related costs[2]	1.4	(0.4)	1.0
Total adjusting items	3.6	8.7	12.3

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

Year ended 31 December 2025 (continuing operations)	Cash adjusting items £m	Non-cash adjusting items £m	Total £m
Amortisation	-	14.2	14.2
Acquisition and related costs[1]	2.3	10.8	13.1
Restructuring and redundancy	2.1	-	2.1
Property related costs[2]	3.3	0.2	3.5
Total adjusting items	7.7	25.2	32.9

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

1. Adjusting items – finance costs of £0.7m related to the unwind of the discount on the contingent consideration liability are included in acquisition and related costs (H1 2025: £0.3m, year to 31 December 2025: £0.8m)
2. Adjusting items – finance costs of £0.1m related to dual running lease liability interest costs are included in property related costs (H1 2025: £0.1m, year to 31 December 2025: £0.4m)

Total adjusting items include:

- £5.6m of "adjusting items – administrative expenses" (H1 2025: £5.2m; year to 31 December 2025: £17.5m)
- £0.8m of "adjusting items – finance costs" (H1 2025: £0.4m; year to 31 December 2025: £1.2m); and
- £8.5m of "adjusting items – amortisation of intangible assets" (H1 2025: £6.7m; year to 31 December 2025: £14.2m).

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 profit generated from its business combinations in its alternative profit measures.

3. Adjusting items (continued)

Acquisition costs

- £2.3m (H1 2025: £2.1m; year to 31 December 2025: £10.0m) relates to the Synertec earn-out consideration 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. No change to the fair value of the earn-out remuneration was recognised in adjusting items in H1 2026.
- £0.7m (H1 2025: nil; year to 31 December 2025: £1.3m) primarily relates to property and restructuring and redundancy costs associated with the integration of the acquired businesses.
- £0.1m (H1 2025: £0.8m; year to 31 December 2025: £1.0m) primarily relates to legal, due diligence and other third-party advisory costs incurred in association with business acquisition activity.
- £0.7m (H1 2025: £0.3m, year to 31 December 2025: £0.8m) relates to the unwind of the discounting of the Synertec contingent consideration liability on the balance sheet.

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 costs
There were no restructuring and redundancy costs in H1 2026. The restructuring and redundancy costs in 2025 related 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, however, for transparency we note that these cost savings will not be adjusted for in deriving the Group's alternative performance measures.

Property related costs
Property related costs of £2.6m (H1 2025: £1.0m; year to 31 December 2025: £3.5m) relate primarily to the ongoing property consolidation programme with Information Management. This programme is anticipated to complete in H1 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 IFRS16.
Leverage	Calculated as adjusted EBITDA divided by net debt, which for the purposes of leverage in line with financial debt covenants includes £0.9m of pre-IFRS 16 leases and deferred consideration (30 June 2025: £0.8m; 31 December 2025: £1.0m).
Free cashflow	Calculated as cash generated from operations less income taxes paid, capital expenditure and principal lease repayments, but before the cash impact of adjusting items.
Cash conversion	Calculated as free cashflow divided by NOPAT.

3. Adjusting items (continued)

	Twelve months ended 30 June 2026 Continuing operations £m	Twelve months ended 30 June 2025 Total operations £m	Year ended 31 December 2025 Continuing operations £m
Operating profit	**26.3**	30.0	23.8
IFRS 16 impact	**(4.0)**	(4.4)	(4.3)
Add back: Adjusting items – operating costs	**33.9**	20.7	31.7
Add back: Depreciation	**10.1**	10.1	10.0
Add back: Share-based payments	**2.2**	1.7	2.1
Pro-forma adjustment	**2.3**	5.5	3.9
Adjusted EBITDA	**70.8**	63.6	67.2

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.

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.

4. Taxation

The income tax expense comprises:

Six months ended 30 June 2026	**Continued operations £m**	**Discontinued operations £m**	**Total £m**
Current tax expense	**5.5**	**-**	**5.5**
Deferred tax credit	**(2.9)**	**-**	**(2.9)**
Total tax expense	**2.6**	**-**	**2.6**

Six months ended 30 June 2025	**Continued operations £m**	**Discontinued operations Restated* £m**	**Total £m**
Current tax expense	4.4	-	4.4
Deferred tax credit	(2.2)	-	(2.2)
Total tax expense	2.2	-	2.2

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

Year ended 31 December 2025	**Continued operations £m**	**Discontinued operations £m**	**Total £m**
Current tax expense	8.4	0.2	8.6
Deferred tax credit	(2.1)	(0.1)	(2.2)
Total tax expense	6.3	0.1	6.4

4. Taxation (continued)

Tax for the six months ended 30 June 2026 is determined based on applying an estimate of the annual effective tax rate expected for the full financial year. The estimated annual effective tax rate used for continuing operations for the six months ended to 30 June 2026 is 35% (H1 2025: 38%).

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 period after taxation and the weighted average number of ordinary shares in issue during the period.

	30 June 2026	30 June 2025 Restated*	31 December 2025
Profit after tax for the year from continuing operations (£m)	**4.8**	3.6	1.4
Loss after tax for the year from discontinued operations (£m)	**(2.3)**	(0.3)	(7.7)
Profit/(loss) after tax for the year from total operations (£m)	**2.5**	3.3	(6.3)
Basic earnings per share (pence) from continuing operations	**3.6**	2.6	1.0
Basic loss per share (pence) from discontinued operations	**(1.7)**	(0.2)	(5.7)
Basic earnings/(loss) per share (pence) from total operations	**1.9**	2.4	(4.7)
Weighted average number of shares in issue	**134,507,279**	135,521,991	135,273,308
Dilutive options (number)	**3,842,395**	1,892,686	2,886,744
Weighted average fully diluted number of shares in issue	**138,349,674**	137,414,677	138,160,052
Fully diluted earnings per share (pence) from continuing operations	**3.5**	2.6	1.0
Fully diluted loss per share (pence) from discontinued operations	**(1.7)**	(0.2)	(5.7)
Fully diluted earnings/(loss) per share (pence) from total operations	**1.8**	2.4	(4.7)

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 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:

Continuing operations	**Six months ended 30 June 2026 £m**	Six months ended 30 June 2025 Restated* £m	Year ended 31 December 2025 £m
Profit before tax	**7.4**	5.8	7.7
Adjusting items – administrative expenses	**5.6**	5.2	17.5
Adjusting items – amortisation of intangible assets	**8.5**	6.7	14.2
Adjusting items – finance costs	**0.8**	0.4	1.2
Adjusted profit before tax	**22.3**	18.1	40.6

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

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

The adjusted earnings per share and adjusted fully diluted earnings per share is based on the weighted average number of shares in issue during the period of 134.5m (H1 2025: 135.5m; year 31 December 2025: 135.3m) and the weighted average fully diluted number of shares in issue during the period of 138.3m (H1 2025: 137.4m; year ended 31 December 2025: 138.2m) respectively, and are calculated below using a standard tax charge:

Continuing operations	**Six months ended 30 June 2026** £m	Six months ended 30 June 2025 Restated* £m	Year ended 31 December 2025 £m
Adjusted profit before tax (£m)	**22.3**	18.1	40.6
Tax at 25% (2025: 25%) (£m)	**(5.6)**	(4.5)	(10.2)
Adjusted profit after tax (£m)	**16.7**	13.6	30.4
Adjusted basic earnings per share (pence)	**12.4**	10.0	22.5
Adjusted fully diluted earnings per share (pence)	**12.1**	9.9	22.0

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

6. Dividends

In respect of the current period, the Directors declare an interim dividend of 2.6p per share (H1 2025: 2.2p). The estimated dividend to be paid is £3.6m (H1 2025: £3.0m) and will be paid on 21 October 2026 to shareholders on the register on 25 September 2026.

7. Intangible assets

	Goodwill £m	**Customer relationships £m**	**Technology[1] £m**	**Trade names £m**	**Applications software IT[1] £m**	**Total £m**
Cost						
1 January 2025	219.1	178.8	-	4.3	12.4	414.6
Additions	-	0.3	-	-	1.0	1.3
Acquired through business combinations	16.0	12.6	15.4	1.2	-	45.2
Disposals	-	-	-	-	(0.2)	(0.2)
30 June 2025	235.1	191.7	15.4	5.5	13.2	460.9
Additions	-	2.6	0.8	-	1.8	5.2
Acquired through business combinations	2.3	1.9	-	-	-	4.2
Disposal of a subsidiary	(4.5)	(1.9)	-	-	-	(6.4)
31 December 2025	232.9	194.3	16.2	5.5	15.0	463.9
Additions[2]	-	0.6	0.8	-	0.4	1.8
Acquired through business combinations (note 8)	2.6	1.4	-	-	-	4.0
30 June 2026	**235.5**	**196.3**	**17.0**	**5.5**	**15.4**	**469.7**

7. Intangible assets (continued)

Accumulated amortisation and impairment						
1 January 2025	50.1	77.5	-	3.3	9.3	140.2
Charge for the period[3]	-	5.4	0.7	0.1	0.6	6.8
Disposals	-	-	-	-	(0.2)	(0.2)
30 June 2025	50.1	82.9	0.7	3.4	9.7	146.8
Disposal of a subsidiary	-	(0.5)	-	-	-	(0.5)
Charge for the period[3]	-	5.7	1.1	0.2	0.6	7.6
31 December 2025	50.1	88.1	1.8	3.6	10.3	153.9
Charge for the period[3]	-	5.8	1.1	1.0	0.6	8.5
30 June 2026	**50.1**	**93.9**	**2.9**	**4.6**	**10.9**	**162.4**
Carrying amount						
30 June 2026	**185.4**	**102.4**	**14.1**	**0.9**	**4.5**	**307.3**
31 December 2025	182.8	106.2	14.4	1.9	4.7	310.0
30 June 2025	185.0	108.8	14.7	2.1	3.5	314.1

1. Additions include internally generated intangible assets of £1.2m (H1 2025: £0.6m; year to 31 December 2025: £2.4m).
2. Additions in customer relationships include contingent consideration of £0.5m paid to NEC Software Solutions and £0.1m cash consideration paid for trade and assets acquired from RDS Confidential Shredding Limited.
3. Charge for year includes charges related to continuing operations of £8.5m (H1 2025: £6.7m; year to 31 December 2025: £14.2m) and charges related to discontinued operations of nil (H1 2025: £0.1m; year to 31 December 2025: £0.2m).

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 ("CGU's") which represent the smallest identifiable group of assets that generate cash inflows from continuing use. The Group comprises five CGUs as at 30 June 2026 being Information Management (Physical), Information Management (Digital), Information Management (Synertec), Datashred and Technology. 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.

Goodwill is tested annually for impairment, or more frequently if there are indicators that an impairment may be required; the Group conducts the annual assessment in line with our full year reporting at 31 December. At June 2026, we have therefore reviewed whether there are any indicators of impairment present at the CGU level. Our conclusion is that such indicators are only present in the Information Management (Digital) CGU and the Datashred CGU.

An impairment review was therefore conducted over the carrying values of the Information Management (Digital) CGU and the Datashred CGU. The model utilised forecasts based upon the CGU's outlook for the remainder of 2026 and the five-year plan through to HY31. Terminal cash flows are based on the CGUs' HY31 projections and are assumed to grow perpetually at 2%. In accordance with IAS 36, the growth rate for beyond the initially forecast years does not exceed the long-term average growth rate for the industry. The forecasts have been discounted using a pre-tax discount rate specific to Information Management (Digital) and Datashred, being 12.1% and 12.4% respectively.

Within the Information Management (Digital) CGU and the Datashred CGU, no impairment is shown when considering the base case scenario and reasonably possible downside scenarios.

7. Intangible assets (continued)

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

	FY26 to FY31 revenue compound annual growth rate (%)	FY26 to FY31 EBIT compound annual growth rate (%)	FY26 to FY31 EBIT margin growth (bps)	Discount rate (%)	Carrying value of assets (£m)	Headroom (£m)	Headroom as % of asset carrying value (%)	NPV terminal year cashflows into perpetuity as % of value-in-use calculation (%)
Information Management (Digital)	1.5%	5.3%	210	12.1%	55.5	16.2	29.3%	64%
Datashred	3.1%	7.3%	210	12.4%	35.9	26.7	74.4%	53%

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. Therefore, there are no overriding changes to key assumptions built into the forecasts and no specific sensitivities relating to climate change are considered necessary.

8. Business combinations

Russell Richardson & Sons Limited ("Russell Richardson")

On 20 February 2026, the Group acquired the entire issued share capital of Russell Richardson & Sons Limited, a shredding business, for an initial consideration of £2.2m.

A provisional purchase price allocation exercise for the Russell Richardson acquisition, which will be finalised in the second half of the year, has been completed which identified £1.0m 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 12.4%. £1.4m of goodwill has arisen on the acquisition of Russell Richardson and is primarily attributable to anticipated synergies.

Paper Shredding Services Limited and Paper Shredding Services Holdings Limited ("Paper Shredding Services")

On 26 March 2026, the Group acquired the entire issued share capital of Paper Shredding Services Limited and Paper Shredding Services Holdings Limited, a UK based shredding business, for an initial consideration of £1.4m.

A provisional purchase price allocation exercise for the Paper Shredding Services acquisition, which will be finalised in the second half of the year, has been completed which identified £0.4m 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 12.4%. £1.2m of goodwill has arisen on the acquisition of Paper Shredding Services and is primarily attributable to anticipated synergies.

8. Business combinations (continued)

From the date of the acquisition, Russell Richardson and Paper Shredding Services contributed £0.5m of revenue and £0.1m of adjusted operating profit to the Group's performance for the period. If the acquisitions had taken place at the beginning of the year, they would have contributed £1.2m of revenue and £0.1m of adjusted operating profit to the Group's performance for the period.

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.

	Russell Richardson £m	Paper Shredding Services £m	Total £m
Assets			
Acquired intangible assets recognised on acquisition	1.0	0.4	1.4
Property, plant and equipment	0.1	-	0.1
Trade and other receivables	0.3	0.2	0.5
Liabilities			
Trade and other payables	(0.4)	(0.2)	(0.6)
Deferred tax liability (net)	(0.2)	(0.1)	(0.3)
Provisions	-	(0.1)	(0.1)
Total identifiable net assets at fair value	**0.8**	**0.2**	**1.0**
Goodwill arising on acquisition	**1.4**	**1.2**	**2.6**
Fair value of consideration	**2.2**	**1.4**	**3.6**

The fair value of acquired receivables is £0.5m, 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 for tax purposes of the acquired intangible assets recognised on acquisition.

Purchase consideration

	Russell Richardson £m	Paper Shredding Services £m	Total £m
Amount settled in cash	2.2	1.4	3.6
Fair value of consideration	**2.2**	**1.4**	**3.6**

2025 acquisitions

As disclosed in Note 12 of the 2025 Annual Report and Accounts, the Group completed the acquisition of

- Synertec (Holdings) Limited and Synertec Limited, a UK based leading document management business;
- Mass Holdings and Investments Limited and Shred-on-Site Limited, a UK based shredding business;
- Data Shredding Services Limited, a shredding business; and
- Topwood Limited, a shredding and records management business.

8. Business combinations (continued)

Analysis of cash flows on acquisition

Consideration paid in the period, net of cash acquired, was £3.6m and is included in cash flows from investing activities.

	Six months ended 30 June 2026 £m	Six months ended 30 June 2025 £m	Year ended 31 December 2025 £m
Consideration paid (included in cash flows from investing activities)	**3.6**	29.9	33.1
Cash acquired with the subsidiary (included in cash flows from investing activities)	**-**	(0.5)	(0.9)
Total net cash flow included in cash flows from investing activities	**3.6**	29.4	32.2
Transaction costs (included in cash flows from operating activities)*	**0.1**	0.7	1.0
Net cash flow on acquisition	**3.7**	30.1	33.2

* Transaction costs are presented within adjusting items set out in note 3. £0.1m of the costs in H1 2025 in Note 3 relate to the acquisition of Topwood Limited which did not complete until after the period end.

9. Discontinued operations

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

Discontinued operations	**Six months ended 30 June 2026 £m**	Six months ended 30 June 2025 £m	Year ended 31 December 2025 £m
Revenue	**-**	15.7	27.8
Cost of sales	**-**	(11.0)	(19.4)
Gross profit		4.7	8.4
Administrative expenses	**-**	(4.6)	(7.7)
Operating profit	**-**	0.1	0.7
Finance costs	**-**	(0.4)	(0.7)
Loss before tax	**-**	(0.3)	-
Taxation	**-**	-	(0.1)
Loss after tax	**-**	(0.3)	(0.1)
Loss on disposal	**(2.3)**	-	(7.6)
Loss after tax from discontinued operations	**(2.3)**	(0.3)	(7.7)

At 31 December 2025, the fair value of the contingent consideration was determined to be £2.0m, however based on the latest performance outlook of the divested business, indicating that their outturn for FY26 will be significantly lower than the threshold needed to receive the additional cash consideration, the fair value of the consideration is now considered to be nil and the contingent consideration asset has therefore been derecognised in the period.

9. Discontinued operations (continued)

Cash flow statement of discontinued operations

Discontinued operations	**Six months ended 30 June 2026 £m**	Six months ended 30 June 2025 £m	Year ended 31 December 2025 £m
Cash generated from operating activities	-	2.8	3.1
Net finance costs		(0.4)	(0.7)
Net cash flows from operating activities	-	2.4	2.4
Net cash flows from investing activities	-	-	(0.1)
Net cash flows from financing activities	-	(1.2)	(2.3)
Net cash flows from discontinued operations	-	1.2	-

The total cash inflows of £2.2m presented in the investing category of the Group condensed cash flow for year ended 31 December 2025 statement materially comprise gross proceeds and the disposed cash and cash equivalents.

10. Cash generated from operating activities

	Six months ended 30 June 2026 £m	Six months ended 30 June 2025 £m	Year ended 31 December 2025 £m
Profit/(loss) before tax from:			
Continuing operations	**7.4**	5.8	7.7
Discontinued operations	**(2.3)**	(0.3)	(7.6)
Profit before tax from total operations	**5.1**	5.5	0.1
Depreciation of property, plant and equipment and right-of-use assets	**16.0**	16.6	33.1
Amortisation of intangible assets	**8.5**	6.8	14.4
Impairment charge	-	-	0.3
Net finance costs	**8.4**	7.9	16.8
Earn-out remuneration	**2.3**	2.1	10.0
Share-based payments charge (including related NI)	**1.3**	1.4	2.3
Share-based payment settlement	**(0.7)**	-	-
Loss/(gain) on disposal of fixed assets	**0.2**	(0.1)	0.5
Loss on disposal of subsidiary	**2.0**	-	7.6
Increase in inventories	**(0.6)**	(0.3)	(0.1)
Increase in trade and other receivables	**(10.8)**	(2.0)	(0.4)
Increase/(decrease) in trade and other payables	**7.4**	1.9	(6.0)
Cash generated from operating activities	**39.1**	39.8	78.6

* Comparatives have been re-presented to separately disclose discontinued operations. Refer to note 9 for further details.

11. Financial liabilities – borrowings

Borrowings	**30 June 2026 £m**	30 June 2025 £m	31 December 2025 £m
Current:			
Overdraft facility	**8.4**	-	2.1
Bank loans	**0.4**	7.9	1.6
Total current borrowings	**8.8**	7.9	3.7
Non-current:			
Bank loans – unsecured	**95.3**	101.0	100.3
Other loans – unsecured (US Private Placement)	**25.0**	25.0	25.0
Deferred financing costs	**(1.4)**	(1.0)	(1.8)
Total non-current borrowings	**118.9**	125.0	123.5
Total borrowings	**127.7**	132.9	127.2

Analysis of net debt	**30 June 2026 £m**	30 June 2025 £m	31 December 2025 £m
Cash at bank and in hand	**5.2**	12.8	3.4
Borrowings due within one year	**(8.8)**	(7.9)	(3.7)
Borrowings due after one year	**(118.9)**	(125.0)	(123.5)
Net debt	**(122.5)**	(120.1)	(123.8)

12. Provisions

	30 June 2026 £m	30 June 2025 £m	31 December 2025 £m
Opening	**10.5**	13.5	13.5
Acquired through business combinations (note 8)	**0.1**	2.4	2.7
Additional provision	**0.8**	1.4	1.8
Utilised	**(1.9)**	(1.8)	(3.5)
Released	**(0.6)**	(2.2)	(4.0)
Closing	**8.9**	13.3	10.5

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 and therefore 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 £0.1m.

13. Share capital

	30 June 2026 £m	30 June 2025 £m	31 December 2025 £m
Authorised:			
199,000,000 (30 June 2025: 199,000,000; 31 December 2025: 199,000,000) ordinary shares of 5p each	**10.0**	10.0	10.0
Allotted, issued and fully paid:			
135,278,376 (30 June 2025: 136,924,067; 31 December 2025: 136,924,067) ordinary shares of 5p each	**6.7**	6.8	6.8

The issued ordinary share capital is as follows:

Date	**Number of ordinary shares**
30 June 2025	136,924,067
31 December 2025	136,924,067
Cancellation of shares	(1,645,691)
30 June 2026	**135,278,376**

No ordinary shares were issued during the period (H1 2025: no ordinary shares; year ended 31 December 2025: no ordinary shares) to fund the Group's Employee Benefit Trust in order to settle some of the Group's share options which were exercised during the year.

During the six months ended 30 June 2026, 1,797,191 shares (H1 2025: nil; year ended December 2025: nil) with a total value of £4.6m (H1 2025: nil; year ended December 2025: nil) have been repurchased by the Group through the share buyback programme and 1,645,691 shares (H1 2025: nil; year ended December 2025: nil) with a total value of £4.2m have been cancelled.

14. Events occurring after the reporting period

On 17 July 2026, the Group acquired the entire share capital of MPS Marketing Services Ltd, an outbound communications business, for an initial cash consideration of £2.3m. The consideration was fully satisfied on the 17 July 2026. Contingent consideration of £0.2m is due in 2027 dependent on the retention of customers.

Given the proximity of these transactions to the announcement of the Group's condensed interim financial statements, a full purchase price allocation exercise has not yet been completed and the fair value of the assets and liabilities acquired will be assessed prior to the next reporting date.