Vp plc Annual Report and Accounts 2025

Delivering value through specialist assets and solutions

Vp plc

We are Vp Group. Leader in equipment rental. Expert provider of equipment, people, services and support for specialist projects.

For more than 70 years we have delivered for our customers – safely, efficiently, responsibly – with no short cuts or half measures. They trust us with exceptional requirements where complexity and constraints demand capabilities beyond the ordinary. They rely on our specialist solutions to create and care for projects that allow economies to grow.

We focus on niche sectors, principally in the Infrastructure, Construction, Housebuilding and Energy markets, where our people lead through their knowledge and expertise.

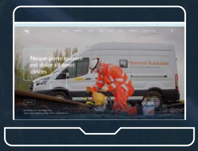
Infrastructure

Construction

Housebuilding

Energy

Visit our corporate website



www.vpplc.com

Scan the QR code

Financial highlights

£380.0m

Group revenue

£36.7m

Adjusted profit before tax, amortisation, impairment of intangible assets and exceptional items[1]

67.3p

Adjusted basic earnings per share[1]

14.2%

Return on average capital employed[1]

39.5p

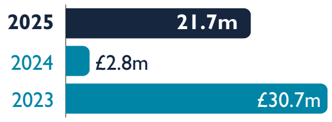
Dividend per share

£138.5m

Net debt excluding lease liabilities

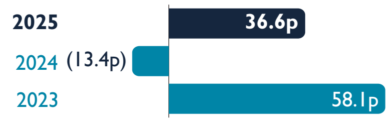
£21.7m

Statutory profit before tax



36.6p

Statutory basic earnings/(loss) per share



1 These measures are explained and reconciled in the Alternative Performance Measures section on page 140.

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Corporate Governance

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Shareholder Information

Group at a glance

When companies need specialist capabilities for critical projects they turn to us.

We are a reliable partner, ethical, sustainable and good to deal with. We are plain talking and straightforward, keeping our promises and only making claims we can support. Our customers stick and win with us, and our people are committed to building both our business and their own careers.

70+ years
of heritage

83,500+
customers worldwide

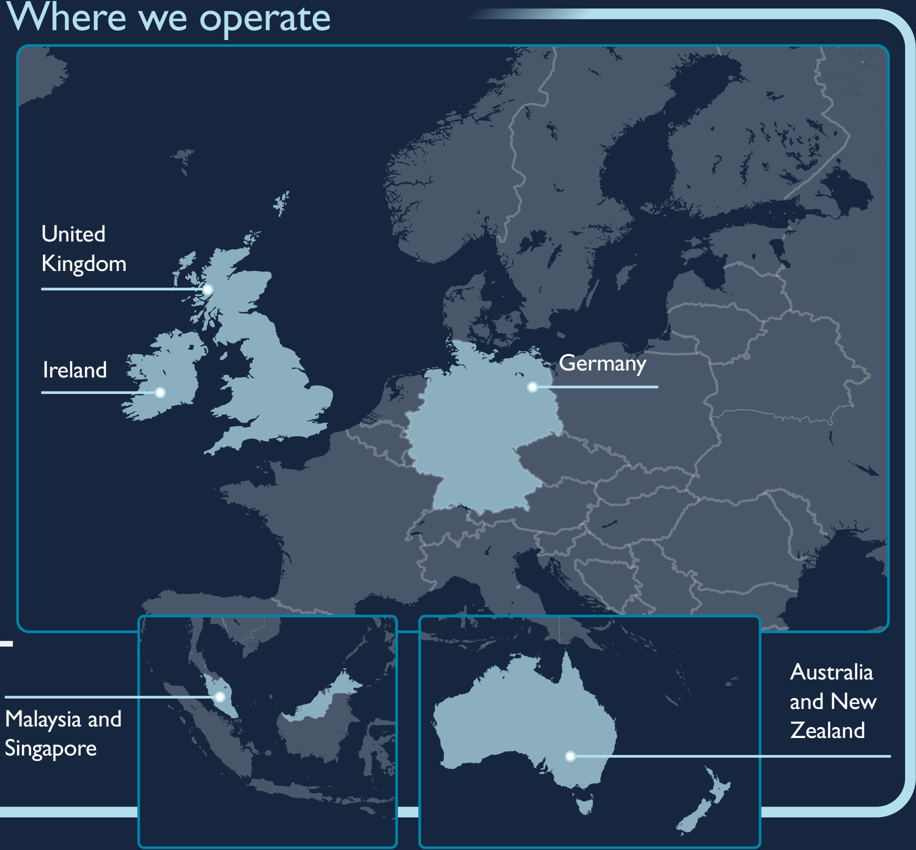
£271.1m
net book value of property plant and equipment

£65.4m
investment in rental assets

2,900+
Employees

200+
Branches

Where we operate



Why customers choose us

01 UK coverage with local leadership

02 Market-leading specialist teams

03 Young, fit-for-purpose hire fleet

04 Industry-leading safety experts

05 Trusted by our customers

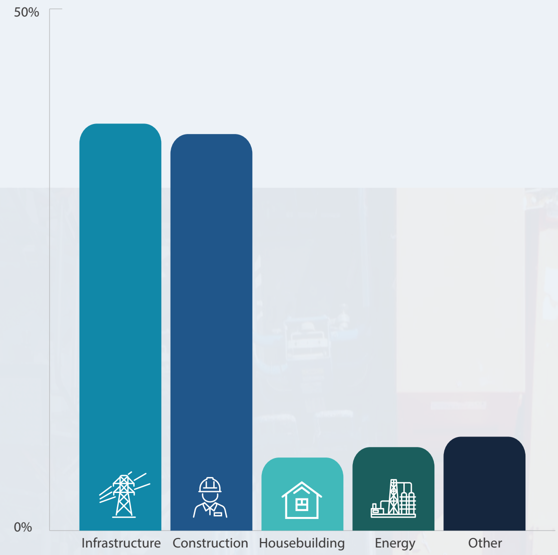
06 Lower carbon solutions

07 Fair pricing

08 Assets, people and innovative solutions

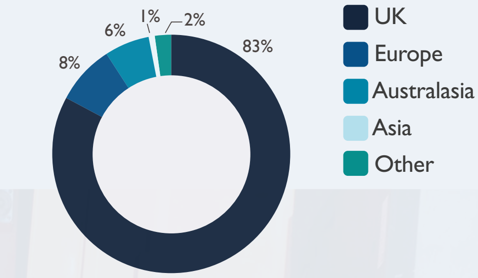
09 Easy access to specialisms

Revenue by market

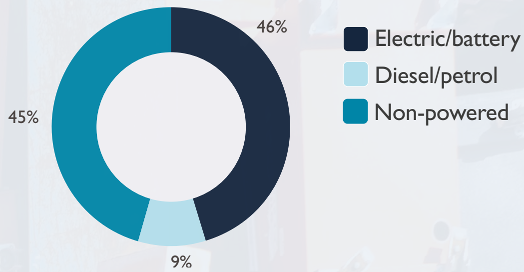


Other includes sectors such as defence, aviation and facilities management

Revenue breakdown by region



Hire fleet power types



Our investment case

Key differentiators

Specialist assets, markets and delivery

- Deep understanding of market and assets drives strong customer loyalty
- High barriers to entry provides resilience
- Less susceptibility to general market trends

Diversity in markets and geography

- Resilience of revenue streams
- Consistency of performance

Exciting growth prospects

- Aligned to markets with significant growth potential and spend programmes
- Geographies with strong growth prospects
- Group-wide collaboration opportunities

Financial profile

Market leading returns

- Target ROACE of 15%
- Strong and consistent margins

Balance sheet strength

- Young, well-maintained fleet
- Disciplined capital allocation
- Cash generative

Progressive dividend

- 30-year+ uninterrupted dividend track record
- Long-term view

Chair's statement

“Our traditional strengths of diverse market exposure and strong financial position will serve us well as we continue to deliver sustainable growth and sector leading returns.”

Jeremy Pilkington
Chair

As we celebrate the 70th anniversary of Vp, I find myself inevitably reflecting on our history and the journey travelled to arrive where we are today.

When my father started the Company in 1954, the country was still recovering from the aftermath of WWII. There was, at that time, no motorway network in Britain and many of the iconic structures and buildings that we now take for granted simply didn't exist. Vibratory Roller & Plant Hire (Northern) Limited and its subsequent iterations, Vibroplant and Vp, played an indirect but significant part in the major national infrastructure projects over subsequent decades.

As well as these physical achievements, an equally precious inheritance from this time was the culture that Geoffrey left as an enduring legacy to the business: directness, honesty, fairness and plain talking. These were his watch words and I hope and I believe that he would recognise these characteristics embedded today in the Group's DNA.

The business today is almost unrecognisable from my father's day but still embodies these fundamental principles. Markets change, customers change and we must change with them.

Eighteen months ago, under new leadership, we embarked on the most recent stage of that long journey. We have refreshed our strategy and evolved a Group-wide focus on end markets to make it easier for our customers to do business with us. This will enable us to better access the significant opportunities presented by one-stop-shop bids. The first example of this new approach to market is Vp Rail, giving our rail customers easier access to the full range of Vp specialist expertise.

During the year we developed plans for Vp Rental Solutions (VpRS), a single point of access for customers who interact across a number of Vp divisions and our rehire supply chain. We subsequently launched this in April 2025 and while it is still early days, this looks set to simplify how we serve strategic customers, by building stronger relationships and enhancing the customer experience.

In October, we announced the acquisition of Charleville Hire and Platform Ltd (CPH), an Irish based specialist supplier of powered access equipment. CPH extends our footprint in the Republic of Ireland and provides the base from which we will extend further in this buoyant market.

Results

I am overall pleased to report a resilient set of results for the year, despite ongoing challenges in some of our markets. Infrastructure remains our most important and strongest market, with growing demand from the water and transmission sectors. Oil and gas exploration and development has also performed well. General construction activity is still somewhat subdued impacting the performance of some of our divisions, particularly Brandon Hire Station. Elsewhere, specialist construction has been more robust. The renewed national emphasis on housebuilding is welcomed and gives us more confidence in the future of the UK housing market.

Group revenue increased to £380.0 million (2024: £368.7 million), while adjusted profit decreased to £36.7 million (2024: £39.9 million). The Group's Return on Average Capital Employed remained broadly consistent at 14.2% (2024: 14.5%), while net debt increased to £138.5 million (2024: £125.2 million). Our strong balance sheet puts us in a good position to support continued investment into business opportunities.

People

Always, our people have been our most valuable asset. We rely absolutely on their skills, experience and knowledge to deliver the right solutions to our customers. We are equally cognisant of our overriding responsibility to keep them and our customers safe. As part of our refreshed strategy, we are enhancing our divisional health and safety teams through the implementation of group-wide, streamlined processes.

We continue to take a pragmatic approach to ESG, embracing solutions that are commercially justifiable and add real value to the business.

Board

After over ten years as a Non-Executive Director, Phil White will retire from the Board in June 2025. On behalf of the Board, his colleagues throughout the Group and our investors, I wish to extend a heartfelt thanks to Phil for an outstanding contribution to the management and direction of the Company over this time. Many thanks, Phil.

In February 2025, we welcomed Richard Smith to the Board, an experienced FTSE 100 Chief Executive, formerly with Unite Group. We look forward with enthusiasm to working closely with Richard to bring his skills and experience to bear on the future growth of the Company.

Dividend

The Board is proposing a final dividend of 28.0 pence per share (2024: 27.5 pence per share). Together with the interim dividend of 11.5 pence per share, this equates to a total dividend for the year of 39.5 pence per share (2024: 39.0 pence per share).

The proposed level of dividend is a balance between growth and dividend cover. Whilst acknowledging the temporary reduction in dividend cover, the Board supports modest dividend growth as a reflection of its confidence in the Group's future prospects. Dividend cover is expected to return to two times in the medium term.

Looking forward

We look to the future with measured optimism. Our established strengths in diverse market exposure and financial resilience will continue to benefit us in these turbulent times as we deliver sustainable growth and sector leading returns.

It remains my pleasure and duty to thank my colleagues throughout the Group for their commitment and hard work which has made the results possible.

Jeremy Pilkington
Chair

10 June 2025

Case Study

One-stop-shop for rail customers

With end market focus a key part of our refreshed strategy, in 2024 we launched an integrated rail solution. Customers have direct access to all of the Group's rail specialisms through a one-stop-shop approach which has already been well received.

We have made it easier for our customers to work and transact with us, through a single point of contact for project support, a central hire desk, and a streamlined quotation and invoicing process regardless of the size of the project.

We have a long history of working in rail, but in the past our customers have traded with individual business units. Torrent Trackside was typically the entry point for most customers but other parts of the Group – Groundforce, Brandon Hire Station, TPA, ESS and UK Forks – also have specialist capabilities often used by rail customers. By creating Vp Rail, this has enabled us to offer an integrated package of services from across our divisions, including:

- On track products – small plant, clipping and stress, compaction, lighting solutions, people and support.
- Communications and survey – specialist services, training, safety, survey, test & measurement and communications.
- Shoring and piling support – shoring, piling, pile croppers, stoppers, bridges and training.
- Material handling and lifting – telehandlers, rotos, heavy lift telehandlers, electric machines and teletruks.
- Tools and equipment – ground maintenance, lighting, heating, cooling, breaking and fixing, on site power, site equipment and consumables.
- Rail, vehicle and pedestrian access – rail access, station works, vehicle access, pedestrian and self-install access.

Market review

Infrastructure

What we do

Rail

We specialise in rail services, including major projects, track renewals and maintenance. We provide rail specific plant and tools and we offer operated plant services and maintain a 24/7 operational capability.

Water

We support the construction of pipelines, reservoir enhancements and sewer rehabilitation projects, as well as facility enhancements and treatment plant upgrades. We also provide specialist pipeline solutions and site access via portable roadways.

Transmission

We provide site access to transmission sites via portable roadways, as well as services across survey, test and measurement and groundworks.

Market performance

Rail

In 2024, the UK rail industry underwent significant transformation, marked by the commencement of Control Period 7 (CP7) and Government reform. The start of CP7, in April, marked a £44 billion investment plan focusing on climate change mitigation, performance improvement and support for passengers and freight. Key projects include the TransPennine Route Upgrade and continued development of High-Speed Rail 2. Despite these initiatives, the early stages of CP7 have experienced delays, with the Office of Rail and Road highlighting a £0.4 billion funding gap for England and Wales regions, with impact on core asset maintenance and renewal.

Water

In 2024, the UK's water and utilities sectors experienced notable developments, marked by record investments, financial restructuring and environmental challenges. Water companies in England and Wales announced plans to invest £14.4 billion during 2024 and 2025, the highest annual investment on record. This planned spend aimed to secure future water supplies and reduce sewage discharges into rivers and seas. 2024/25 was the final year in the AMP7 cycle and the upcoming AMP8 cycle represents a substantial increase with £104 billion spend in the five years to 2030.

Transmission

In 2024, the UK's electricity transmission sector witnessed enhanced grid capacity, integrated renewable energy sources and bolstered energy security. This includes projects such as the landmark development of the Eastern Green Link 2 project. Output across electricity specific construction is up 19% year-on-year across 2024, driven by carbon neutrality targets, with investments in new capacity and transmission lines. UK coal generation ceased in September 2024. The German transmission market saw significant investment to continue Germany's plans to expand and upgrade grids. A number of individual utility providers in the country have seen investments increase up to 40% year-on-year, with this trend expected to continue, with an estimated €300 billion spend required by 2045 across the country.

Construction

What we do

General construction

We provide the general construction market with small plant, tools and equipment. Our offering caters to a broad customer base with diverse needs.

Specialist construction

We support specialist construction with a focussed offering. Our services include support for site redevelopments and repurposing with commercial fit out, as well as providing clean equipment for data centres and pharmaceutical facilities.

Market performance

General construction

Private non-residential construction output has declined 2% between 2023 and 2024, with factories, warehousing and retail all trending downwards against the prior year.

The general construction market has also been affected by contractor insolvencies, adding further strain and remains highly affected by increasing material prices, having increased by 35% since 2020, and ongoing labour and skills shortages.

Specialist construction

The pipeline of commercial fit outs of both new office space and refurbishments continues to be strong with double digit growth in 2024, this is especially prevalent in the London region with a number of significant projects ongoing including CitiBank and Google HQ.

Ireland continues to solidify its position as a global hub for pharmaceutical manufacturing, with several significant facility developments underway; these include Eli Lilly investment of $1.8 billion to enhance manufacturing capabilities.

Information source: Experian

Housebuilding

What we do

We provide materials handling solutions, principally telehandlers and also small plant and equipment into residential housebuilding within the UK.

Market performance

Over the past 12 months, the UK housebuilding industry has faced a series of challenges and developments, marked by fluctuating construction activity, policy reforms and ongoing issues such as skills shortages and rising costs. This led to a reduction in net housing for the year 2024, with a 7% decline on the previous year.

Public sector housing initiatives have focussed on the remediation of existing housing stock, particularly with regards to cladding replacement, reducing the number of new dwellings built across the period.

The change in UK Government and subsequent changes in policy have delayed progress in the year, but provide optimism in the wider UK housing market over future years, with ambitious targets and policy reform.

Energy

What we do

We support upstream projects with specialist pipeline services, infrastructure maintenance and well testing. Additionally, we provide support for downstream projects, including industrial shutdowns and confined space monitoring solutions.

Market performance

Global energy demand grew significantly in 2024, due to increased cooling demand, industrial consumption, transportation electrification and a rise in data centres and AI. UK production dropped by 5%, with oil and gas production reaching a record low. Nuclear output was stable and production from wind, solar and hydro increased by 3%.

Geopolitical tensions contributed to market volatility. Countries have shifted their strategy from green energy to future energy security, including reassessing new offshore fossil fuel developments. Investment in energy supply and natural resources will reach record levels in 2025, up 6% in real terms. Capital investment will focus on power and renewables and upstream oil and gas projects.

Information source: Experian

Chief Executive's statement

"

Our operating model is a delicate balance between agile customer focussed divisions and efficient central operations, improving the customer experience and operating in a cost-effective way."

Anna Bielby
Chief Executive

I am pleased to report that Vp has delivered a resilient set of results in FY 2024/25, against a mixed market backdrop. Group adjusted profit[1] of £36.7 million represents a strong performance, underpinned by careful capital allocation and a robust balance sheet. The Group's track record of strong returns continues with a Return on Average Capital Employed of 14.2% (2024: 14.5%), slightly below the target level of 15%. Vp has also made good progress in executing its strategy.

Market summary

The Group operates across four end markets: Infrastructure, Construction, Housebuilding and Energy. These diverse end markets, alongside its specialist focus, underpins Vp's strong, resilient business model. During FY 2024/25 the Group has experienced differing conditions across these end markets, with opportunity and growth, as well as challenges.

In Infrastructure, water and transmission have been supportive, with good prospects for FY 2025/26 with the new AMP8 water cycle and a number of major transmission projects across the UK and Europe. The new Rail Control Period (CP7) began with lower activity levels, however, rail remains an important part of the Group and Vp Rail was launched during the year to take full advantage of market opportunity across Vp.

Elsewhere, the Group saw a mixed performance in Construction with specialist construction performing well but continued challenges in general construction, where non-residential activity levels remain subdued.

In Vp's smaller end markets, Energy has been supportive with a good level of project activity, and Housebuilding has been stable albeit at lower levels than expected.

1 These measures are explained and reconciled in the Alternative Performance Measures section on page 140.

Strategy

Delivering growth

The Group continues to progress its strategy of delivering profitable growth, including through acquisition. Organically, as well as investing in capex, opportunity exists for the Group's specialist divisions to work better together to provide cohesive solutions for customers. In November, the Group launched Vp Rail, a specialist end sector focussed solution giving customers access to the full breadth of Vp's specialist rail offering. This is Vp's first true end sector focussed offering, and represents a subtle shift in Vp's operating model towards Group-wide propositions and solutions for our largest customers. This approach is in response to customer feedback and ensures that Vp is easy to do business with and that the customer is at the heart of the Group's operations.

The Group's acquisition of CPH in October 2024 represented good strategic progress and an opportunity, along with the Group's existing Groundforce business, to capitalise on strong market conditions within the Republic of Ireland. CPH, which is integrating into the Group well, operates in a niche end market, providing specialist solutions to a specific customer base.

Operational excellence

The Group continues to review its operating model, to ensure that Vp is best placed to execute its strategy and drive growth. Fundamental to Vp's operating model is a delicate balance between agile customer-focussed divisions and efficient central operations improving the customer experience and operating in a cost-effective way.

During the year, Vp has made progress in centralising certain activities and FY 2025/26 will see the launch of Vp Rental Solutions, a Group function which will offer central account management for Vp's strategic customers alongside centralised Group-wide rehire operations. For strategic customers, Vp

Rental Solutions will allow customers simple access to all of Vp's divisions, alongside the Group's supply chain partners for extended product offerings. By centralising these activities, Vp can leverage its supply chain, while ensuring that the Group works with its customers to provide bespoke solutions and meet complex project demands.

Vp has also introduced central procurement and property functions during FY 2024/25 to take advantage of scale and support better collaborative working between the Group's specialist divisions.

People

People are at the heart of Vp and the Group works hard, supported by its HR team, to be an employer of choice in order to attract and retain exceptional people who can grow their careers and support the Group's customers.

Vp continues to invest in training, developing and rewarding its people. This includes the Group's successful graduate and apprenticeship programmes, with almost 100 placements across the Group. These important schemes support career development and provide the opportunity to grow key roles in a labour market with skills challenges and shortages.

The Group has also made further additions to the senior management team including the leadership of technology, health and safety and sustainability, procurement and property.

This year marked Vp's 70th anniversary and to celebrate this the Group organised a number of initiatives, including anniversary awards, which had peer-nominated categories across a number of areas including wellbeing and ESG. The Group received a high number of colleague nominations, with a fantastic awards ceremony held for the finalists in each category.

A key part of Vp's People Strategy is ensuring that our people, customers and supply chain go home safely and healthily each day. Under new leadership, Vp's Health and Safety Strategy has been refreshed with a focus on leadership engagement, enabling people through education and training, and understanding to effectively mitigate key risk areas.

Digital

The Group is making good progress with its digital roadmap, with a focus on Vp's strategy of growth and operational excellence and making Vp easier to do business with.

The Group expects investment in this area to be relatively modest and key priorities include harmonising Vp's systems (so that the Group's specialist divisions can collaborate better) the introduction of a CPQ tool (to reduce quote wait times for customers, also reducing the administration required in converting a quote to an invoice, minimising error rates, and improving the customer experience), alongside continued data improvements and increased cloud resilience.

ESG

Vp's approach to ESG continues to be pragmatic, taking into consideration its stakeholders and the wider environment. Where possible, Vp engages with its customers and suppliers to help them achieve their own ESG objectives. For example in the Group's TPA division, the use of temporary access panels are often a cheaper solution for the customer and also carry a much lower carbon footprint.

The Group has spent time in the last year developing its Social Strategy, to be delivered in FY 2025/26, focussing on social mobility and social impact.

The Group continues to make progress with its strategy and remains optimistic about future growth opportunities. Despite continued economic uncertainty, Vp has made a solid start to the financial year with strong momentum in Infrastructure and specialist construction. Vp expects performance for the new financial year to be in line with current market expectations.

Anna Bielby

Chief Executive

10 June 2025

Case Study

Strong fit for the Group

In October 2024, Vp acquired a majority interest of Charleville Hire & Platform Ltd (CPH), one of Ireland's leading specialist powered access companies. The acquisition progresses our M&A strategy, providing a platform for growth in the buoyant Republic of Ireland market.

CPH is one of Ireland's leading specialist powered access companies principally servicing the growing pharma, renewables, technology, and food ingredient sectors. The acquisition builds on the Group's specialist capabilities, particularly in the access market and provides complementary specialisms to our existing divisions.

CPH has thirty employees and offers a diverse portfolio of machinery, the majority of which is zero emissions at the point of use. It operates out of a single location in Charleville and has a large number of blue-chip customers.

Operational review

Infrastructure

Infrastructure is the Group's largest end market and an area of significant investment during the year. This end market generally has a greater degree of complexity and solution based offerings and as a result, returns in this area are typically strong.

Rail

In rail, the Group provides people, plant and equipment to support major projects, renewals, maintenance and access. We work closely with Network Rail, alongside key rail contractors.

The launch of Vp Rail in November, provides customers with direct access to the Group's rail capabilities across each of its specialist divisions, whilst providing a single point of contact and centralised offer.

The first year of Network Rail's CP7 has been slower than anticipated, which has led to lower activity levels. Outside of CP7, the Group has supported a number of major projects, including ongoing work around HS2 and The TransPennine Route Upgrade. Other projects include the rail construction elements of major infrastructure works, providing key communication and technology solutions, as well as site access and groundworks.

Water

In water, the Group provides people, plant and equipment to support a number of areas across the industry including groundworks to support pipeline construction, reservoir enhancements and treatment plant upgrades, alongside site access, stopper and pressure testing and specialist survey and testing equipment. Key customers include water companies and their main contractors.

Market conditions in FY 2024/25 have been supportive with a strong final year to Ofwat's Asset Management Period (AMP) 7 and optimism remains for FY 2025/26 due to the increased size and scale of the AMP8 spend programme. The Group has invested capital in this area to take advantage of market opportunity, alongside working with customers to support product innovation.

Transmission

In transmission, the Group provides people, plant and equipment to support site access, groundworks alongside survey, communications solutions and test and measurement equipment. Key customers include major contractors.

The transmission sector across both the UK and Europe has been very strong during FY 2024/25, with a particular positive impact on our divisions providing temporary access solutions. Market opportunity remains strong in relation to the renewal and upgrade of grid infrastructure to support renewable energy sources in both the UK and Germany and we have invested significantly in this area during FY 2024/25.

Outside of the provision of temporary roadway access, FY 2024/25 has seen a good level of activity across our specialist divisions where a full-scale transmission project often requires a number of bolt on provisions, including onsite stores and technicians, training facilities and contingency stock. We remain optimistic around the transmission opportunities in FY 2025/26.

Construction

Construction is the Group's second largest end market, slightly smaller than Infrastructure. During the year, investment has been focussed on specialist construction where a clearer market opportunity exists and where returns have been strongest.

Specialist construction

Our divisions provide specialist assets (examples being highly technical survey and scanning equipment, press fit tools and access equipment) to niche end markets with a particular focus on site redevelopments, commercial fit outs and 'clean rooms' in data centres, food and beverage and pharma.

During FY 2024/25, the Group has enjoyed good market activity levels, which are expected to continue, particularly in London where we have supported a number of major projects including providing CitiBank with a bespoke onsite hire centre, allowing the customer to remain safe, efficient and productive at all times.

Our recent acquisition, CPH operates in the growing pharma, renewables, technology and food ingredient sectors in the Republic of Ireland, where market opportunity is strong and capital investment will support high levels of demand.

General construction

General construction principally relates to the Group's Brandon Hire Station division where we provide small plant, tools and equipment to a broad customer base. This division has the largest physical footprint of all Vp divisions and most employees.

Brandon Hire Station also plays a broader role across the Group, providing certain high-return general assets (non-mechanical plant such as scaffolding towers and fence panels) to the Group's specialist divisions to ensure that we can provide a comprehensive offering to support customers and complex projects. During the year, a recovery plan has been underway to improve performance. This plan has been centred on a more focussed offering to our target customers across a smaller footprint. We have also made changes to control and process with a focus on pricing.

Market conditions in general construction have remained challenging throughout the year and, despite actions taken, Brandon Hire Station has underperformed. The Group continues to monitor the division's performance closely. Further decisive actions will be taken in FY26, to be materially complete by the end of the financial year.

Housebuilding

The Group provides material handling solutions to national UK housebuilders.

During FY 2024/25, the UK housebuilding sector was subdued but stable. The Group's UK Forks business, which operates principally in housebuilding, has taken the opportunity to reduce its physical footprint in order to reduce its cost base, while maintaining service levels to its national customers. This change in operating model provides a greater level of agility to respond to market demand, and we remain encouraged by the UK Government's continued focus in this area.

Energy

Our divisions provide people, plant and equipment to support upstream and downstream projects including infrastructure maintenance, major pipeline projects and industrial shutdowns.

Our assets are typically air compressors and steam generators alongside safety and communications equipment and associated training. Our major customers in this area are generally large oilfield services and petroleum refinery companies.

During FY 2024/25, the energy market was positive with strong demand and a good level of project activity. The Group also benefited from a number of industrial shutdown projects where our specialist divisions have had the opportunity to work closely together to support significant and highly-specialised customer projects.

Business model

We aim to deliver high quality returns to our shareholders and other stakeholders, sustained over the long term while embracing our environmental, social and governance responsibilities.

Delivering value through specialist assets and solutions

We generate value through our rental of equipment, underpinned by our specialist expertise in tailored solutions, providing people, services and support on specialist projects. Our reliable, well maintained fleet is available to a diverse customer base across the UK and internationally. From precision hand-held tools to large-scale machinery, we make it easy for customers to access the right equipment for any task, no matter the size or complexity.

Our stakeholders

Colleagues

Supporting and developing our people

Customers

Helping customers achieve their goals, reduce capital expenditure and achieve their ESG aims and targets

Supply Chain

Sustainable supply chain and long-term relationships with our suppliers

Investors

Delivering sustainable returns for our shareholders

Communities

Invest in, foster and engage with the communities where we operate

Our operating model

End markets

- **Infrastructure**: Rail • Water, Transmission, Other
- **Construction**: General, Specialist
- **Housebuilding**
- **Energy**

Customer

Groupwide approach: End sector specialists • Major customers • Rehire activities • Simple access to all of Vp

Groundforce | TPA | Torrent Trackside | Brandon Hire Station | MEP Hire | CPH | UK Forks | ESS | Airpac Rentals | Tech Rentals

Efficient support functions – using technology to drive simplicity, consistency and scale

Our strategy

Making Vp more straightforward and greater than the sum of its parts

Delivering growth

- Organic growth, with capex focussed on supportive end markets
- Vp Group-wide opportunities – customers and end markets (e.g. Vp Rail)

Driving operational excellence

- More consistency and less complexity in how we work
- Drive value through scale
- Efficient central functions and agile customer-centric divisions

People

- A unique mix of rich heritage, new leadership and fresh ideas
- Engaged and fairly rewarded people who grow their careers with us
- A safety-first culture where our people go home safely everyday

Digital

- Simplified/harmonised systems and processes to better unlock Group-wide opportunities
- Easier to do business with
- Modest investment, building on current capability

ESG focus

- Enabling sustainable growth
- Circular business model
- Resource efficiency
- Positive societal impact

Key performance indicators (KPIs)

Financial and performance KPIs

We measure business performance through a range of KPIs, which help us track progress against our strategic priorities outlined on page 13.

Group revenue

Definition
Group revenue from the hire of equipment and the provision of goods and services to third-party customers during the year.

Adjusted EBITDA

Definition
Operating profit less amortisation, impairment of intangible assets and exceptional items and depreciation (excluding depreciation of right of use assets).

ROACE

Definition
Return on average capital employed (ROACE) is based on adjusted operating profit before amortisation, impairment of intangible assets and exceptional items, divided by average capital employed on a monthly basis using the management accounts.

Investment in rental fleet

Definition
Rental equipment purchased during the year to generate revenue through customer hire.

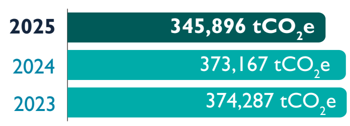
Non-financial KPIs

We use a set of non-financial KPIs to monitor our progress in specific areas and ensure alignment with our strategic objectives.

Accident frequency rate

Definition and commentary
The accident frequency rate is a measure of accidents relative to the number of hours worked. It is calculated by dividing the number of reportable accidents by the number of hours worked multiplied by 100,000 hours.

Total Group carbon emissions market-based



Definition and commentary
The data shows the Group's total carbon emissions since reporting commenced in 2023.

Case Study

Strong temporary roads for energy transition project

As part of the implementation of the energy transition in Germany, we are laying temporary roads so contractors can upgrade overhead powerlines.

Our temporary access business, TPA, is laying steel road plates which provide safe access to the site between Metternich and Niederstedem in South West Germany.

This involves working with the transmission system operator, Amprion, where they are replacing a 220 kV overhead line with a more powerful 380 kV extra-high-voltage line.

Our solutions are providing load-bearing paths for heavy goods transport moving replacement masts, conductor cables and equipment. The steel plates are robust but easily moved without causing damage to the terrain, including across remote and agricultural land and in areas which are ecologically sensitive.

This four-year project is due to run until 2027.

Case Study

Smart design thinking on a complex site

Groundforce is providing ground support on a complex mains water diversion project in the Midlands, working with contractor J Murphy & Sons for Severn Trent Water. The Lavender Hall Farm project involves the rerouting of a strategic water main under a new railway line which is currently under construction.

Murphy is installing more than one hundred metres of concrete sleeves in an open trench under a railway line which will facilitate future maintenance and removal without disrupting railway operations. This involves eight different designs which overlap to allow the installation of the pipework and under-track crossing chamber. We have been involved since an early stage in the design process to help find solutions.

A major challenge was the poor ground conditions at the site, with landfill over bedrock and the uncertain location of underground services, including the existing water main. Instead of pre-driving sheets to full depth, we proposed using a 'dig-and-drive' method whereby sheets are driven a short distance into the ground which is then excavated in stages to allow the identification of buried obstacles before the sheet piles encounter them.

Murphy employed a side-grip excavator-mounted vibrating piling hammer to install the sheet piles and we supported with on-site training for the excavator operators on the new device.

Trench support is provided by rolling strut trench boxes, avoiding the need to install steel sheet piles along the full length of the excavation. As work progresses along the route of the pipeline, Murphy backfills the trench as it goes, removing each trench box in turn from the rear of the excavation and re-installing it at the forward end.

Using hydraulic struts to support the UTX chamber, excavation facilitates construction of a concrete chamber which will house valves and washout equipment for Severn Trent Water to maintain the water main. Murphy will soon be ready to excavate the second UTX chamber, with our structural support. The new pipelines will then be reconnected to the existing water main inside another large excavation.

Financial review

"Our strong balance sheet allows for investment in growth opportunities."

Keith Winstanley
Chief Financial Officer

Results

Group revenue increased by 3.1% to £380.0 million (2024: £368.7 million), with adjusted profit[1] decreasing by 8.0% to £36.7 million (2024: £39.9 million). Statutory profit before tax increased from £2.8 million to £21.7 million.

The Return on Average Capital Employed[1] was 14.2% (2024: 14.5%).

Segmental performance

The Group's segmental performance has been restated to reflect the financial information provided to the Group Board. The Group's UK and international segments now reflect operational locations, after previously representing the location of historic management teams.

Revenue generated by the Group's UK segment was £317.6 million (2024 restated: £309.3 million), while adjusted operating profit[1] decreased to £37.4 million (2024 restated: £39.4 million) predominately due to challenging conditions in the general construction market.

Revenue generated by the Group's International segment was £62.3 million (2024 restated: £59.4 million), while adjusted operating profit[1] was broadly flat at £9.6 million (2024 restated: £10.1 million), with the contribution of CPH (see acquisitions below) being offset by performance outside of Europe.

Acquisitions

In October the Group acquired a majority interest in Charleville Hire and Platform Ltd (CPH). The Group acquired 90% of the shares in CPH for an initial cash consideration of €12.1 million with the remaining 10% to be purchased over a three-year period from the acquisition date. Subject to business performance against stretching EBITDA targets, a further maximum deferred and earn-out payment of €21.7 million may be payable across the second and third anniversaries of the deal.

As part of the accounting for the acquisition a gain on bargain purchase of £1.1 million has been recognised, while future deferred and earn-out payments have been treated as post combination remuneration costs (£1.8 million). Both items, alongside acquisition-related costs (£1.0 million) have been classified as exceptional items.

Exceptional items

The Group recorded net exceptional items of £10.9 million (2024: £5.8 million). These items have been reported separately due to their size, nature or irregularity and in order to better understand the underlying performance of the Group.

In addition to those items relating to the CPH acquisition, exceptional items also include £5.4 million of impairment charges against property, plant and equipment and right-of-use assets, as well as £3.8 million restructuring costs.

Impairment charges against property, plant and equipment and right-of-use assets, alongside the impairment of intangible assets (see below), have been recognised against assets held in the Brandon Hire Station cash generating unit (CGU), where challenges in the general construction sector continue to impact performance. These non-cash impairments have been calculated by comparing the carrying value of the CGU against its recoverable amount

Restructuring costs mainly relate to branch closure costs in the Group's Brandon Hire Station and UK Forks divisions.

Amortisation and impairment of intangible assets

Amortisation and impairment of goodwill, trade names and customer relationships of £4.1 million (2024: £31.2 million) includes £3.2 million of amortisation (2024: £3.1 million) and £0.9 million of impairment charges (2024: £28.1 million).

Earnings per share and dividends

Adjusted basic earnings per share[1] was 67.3 pence (2024: 74.8 pence) and 36.6 pence (2024: loss per share of 13.4 pence) on a statutory basis. The weighted average number of shares in issue for the period was 39.5 million.

The Board is recommending a final dividend of 28.0 pence per share. If approved, the full-year dividend would increase to 39.5 pence per share (2024: 39.0 pence per share) with dividend cover of 1.7 times (2024: 1.9 times) based upon adjusted earnings per share.

Finance costs and funding

Net financial expense of £10.3 million (2024: £9.6 million) includes £6.7 million (2024: £6.4 million) of bank finance costs and £3.7 million (2024: £3.3 million) of IFRS 16 lease interest.

The Group has £190.5 million debt capacity (2024: £190.5 million) comprising £93.0 million private placements, a £90.0 million revolving credit facility (RCF), and a £7.5 million net overdraft. The private placement agreements have low fixed interest rates and will expire in January 2027 and November 2028. In November, the RCF was extended for a further year and will now mature in November 2027.

The Board has evaluated the facilities and covenants on the basis of the FY 2025/26 long-term forecasts which have been prepared taking into account the current economic climate, together with severe but plausible downside scenarios. All scenarios retain adequate headroom against borrowing facilities and fall within existing covenants.

This evaluation gives the Directors confidence that the Group has adequate resources to continue in operation over the viability period. Further discussion regarding going concern is set out in the Directors' report on page 74.

Cash flow and net debt

The net cash generated from operating activities in the year was £80.7 million (2024: £89.6 million). The decrease of £8.9 million was primarily due to a small working capital cash outflow following a relatively large working capital cash inflow in the prior year.

Net debt, excluding the impact of IFRS 16 lease liabilities, increased to £138.5 million (2024: £125.2 million) with the inflow from operating activities offset by £41.6 million invested in the Group's rental fleet (net of disposal proceeds), £9.9 million used in the acquisition of CPH, £8.3 million invested in other assets, £15.4 million of dividends paid to the Group's shareholders, £18.0 million of lease principal payments and £4.6 million of income tax paid.

Pensions

The Group operates defined contribution benefit schemes under which contributions are determined as a percentage of employees' earnings.

The Group also has two defined benefit pension schemes, the Vp Pension Scheme and a small section of the Railways Pension Scheme. In November the Trustees of the Vp Pension Scheme entered into a buy-in contract to secure the majority of the benefits provided by the scheme.

The two defined benefit pension schemes have a combined net surplus of £0.9 million (2024: £1.9 million net surplus).

Taxation

The tax charge of £7.3 million (2024: £8.1 million) was 33.5% of profit before tax. The effective rate was higher than the standard rate predominately due to the impact of expenses not allowable for tax purposes. The effective tax rate on adjusted profit before tax was 28.1% (2024: 27.2%).

Keith Winstanley
Chief Financial Officer

10 June 2025

1 These measures are explained and reconciled in the Alternative Performance Measures section on page 140.

Stakeholder engagement

Understanding what is important to our stakeholders is crucial to delivering shared value.

Our section 172 statement

Each Director individually, and the Board collectively, continue to act in a way which promotes the success of the Group for the benefit of all of our stakeholders and they confirm their commitment to comply with section 172 duties.

To support our strategy and to continue to promote the success of the Group, we aim to build strong business relationships and to regularly engage and work with our key stakeholders to understand what matters most to them, how we can meet their interests and the likely impact of Board and management decisions.

To help the Board understand our wider stakeholder relationships and to help inform the Board's decision making and reporting, communication has been improved throughout the year to the Board, between the Board and the Executives and, more widely, throughout the business. This enables the Board to have oversight of the short, medium and long-term impact of key decisions.

During the year the Board and the Executives have engaged across our stakeholder groups including attendance at employee and management conferences, investor engagement opportunities as well as customer, supplier and community events. The Executives and the senior management have also undertaken site visits across the Group to assist a better understanding of the divisions, the employees and the culture.

Set out in the table are our key stakeholder groups and how we interact with these groups. Further details are also available in the ESG section of this report, from page 20.

We believe that engagement with our stakeholders should be a multi-layered process which touches all parts of our business from frontline operations, our workforce, to the Board, its committees and our shareholders. Furthermore, engagement with our customer base and supply chain is an active part of how we do business at a divisional level and, over the course of the year, greater focus has been placed on engaging with both customers and suppliers strategically, for the benefit of the Group. We have also invested more time this year in developing our understanding of the communities in which we work.

Colleagues

Our people are our most valuable asset. Their skills, experience, knowledge and diversity deliver our strategy.

Read more about our colleagues in ESG - page 20

How we engaged

- Board and Executive site visits.
- Recognising colleagues' achievements.
- Evaluation of rewards and benefits.
- Programme of Group-wide communication.
- Introduction of colleague development pathways.

Customers

We work hard to understand our customers evolving needs and support them by offering solutions to meet their requirements.

Read more about our customers in ESG - page 20

How we engaged

- Direct engagement with customers by the CEO and COO.
- Programme of improved engagement with strategic customers.
- Attendance at trade exhibitions to improve visibility of the Vp brand.

Supply chain

Our suppliers are key to ensuring we can deliver the latest solutions to our customers. We aim to work collaboratively with our suppliers to foster strong relationships, better ways of working and improved outcomes.

Read more about our supply chain in ESG - page 20

How we engaged

- Focused and constructive engagement with our supply chain through our Group procurement team.
- Wider and deeper connectivity with our suppliers across divisions, supported by a Group-wide approach.
- Assessing, managing and engaging with our supply chain.

Investors

The views of our shareholders inform our decision-making, and their interests underpin our commitment to operating responsibly.

Read more about investors in ESG - page 20

How we engaged

- Results presentations, meetings, calls, investor roadshows.
- Participation in third party investor conferences.
- Refreshed and updated Group website.

Communities

Across the country, our operations are based in the local communities where our colleagues live, so we are keen to invest in, foster and engage with those communities to help the Group generate social value and community engagement.

Read more about our communities in ESG - page 20

How we engaged

- Facilitation of input by our colleagues into Social Strategy.
- Investment and support of colleague volunteering.
- Board membership of Business in the Community North East (BITC NE) including regular and meaningful communication and information sharing.

Discussions and actions
- Formal and informal discussions to understand opportunities and challenges for colleagues.
- Events, such as our 70th anniversary and apprenticeship awards events, recognising achievement and encouraging interaction.
- Senior leaders' conference.
- Talent retention encouraged through recognition events.

Outcomes
- Listening groups set up with colleague representatives.
- Refreshed online learning rolled out Group-wide.
- Winners and nominees of wellbeing and community awards joined social strategy team, defining the approach to colleagues, communities and communications.
- Programme of direct communications by CEO across employee base.
- Improvements to reward framework and maternity/paternity policy.
- Colleagues encouraged to gain qualifications through the apprenticeship levy.

Discussions and actions
- Survey of top tier customers.
- Quarterly sales conference to coordinate engagement with strategic customers.
- Demonstrating the breadth of our rail capabilities across the Group.
- Programme of communication on projects and product offerings.
- Progress against our M&A strategy providing a platform for growth.

Outcomes
- New business model promoting Group-wide offering.
- Breadth and depth access by customers to Vp specialisms via our focus on end markets.
- Launch of Vp Rail to better support our rail customers across all divisions.
- Acquisition of a majority interest in Charleville Hire and Platform Ltd, one of Ireland's leading powered access companies.
- Improved participation in customer procurement exercises.

Discussions and actions
- New Group Head of Procurement appointed.
- Central procurement team established to meet current needs and future ambitions.
- Creation of a Group procurement working group, with divisional procurement leads and purchasing representatives.
- Renewed focus on controls and processes to deliver compliance with modern slavery obligations.

Outcomes
- Team in place to consolidate and centrally manage indirect spend.
- Supplier Code of Conduct drafted and to be published in 2025.
- Supplier on-boarding and due diligence processes to be standardised.
- Improved supplier management systems.
- Sustainability built into all procurement policies and procedures.

Discussions and actions
- Development and communication of refreshed strategy.
- Improved Group website with more information to help investors gain insight into the Group and its operations.

Outcomes
- Refreshed, transparent, qualitative and regular messaging.
- Improvements to investor relations through better communication and access to Executive Directors.
- Aspiration to deliver a broader, deeper, clearer understanding across our investors of Group strategy and operations.

Discussions and actions
- Improved understanding of community needs and challenges.
- Group-wide support and encouragement for colleague volunteering.
- Increased charitable work through team working events.

Outcomes
- Social Strategy engagement, including on terms of reference and actions.
- Increased support of colleague volunteering opportunities.
- Supporting the Brathay Trust enables the charity to provide opportunities to more young people.

Environmental, social and governance

Our ESG Strategy at a glance

We recognise that we can only achieve our business ambitions by continuing to operate responsibly, sustainably and ethically. Our robust Environmental, Social and Governance (ESG) Strategy helps us do this, by providing a clear framework and helping us focus on the main outcomes we want to achieve. We focus our efforts in three main areas - People, Planet and Places - identified through engagement with our stakeholders. Our approach also helps our customers achieve their ESG goals.

ESG activity benefits our stakeholders

Colleagues
We aim to empower our colleagues to perform at their best while creating opportunities for them to make meaningful contributions. Our focus remains on what truly matters, ensuring all voices are sought out and heard through continuous engagement.

Customers
Working with customers to provide high-quality equipment while reducing the need to purchase, minimising waste and production for temporary use, and helping customers lower their greenhouse gas emissions.

Supply chain
Collaborating with our supply chain to support, challenge and engage on ESG matters. Supporting our supply chain is integral to our success and the pursuit of shared goals.

Investors
Our ESG activities instil confidence for our investors by ensuring effective risk mitigation, enhancing resilience to evolving market conditions and driving sustainable long-term value.

Communities
We are committed to minimising environmental impacts both locally and globally by addressing the full lifecycle of our operations. Through thoughtful action and engagement, we support initiatives that enhance the environmental wellbeing of the communities we serve, helping to protect the planet for future generations.

Highlights of our ESG journey so far:

- ✔ SBTi validated net zero targets
- ✔ Supply Chain Sustainability School & BITC memberships
- ✔ ISO50001, ISO45001, ISO9001 & ISO14001 accreditation
- ✔ 100% renewable energy in the UK
- ✔ Launch of our carbon literacy programme

Our approach and alignment to UN Sustainable Development Goals

	Objectives	Themes	Ambitions	UN Sustainable Development Goals
People	Investing in our people	• Everyone home safe and healthy • Trust and autonomy • Sustainable supply chain	• Eliminate harm • Continually improve engagement • Reduce attrition	3 Good health and well-being; 5 Gender equality; 8 Decent work and economic growth; 12 Responsible consumption and production
Planet	Safeguarding the environment	• Climate action • Resource efficiency • Circularity	• Reduce carbon emissions • Fleet transition to support our customers • Improve resource efficiency	6 Clean water and sanitation; 7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action; 15 Life on land
Places	Making a positive social impact	• Social mobility • Social impact • Nature and biodiversity	• Delivery of our social value plan	10 Reduced inequalities; 15 Life on land

People

Everyone home safe and healthy

Our ambition:
To minimise the risk of harm to our workforce, customers and wider stakeholders.

Context:
We and our stakeholders operate in a variety of environments that present a number of risks. Proper management of these risks and associated hazards is crucial to prevent illness, injury, or loss of life. Maintaining a strong focus on eliminating potential harm is essential.

How is this being delivered?
- **Robust risk management:** We implement comprehensive frameworks to identify, assess and mitigate key risks, ensuring business continuity, protecting people and assets and supporting informed decision-making.
- **Proactive leadership and continuous improvement:** Our leadership drives agility and innovation by anticipating challenges and fostering a culture of ongoing improvement and strategic change.
- **High safety standards:** We uphold strict safety protocols for our hire fleet through regular inspections, maintenance and training to meet or exceed industry and regulatory standards.
- **Learning from experience:** We embed lessons from incidents and feedback into our systems to prevent recurrence and strengthen operational effectiveness.
- **Clarity and consistency:** We promote transparency and consistency in communication, service and decision-making to build stakeholder trust and reinforce our values-driven culture.
- **Diverse thinking and stakeholder engagement:** We embrace diverse perspectives and inclusive dialogue across our value chain to co-create innovative, effective solutions.

Examples of our success
- Launch of a refreshed Health and Safety Plan.
- Third party validation of our arrangements.
- Continually improving health and safety information for our customers.

Employer of choice

Our ambition:
To invest in our people so they can support our customers and grow their careers with us.

Context:
We employ a diverse workforce across the Group. Investing in people means creating opportunities for employees to grow their careers, develop their skills and feel supported in their roles.

How is this being delivered?
- **Apprenticeships and graduate schemes:** We invest in structured apprenticeship and graduate programmes to develop future talent, providing hands-on experience, skills training and professional development. These initiatives help build a strong pipeline of capable individuals to meet evolving business needs.
- **Competitive rewards and benefits:** Our competitive reward and benefits policies support attraction and retention by addressing the diverse needs of our workforce. With fair pay, performance incentives, flexible working arrangements and wellbeing support, we aim to create a positive and supportive work environment.
- **Recognition and career development:** Employee achievements are celebrated through regular recognition events and awards, reinforcing a culture of appreciation. We also offer clear career development pathways grounded in our core Vp behaviours, promoting personal growth and responsible business conduct.
- **Employee engagement:** We are committed to fostering high employee engagement through open communication, regular feedback and development opportunities, creating a workplace where people feel valued, empowered and connected to our purpose.

Examples of our success:
- Raising the volume on engagement through leadership visits and regular all-employee communications.
- 70th anniversary awards, apprentice awards and external divisional recognition awarded for industry excellence.
- Reviewing policies such as those on maternity and paternity.
- A balanced gender pay gap.
- Leadership development programme.

Sustainable supply chain

Our ambition:
Integrating sustainability across our entire supply chain and associated processes, with each step contributing positively to people, planet and places.

Context:
Our supply chain is extensive and integral to our ESG approach, so we must continually consider how to add value in a proportionate way.

How is this being delivered?
- **Technology-driven supply chain visibility:** We continue to invest in upgraded procurement technologies that enhance engagement, visibility and reporting across our supply chain. These tools support better decision-making and strengthen accountability.
- **Cross-divisional collaboration:** A newly-established procurement working group comprising representatives from all Vp divisions has been formed to standardise processes, improve supplier management and drive consistency. This group also plays a key role in educating and upskilling both colleagues and suppliers.

- **Human rights and ethical practices:** We maintain a sustained focus on protecting human rights and eradicating modern slavery within our operations and supply chain. Ethical sourcing remains a non-negotiable standard.
- **Risk identification and mitigation:** Enhanced systems and processes help us identify and mitigate supply chain risks more proactively, reducing potential disruptions and increasing resilience.
- **Values-aligned supplier partnerships:** We foster strong relationships with suppliers who share our values, with a joint focus on innovation, quality and long-term sustainability.

Diversity and inclusion

Through our Social Strategy we are working to build a workforce which fully reflects the diverse nature of the communities in which we operate. While our workforce remains predominantly male, our Executive team is 60% female. To materially change the overall gender split will take time and we continue to focus on ways to encourage women in to our business. The numbers of each sex divided by directors and senior managers are set out in the Corporate Governance section on page 50. Our Equality and Diversity Policy is on our website - **www.vpplc.com/media/e0cjsl4i/53754-vp-group-equality-and-diversity-policy-jan25.pdf**

Gender Split

Male
83%
Total: 2,360

Female
17%
Total: 483

Case Study

Celebrating remarkable achievement

In 2024, Vp celebrated its 70th anniversary. To mark this milestone, we held anniversary awards to celebrate our people's hard work, expertise and dedication, which are truly at the heart of Vp Group.

All employees were invited to nominate colleagues for their standout achievements and daily contributions to the business, to their teammates, and to their local communities.

The award categories were Great Team Player, Leadership Role Model, Wellbeing Ambassador, Outstanding Customer Focus and Environment and Community Champion.

There was an overwhelming response to the call for entries, with more than 400 nominations across the five award categories.

Finalists were invited to a lunchtime awards ceremony to celebrate their achievements and where the winners were announced. This opportunity honoured those whose efforts exemplify our values of being focussed, agile and fair, and show commitment to excellence.

Case Study

Investing in young careers and inspiring change

Vp has an established track record of recruiting apprentices, hiring more than 180 apprentices and graduates in the past ten years.

As part of their learning and development, these colleagues take part in programmes with the Brathay Trust, a charity which supports thousands of young people each year by inspiring growth and positive change.

Through residential training, community programmes and virtual learning services, they build social, emotional and wellbeing skills, learn about teamwork and leadership, and develop resilience. The charity's income from training early career professionals plays a vital role in sustaining residential learning programmes.

Planet

Taking climate action

Our ambition:
Net zero emissions across our own operations and value chain by 2050.

Context:
We are committed to taking meaningful action to transition to a low-carbon business, supporting our customers to do the same.

How is this being delivered?
- **Divisional carbon reduction plans:** Each division has developed tailored transition plans to reduce carbon emissions and improve resource efficiency. These plans include clear actions, timelines and performance metrics, ensuring alignment with our overall sustainability goals.
- **ESG in investment decisions:** ESG is now embedded in our capital expenditure appraisal process, ensuring all major investments are assessed for environmental and social impact alongside financial return.
- **Sustainability in decision-making:** We have integrated ESG principles into strategic and operational decision-making, embedding sustainability into project planning, procurement, and governance.
- **Collaborating across the value chain:** We work with suppliers, customers and stakeholders to drive innovation and adopt circular economy practices reducing waste, extending product lifecycles and promoting reuse.
- **Colleague engagement and education:** We engage and educate our teams on climate change, carbon reporting and circularity through training and awareness initiatives, fostering a culture of sustainability.

Examples of our success
- Repositioning of the ESG Steering Committee.
- Focusing on Group-wide transition to net zero.
- Appointment of divisional sustainability champions.
- Launch of our carbon literacy programme.

Improving resource efficiency

Our ambition:
Optimisation of key resources throughout their lifecycle; achieving net zero carbon emissions by 2050 and halving Scope 1, 2 and key Scope 3 carbon emissions by 2033.

Context:
We aspire to minimise resource consumption, enhance efficiency in resource management, reduce waste and pollution and harness technology to accelerate progress.

How is this being delivered?
- **Enhancing energy efficiency:** We have strengthened our internal processes to better identify and capitalise on energy saving opportunities. In parallel, we are implementing a programme of energy-efficiency upgrades across our estate, aimed at reducing consumption and lowering emissions.
- **Transition to low-emission vehicles:** As part of our broader decarbonisation strategy, we are actively transitioning our fleet to electric vehicles. This move supports our commitment to reducing the environmental impact of our transport operations.
- **Water resource management:** We are taking deliberate steps to reduce water consumption through both process optimisation and the integration of water-efficient technologies. These efforts contribute to more sustainable use of natural resources across our areas of operation.
- **Waste minimisation and material efficiency:** We remain focussed on reducing waste generation by improving segregation practices and decreasing our reliance on raw materials. Our approach promotes circularity and supports our ambition to minimise environmental impact.

Examples of our success
- Integrating rainwater harvesting into our panel wash facilities.
- Commenced installation of LED lighting and PIR sensors in areas with low occupancy.

Circularity

Our ambition:
We strive to extend the useful economic life of our fleet where appropriate, while ensuring it remains well-maintained and of high quality for our customers.

Context:
Building on the inherent circularity of our business model, we encourage, influence and educate our supply chain to adopt circular economy principles.

How this is being delivered?
- **Advancing circular economy practices:** We are embedding circular economy principles across our operations and supply chain, focusing on waste reduction, extended product life cycles and responsible resource use.
- **Empowering teams and suppliers:** We are building knowledge of circularity across our teams and supply chain partners to better deliver sustainable, informed solutions to our customers.
- **Raising supply chain expectations:** We are setting clear sustainability expectations for suppliers, aligning them with our circular economy goals and long-term environmental commitments.

- **Driving innovation and capability:** Through collaboration and knowledge sharing, we promote innovation and help suppliers adopt circular practices and build capability.
- **Product stewardship:** We are working with suppliers to implement 'take-back' schemes for damaged or end-of-life products, supporting responsible disposal and resource recovery.
- **Optimising asset lifecycle:** We are improving maintenance, servicing and repair to extend the useful economic life of our fleet and reduce the need for new resources.

Case Study

JCB trial hydrogen-powered telehandler with Vp and Barratt Redrow

Hydrogen-powered heavy plant, with zero emissions, is a step closer to becoming the go-to solution on many construction sites, thanks to an innovative trial by JCB involving Vp and our customer Barratt Redrow.

We put the JCB Hydrogen Loadall through its paces at a Barratt Redrow site to test performance in a live environment. In doing so, we were able to show that hydrogen-powered vehicles are able to match the performance of their diesel counterparts as well as provide environmental benefits.

During the trial, the machine was constantly employed - unloading bricks and other materials from delivery trucks, emptying skips and lifting materials to trades on scaffolding for our customer Barratt Redrow. This real-life testing was critical for JCB.

As with other hire companies, heavy plant and machinery make up a significant part of Vp's hire fleet and we still rely heavily on fossil fuels to power these vehicles. It is vital as we transition to a low-carbon rental fleet that we fully explore all possible options to decarbonise using new technology and innovations such as hydrogen, which is why we were delighted to support JCB on this initiative.

Our Scope 3 emissions are a significant part of our total emissions - at over 95% - and heavy plant and machinery make up a major proportion of these. Collaborations with our value chain are vital to rigorously test innovations on site to ensure they work in a real environment for our customers.

Since the trial, 11 licensing authorities across Europe have given permission for the JCB hydrogen engine to be sold, including in the UK.

Jennifer Woodhall, Group Sustainability Programme Manager, says: "Our customers are increasingly looking to us for new innovations in sustainable technology. No one business can decarbonise our economy alone, so collaborations like this, between Vp, our supplier and customer, are key to solving our climate challenges."

Case Study

Service centres contribute to a circular economy

Vp's dedicated service, repair and maintenance teams ensure our rental equipment is checked and serviced before every hire.

This achieves a key principle of circularity - to keep products in use at their highest value, for as long as possible. It reduces waste, cost and carbon emissions and improves equipment availability for customers.

This is especially critical at ESS, our specialist provider of precision survey, measurement and safety equipment for end markets including Energy, Construction, Infrastructure, and environmental management. ESS is an accredited service partner of Leica Geosystems, with fully accredited workshops across all regional locations.

Each workshop services and calibrates Leica equipment to exacting standards. As a result, we have reduced inter-depot transfers by 84% and eliminated the need to return Leica equipment to London or Switzerland for servicing, cutting transport costs, downtime and carbon emissions. Achieving and maintaining accreditation requires ongoing investment in people, specialist tools and training, which extends asset life, enhances performance and reduces carbon emissions.

Environmental, social and governance continued

Places

Social mobility

Our ambition:
We aspire to foster social mobility by ensuring equal opportunities for all, creating an inclusive environment where everyone can thrive and reach their full potential.

Context:
We are committed to promoting social mobility by ensuring equal opportunities for all individuals, regardless of their background or circumstances.

How this is being delivered?

- **Refreshed recruitment process:** This focuses on skills, potential and lived experience, removing unnecessary barriers and promoting fairness at every stage. This approach helps attract a more diverse talent pool and supports the creation of a representative workforce.
- **Enhanced training and development programmes:** These offer structured learning through on-the-job training, formal courses, mentorship and leadership development—empowering employees to grow at every stage of their careers.
- **Promote a workplace culture where diversity is respected and valued:** Our Social Strategy supports fair policies and practices that celebrate individual differences and foster inclusion.
- **Clear and accessible career pathways:** These have been introduced to support progression, talent development and internal mobility. These pathways provide employees with transparency and direction, helping them advance with confidence while supporting long-term retention and engagement.

Examples of success

- Created a plan to support local communities through our work with BITC, including initiatives to support people gain employment.

Social impact

Our ambition:
To make long-term, meaningful contributions to society, the environment and the economy by adopting and promoting responsible business practices that drive sustainable growth and positive impact.

Context:
The scope of our operations and the diversity of our value chain offer a strong foundation for making a positive societal impact.

How this is being delivered?

- **Fairness, transparency and accountability:** We are committed to the highest standards of ethics, integrity and governance. This means ensuring fairness, accountability and transparency in all business operations, and treating employees, customers, suppliers and partners with respect. Robust policies help prevent unethical behaviour and support open, responsible decision-making.
- **Supporting colleague wellbeing:** Our people are central to our success. We prioritise their physical, mental and emotional wellbeing through a safe, inclusive and supportive environment. This includes access to wellbeing resources, flexible working and development opportunities that empower individuals to thrive.
- **Community accountability:** We aim to positively impact the communities where we operate. Through volunteering, local employment, charitable partnerships and engagement initiatives, we strive to make a meaningful, lasting difference. Our approach is guided by listening to local needs and delivering long-term social value.

Examples of success

- Donated circa £100,000 to charitable organisations.
- Launched Vp Social Value Group and developed the Social Strategy.

Case Study

Simplifying carbon reporting

Groundforce, our market-leading rental provider of specialist construction solutions, has made it easier to measure the carbon impact of hired equipment and encourage more of our customers to embrace circularity, with the development of a Carbon Calculator tool.

This measures the carbon impact of hired equipment by accurately measuring emissions on a project-by-project basis. It accounts for usage by factoring in utilisation rates and the equipment's useful economic life - often exceeding 10 years. It includes transport emissions, calculated using distance travelled, vehicle type and load size. This level of detail empowers customers to report on emissions with confidence.

Supporting biodiversity and our communities

As we evolve our Nature Strategy, our transition plans, resource efficiency and waste management are enabling us to reduce our impact on nature and biodiversity emergencies. Our support of conservation projects, through direct donation and colleague volunteering, helps enable regeneration in the communities in which we, and our customers, operate.

Our focus includes:

- Continuing to evolve our understanding of our impact on nature and biodiversity.
- Working with our customers to support them in their obligations under Biodiversity Net Gain.
- Improving resource efficiency, waste management and the circularity of our business and supply chain.
- Reviewing the Taskforce on Nature-related Financial Disclosures (TNFD) framework and refining our approach.

This year we supported five restoration and conservation projects – our fourth year of charitable support. Projects were shortlisted which focus on long-term impact, improvement of ecosystems and opportunities for employee involvement. Employees voted for their preferred projects. The chosen projects use high-impact interventions that are actively addressing climate change and biodiversity loss.

The five projects we are supporting in 2025 are:

- Durrell Wildlife Conservation Trust – rewilding peatland and forest, river restoration, breeding and reintroduction.
- Sussex Wildlife Trust kelp recovery – restoration of kelp on the Sussex coast to improve carbon storage, wildlife and coastline protection and water quality.
- Sheffield and Rotherham Wildlife Trust flood management – flood defence and peatland repair to protect communities and habitats for seriously endangered species.
- Lancashire Wildlife Trust peatland restoration – restoring peatland in Sites of Special Scientific Interest and protecting threatened species.
- Lifescape Project Lynx reintroduction – reintroducing the Eurasian Lynx to Scotland and the north of England to manage invasive species and improve biodiversity.

Throughout the year employees volunteered to remove invasive plant species, prevent flood risk and peat damage in Sheffield, and placed used Christmas trees along the Sussex coast to prevent erosion.

The TPA Worksop and Group Sustainability teams volunteered with the

Sheffield and Rotherham Wildlife Trust team to cut down invasive tree species and position them to prevent water run off and downstream flooding and to protect exposed peat.

Environmental, social and governance

Greenhouse gas (GHG) and energy report

Our annual greenhouse gas emissions and energy report is prepared in accordance with the requirements of the Streamlined Energy and Carbon Reporting (SECR) regulations for the period 1 April 2024 to 31 March 2025.

We calculate our emissions in accordance with the Greenhouse Gas (GHG) Protocol, ensuring transparency and accuracy and our approach follows the Protocol's Scope 1, Scope 2 and Scope 3 classifications. We report on 11 of the 15 Scope 3 categories. Our report covers all geographies in which we operate, unless otherwise stated, including our acquisition of CPH from October 2024.

		2024–25	2023–24 Restated
UK	Scope 1 (tCO_2e)	**12,305**	13,469
	Scope 2 Location-based (tCO_2e)	**1,654**	1,650
	Scope 2 Market-based (tCO_2e)	**–**	–
	Total Scope 1 & 2 Location-based (tCO_2e)	**13,959**	15,119
	Total Scope 1 & 2 Market-based (tCO_2e)	**12,305**	13,469
	Energy consumption of Scope 1 & 2 (kWh)	**60.0m**	64.9m
Overseas	Scope 1 (tCO_2e)	**2,336**	1,668
	Scope 2 Location-based (tCO_2e)	**221**	209
	Scope 2 Market-based (tCO_2e)	**221**	209
	Total Scope 1 & 2 Location-based (tCO_2e)	**2,557**	1,877
	Total Scope 1 & 2 Market-based (tCO_2e)	**2,557**	1,877
	Energy consumption of Scope 1 & 2 (kWh)	**10.8m**	8.0m
Global	Scope 1 (tCO_2e)	**14,641**	15,137
	Scope 2 Location-based (tCO_2e)	**1,875**	1,859
	Scope 2 Market-based (tCO_2e)	**221**	209
	Total Scope 1 & 2 Location-based (tCO_2e)	**16,516**	16,996
	Total Scope 1 & 2 Market-based (tCO_2e)	**14,862**	15,346
	Energy consumption of Scope 1 & 2 (kWh)	**70.8m**	72.9m
	Intensity Ratio Market-based tCO_2e (Scope 1 + 2) / £1 million revenue	**39**	42
Scope 3	Purchased Goods and Services (tCO_2e)	**68,849**	53,778
	Capital Goods (tCO_2e)	**75,550**	64,897
	Use of Sold Products (tCO_2e)	**78,980**	136,689
	Downstream Leased Assets (tCO_2e)	**92,816**	85,843
	Other Scope 3 Categories (tCO_2e)	**14,839**	16,614
	Total Scope 3 (tCO_2e)	**331,034**	357,821
	Total Group carbon emissions (market-based) (tCO_2e)	**345,896**	373,167

Methodology

The spend-based method has been used where activity data or assumptions were not available.

The following categories are excluded as they do not apply to Vp Group operations or are accounted for in other categories: Upstream Leased Assets, Downstream Transportation and Distribution, Franchises and Investments.

GHG emissions commentary

The Group's carbon emissions have reduced by 7% compared with the previous year, primarily due to a decrease in one of the most material Scope 3 categories in our value chain. This is against a backdrop of a deliberate increase in investment in our rental fleet to support our customers, a slight increase in Group revenue and a 4% growth in employee numbers.

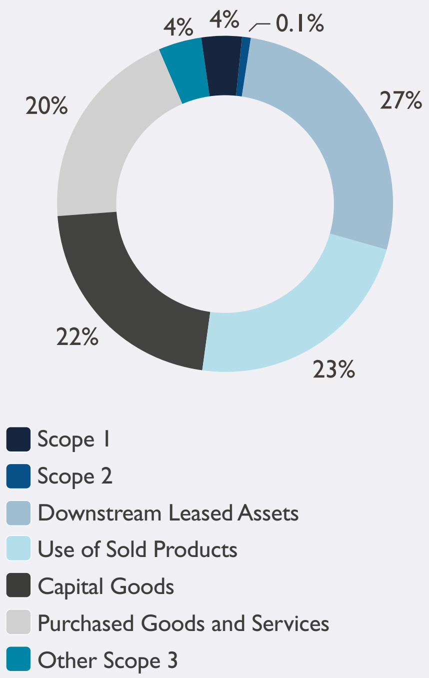
Scope 1 carbon emissions from Group operations have decreased by 3%, driven by estate rationalisation and energy efficiency measures.

The Group purchases electricity from renewable sources across UK operations. We have seen an increase in our Scope 2 (market-based) carbon emissions of over 5% following the acquisition of CPH Ireland in October 2024 and growth in our overseas operations.

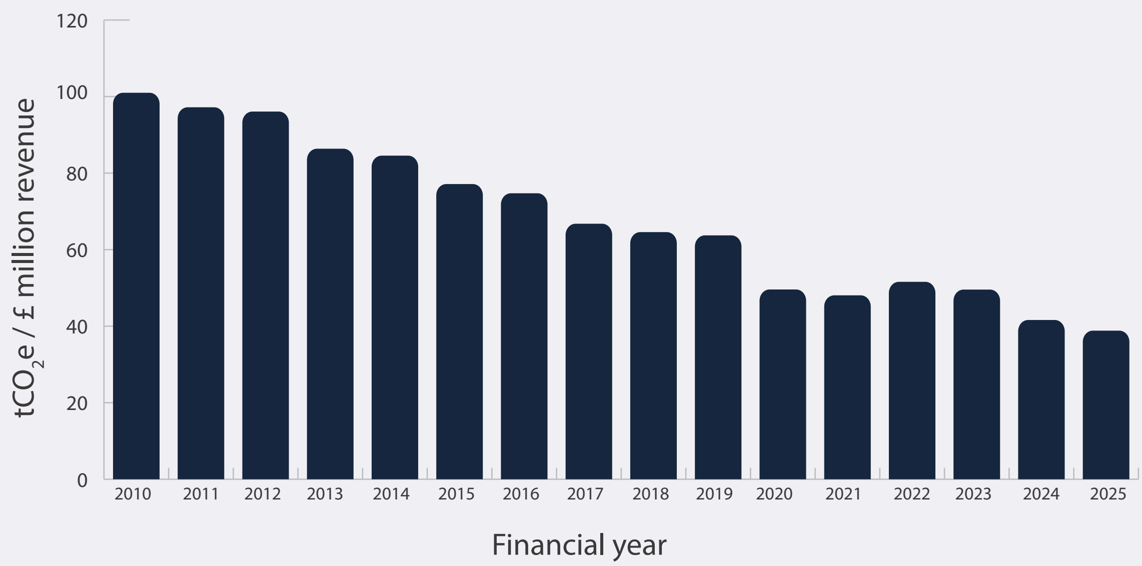
Scope 3 total carbon emissions have decreased 7.5% in year. We have had an increase in investment in our rental fleet and associated equipment to support the infrastructure market. Much of this equipment is part of our vast non-powered fleet, which has zero emissions at the point of use. This has resulted in Category 1 – Purchased Goods and Services and Category 2 – Capital Goods increasing 28% and 16% respectively.

Category 11 – Use of Sold Products decreased significantly, 42%, this year. This reflects our work to extend the useful economic life of our fleet where appropriate, while ensuring it remains well-maintained and of high quality for our customers. It also reflects the reduced requirements for the purchase of new equipment as specified by customers.

Global GHG emissions by scope



Global energy intensity (Scope 1 + 2)



Environmental, social and governance

Energy efficiency report

The total energy consumption for the Group for the period 1 April 2024 to 31 March 2025 is 70.8 million kWh. The highest energy usage is diesel fuel, used to operate our delivery and operational fleet. The percentage of energy usage attributed to our UK operation is 88%.

The following energy consumption data was used to calculate our emissions. Figures are based on our UK operations only.

Scope 1 emissions tonnes of CO_2e	12,305
Scope 2 emissions tonnes of CO_2e (market-based)	0*
Emissions from gas tonnes of CO_2e (Scope 1)	346
Emissions from fuel for transport tonnes of CO_2e (Scope 1)	11,619
Emissions from electricity (location-based) tonnes of CO_2e (Scope 2)	1,654
Total UK energy consumption in kWh	60m

(*Vp's UK operations use 100% REGO certificates.)

Methodology

1 DEFRA conversion factors were used to convert to kWh from other units.

2 Energy data is gathered from energy supplier consumption data.

Energy efficiency measures

During the year, the following measures were undertaken to reduce or optimise energy consumption:

- Programme of upgrading old and inefficient gas boilers with modern, condenser boilers.
- Ongoing replacement of lighting to LED with PIR sensors for low traffic areas.
- Introduction of driver efficiency software in our largest fleet.
- Completion of transition to electric forklifts in one division.
- Continuing the transition of our company car fleet – 93% low emission, up from 84% last year.

ISO 50001

Vp Group holds ISO 50001:2018 accreditation which helps identify areas of opportunity to reduce energy consumption and improve efficiency. As part of the ISO 50001 audit process, energy efficiency opportunities identified included: the roll-out of energy management training to all staff, utilising route planning software to reduce fuel consumption and continuing to upgrade to energy efficient lighting throughout our estate.

Energy efficiency action plan

In line with our ESOS Phase Three Action Plan and reporting, our energy efficiency action plan for 2025 – 2027 includes:

- Conducting Group-wide energy efficiency training.
- Expanding the roll out of smart meters across the estate.
- Continuing to identify and upgrade gas boilers in depots.
- Continuing to roll out LED lighting and PIR sensors in depots.
- Introducing fleet efficiency software via a phased approach.
- Introducing driver efficiency training.

Waste management report

Vp's UK operations generated 1,189 tonnes of waste this year, with over 95% diverted from landfill and meeting our 2025 target.

Waste was managed as follows: 55% recycled, 36% incinerated, 4% treated as hazardous, and 0.5% processed through anaerobic digestion.

We remain focussed on increasing recycling rates by improving waste data analysis, running targeted campaigns, and embedding circular economy practices across our supply chain.

Climate-related financial disclosures (TCFD)

Equally as important as our objective of safeguarding the environment, is understanding, mitigating and adapting to the impact of climate change on Vp. This will help us to be more resilient to climate-related risks and allow us to explore the opportunities presented by our transition to a more sustainable business.

This climate-related financial disclosures report has been prepared in accordance with the regulations set out under UK Listing Rule 6.6.6.(8). This is our third annual TCFD report and covers the year ended 31 March 2025. We conducted a full assessment of the TCFD framework and supporting guidance documents, including the All Sector guidance in the TCFD Annex. This report is consistent with the TCFD framework, builds on our previous report and provides enhanced detail in each of the four categories and the 11 recommended disclosures set out in the TCFD Recommendations and Recommended Disclosures.

Governance

Board oversight of climate-related risks:

The Board is informed and updated regarding climate-related risks by the Risk Committee, the Group Health, Safety and Sustainability Director and the Head of Internal Audit and Risk, on at least a quarterly basis.

The newly-formed ESG Steering Committee (replacing the Environmental Steering Group) includes all of the Group's Executive Committee. The responsibility for the process of identifying and assessing climate-related risks is owned by the Group Health, Safety and Sustainability Director and managed by the Group Sustainability team. This team works closely with the Head of Internal Audit and Risk, divisional leadership teams and Group and divisional finance to determine the impact and mitigations required to manage the risks. This year, the Board actions relating to climate change were periodic reviews of key changes in climate risks and opportunities in line with our risk management approach. The Board are optional attendees at the quarterly ESG Steering Committee.

The role of the ESG Steering Committee in climate-related risk management:

This year, the Environmental Steering Group was replaced by the ESG Steering Committee. Chaired by the Group Health, Safety and Sustainability Director, this group oversees and guides our strategies and initiatives relating to ESG. It reviews the climate-related risk management process, including how the business identifies, assesses, mitigates and monitors risks. It ensures the process aligns with wider business strategy, sustainable business practices and the risk management framework, to ensure the business' long-term resilience. See the diagram on page 40 reflecting the interaction between the ESG Steering Committee and the Group Board structure.

Management's role in assessing and managing climate-related risk:

Regular communication between the Group Sustainability team and divisional management teams helps assess and manage risks.

- The Group Sustainability team informs divisional managers of potential climate-related risks.
- The Group Sustainability team works with divisional leadership teams and sustainability champions to assess the potential impact of climate-related risks and put mitigations in place to manage these, via divisional transition plans.
- Divisional leadership teams and sustainability champions provide feedback on the impact of the mitigating actions.
- Regular reviews formally monitor and allow reporting on risk management and mitigation.

Strategy

We have assessed the risks and opportunities of climate change and national and international transitions to a net zero economy.

Risks and opportunities have been considered in the following timeframes:

Short term: 1–3 years.

Medium term: 3–10 years.

Long term: 10 years+.

The impact has also been assessed using scenario analysis, using three different scenarios, based upon the five Shared Socioeconomic Pathways (SSPs) developed by the climate research community in coordination with the Intergovernmental Panel on Climate Change (IPCC) and other organisations.

Scenario analysis

In 2024, we undertook scenario analysis to help the Group understand the potential impact of climate-related risks to its business. We used Shared Socioeconomic Pathways (SSPs) for our analysis. SSPs present pathways about future socio-economic development, considering factors such as economic growth, technological development, demographic changes and global cooperation. Our three chosen scenarios inform our risk analysis and planning to mitigate the potential impacts of climate change on our operations up to 2050, when we aim to reach net zero across the Group. By assessing more than one possible future, we aim to better prepare for a range of possible outcomes. We are also using this analysis to shape our Group transition plan.

Climate-related financial disclosures (TCFD) continued

SSP	Description	Justification	Associated temp change
SSP 1 Sustainable development	Driven by a fast-paced commitment to achieving development goals. Consumption is oriented toward lower resources and energy intensity. It includes a peak and decline in population (c. 7 billion in 2100), high income and reduced inequalities, effective land-use regulation, and low-carbon technologies and lifestyles. Relative to other pathways, SSP1 has low challenges to mitigation and low challenges to adaptation.	Requires us to consider the financial risks and opportunities of a relatively fast, orderly, sustainable development transition to a less carbon intensive society. This scenario is likely to initiate sudden change and requires us to enact plans quickly and robustly to maximise efficiency and minimise negative impacts on the business.	1.8°C
SSP 2 Middle-of-the-road development	Social, economic and technological trends do not shift markedly from historical patterns. Medium population growth (c. 9 billion in 2100). Intensity of resource and energy use declines. Challenges to reducing vulnerability to societal and environmental changes remain. Relative to other pathways, SSP2 has medium challenges to mitigation and medium challenges to adaptation.	Describes middle-of-the-road emissions and the continuation of a transition away from fossil fuels. Allows gradual change in the makeup of our fleet and other changes enabling a sustainable transition, both environmentally and financially.	2.7°C
SSP 5 Fossil-fuelled development	The push for economic and social development is coupled with heavy reliance on fossil fuels. Includes a peak and decline in population (c. 7 billion in 2100), high income, reduced inequalities, and free trade. This pathway includes resource-intensive production, consumption and lifestyles. Relative to other pathways, SSP5 has high challenges to mitigation, but low challenges to adaptation.	Requires the business to account for the worst-case scenario of warming and the potential risks and opportunities associated with a resource and energy-intensive society. This scenario is extreme, it pushes us to acknowledge the risks and opportunities posed to the Group under a society prioritising development and fossil fuel dominance.	4.4°C

The following assumptions were used to help inform the scenario analysis and assess the impact of the identified climate-related risks.

1. Regulatory Development – Vp assumes an increasing level of detail will be required by regulation and reporting changes over time.

2. Market Demand – Vp assumes an increasing level of demand for less carbon intensive products from customers and the wider market.

3. Technology – Vp assumes that new lower carbon intensive technology and products will become available, but that the pace of this innovation may not keep pace with customer demand and further, that the price of innovations prior to their market-wide availability and scale will be higher than current options.

4. Geographic discrepancies – Vp assumes that the differing international markets where it operates will not develop at the same pace in terms of regulation, technology, infrastructure and market demand.

Risks

We have identified transition and physical risks to the business, assessed the potential timing of the impact of these risks, the likelihood and severity of the impact and which areas of the business may be affected.

Consideration has been given to financial impacts including revenues, expenditure, assets, capitalisation and financing. Other non-financial risks have been considered including business continuity and health and safety.

This is an iterative process and is regularly reviewed against a backdrop of business plans, corporate landscape and advances in insight.

Transition risks

These risks are related to the business' transition to a more sustainable, low-carbon operation and to keeping pace with the economy-wide transition.

Physical risks.

Physical risks are those which are due to the physical impacts of climate change. These are either acute (sudden extreme weather events) or chronic (effects of longer-term shifts in climate patterns). Vp has considered the physical impacts that may be due to direct damage, operational interruptions, supply chain disruption or availability of resources.

Key: Low | Medium | High

Transition risks

Risk	Potential impacts	Mitigation or adaption
Policy & legislation: Fail to keep pace with changes in government regulation and/or fall short of customer expectations.		
Quantity and depth of regulation and reporting likely to increase over time. Risk that obligations not met and/or Vp doesn't keep pace with customer, shareholder and other stakeholder expectations on reporting and/or disclosures.	• Fines or judgements. • Limits on access to funding due to negative perceptions. • Additional audit services costs. • Additional carbon taxes. • Reputational damage. • Decreased revenue if customer expectations not met. • Supply chain disruption if key suppliers impacted.	• Quarterly capture of changes to applicable legislation, regulation and standards. • Twice yearly review of regulation and standards by ESG Steering Committee. • Annual updates to the Board by ESG Steering Committee. • Ongoing updates of customer requirements by divisional leadership and bid teams. • Additional specialist advice and/or audit services from credible bodies.

	Short term	Medium term	Long term
Timeframe SSP 1	Medium	High	Medium
Timeframe SSP 2	Medium	Medium	Medium
Timeframe SSP 5	Low	Low	Low

Priority: High | **Applicability:** Group

Risk	Potential impacts	Mitigation or adaption
Products & technology: Transition to new lower-carbon, lower-emission products and technologies slower than the market.		
Do not transition rental fleet to lower-carbon alternatives as quickly as customers and competitors. Do not embrace lower carbon and zero-emission products and technology. Delayed transition needs to be accelerated within a shorter timeframe to catch up, creating a spike in capital expenditure.	• Reduced revenue - customers favour lower carbon products from competitors. • Increased costs due to early retirement of existing assets. • Reduced revenue due to re-pricing of assets no longer in high demand (rent and sale). • Intense period of increased capex spend to short cut transition to invest in lower emission fleet and infrastructure to support – charging, servicing, maintenance, training. • Negative stakeholder and investor perceptions.	• Detailed transition plans towards lower emission rental fleet in the short to medium term. • Six monthly reviews of divisional transition plans to ensure they keep pace with market. • Group and divisional finance align budgets with transition plans. • Asset, procurement, Group sustainability, major bid and sales teams review market trends and share knowledge. • ESG Steering Committee has six monthly oversight of transition plans.

	Short term	Medium term	Long term
Timeframe SSP 1	High	Medium	Low
Timeframe SSP 2	Medium	Medium	Low
Timeframe SSP 5	Low	Low	Low

Priority: High | **Applicability:** Group

Climate-related financial disclosures (TCFD) continued

Risk	Potential impacts	Mitigation or adaption
Organisational structure and process: Given scale, complexity and geographical spread of Group, the scale of transition could result in not all issues and risks being foreseen or mitigated.		
Size, complexity and geographic spread of operations means a risk that not all businesses will transition as required. Extremely broad and varied product mix and supply base across divisions. Differing regulations across countries where we operate. Pace of transition and levels of required infrastructure and technology vary. Different levels of team, customer and supply base knowledge, capacity and engagement.	• Inability to understand and meet varied regulation and reporting requirements leads to fines, judgements, negative customer and investor sentiment and reduced revenue. • Disparity in technology, innovation and infrastructure means some operations may lag behind, preventing the Group meeting targets. • Differences in knowledge, engagement and culture within teams and suppliers means implementation may be inconsistent, preventing the Group from meeting targets.	• Review local regulations and reporting requirements every six months - ESG Steering Committee oversight. • Specific risks related to technology, product and infrastructure which challenge transition to net zero captured six monthly - ESG Steering Committee oversight. • Bespoke transition plans for non-UK divisions and business operations - ESG Steering Committee oversight.
Timeframe SSP 1	Short term · Medium term · Long term	
Timeframe SSP 2	Short term · Medium term · Long term	
Timeframe SSP 5	Short term · Medium term · Long term	
Priority: High	**Applicability:** Group	

Risk	Potential impacts	Mitigation or adaption
Markets: Volatility of energy and raw material prices and supply caused by climate change and adaptation and mitigation measures.		
Electricity, gas, diesel, petrol and oil prices continue to fluctuate and increase due to policy changes, resource availability and net zero transition pace. Market shifts impact supply and pricing of raw materials, especially those with high-embodied carbon, steel, aluminium and plastic,resulting in higher prices, restricted supply and/or reduced customer demand.	• Increased costs due to rising energy and raw material prices. • Reduced revenue due to lack of price competitiveness. • Reduced revenue due to operational interruptions due to resource scarcity. • Reduced revenue due to lack of availability of lower embodied carbon products. • Operational interruptions as suppliers go out of business due to inability to meet rising costs.	• Transitioning of rental, transport and company car fleets to low or zero emissions. • Improving energy efficiency of buildings. • Supply chain strategy to support transition to lower carbon alternatives. • Implementation of circular economy approach, including reuse of materials, take-back schemes and increased recycled content.
Timeframe SSP 1	Short term · Medium term · Long term	
Timeframe SSP 2	Short term · Medium term · Long term	
Timeframe SSP 5	Short term · Medium term · Long term	
Priority: Medium	**Applicability:** Divisions	

Key: Low | Medium | High

Physical risks

Risk	Potential impacts	Mitigation or adaption
Extreme weather events: Storms, floods, heatwaves, bushfires that damage equipment or premises or interrupt operations.		
Increase in the severity and frequency of extreme weather events that damage premises, equipment or interrupt operations due to supply chain disruption, utility damage that restricts operations (power outage, water contamination). Operational interruptions due to absenteeism from illness, injury, personal belongings damage, or inability to travel to work due to infrastructure issues or caring responsibilities.	• Reduced revenue from operational disruption due to supply chain disruption, equipment damage, facilities damage, delivery interruptions. • Increased capex costs due to replacing damaged equipment, facilities, infrastructure. • Increased insurance premiums, especially in high-risk locations. • Reduced revenue and increased costs due to absenteeism and wellbeing issues. • Increased maintenance and repair costs.	• Review local regulations and reporting requirements every six months - ESG Steering Committee oversight. • Specific risks related to technology, product and infrastructure which challenge transition to net zero transition captured six monthly – ESG Steering Committee oversight. • Bespoke transition plans for non-UK divisions and business operations – ESG Steering Committee oversight.

	Short term	Medium term	Long term
Timeframe SSP 1	Low	Medium	Medium
Timeframe SSP 2	Low	Medium	Medium
Timeframe SSP 5	Low	Medium	High

Priority: High

Applicability: Group (increased likelihood for overseas operations)

Risk	Potential impacts	Mitigation or adaption
Chronic weather changes: Ongoing changes in weather patterns and rising temperatures, rainfall and sea level.		
Ongoing increase in rainfall, temperatures and sea levels could interrupt operations due to supply chain disruption, or inability for equipment to operate at high temperatures or during periods of high rainfall. Operational interruptions from absenteeism due to illness, or inability to work in high temperatures.	• Reduced revenue from operational disruption due to supply chain disruption, equipment or facilities damage. • Increased capex costs to upgrade or replace equipment to better withstand high temperature or rainfall. • Reduced revenue and increased costs due to absenteeism and wellbeing issues.	• Maintain the physical climate risk register, including high-risk areas, properties and review annually. ESG Steering Committee and Board have oversight. • Review customer and supplier contracts to consider provision for weather-related impacts. • Health, safety and wellbeing training for avoiding heat stress and other weather-related health issues.

	Short term	Medium term	Long term
Timeframe SSP 1	Low	Medium	Medium
Timeframe SSP 2	Low	Medium	Medium
Timeframe SSP 5	Low	Medium	High

Priority: High

Applicability: Group (increased likelihood for overseas operations)

Climate-related Financial Disclosures (TCFD) continued

Opportunities:

Vp continues to explore the opportunities which are being, and may be, created due to climate change adaptation and mitigation and the economy-wide transition to low carbon operations. We have considered key areas such as resource efficiency, products and services, and markets and sectors.

These factors may create opportunities within Vp's own operations and/or those of its customers and supply chain. These opportunities have the potential to enhance revenues, generate new customers, provide new products, services or sectors, reduce costs, enhance Vp's reputation and create competitive value and advantage.

Opportunity	Potential benefits			Promotion or optimisation
Resource efficiency: More efficient resource use and increased use of renewable energy, reducing costs and increasing competitiveness.				
• Use of renewable energy for all operations. • Increased energy efficiency of buildings. • Increased use of recycling. • Reduced water consumption and increased rainwater usage.	• Increased resilience to energy price and supply fluctuations. • Reduced energy and operating costs. • Increased value of owned buildings. • Improved employee wellbeing and satisfaction. • Increased revenue due to ability to meet customer requirements for resource efficiency.			• Renewable energy contracts for global operations by 2030. • Implementation of energy improvement plans. • Transitioning rental, transport and company car fleet to low/zero emission vehicles. • ESG Steering Committee reviews energy improvement plan annually. Board has annual oversight.
Timeframe SSP 1	Short term	Medium term	Long term	
Timeframe SSP 2	Short term	Medium term	Long term	
Timeframe SSP 5	Short term	Medium term	Long term	
Priority: Medium		**Applicability:** Group		

Key: Low | Medium | High

Opportunity	Potential benefits	Promotion or optimisation
Products & services: Expanding the purchase, use and hire of low and zero emission products and services.		
• Increasing low or zero emission products within the rental fleet. • Utilising lower embodied carbon goods and services. • Encouraging new innovations through the implementation of circular economy principles in the supply chain.	• Increased revenue from existing and new customers requiring low/zero emission rental fleet. • Enhanced reputation and competitive advantage as an innovator. • Reduced costs from implementing circular economy approaches in the supply chain. • Increased resilience to volatile price of, and demand for, energy and finite resources. • Ability to leverage financial instruments only available to greener businesses.	• Implement transition plans to move to low/zero emissions rental fleet and procure more low/zero embodied carbon goods and services. • Implement sustainable procurement plans. • Educate teams and supply chain on circular economy principles, set ambitious targets. • ESG Steering Committee reviews transition plans and progress every six months.
Timeframe SSP 1	Short term / Medium term / Long term	
Timeframe SSP 2	Short term / Medium term / Long term	
Timeframe SSP 5	Short term / Medium term / Long term	
Priority: Medium	**Applicability:** Group	

Opportunity	Potential benefits	Promotion or optimisation
Markets & sectors: Access to new projects, markets and sectors to mitigate climate change and support the transition to net zero.		
• Access to new projects to support the transition to net zero. • Access to new sectors required to support the net zero transition. • Access to new markets requiring significant infrastructure upgrades. • Growth in markets due to climate change mitigation efforts.	• Increased revenue from project, market and sector growth. • Enhanced return on investment of rental fleet due to increased utilisation. • Enhanced reputation and competitive advantage by increasing the share of business focussed on green transition projects.	• Sales and marketing effort to identify new opportunities and position Vp as a suitable partner. • Board oversight of new opportunities. • ESG Steering Committee and Board oversight of new opportunities and progress due to climate-change adaptation/mitigation. • Group sustainability knowledge sharing with sales and marketing on longer-term climate change adaptation and mitigation requirements.
Timeframe SSP 1	Short term / Medium term / Long term	
Timeframe SSP 2	Short term / Medium term / Long term	
Timeframe SSP 5	Short term / Medium term / Long term	
Priority: Medium	**Applicability:** Group	

Climate-related financial disclosures (TCFD) continued

Resilience to climate-related risks
Our business is diverse, operating across different geographical regions and across a wide range of sectors, principally in the Infrastructure, Construction, Housebuilding and Energy markets, providing equipment, people, services and support for specialist projects. We are confident that this diversity, along with our strategy and robust financial planning, gives us a level of resilience to climate-related risks.

Using scenario analysis, see page 31, to inform risk management, we have highlighted that an orderly sustainable development transition would see our customers and competitors, as well as government and regulators, move quickly. This represents the highest level of transition risk to the business. It would put a high amount of pressure on us to invest in equipment, infrastructure and education to progress to a low carbon business as quickly as possible.

However, a slower transition, resulting in higher levels of global warming, presents the highest risk to the business in terms of the likely impact of physical risks.

There is an ongoing need for greater understanding of the impact of these risks on specific areas of the business. The business is working to gain a greater understanding of the potential impact of climate-related risks and opportunities on specific divisional business and transition plans. This will lead to more detailed assessment, understanding and managing of risks.

Risk management

Identifying, assessing and managing risk
Climate-related risks are included on the principal risk register. This is managed by the Risk Committee and reviewed by the Executive Committee and the Board.

Risks are identified and assessed by the risk owners in each division or Group department. The responsibility for the process of identifying and assessing climate-related risks is owned by the Group Health, Safety and Sustainability Director and managed by the Group sustainability team with significant input from divisional leadership teams. The team works closely with the Head of Internal Audit and Risk and divisional leadership teams to determine the impact and mitigations required to manage the risks. This committee reviews climate-related risk management ensuring alignment to the overall risk management process and wider business strategy and long-term resilience and meets once each quarter.

Integration into overall risk management
The process of managing and mitigating climate-related risks is integrated into our overall risk management process. In addition, management of these risks is also integrated within the divisional strategic planning process and transition planning process, due to the complexity and evolving nature of climate-related risk. Other processes which align or support this process for certain risks and mitigations include:

- Policy and legislation risks are managed by the Group sustainability team and reviewed by the ESG Steering Committee, including General Counsel and Company Secretary.
- Energy management-related risk management, action plans and mitigations are managed within the Energy Management Action Plan, as part of ISO 50001 compliance. This is managed by the Group sustainability team with input from divisional operations teams, Group estates and Group procurement.

Managing regulatory requirements
We have identified climate-change related regulation as a key climate-related risk. This is managed by the Group sustainability team. Mitigations include:

- Quarterly review of applicable regulations, updates to standards and horizon-scanning of emerging and future regulations.
- Twice yearly review of applicable and emerging regulations by the ESG Steering Committee.
- The Board is informed of applicable and emerging regulations, as required.

Metrics and targets

Targets
It is essential that we manage climate-related risks using appropriate and robust metrics, comparing progress to actionable targets. This ensures actions are focussed and drive progress which will improve risk mitigation. While these long-term targets are absolute, the journey to achieve them – including action plans and interim targets – must remain agile and under continual review.

Net zero targets, validated by the SBTi
We adopted a science-based targets approach in 2023 and the Group's long-term carbon reduction targets were validated by the Science Based Targets initiative (SBTi) in November 2023. The SBTi is a climate organisation that enables companies to play their part in combating climate change, supporting us to set greenhouse gas reduction targets and timeframes in line with the latest climate science.

Our net zero targets, as validated by the SBTi are:

- Net zero GHG emissions by 2050 from a 2023 base year.
- Reduce absolute Scope 1 GHG emissions by 50% by 2033 from a 2023 base year.
- Reduce absolute Scope 3 GHG emissions by 50% for the most material (highest emissions) categories within the same time frame:
  - purchased goods and services
  - capital goods
  - use of sold products
  - downstream leased assets.

Resource efficiency
Our targets to manage resources more efficiently will help mitigate transition risks. These targets are:

- Increase Group (global) renewable electricity supply from 87% in 2023 to 100% by 2030.
- Reduce energy consumption intensity by 20% from a 2021 baseline.
- Divert more than 95% waste from landfill.

Metrics

We use a variety of metrics to measure our progress to our decarbonisation and efficiency targets, ensure our resilience to climate-related risks and enable us to capitalise on opportunities.

The key metrics used to evaluate our climate-related risk management are:

- GHG emissions
  - Scope 1, 2 and material Scope 3 emissions
  - Intensity of emissions relative to £m of revenue
- Fleet power type
  - Quantity of our fleet that is electric, battery or not powered.
- Resource efficiency
  - Percentage of renewable electricity
  - Energy consumption intensity
  - Waste diverted from landfill.

The following sets out the alignment of the Group's metrics to climate-related risks:

- The total measure of carbon emissions and performance to net zero targets and Vp's carbon emissions intensity metric reflect the impact of the products and technology and organisational structure risks, and the success of our mitigation strategies.
- The percentage of battery (zero emissions at point of use) products metric will measure the impact of the products and technology risk and the success of our mitigation efforts including our transition to a less carbon intensive hire fleet.

Performance against targets from a 2023 baseline

Target/metric (from 2023 baseline, total Group, unless otherwise stated)	Baseline	**FY 2025**	Change
Reduce Scope 1 emissions by 50% by 2033	15,322 tCO_2e	**14,641 tCO_2e**	(-4%)
Reduce absolute Scope 3 emissions (material/largest categories) by 50% by 2033	339,116 tCO_2e	**316,196 tCO_2e**	(-7%)
Reduce energy consumption intensity /£1m revenue by 20% (baseline 2021)	0.2	**0.19**	(-5%)
Increase renewable electricity supply to 100%	87%	**88%**	1%
Intensity of emissions Scope 1 + 2 tCO_2e / £1 million revenue	50	**39**	(-22%)
Divert more than 95% of waste from landfill by 2025 (UK)	N/A	**95%**	
Quantity of rental fleet that is electric, battery, or not powered	N/A	**91%**	

Other key metrics

	FY 2025	FY 2024
Intensity of emissions Scope 1 + 2 tCO_2e /£1 million revenue	**39**	42 (Market-based)
Quantity of our fleet that is electric, battery or not powered	**91%**	N/A
Percentage of Group renewable electricity supply	**88%**	87%
Waste diverted from landfill	**95%**	N/A

Risk management

In an ever-evolving business landscape, strong risk management underlines our core business and our transformational initiatives. We are proud of the practicality, agility and breadth of our risk management framework.

The Board is responsible for overseeing the system of internal control and risk management, determining the appropriate level and nature of risk to support the delivery of the Group's strategy and operational objectives.

The Board has delegated certain responsibilities to the Audit Committee, which oversees the effectiveness of internal controls and risk management. Annually, the Audit Committee conducts a comprehensive assessment, reviewing risk events, key indicators and relevant information.

Process of management

The Group's risk management framework is well-established, ensuring that risks, opportunities and objectives are consistently managed across the business. The process is continuously evolving, with systems in place to proactively identify and assess risks that could impact strategic goals.

A key aspect of this framework is ensuring that risk-related decisions are made at the appropriate management levels, maintaining alignment with the Group's risk appetite set by the Board. Both the Board and the Executive Committee regularly review and refine the risk management framework to ensure its continued effectiveness.

Risk registers

Risk registers are discussed and reviewed regularly. Each register includes a documented action plan to mitigate identified risks, with progress monitored as part of ongoing review. This year, a targeted project was completed to strengthen connectivity between Group-level and business unit-specific risk registers.

Additionally, risk registers are prepared for all major Group initiatives, such as change programmes, investment due diligence (e.g., acquisitions, major fleet investments) and compliance with evolving regulations. These registers track risks, assumptions, issues, dependencies and decisions (RAIDD), ensuring comprehensive visibility, effective decision-making and proactive management of potential challenges throughout the project lifecycle.

Assurance framework

The risk management framework follows the Three Lines of Defence (3LOD) model, fostering accountability through consistent quality processes, compliance audits and internal audit reviews.

As in previous years, the Group internal audit department conducted targeted assurance reviews across all departments. These reviews, based on a risk-based approach, play a critical role in informing the overall risk management process. The Internal Audit Plan also includes provisions to address emerging risks, allowing for proactive responses to changes in the risk environment. In the past financial year, the Group internal audit function has strengthened its audit capabilities by engaging outsourced audit partners to provide assurance on cybersecurity and IT-related controls.

Risk Committee

The Risk Committee is a management committee that provides information to both the Audit Committee and the Executive Committee. Chaired by the Head of Risk & Internal Audit, the committee meets quarterly and includes all members of the Executive Committee and an invitation to attend is extended to Non-Executive Directors.

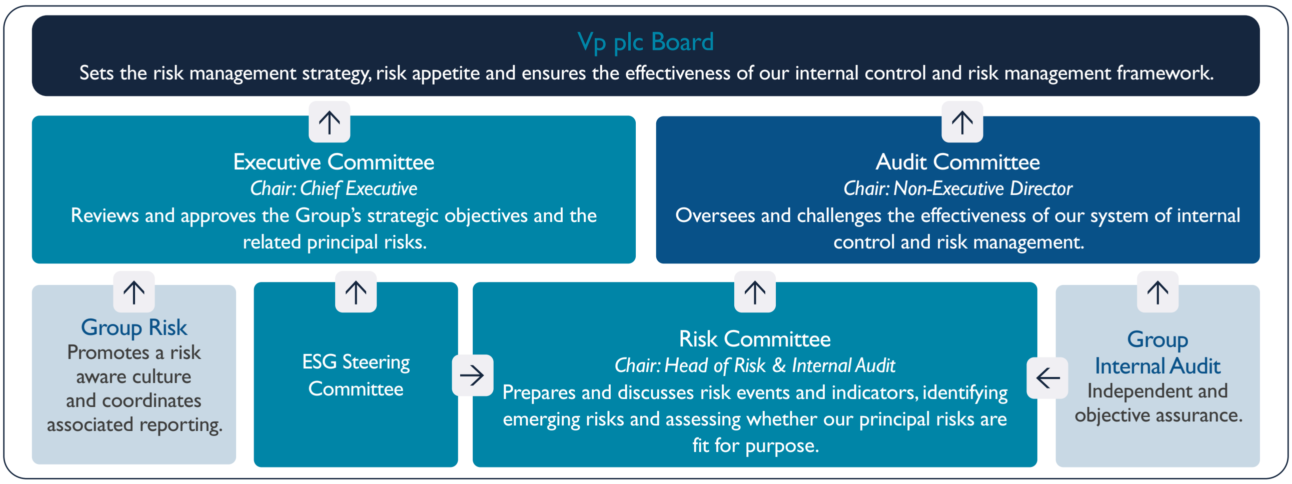
The foundations of our Risk Committee are:

- Defined risk owners for both principal and key risks, responsible for providing regular updates on risk sentiment, mitigations and activities.
- A principal risk reporting pack, alongside minutes, is shared with the Board after each meeting.
- Continuous review of the alignment of principal risks with the Group's strategic objectives.
- Specific consideration of emerging risks and changes in risk levels over the reporting period, ensuring the Group continues to have a risk-aware culture.

Effectiveness of risk management and internal control

The Board considers the current systems of risk management and internal control to be fit for purpose and compliant with the Financial Reporting Council's guidance on Risk Management, Internal Control, and Related Financial and Business Reporting.

As such, the Board has approved the assessment of the effectiveness of internal control and risk management for the year ending March 2025.



Principal risks and emerging risk areas

Risk description	Mitigation	How risk is monitored	Change from the previous year
Technology and IT resilience: Technology enables us to do business efficiently and effectively, from both an external and internal customer perspective. The management of our IT offer is crucial to our future success. Our overall technology and IT resilience risk has increased. This is driven by two key factors: the growing complexity of the cybersecurity threat landscape, and the concurrent delivery of multiple IT projects under our Digital Roadmap, which inherently elevates the overall risk and increases the likelihood of implementation challenges.	• Operational resilience has been strengthened through targeted investment in our IT infrastructure. • Least privilege access and role-based permissions. User access is reviewed for appropriateness and security. • Robust processes to ensure data processing, security and back-up practices are compliant with best practice and UK GDPR. • Vulnerability assessments and close monitoring of potential threats and suspicious activity. • Tested business continuity plans in place and ongoing review of the level of cover. • Employee awareness of potential risk areas continues to be enhanced. • Cyber Essentials and Cyber Essentials Plus achieved and working towards ISO 27001, the international standard to manage information security	• Progress reports on our digital transformation programme are communicated across the business regularly. • Third-party providers are used to provide independent reviews of our cyber security-related controls, considering our threat landscape and emerging trends. • System downtime is monitored closely, alongside other key resilience metrics – including threat trends. • Instances of reported incidents are considered for severity, root cause and corrective actions. • IT general controls are measured against a framework to enhance the reliability, integrity and security of our IT systems thereby mitigating risks related to data integrity, system access and change management.	Increased risk
Market and competition: Economic cycles and headwinds influence our business, and geopolitical and macroeconomic uncertainty impacts the end markets we serve. The equipment rental market is a competitive marketplace and this is constantly evolving from a risk perspective. We reported an increase in the rating of this risk in 2023/24; the Board and Risk Committee have agreed this risk as largely unchanged from the last reporting period.	• Our specialist approach and diversified business model provides some insulation to market and competitive forces. • Market changes are considered by our experienced leadership team, both at Group and divisional levels. • Our balance sheet strength enables agility in the competitive environment we exist in. • A divisional structure facilitates consistency across budgeting, decision-making, risk management, technology and strengthening of our brand.	• We regularly monitor economic conditions, supported by routine analysis of both market and competitor behaviour. • The Board monitors revenue activity and economic trends closely. Key issues are discussed with our divisional teams, and the Board considers Group-level concerns. • Our Executive Committee also regularly considers market changes, opportunities and how best to enhance our customer offering. • Many aspects of our business are linked to the Infrastructure and Construction markets; long-range trends are under regular review. • Revenue is analysed by market segment and Group customer analysis is completed. • Operating reviews of each business unit ensure alignment with Group expectations. These facilitate close management of cost controls and operational expenses.	No change

Decreased risk   Increased risk   No change   Not yet determined

Principal risks and emerging risk areas continued

Risk description	Mitigation	How risk is monitored	Change from the previous year
People and culture: Our ability to attract and retain a skilled and diverse workforce is a key risk, and critical to achieving our strategic objectives. This also encompasses the development and motivation of our people. Effective risk management in this area enables us to exceed customer expectations, enhance shareholder value, and strengthens our position as an employer of choice. We have initiated projects aimed at improving employee engagement, with a focus on reward, workplace culture and development opportunities. Encouragingly, we have observed a reduction in attrition rates across certain operational roles.	• We have many long-serving employees but also recognise the need for new ideas and change in how the Group operates. • We continue to develop a working environment that demonstrates respect and appreciation. • We review reward to ensure parity across the divisions. • We have made enhancements to succession planning, developed our learning and development software, and made improvements to our working environments. • We have focussed on leadership development and further investment in our workforce. • The Chief Executive has updated the Group with regular communications. • The Group fosters an inclusive working environment where all employees are given equal opportunity to fulfil their potential. • A dedicated learning and development team.	• Routine reporting is provided on vacancy levels, employee turnover by role, and sickness, at divisional and at Group levels. • Listening Groups and our first Group-wide employee satisfaction survey in FY 2025/26. • Training hours are monitored through our learning and development systems. • External benchmarking, e.g. gender pay reporting. • Comprehensive review of reward to ensure parity across the divisions and an externally verified approach to remuneration.	→
Fleet management and investment: It is essential we effectively manage our assets throughout their lifecycle, ensuring customer satisfaction, a portfolio of high-quality and innovative equipment, achievement of our ESG commitments and increased financial returns. The Group has a history of accelerating growth through acquisitions, such as the acquisition of CPH in October 2024 which builds on our strategy of maintaining a highly differentiated and specialist customer offering.	• Well-established processes to manage fleet from investment decision, maintenance, depreciation and disposal. • A consistent approach to the appraisal of investment opportunities, demonstrated by our continued healthy return on capital (ROACE). • Structured preventative maintenance programmes increase the reliability and therefore lifespan of our hire fleet. • Enhanced review processes implemented for all major capex investments with active consideration of prior performance to inform future decisions. • Close working with manufacturers to drive changes in line with our quality and ESG targets.	• ROACE is a key measure and the review of this metric drives business decisions. • We monitor equipment utilisation enabling hire fleet procurement and disposal decisions. • The Board receives data on disposal proceeds and margins, to inform the suitability of depreciation rates. • Regular reviews of procurement-related processes, including the resilience of our supply chain. • Data-driven dashboards to monitor and manage fleet performance and health. • Individual investments will be subject to review throughout their lifecycle to inform future investment decisions.	→

↓ Decreased risk ↑ Increased risk → No change ↔ Not yet determined

Risk description	Mitigation	How risk is monitored	Change from the previous year
Health & safety: The Group operates in environments where health and safety is a key consideration for employees and customers who hire our equipment. Failure in this area could result in illness, injury or loss of life. It could also affect our reputation and result in loss of business, business continuity and/or financial penalties.	• A strong, visible commitment to health and safety at the highest levels. • Launched our health and safety plan with a key focus on enabling and engaging our stakeholders and learning from events. • Robust health and safety management systems supported by our induction and training programmes, with compliance teams in each division and Group-level oversight. • Risk management considers health and safety risks inherent to our operations, considering our equipment and people. • Adherence to the applicable regulations and manufacturer's guidance on maintaining, servicing and certifying our equipment to ensure the highest standards of safety. • Support of our customers in exercising their responsibility to their own workforces when using our equipment. • Increasing leadership engagement activity ensures better connectivity throughout the Group.	• A mature system of internal reporting exists to monitor health and safety-related information, including accident frequency rate and concerning trends. • Revised KPIs both leading and lagging are reviewed at Executive Committee and main Board meetings. • 3LOD assurance models are applied with independent assurance undertaken to validate this approach.	→
Financial: Access to sufficient funding at a reasonable cost is crucial to allow agility in delivery of our business model and overall Group strategy. Though net debt has increased year-on-year following the acquisition of CPH, interest rates continue to reduce from the rates earlier in the financial year. We continue to operate with significant headroom against our finance facilities and well within covenants.	• Capital is allocated using a disciplined capital allocation policy. • A consistent approach to risk management and internal control across Group finance, our shared service centres and divisional finance. • Balance sheet strength and cash generation continue to be key enablers to allow growth to be pursued. • Current and projected gearing levels are continually reviewed to ensure the appropriate balance between risk and opportunity is maintained. • Strong counter-fraud processes to prevent and detect incidents of attempted and actual fraud.	• Daily cash reporting forms the lowest level indicator of our liquidity situation. At a higher level, the Board will consider total facility, headroom and cash generation trends. • Debtor days by division are monitored, and negative trends are addressed with customers. • Proactive engagement with lenders in advance of renewal dates. • Sensitivity analysis and scenario modelling of key metrics (including working capital and debt) is prepared and presented to the Audit Committee. • Clear, timely and consistent financial reporting from the relevant business units for central oversight by the Chief Financial Officer and Board.	→

Principal risks and emerging risk areas continued

Risk description	Mitigation	How risk is monitored	Change from the previous year
Governance and legal/regulatory requirements: Failure to comply with legal, regulatory or contractual obligations could result in financial penalties, fines or loss, regulatory consequences, loss of business and/or reputational damage. A framework for delivering compliance with incoming corporate governance changes, including requirements of Provision 29, must be established over the coming year, but once implemented, this will help the Group manage and mitigate its risks.	• Clear accountability and ownership in respect to Group's governance, legal and regulatory obligations. • General Counsel, alongside Risk Committee, work closely with Group businesses to identify and support response plans to changes in the legal and regulatory environment. • Open communication channels between divisions and Group legal function to encourage dialogue around governance and legal matters. • Mandatory training programmes have been mapped out and are targeted at the appropriate level of employees determined by job role. • The Group has refreshed awareness of its Whistleblowing Policy and process. All whistleblowing reports are thoroughly reviewed.	• Regular updates and training from external advisers. • Our General Counsel/ Company Secretary attends our main Board meetings to deliver and manage an appropriate governance framework. • The Risk Committee provides intelligence to the Audit Committee and Board on current regulatory requirements. • Group policies are reviewed to align with our Group strategy and key risks. • Via our whistleblowing process, we encourage people to 'Tell Us' their concerns. All reports are investigated and escalated where appropriate, by an independent member of the Group.	→
Climate and environment: Understanding, identifying and managing the risks and impacts of climate change across the Group will ensure Vp's resilience. **Transitional risks,** such as keeping pace with accelerating regulation and customer expectations and ensuring a timely transition to a low emission rental fleet, could lead to financial penalties, fines or judgements, loss of business, increased costs and operational disruption. **Physical risks,** such as extreme weather events and ongoing chronic changes to weather patterns, could bring operational, financial and health and safety risks.	• Detailed transition plans at divisional and Group level to drive carbon reduction, fleet transition and resource efficiency. • Implementation of circular economy approach within Vp and its supply chain. • Dedicated sustainability team with refreshed leadership. • Newly formed ESG Steering Committee, replacing the Environmental Steering Group, overseeing ESG strategy, regulation and risk. • Energy consumption and efficiency and environmental impacts such as waste and water management and pollution are managed by divisional compliance teams with oversight from divisional leadership teams and Group sustainability.	• ESG Steering Committee reviews risk management process and provides oversight to the Board. • Divisional leadership teams and Group sustainability consider impacts, develop and deliver mitigations and report on metrics. • Progress towards net zero targets is measured and monitored at Group and divisional level and reviewed by the ESG Steering Committee. • Energy consumption, waste management and other environmental impacts are monitored by divisional compliance teams and Group sustainability with oversight by divisional leadership and the ESG Steering Committee.	→

↓ Decreased risk ↑ Increased risk → No change ⇔ Not yet determined

Viability statement

The Directors have assessed the viability of the Group

In accordance with the UK Corporate Governance Code 2018, the Board has assessed the viability of the Group over the two-year period to 31 March 2027. The Board believes this period to be appropriate as the Group's detailed plan encompasses this period.

Process and scenarios considered

The Group's detailed plan considers the profit and loss, balance sheet, cashflows, debt and other key financial ratios over a two-year forward-looking period. Compliance with existing covenant arrangements and headroom to borrowing facilities are also assessed.

The detailed plan has been subjected to sensitivity analysis in which a number of the main underlying assumptions are adjusted and tested to consider alternative risk-based scenarios. The plan has been stress tested to take into account severe but plausible scenarios.

These scenarios include consideration of market risk arising from the impact of a downturn in economic activity. The modelling is at least as severe as the most recent financial downturn and more severe than the financial year 2020–21 which included two full lockdowns in our major regions.

The Board has considered the availability of the Group's borrowing facilities, which have a range of maturity dates, and assumed that the private placement loan maturing in January 2027 is refinanced during the viability period.

While it is impossible to foresee all risks (or take into account risks which are currently immaterial but could turn out to be significant), mitigating activities could be performed, for example reducing capital expenditure or discretionary spend.

In the most severe scenario modelled, the test indicates that the Group has sufficient headroom in its borrowing facilities and would not breach any of the associated covenants. Details of the Group's financing arrangements can be found in note 16 in the accounts.

Overall assessment

Having assessed the current position of the Group, its prospects and principal risks, and taking into account the assumptions above, the Board has determined that it has a reasonable expectation that the Group is financially sound and stable and, therefore, will be able to continue in operation and meet its liabilities as they fall due over a period of two years from 1 April 2025.

Non-financial & sustainability information statement

This section of our Strategic Report constitutes Vp plc's non-financial and sustainability information. This statement has been prepared to comply with sections 414CA(1) and 414CB(1) of the Companies Act 2006, to provide an understanding of the Group's development, performance and position and the impact of our activities and signposts where in the Annual Report, or on our website, you can find more information.

Reporting requirement	Key policies* / standards	Read more
Anti-corruption and bribery	Anti-bribery and Corruption Policy Competition Law Policy Group Tax Strategy Policy	Visit our website www.vpplc.com
Employee related matters	Health and Safety Policy Equality and Diversity Policy Whistleblowing Policy Training and Development Policy Data Protection Policy Quality Management Policy	Visit our website www.vpplc.com
Social and community	Social Strategy	See page 26
Human rights	Modern Slavery Policy Sustainable Procurement Policy	Visit our website www.vpplc.com
Environmental matters	Energy Management Policy Environmental and Climate Change Policy	Visit our website www.vpplc.com
Business model	Description of Vp's business model	See page 12
Non-financial KPIs	Description of the non-financial key performance indicators relevant to Vp's business	See page 14
Principal risks	Description of the principal risks arising in relation to the Group's operations, and how those principal risks are managed	See page 41
Climate Related Financial Disclosures	TCFD report	See page 31

*Our policies are available on our website www.vpplc.com

Anna Bielby

Chief Executive 10 June 2025

Corporate Governance

Board of Directors

N

Jeremy Pilkington
Chair

Appointment date:
Appointed to the Board in 1979 and became Chair in 1981.

Experience:
Jeremy was Chair and Chief Executive between 1981 and 2004.

Anna Bielby
Chief Executive

Appointment date:
Appointed to the Board in January 2023, became Chief Executive on 1 September 2023.

Experience:
Anna was previously Chief Financial Officer at KCOM plc and Lookers plc, before which she was a Director at PwC.

Keith Winstanley
Chief Financial Officer

Appointment date:
Appointed to the Board as Chief Financial Officer in January 2024.

Experience:
Keith previously held senior finance roles at both Lookers plc and KCOM plc.

A R N

Phil White
Senior Independent Non-Executive Director

Appointment date:
Appointed to the Board in April 2013. Phil has been the Senior Independent Director since 2013.

Experience:
Phil has extensive experience within both listed and private companies in both Chief Executive and Chair positions (National Express Group and Unite Group).

Phil has been appointed to the Board of Mobico Group Plc as the Chair, with effect from 1 May 2025.

A R N

Mark Bottomley
Independent Non-Executive Director

Appointment date:
Appointed to the Board in January 2023.

Experience:
Mark is currently Chief Financial Officer of Cranswick plc and historically has held senior finance roles in the food production industry.

A R N

Stuart Watson
Independent Non-Executive Director

Appointment date:
Appointed to the Board in January 2023.

Experience:
Stuart is a Non-Executive Director and Audit Committee Chair of both the Humber and North Yorkshire Integrated Care Board and Flowtech Fluidpower plc. He is a senior adviser at Panmure Liberum, an investment bank. He was a senior partner with EY until 2017.

A R N

Richard Smith
Independent Non-Executive Director

Appointment date:
Appointed to the Board in February 2025.

Experience:
Richard is an experienced FTSE 100 Chief Executive as CEO of Unite Group plc, having also held various roles at National Express Group plc and British Rail. Richard also has Non-Executive Director experience and is currently Chair of Southampton Solent University.

Company Secretary

Sally Jones

Appointment date:
Appointed as General Counsel and Company Secretary in September 2023.

Experience:
Sally is a Corporate Lawyer with over 20 years of experience, including General Counsel and Company Secretary at Zenith (car leasing) and KCOM plc.

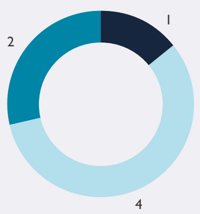
Key to Committee membership

■ Committee Chair | A Audit Committee | R Remuneration Committee | N Nomination Committee

Governance at a glance

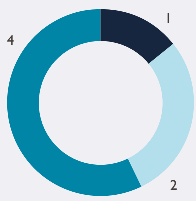
Board composition

Length of service of Directors
31 March 2025



- Less than one year
- One to nine years
- More than nine years

Balance of Directors – Role
31 March 2025

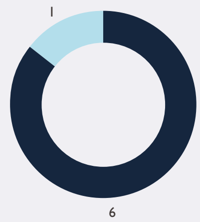


- Chair
- Executive
- Non-Executive

Additional Non-Executive Director recruited 1 February 2025 to replace retiring Non-Executive Director 30 June 2025

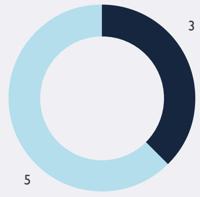
Gender

Board
31 March 2025



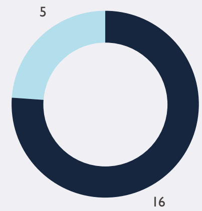
- Male
- Female

Executive Committee
31 March 2025



- Male
- Female

Wider Senior leadership team
31 March 2025



- Male
- Female

All divisional Managing Directors and Finance Directors

	Member since	Board	Audit	Remuneration	Nomination
Number of meetings held[1,2]		6	3	3	3
Executive Directors					
Jeremy Pilkington	1974	6/6	–	–	3/3
Anna Bielby	2023	6/6	–	–	–
Keith Winstanley	2024	6/6	–	–	–
Non-Executive Directors					
Phil White	2013	6/6	3/3	3/3	3/3
Stuart Watson	2023	6/6	3/3	3/3	3/3
Mark Bottomley	2023	6/6	3/3	3/3	3/3
Richard Smith[3]	2025	1/1	–	1/1	1/1

1 Six scheduled Board meetings were held during the year, there were additional ad-hoc meetings held during the period to deal with matters such as: M&A, Board changes and any external announcements.

2 Committee meeting attendees by invitation include, but are not limited to, the Chair, Chief Executive and Chief Financial Officer, all of whom attended every Committee meeting throughout the year.

3 Richard Smith joined the Company on 1 February 2025.

Corporate governance report

"The Board understands and is committed to good corporate governance to deliver the Group's long-term sustainable success."

Jeremy Pilkington
Chair

Dear shareholders

Introduction from the Chair
The Company is led by an effective Board, which promotes the long-term success of the Company and engages with its shareholders and stakeholders. The Board has established the Company's purpose, values and strategy, and is satisfied that these, and its culture, are aligned. The Board is also responsible for the effectiveness of the Group's corporate governance.

The values and ethical standards of the Group are based upon principles of fairness, integrity and mutual respect and the Board seeks to promote and exemplify these values in discharging its responsibilities. These principles are commercially central to delivering our strategic and growth objectives and the long-term success of the Group.

The corporate governance report is set out on page 50 and includes the Remuneration report from page 59. This section of the Annual Report aims to communicate the Group's corporate governance standards, policies and practices.

The Board reports that throughout the year the Company has applied the principles of, and complied with the provisions, of the UK Corporate Governance Code 2018 (the Code) with the following exceptions:

- Phil White is retiring from the Board with effect from 30 June 2025. Phil White has served as a Non-Executive Director for more than nine years which is considered as an indicator of independence impairment by provision 10 of the Code. Having considered the independence of Phil White throughout the year, the Board remained of the opinion that, given Phil's extensive experience in listed businesses, together with his knowledge of the business and management team, Phil continued to bring a valuable level of seniority and experience during what has been a period of change for the Group. The Board has therefore concluded that Phil White remains an independent Non-Executive Director and Senior Independent Director until his retirement. Richard Smith will become the Senior Independent Director following Phil's retirement.
- I have served as Chair for more than nine years which is considered as an indicator of independence impairment by provision 9 of the Code. The Code recommends that the term of a Chair's appointment does not exceed nine years (provision 19). The Board is of the view that I bring invaluable stability, corporate memory, industry expertise and strategic oversight. As such, the Board considers that it is important to retain my services in a strategic capacity.
- With effect from 1 April 2025, Richard Smith will serve as our designated Non-Executive Director responsible for employee workforce engagement. However, during the year, the Group was not compliant with provision 5 in respect of effective engagement with its workforce. Workforce engagement does occur throughout the year, and this has been materially improved in that period. The methods of engaging with our workforce are set out on page 18 in the Stakeholder engagement section led by our Chief Executive, Chief Operating Officer and Human Resources Director.
- Mark Bottomley has been Chair of our Remuneration Committee for one year and eight months and prior to that, Mark spent six months serving as a member of our Remuneration Committee. Mark had not previously served on a Remuneration Committee and therefore provision 32 of the Code (12 months prior service on a Remuneration Committee before appointment as Chair) has not been complied with. However, Mark's experience in the listed business environment and his knowledge of the workings of the Remuneration Committee as an Executive Director stood him in good stead to take on the role of Chair of our Remuneration Committee.

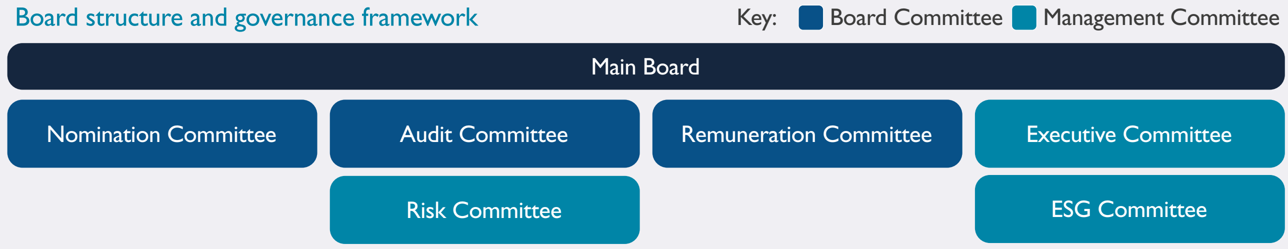
The Board continues to review its governance procedures to maintain proper control and accountability and, notwithstanding the explanations above, the Board and its Committees continued to act in accordance with the spirit of the Code's principles. The UK Corporate Governance Code 2018 is available from the Financial Reporting Council at www.frc.org.uk.

This report and the following reports of the Committees describe the structures, processes and events through which compliance is achieved.

Jeremy Pilkington
Chair

10 June 2025

Board structure and governance framework



Board structure

During the majority of the year the Board was comprised of two Executive Directors, three Non-Executive Directors and the Executive Chair.

We announced in November 2024 that Phil White would be retiring as a Non-Executive Director as of 30 June 2025 and we therefore commenced an external search process for a new Non-Executive Director using Sam Allen Associates (SAA), an external search consultancy. Following a thorough search, the Board appointed Richard Smith as a new Non-Executive Director with effect from 1 February 2025. Richard brings a wealth of experience to the Board as a previous FTSE 100 Chief Executive (Unite Group Plc) and also having held a number of roles at National Express Group plc and as a Non-Executive Director of Industrials REIT Plc. Richard is currently Chair of Southampton Solent University. With effect from 1 February 2025 therefore, the Board is comprised of two Executive Directors, four Non-Executive Directors (pending Phil White's retirement) and an Executive Chair.

All Directors are subject to annual re-election by shareholders at the Group's Annual General Meeting (AGM). Details of the Group's Directors are provided on page 48.

The roles of the Chair and Chief Executive are separate and clearly defined. The Chair, Jeremy Pilkington, is responsible for the effective working of the Board and leading the strategic agenda for the Group. The Chief Executive, Anna Bielby, has operational responsibility for the management of the Group's business and for implementation of the strategy, as agreed by the Board.

The role of the Non-Executive Directors is to provide independent and considered advice to the Board on matters of strategy, risk and performance while also providing constructive challenge, governance and oversight through the operation of the Board's Committees. The Board is assisted by the Audit, Remuneration and Nomination Committees, from which it receives regular updates. Separate reports from these Committees can be found on pages 54 onwards.

Our Non-Executive Directors are available to shareholders if they request a meeting or have concerns which contact through normal channels has failed to resolve. No such requests were received during the year.

As set out in the Chair's introduction on page 50, while the Chair and one of the Non-Executive Directors have served for more than nine years each, the Board has reviewed these directorships and is confident that the Chair and Phil White's contributions, particularly in terms of strategy, oversight, continuity, and seniority, support the decision that both Jeremy Pilkington and Phil White (until his retirement) should remain on the Board.

The other three Non-Executive Directors are considered as independent. There are no circumstances or relationships which may affect judgements.

Each Director is required, in accordance with the Companies Act 2006, to declare any interests that may give rise to a conflict of interest with the Company on appointment and subsequently as they may arise. Where such conflict, or potential conflict arises, the Board is empowered under the Company's Articles of Association to consider and authorise such conflicts as appropriate and subject to such terms as they think fit. No such conflicts arose during the year under review.

Board meetings and operation

There is a clear division of responsibilities between the running of the Board and the running of the business.

At each Board meeting, the Chief Executive delivers an overview of performance and her thoughts on the strategic direction, key projects and challenges facing the business, and the Chief Financial Officer reports on the financial performance of the Group. The Board reviews business and financial performance, considers specific reports, and is updated on key business areas including strategy, health and safety, risk, people, ESG, governance, together with an update on ongoing digital and transformation activities. Throughout the year the Executive Committee, managing directors and other members of senior management have delivered presentations to the Board on proposed strategies, initiatives and ongoing or upcoming projects.

The Board had six scheduled meetings during the year but met on other occasions during the period to deal with matters such as: M&A, Board changes, external announcements and other strategic projects.

To assist the Board's planning and to provide clarity as to where responsibility for decision making lies, the Board has a clearly documented schedule of matters reserved for its approval including:

- Strategy
- Group results and the Annual Report and Accounts
- Significant market announcements
- Dividends and Dividend Policy
- Annual budgets and Business Plan
- Major capital expenditure, significant investments, acquisitions or disposals
- Environmental, social and governance matters
- Review of internal control and risk management
- Treasury Policy.

The Board in action

April 2024

- Recommendation and approval of refreshed strategy: growth, operational excellence; people; digital; and ESG
- Remuneration Committee: FY 2024/25 reward and share schemes

May 2024

- Year-end results including messaging, governance and approval process
- Capital allocation discussion, including capex, M&A activity and share buy backs
- Audit Committee (first): year-end judgements, going concern and viability, risk and internal audit update
- Audit Committee (second): year end and annual report and accounting approval
- Remuneration Committee: outcome of FY 2024/25 schemes

July 2024

- AGM including shareholder approvals
- Deep dive into digital strategy and recovery plan for Brandon Hire Station
- Review of business and end-market performance

September 2024

- Discussion around further strategic progress:
  - Centralised approach to rehire and strategic customers, including the launch of Vp Rail; (see page 5)

- Increased divisional collaboration to drive growth
- Capital allocation discussion, including focusing capex where market opportunity is strongest and helping customers meet their ESG requirements
- Continued investment in people to drive strategy with particular focus on health and safety, road risk and sustainability; property and procurement

The Company Secretary assists the Chair in ensuring that Board procedures are followed and is available to assist Directors generally, as well as advising on matters of corporate governance.

While Anna Bielby and Keith Winstanley are not members of the Audit, Remuneration and Nomination Committees, and Jeremy Pilkington is not a member of either the Audit or Remuneration Committees, they attended all Committee meetings held throughout the year.

During the year, the Non-Executive Directors met with the Chair without the Executive Directors present, and the Non-Executive Directors also met without the Chair present led by the Senior Independent Director, including carrying out an appraisal of the Chair's performance.

The Board is satisfied that the Chair and each of the Non-Executive Directors committed sufficient time during the year to enable them to fulfil their duties as Directors of the Company.

Appointments to the Board

The Nomination Committee is chaired by the Company's Chair, Jeremy Pilkington, supported by the Group's Non-Executive Directors. The Nomination Committee meets as required to consider succession planning and to ensure that appointments to Board roles are made after due consideration of the skills, knowledge and experience of the potential candidates. The report of the Nomination Committee is shown on page 54.

As referred to on page 50, Richard Smith was appointed as a Non-Executive Director from 1 February 2025 following a search undertaken by an external search consultant. Further details of the process undertaken are set out in the Nomination Committee report on page 54.

The Group's Equality and Diversity policy is set out on page 54 in the Nomination Committee report.

Executive Committee

In order to support robust and effective reporting and communication, and to support engagement with the workforce, an Executive Committee was established in December 2023. The Executive Committee includes: Chief Executive, Chief Financial Officer, Chief Operating Officer, Company Secretary, Group HR Director, Group Health, Safety & Sustainability Director, Change & Transformation Director and Chief Information Officer. The Committee meets monthly and in advance of each meeting shares detailed papers, including business and financial performance, strategic projects and governance matters. At the meetings, each of the members of the Committee report on their areas of responsibility, highlighting key projects and initiatives and any areas of challenge. During this financial year, the Executive Committee has in particular focused on health and safety, people, ESG, digital and transformation, estates and risk.

Training and induction

All new Directors receive a full, formal and tailored induction on joining the Board, including meetings with senior management and advisers and visits to some of the Group's operational locations.

Training to Directors is annually refreshed, and in the upcoming year will be extended to cover corporate governance reform, health and safety and other operational training.

Advice is also available from the Company's Solicitors, Auditors and Brokers as required. There is an agreed procedure for Directors to take independent professional advice at the Company's expense.

Performance evaluation

During the year, the Board appointed Sam Allen Associates (SAA) to undertake an external Board effectiveness review, which was completed on 20 February 2025. This review involved insight meetings with the Chair, Chief Executive and Company Secretary, a detailed bespoke questionnaire process, one to ones with all members of the Board, culminating in a detailed report followed by an in person feedback session with SAA and the Board.

The Board has agreed action points coming out of this review which will be implemented throughout the year covering: strategy,

October 2024

- Progress on M&A strategy to help deliver growth (see page 9 re CPH)
- Trading update

November 2024

- Interim results including messaging, governance and interim dividend
- Announcement of retirement of Phil White as a Non-Executive Director in June 2025
- Audit Committee: interim judgements, risk and internal audit update
- Focus on health and safety, road risk and sustainability
- Legal, governance and compliance update, including corporate governance reform (Provision 29)

January 2025

- Appointment of Richard Smith as a new Non-Executive Director
- Group wide policies updated and approved

February 2025

- Review and approval of budget
- Outputs and conclusion of Board Effectiveness Review
- Cost out actions in progress in order to improve performance in General Construction and Housebuilding

March 2025

- Nomination Committee: approval of succession planning strategy and refresh of Board and committee composition (including SID; Employee Workforce Director and NED remuneration)
- Remuneration Committee: approval of FY 2025/26 reward proposal and share schemes and NED remuneration ratification.

Board and Committee composition, frequency and structure of Board and Committee meetings, improved reporting and employee engagement. The Board will review its performance against these outputs throughout the upcoming year.

Whistleblowing Policy

The Group's Whistleblowing Policy enables colleagues to report concerns on matters affecting the Group or their employment, in confidence and without fear of recrimination. Posters publicising whistleblowing channels are distributed to all branches, depots and offices. The Group has a dedicated whistleblowing hotline and email inbox, which are both managed independently from the Group and all reports made were fully investigated. During the year, the Whistleblowing Policy was reviewed and approved by the Audit Committee, and the Audit Committee receives regular summaries of whistleblowing contacts and resolutions.

Risk management

The Board retains overall responsibility for setting the Group's risk appetite as well as risk management and internal control systems. As set out in the Strategic Report on page 40, the effectiveness of the Group's risk management and internal control systems is under frequent review by the Board.

The Group has an established Risk Committee which is chaired by the Head of Risk and Internal Audit and is attended by all members of the Executive Committee. The Committee meets every two months, reports into the Audit Committee, and includes all Non-Executive Directors. The Group's Head of Risk and Internal Audit provides routine updates to the Executive Committee on all risk and governance-related matters and often attends Executive Committee meetings as a guest.

The Group welcomes changes to the UK Corporate Governance Code and is taking proactive steps to respond to the General Provisions (effective from 1 April 2025) and Provision 29 (effective from 1 April 2026). This includes enhancements to our governance and internal control arrangements, led by clear accountability from all members of our Executive Committee.

A detailed report regarding the Group's systems of risk management and internal controls is prepared annually. Having reviewed and discussed this report, the Board is satisfied that these systems and processes are effective. The principal and emerging risks to which the Group is exposed and the measures to mitigate such risks are described from page .

The Board remains committed to maintaining high standards of governance and providing clear assurance to all stakeholders.

Diversity, equity and inclusion

The Board is cognisant of the importance of creating an open, diverse and inclusive organisation where individual differences and the contributions of all are recognised and valued. We are committed to promoting equal opportunities and improving the diversity of our workforce. The Board recognises that gender diversity is a wider issue within our industry, with many of our roles traditionally being more popular with males. Motivated by this historical challenge, we remain committed to further improvement of our diversity statistics. The Group operates an Equality, Diversity and Inclusion Policy that applies across the entire organisation which underpins the Board's approach and commitment to fostering and promoting an inclusive and equitable environment throughout all levels of the organisation. Details of the policy can be found on page 54 in the Nomination Committee report.

Directors' report

The respective responsibilities of the Directors and the independent Auditors in connection with the financial statements are explained on page 74 and the Statement of the Directors in respect of going concern appears on page 75. The Group's Viability Statement is set out on page 45.

Annual general meeting (AGM)

The AGM will be held at Rudding Park on Wednesday 23 July 2025. The Notice of the AGM and explanatory notes regarding the ordinary and special business to be put to the meeting will be set out in a separate circular to shareholders.

Nomination Committee report

> The Nomination Committee supports and drives the Group to build our talent for the future."

Jeremy Pilkington
Chair of the Nomination Committee

Dear shareholders

As Chair of the Nomination Committee, I am pleased to report on the work of the Committee in leading the process for appointments to the Board and senior management roles, and building an appropriate succession plan for the Group.

Background

The Nomination Committee's objective is to ensure that the Board comprises individuals with the necessary skills, knowledge, experience and diversity to ensure that the Board is effective in discharging its responsibilities. The Committee meets to ensure that the composition and structure of the Board and its Committees are reviewed and refreshed as required including nominating candidates for appointment as Directors to the Board. The Committee also monitors and develops Board and Executive succession plans to support the effectiveness of the Group and ensure continuous and efficient business function, with focus remaining on improved diversity and inclusion.

Looking ahead, the key priorities for the Committee are: i) medium to long-term succession planning at Board and Executive level; ii) delivering the successful induction of the new Non-Executive Director; and iii) developing and delivering the actions arising from the external Board effectiveness review referred to on page 52.

Membership and meetings

In addition to my role as Chair, the Committee includes the Group's Non-Executive Directors. The Chief Executive and Chief Financial Officer are often invited to and attend Committee meetings, as appropriate.

The Committee met three times during the year in order to implement, manage and approve the process of the recruitment for a new Non-Executive Director following the announcement of Phil White's upcoming retirement in June 2025, and to further develop the Group's succession planning.

Appointment of a new Non-Executive Director

As referred to in the Corporate Governance Report, the Board appointed an external search consultancy (Sam Allen Associates (SAA)) to assist the Board in undertaking a search for a new Non-Executive Director. The Committee, the Executive Directors and the Company Secretary worked with SAA to develop a role profile and a skills matrix of the existing Board and to help define the ideal candidate to replace Phil White. Building on this, SAA together with the Board and the Executive Committee compiled a suitable list of candidates for the role.

Following a number of discussions with different candidates, the Committee made a proposal to the Board, and the Board (supported by SAA) resolved that Richard Smith be appointed as a Non-Executive Director. It was felt that, using objective criteria, his range of skills, experience and personal attributes would be of real value to the Board.

I can confirm that other than this search process, and the Board effectiveness review referred to on page 52, SAA has no other connection with the Company or the individual Directors.

Succession planning

The Board and Nomination Committee consider succession planning in respect of both Executive Director roles and the Executive Committee.

Performance evaluation

During the year, and in line with the Code, the Board appointed SAA to undertake an external Board effectiveness review, which was completed during the year, further details of which (including outputs) are set out in the Corporate Governance Report on page 52.

Diversity Policy

The Board supports the principle of diversity across its Board, Executive Committee, senior leadership teams and wider workforce. The Group's policy is that the Board and its Committees should be comprised of Directors who collectively display the necessary balance of professional skills, experience, length of service and industry knowledge and that appointments to the Board and its Committees should be made on merit, against objective criteria, including diversity in its broadest sense.

The objective of the policy is to have a broad range of approaches, backgrounds, skills, knowledge and experience represented on the Board. The Directors believe that this will make the Board and its Committees more effective at promoting the long-term sustainable success of the Company and generating value for shareholders, by ensuring there is a breadth of perspective among the Directors and the challenge needed to support good decision making.

When appointing new Board members, the Directors will consider gender and ethnic diversity alongside knowledge, skills and experience.

Board diversity

The Board is aware of the FCA's Listing Rules (UKLR 6.6.6(9)) to encourage greater diversity on listed company boards to the effect that:

i. At least 40% of the individuals on its board are women.

ii. At least one of the senior board positions is held by a woman.

iii. At least one individual on the board is from a minority ethnic background.

The Company has chosen to align its diversity reporting reference date with the Company's financial year-end and proposes to maintain this alignment for future reporting periods. The Company has met one of the three targets on Board diversity as at its chosen reference date, 31 March 2025: the Chief Executive is a woman. Moreover, approximately two-thirds of the Executive Committee is made up of women. There has been a temporary uplift in the number of Board members due to the appointment of Richard Smith as a new Non-Executive Director prior to the retirement of Phil White to ensure an orderly transition of the Senior Independent Director role. The appointment process involved an external search facilitated by a specialist organisation. The process involved a targeted search to reach a diverse range of candidates and the short list of candidates demonstrated greater diversity.

The relatively small size of the Company's Board and, therefore, more infrequent vacancies and opportunities for recruitment, make achieving diversity on the Board a more challenging, but ongoing, process. As succession planning of the Board progresses over future years, the Company will continue to strive for increased diversity on its Board through its diversity policy.

As required under UKLR 6.6.6(10), further details in respect of the three targets outlined above, as at 31 March 2024 and 31 March 2025, are disclosed as set out below. For the purposes of the disclosures set out below, made pursuant to UKLR 6.6.6 (9) and (10), the relevant data is contained within the Group's human resources management system. The data is provided with the consent of the relevant individuals.

I hope that you find this report a clear account of the Committee's decisions for the year and I would be happy to answer any questions you may have at the upcoming AGM.

	Number of Board members		Percentage of the Board		Number of senior positions on the Board (CEO, CFO, SID and Chair)		Number in Executive management		Percentage of Executive management	
	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**
Men	5	**6**	83	**85**	3	**6**	3	**3**	38	**38**
Women	1	**1**	17	**15**	1	**1**	5	**5**	62	**62**
Not specified/prefer not to say	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Total	6	**7**	100	**100**	4	**7**	8	**8**	100	**100**
White British or other White (including minority White groups)	6	**7**	100	**100**	4	**7**	8	**8**	100	**100**
Mixed/multiple ethnic groups	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Asian/Asian British	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Black/African/Caribbean	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Black British	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Other ethnic group, including Arab	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**
Not specified/prefer not to say	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**

Jeremy Pilkington
Chair of the Nomination Committee

10 June 2025

Audit Committee report

> "The Committee supports management to deliver assurance on financial reporting, internal controls and risk management processes."
>
> **Stuart Watson**
> Chair of the Audit Committee

Dear shareholders

I am pleased to present our Audit Committee report for the year ended 31 March 2025.

Main responsibilities of the committee

The Audit Committee provides an independent overview of the effectiveness of the financial reporting process and internal financial control systems including:

- Reviewing the financial statements of the Group, including its annual and interim reports, trading updates and preliminary results announcements, reporting to the Board on the significant issues considered by the Committee in relation to the financial statements and how these were addressed.
- Advising the Board in relation to whether the Annual Report is fair, balanced and understandable.
- Keeping under review the Group's internal financial controls and risk management systems, including arrangements for whistleblowing and the detection of fraud and error.
- Monitoring and reviewing the scope, remit and effectiveness of the Group's internal audit function.
- Considering and recommending to the Board the appointment, reappointment and remuneration of the external Auditors, including considering tendering the external audit appointment.
- Assessing the scope and results of the annual external audit and reporting to the Board on the effectiveness of the audit and the independence and objectivity of the Auditors.
- Reviewing significant legal and regulatory matters.
- Reporting to the Board on how the Committee has discharged its responsibilities.
- Developing and implementing policy on the engagement of the external Auditor to supply non-audit services, ensuring there is prior approval of non-audit services and considering the impact this may have on independence.

Membership and meetings

Committee members[1]	Meetings attended
Stuart Watson – Chair	3/3
Phil White	3/3
Mark Bottomley	3/3

[1] Richard Smith joined the Board on 1 February 2025, but there were no meetings from that date to year end.

Following the year end there has been one Audit Committee meeting.

The Committee is authorised to seek outside legal or other independent advice as it sees fit but has not done so during the year.

The Board is satisfied that the Committee has the appropriate financial experience as required by the Code.

The effectiveness of the Committee in fulfilling its remit was considered by the Board as part of the most recent evaluation of its performance.

Other regular attendees

The Chair, Chief Executive, Chief Financial Officer, Head of Risk and Internal Audit, External Audit Partner and members of the external audit team attend by invitation as required.

The Group's Company Secretary attends as secretary to the Committee.

Meetings with internal and external Auditors without management present are held at least once a year.

Activities undertaken during the year

The activities undertaken included:

- Reviewed the auditors' audit strategy and plan for the audit of the year ended 31 March 2025, including materiality and areas of particular audit focus.
- Agreed the auditors' audit engagement letter and the statutory audit fee for the year ended 31 March 2025.
- Confirmed the independence of the external auditors and assessed the effectiveness of their work.
- Reviewed and discussed the report from the auditors setting out their comments and findings arising from their audit.
- Reviewed and discussed the financial statements and considered management's significant accounting judgements and policies being applied.
- Reviewed the basis for preparing the financial statements as a going concern and the Viability Statement included in the financial statements, and recommended them to the Board.
- Considered the findings of Group Internal Audit and the management response to their findings.
- Reviewed and approved the Group Internal Audit plan for the year to 31 March 2025.
- Reviewed the effectiveness of the risk management and internal control systems and recommended to the Board that they be considered effective.
- Undertook the annual review of the effectiveness of the Audit Committee.

Significant accounting issues

In respect of the year to 31 March 2025, the following significant issues were reviewed.

Going concern and Viability Statement

The basis for adopting the going concern assumption in the financial statements is discussed on page 75 of this report. The Group Viability Statement is on page 45.

The Committee reviewed management's paper on the budget and forecasts for two years, including downside sensitivity analysis.

We reviewed and approved the continued adoption of the going concern assumption in the financial statements, concluded that two years remains an appropriate time horizon for the Viability Statement and approved the Viability Statement disclosure in the financial statements.

Existence and valuation of rental equipment

The Group holds a significant quantum and carrying amount of rental equipment. Management carries out fleet checks to confirm the existence of the rental fleet. We have reviewed management's judgement in estimating the useful economic lives, residual values and any impairment of rental assets.

Impairment of non-current assets in relation to the Brandon Hire Station Cash Generating Unit ("CGU")

The Group has recorded an impairment of £6.3 million against non-current assets relating to the Brandon Hire Station CGU, split between right-of-use assets (£4.2 million), property, plant and equipment (£1.2 million), and intangible assets (£0.9 million). Impairments were the result of an impairment assessment after management considered the current year performance to be an impairment trigger.

We have considered the appropriateness of the assumptions and estimates used by management in assessing the carrying value of non-current assets relating to the Brandon Hire Station CGU. The Committee has specifically considered the discount and growth rates used in the cashflow projections used to assess the carrying value, and also considered the projections against current year performance and budgets.

Acquisition of Charleville Hire and Platform Ltd ("CPH")

During the year the Group acquired 90% of the issued share capital of CPH for an initial cash consideration of €12.1 million, with the remaining 10% to be purchased over a three-year period from the acquisition date. Subject to business performance against EBITDA targets, a further maximum deferred earn out payment of €21.7 million may be payable across the second and third anniversaries of the acquisition.

We have reviewed management's judgements that contingent payments due on the second and third anniversaries of the acquisition should be accounted for as post-acquisition remuneration and that a non-controlling interest should not be recognised. We have also considered the appropriateness of assumptions used in deriving the fair value of acquired intangible assets.

Fair balanced and understandable views

The Committee reported to the Board its conclusion that the Annual Report and Accounts for the year ended 31 March 2025, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Risk management and internal controls

The Board is responsible for the overall system of internal controls for the Group and for reviewing its effectiveness. The responsibilities and processes in respect of risk management are described on page 40.

The Committee has reviewed the process for identifying, evaluating and managing significant risk faced by the Group. Risk management reports for each of the divisions, are reviewed also by Group Internal Audit, were submitted for review to the Committee, which reports highlighted risks and mitigating controls. The Committee also considered the risk tolerance levels that the Group is prepared to accept in the course of carrying out its business.

Audit Committee report continued

The Committee monitored and reviewed the Group's internal control systems, accounting policies and practices, risk management procedures and compliance controls. Internal control systems are designed to manage rather than eliminate business risk and provide reasonable but not absolute assurance against material misstatement or loss. Management is responsible for establishing and maintaining adequate internal controls over financial reporting for the Group.

The Committee also reviews the Group's Whistleblowing Policy. There have been no whistleblowing reports that required changes in the control environment during the year.

The Committee has concluded that the Group continues to operate a well designed and effective system of internal controls.

Group internal audit

The Group internal audit function provides assurance that the Group's system of internal control is effective and appropriate to the level of risk facing the Group.

The internal audit plan is considered and approved at set intervals by the Committee. The current plan runs from 2023 through to 2025, with facility to engage with emerging and new risks as required. In reviewing the proposed plan, the Committee considers the Group's strategic priorities, specific initiatives which could impact the business, and the Group's risk register. The Committee assesses the appropriateness of the Group internal audit plan and the resourcing of the Group internal audit function to deliver it. Progress against the plan is assessed at each Committee meeting.

During the year, I met with the Head of Risk and Internal Audit twice, to discuss completed projects and issues arising. The Head of Risk and Internal Audit attended each Audit Committee meeting and presented Group internal audit reports. The Committee considered the results of Group Internal Audit and the adequacy of management's response to matters raised in them. The Committee were satisfied with the reports and the management response to them.

Auditors' effectiveness and independence

The Committee keeps the scope, cost and effectiveness of the external audit under review. The Committee continually assesses the effectiveness of the external audit process during the year, based on feedback from the Group Finance Team and Group Internal Audit, and through Committee interactions with the external Auditors. As a result, the Committee has satisfied itself that PricewaterhouseCoopers LLP (PwC), the external Auditors, has provided an effective audit service. A formal Board and Committee effectiveness review was carried out during the year, further details of which we set out on page 52.

The Committee ensures that the Auditors remain independent of the Group and reviews this on an annual basis. PwC provided a written report to the Committee to show its compliance with professional and regulatory requirements designed to ensure their independence.

The Committee has satisfied itself that they remain independent.

The Committee has a policy in relation to the use of the Auditors for non-audit services, set out in an appendix to the Committee terms of reference. In the year, the only non-audit service provided by the Auditors was a subscription to an accounting knowledge portal with fees of £1,300 representing 0.2% of the audit fee.

PwC were first appointed as the Group's Auditors in October 2014 for the audit of the year ended 31 March 2015 and re-appointed in October 2021 following a tender process. Tom Yeates has completed his fourth year as the Group's audit partner.

The Committee recommended to the Board that a resolution to re-appoint PwC as Auditors be proposed at the Annual General Meeting.

I hope that you find this report a clear account of the Committee's decisions for the year and I would be happy to answer any questions you may have at the upcoming AGM.

Stuart Watson
Chair of the Audit Committee

10 June 2025

Remuneration report

"Working with the Board to develop and better align reward to help deliver our strategy."

Mark Bottomley
Chair of the Remuneration Committee

Dear shareholders

On behalf of the Remuneration Committee, I am pleased to present the Remuneration report for the year ended 31 March 2025.

This Remuneration report is split into three sections: this Annual statement, the Directors' Remuneration Policy report and our Annual Report on remuneration for the year ended 31 March 2025. Our Remuneration Policy was last submitted to shareholders at the 2023 AGM, with the Committee pleased to receive 91.38% votes in favour. No changes are being proposed to the policy this year; however, we have reproduced the policy from page 61 for ease of reference and in order to provide context to the decisions taken by the Committee during the year. The Annual Report on remuneration will be subject to an advisory shareholder vote at the 2025 AGM.

Background

The year to 31 March 2025 saw good progress being made on delivering the Group's refreshed strategy and resilient performance despite mixed macro-economic conditions. Revenue increased 3%, whilst Adjusted profit reduced from £39.9 million to £36.7 million as strong trading in Infrastructure and Specialist Construction were offset by subdued General Construction and Housebuilding performance. The management team has made progress with changes to the Group's operating model, with the centralisation of operations and procurement activities set to help drive future growth. FY 2024/25 also saw the successful launch of Vp Rail, offering an integrated solution for customers in this important growth area, and the acquisition of Charleville Hire and Platform (CPH), which provides a platform for growth within the Republic of Ireland market.

In approving remuneration outcomes for the year ended 31 March 2025, the Committee took into account the aforementioned financial and operational performance and considered also the experience of its main stakeholders. We are comfortable that actions taken on pay during the year across the Group were appropriate.

FY 2024/25 remuneration outcomes

Base salary – also *see page 66*

The Committee approved a salary increase of 3.0% for Anna Bielby and Keith Winstanley with effect from 1 April 2024, in line with the average increase applied across the wider workforce. Jeremy Pilkington's salary remained unchanged.

Pensions – also *see page 66*

Jeremy Pilkington's pension contribution was reduced from 15% to 10% of base salary with effect from 1 April 2024. Anna Bielby and Keith Winstanley received a pension contribution of 10% of salary.

Annual bonus – also *see page 66*

The maximum bonus opportunity for the financial year ended 31 March 2025 was 150% of salary.

Targets for the annual bonus were set by the Committee at the beginning of the financial year and were based upon growth adjusted profit. Targets are set by the Committee to be stretching and generally reflect year-on-year growth, with entry thresholds set in line with the Group's budgeted adjusted profit for the relevant financial year and full payout requiring a material outperformance of budget. A similar approach to target setting is taken in respect of other Group and divisional participants to ensure fairness and alignment.

For FY 2024/25, the Committee approved an adjusted profit range of £39.5 million (threshold) to £47.0 million (maximum), which was considered to be both stretching and motivational at the time the targets were set. Actual adjusted profit was £36.7million, which meant that no bonuses were payable to Executive Directors in respect of the FY 2024/25. No discretion was used to adjust this formulaic result, reflecting the Committee's view that the outcome is a genuine reflection of the performance of the business and appropriately reflects the experience of stakeholders during the year.

Remuneration report continued

LTIP – also *see page 66*

LTIP awards granted to Jeremy Pilkington in 2022 reached the end of their performance period at 31 March 2025. Vesting of these awards was based wholly on three year absolute EPS performance, underpinned by a minimum ROACE hurdle. Similar to the annual bonus, and despite the Group's resilient performance, the stretching performance targets were not met and accordingly these awards will lapse in full in August 2025. The Committee considered that this outcome was both appropriate and a fair reflection of underlying performance over the period, and accordingly has not exercised any discretion in respect of this vesting result.

Implementation of policy for FY 2025/26

Base salary – also *see page 69*

In acknowledgment of her continued strong performance and leadership, and as noted in the 2024 Directors' Remuneration Report (DRR), Anna Bielby's salary has been increased to £450,000 with effect from 1 April 2025. This increase reflects the target market rate for Anna outlined in last year's report plus observed market salary increases over the intervening period. Keith Winstanley's salary has been increased to £300,000 with effect from 1 April 2025 to reflect the strong start he has made in his first full year as Chief Financial Officer and in line with the Committee's previously-communicated intention of bringing him up to market levels over the short to medium term. Jeremy Pilkington's salary will again remain unchanged.

Executive Directors reviewed the current all-in base fee for the Non-Executive Directors, resulting in an increase for FY 2025/26 from £50,000 to £60,000, which helps ensure the fee reflects the time commitment of the roles and is competitive in a market context.

Pensions – also *see page 70*

Jeremy Pilkington, Anna Bielby and Keith Winstanley will each continue to receive a pension contribution of 10% of salary.

Annual bonus – also *see page 70*

The maximum bonus opportunity will remain at 150% of base salary for all Executive Directors, with outcomes based primarily on adjusted profit performance. In line with the policy, deferral may apply to any bonus earned in excess of 100% of salary where a Director has not, at the time of payment, met their minimum share ownership requirement.

For Anna Bielby and Keith Winstanley, the adjusted profit metric will be supplemented with a small element (25% of salary, c.17% of maximum) based on the achievement of personal and strategic objectives, using flexibility available under the existing policy. This proposal recognises the change and transformation being targeted under the refreshed strategy and the various non-financial and operational changes which the Committee believes it would be helpful to incentivise and reward alongside overall profitability. In line with the Group's existing practice, given the commercial sensitivity, both financial targets and details of personal/strategic objectives will be disclosed in the Remuneration Report on a retrospective basis.

LTIP –also *see page 70*

Executive Directors will each receive an LTIP award in FY 2025/26 with face value of 100% of salary. Vesting of this year's awards will continue to be based on the achievement of challenging EPS growth targets, underpinned by a minimum ROACE hurdle, details of which are set out later in this report.

Board changes

Phil White will retire and step down from the Board on 30 June 2025, and will continue to receive fees until this date. Richard Smith has been appointed as a Non-Executive Director with effect from 1 February 2025 and receives an all-in fee of £50,000, consistent with the approach for other Non-Executive Directors. He will become a member of the Remuneration, Audit and Nomination Committees with effect from 1 July 2025.

Looking forward

In accordance with UK reporting regulations, we are required to submit a new Remuneration Policy to shareholders for approval no later than the 2026 AGM. The Committee will review the existing remuneration arrangements over the coming year to ensure that they remain appropriate for Vp plc and continue to reinforce the delivery of our short and longer-term strategy. As always, the Committee will also continue to monitor market developments and will consider the appropriateness of any emerging trends for the Group.

I hope that you find this report a clear account of the Committee's decisions for the year and I would be happy to answer any questions you may have at the upcoming AGM.

This report has been approved by the Board and is signed on its behalf by:

Mark Bottomley
Chair of the Remuneration Committee

10 June 2025

1 These measures are explained and reconciled in the Alternative Performance Measures section on page 140.

Directors' Remuneration Policy report

This report has been prepared in accordance with the provisions of the Companies Act 2006, and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). It also meets the requirements of the UK Listing Authority's Listing Rules and the Disclosure and Transparency Rules.

The Vp plc Remuneration Policy was approved by shareholders at the 2023 AGM on 20 July 2023, and came into effect from that date. The report, save for the minor changes listed below, is as disclosed in the 2023 Directors' remuneration report, which is available to download from the Company's website at www. vpplc.com/investors:

- References to financial years have been updated where appropriate.
- Pay-for-performance charts have been updated to reflect packages for Executive Directors for the financial year ending 31 March 2026.
- New service contract dates have been added and details of external appointments have been updated.

Policy overview

The Group aims to balance the need to attract, retain and motivate Executive Directors of a high calibre with the need to be cost effective, while at the same time appropriately rewarding performance. The Committee has designed a Remuneration Policy that balances those factors, taking account of prevailing best practice, investor expectations and the level of remuneration and pay awards made generally to employees of the Group. Our Remuneration Policy is consistent with the principles set out in Provision 40 of the 2018 UK Corporate Governance Code, namely:

- The policy is clear, simple and easy to understand, with a single short and long-term incentive and a small number of important financial targets. Our approach to remuneration has remained broadly consistent for a number of years and is well understood both internally and externally.
- The design and implementation of the policy takes into account possible risks. Incentive targets are set by the Committee ahead of each cycle to be appropriately stretching and achievable within the risk appetite set by the Board, and the Committee has discretion to adjust outcomes where the formulaic assessment would lead to an outcome that is misaligned with underlying Company performance. Where it is deemed appropriate, an expanded list of recovery provisions ensures that the Committee can withhold or recover incentives in certain cases.
- Incentives are clearly and appropriately capped. The balance of pay is aligned with market norms and a significant proportion is dependent on the achievement of stretching short and long-term targets.
- Performance measures are aligned with our strategy and culture.

Policy table for Directors

Purpose and link to strategy	Operation	Opportunity	Performance metrics
Base salary To attract, retain and motivate individuals with skills and experience required to deliver the strategy. To provide a competitive fixed reward.	Base salaries are reviewed annually, taking into account a range of relevant reference points. Any changes are normally effective from 1 April in the financial year.	Current salary levels are set out on page 66. In determining Executive Director salary increases, the Committee considers the range of increases for the broader employee population.	None
Pension To provide retirement benefits in a cost-efficient manner.	All Executive Directors are either members of a defined contribution scheme or receive a cash allowance in lieu of pension contribution.	The maximum pension contribution for Executive Directors appointed prior to July 2020 is 15% of salary. As of 1 April 2024 the pension contribution for Jeremy Pilkington has been reduced to 10%. The maximum pension contribution for Executive Directors appointed since July 2020, and for future Executive Director appointments, is 10% of base salary.	None

Remuneration report continued

Purpose and link to strategy	Operation	Opportunity	Performance metrics
Taxable benefits To provide market consistent benefits.	Can include car allowance, health insurance and other benefits paid from time to time. The cost of providing benefits is paid monthly or as required for one-off events.	Benefits values vary by role and are reviewed periodically relative to the market. It is not anticipated that the cost of benefits provided will change materially year-on-year over the period for which this policy will apply.	None
Annual bonus To provide a direct link between annual performance and reward. To incentivise achievement of stretching short-term performance targets.	Performance measures and targets are set by the Committee at the start of the year to reflect the Group's strategic priorities. At the end of the year, the Committee determines the extent to which these have been achieved. Annual bonuses are typically paid in cash following year-end. For the 2024/25 annual bonus onwards, where an Executive Director has not met their minimum share ownership requirement at the time of payment, any bonus earned in excess of 100% of salary will be deferred in shares. Payments under the annual bonus are subject to malus and clawback provisions, further details of which are set out in the notes to this table.	Up to 150% of base salary.	Bonuses for Executive Directors will be based primarily on financial performance. The Committee retains flexibility to introduce an element based on relevant non-financial measures, where appropriate (with a total weighting of not more than 25% of bonus). The Committee retains discretion to adjust the formulaic bonus outcome (either upwards or downwards) if it considers that the payout is inconsistent with the Company's underlying performance when taking into account any factors it considers relevant.
Long-Term Incentive Plan (LTIP) To drive sustained long-term performance that supports the creation of shareholder value.	Annual grant of nil cost options, which normally vest after three years, made in accordance with the LTIP rules. For awards made from 1 April 2021, an additional holding period applies so that the total vesting and holding period is at least five years. Shares subject to awards may accrue dividend equivalents. Sufficient shares can be sold at the end of three years to cover tax liabilities. The LTIP award to Jeremy Pilkington will typically be in the form of notional shares settled by cash. LTIP awards are subject to malus and clawback provisions, further details of which are set out in the notes to this table.	Up to 100% of base salary.	The vesting of awards will be subject to continued employment and performance against relevant metrics measured over a period of at least three years. The Committee will select performance measures ahead of each cycle that reinforce delivery of the Company strategy. Details of the performance measures attaching to awards (and the targets for these) will be disclosed in the relevant Annual report on remuneration. The Committee retains discretion to adjust the formulaic LTIP outcome (either upwards or downwards) if it considers that the payout is inconsistent with the Company's underlying performance when taking into account any factors it considers relevant.

Purpose and link to strategy	Operation	Opportunity	Performance metrics
Save as you earn To encourage share participation in the entire workforce.	HMRC approved plan under which regular monthly savings are made over a three-year period and can be used to fund the exercise of an option whereby the exercise price is discounted by up to 20%.	Up to the savings limit as determined by HMRC from time to time (or such lower limit as determined by the Committee), across all sharesave schemes in which an individual has enrolled.	None
Share ownership guidelines To ensure strong alignment between Executive Directors and shareholders.	Shareholding to be built up within five years of an Executive Director's appointment.	At least 100% of salary for Executive Directors. On stepping down from the Board, Executive Directors will typically be required to retain shares to the lower of 100% of salary or their actual shareholding at the time. These shares must be held for at least one year post-cessation.	None
Non-Executive Director fees To attract and retain high calibre Non-Executive Directors. To reflect the time commitment and responsibilities of the role, and the fees paid by similar sized companies.	Fees are reviewed on an annual basis and are currently paid 100% in cash. The Company retains flexibility to pay either a single 'all-in' fee or to differentiate fees to reflect additional responsibilities (e.g. to the Senior Independent Director, Chairs of Board Committees, etc.).	No prescribed maximum increase.	None

Notes to the policy table

Malus and Clawback Policy

Annual bonus payments and LTIP awards granted prior to the approval of the Remuneration Policy detailed in this report (i.e. prior to July 2023) are subject to clawback in the event of a material misstatement of results.

For annual bonuses and LTIP awards granted following approval of this policy, malus and clawback will apply in cases of a material misstatement of results, an error in determining performance outcomes, gross misconduct, corporate failure as determined by the Remuneration Committee, or where a participant has been deemed to have caused, in full or in part, a material loss for the Group as a result of negligent, reckless or wilful actions or inappropriate behaviour or values. Cash bonuses will be subject to clawback, with deferred shares subject to malus. LTIP awards will be subject to malus and clawback over the vesting period to the fifth anniversary of grant.

Payments under existing awards

The Company will honour any commitment entered into, and Directors will be eligible to receive payment from any award granted, prior to the approval and implementation of the Remuneration Policy detailed in this report, even if these commitments and/or awards fall outside the above policy (but were in line with the policy in force at the time, if so required).

Performance measures and targets

Performance measures applying to the annual bonus and LTIP are selected at the start of each performance cycle to reflect the Group's short and longer-term strategic objectives. Incentive targets are set at an appropriately stretching level, taking into account relevant internal and external reference points. LTIP targets will typically be disclosed prospectively in the remuneration report.

Illustration of application of Remuneration Policy

The chart on page 64 illustrates the total remuneration for each Executive Director that could result from the Remuneration Policy in 2025/26 under different performance scenarios.

The value of base salary for 2025/26 is set out on page 69.

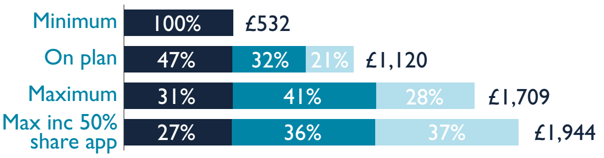
Remuneration report continued

The value of taxable benefits in 2025/26 is taken to be the value of taxable benefits received in 2024/25 as shown in the single total figure of remuneration table set out on page 66. On target performance assumes bonus payout of 75% of salary and LTIP vesting at 50% of maximum award.

Maximum performance assumes bonus pay out of 150% of base salary and LTIP vesting at 100% of maximum award. Share price appreciation has been included in the value of the LTIP under the fourth scenario, at an assumed 50%.

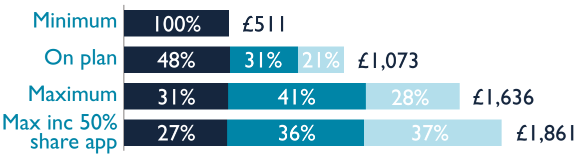
Jeremy Pilkington

Percentages/Amounts (£000)



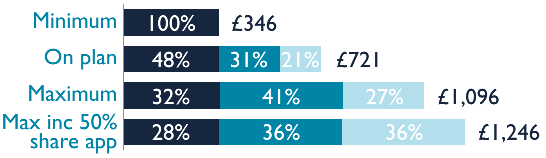
Anna Bielby

Percentages/Amounts (£000)



Keith Winstanley

Percentages/Amounts (£000)



Basic salary, benefits and pension

Annual bonus

LTIP

Consideration of employment conditions elsewhere in the Group

In designing this Remuneration Policy, the Committee did not expressly seek the views of employees. Through the Board, however, the Committee is regularly updated as to employee views on remuneration more generally. Additionally, when making decisions around Executive Director remuneration, the Committee takes into account the pay and conditions of other employees to ensure fairness. Overall, there is a strong degree of alignment between the pay of senior executives and other employees, as follows:

- Our approach to annual salary reviews is consistent across the Group, with consideration given to the level of experience, responsibility, individual performance and salary levels in comparable companies.
- There are a number of pension arrangements across the Group. The Senior Management are eligible for a pension contribution up to a maximum of 10% depending on personal contribution level.
- Most employees are eligible to participate in an annual bonus scheme. The maximum opportunities available are based upon the seniority and responsibility of the role with business area specific metrics incorporated where appropriate.
- All UK employees are eligible to participate in the Company's SAYE scheme on the same terms.

Approach to recruitment

The Group operates in a highly competitive employment market. The Committee's approach to remuneration on recruitment is to pay sufficient to attract appropriate candidates to the role. The package of a new Executive Director is likely to include the same elements, and be subject to similar constraints as those of existing Executive Directors. In particular:

- The base salary of a new Executive Director will be determined by reference to relevant market data, experience and skills of the individual, internal relativities and their current basic salary. The Committee may set the salary for a newly appointed Executive Director above that of their predecessor where it considers it necessary in order to recruit an individual of sufficient calibre for the role. Alternatively, where a new Executive Director has their starting salary set below market level, any shortfall may be managed with phased increases over a period of up to two years subject to the individual's development in the role (and which may exceed the workforce average increase).
- New appointees will receive Company 10% pension contributions or an equivalent in cash allowance. Benefits will generally be aligned to those offered to other Executive Directors.
- The annual bonus structure described in the policy table will apply to new Executive Director appointees, with the maximum opportunity (i.e. up to 150% of salary) being pro-rated to reflect the proportion of the year worked.
- New appointees will be granted awards under the LTIP on the same terms as other Executive Directors, as described in the policy table (i.e. up to 100% of salary). The Committee may make an award in respect of a new appointment to 'buy-out' incentive arrangements forfeited on leaving a previous employer on a like-for-like basis. In doing so, the Committee will consider relevant factors including time to vesting, any performance conditions attached to these awards and the likelihood of those conditions being met. Any such 'buy-out' awards will typically be made under existing annual bonus and LTIP schemes, although in exceptional circumstances the Committee may exercise discretion under the relevant Listing Rule to make awards using a different structure. Any 'buy-out' awards would have a fair value no higher than the awards forfeited.

Date of Directors' service contracts or letter of appointment

Director	Date of appointment
Jeremy Pilkington	10 June 2002
Phil White	15 April 2013
Anna Bielby	1 January 2023
Mark Bottomley	3 January 2023
Stuart Watson	3 January 2023
Keith Winstanley	1 January 2024
Richard Smith	1 February 2025

The service contracts of the Executive Directors are terminable by either the Company or the Director on twelve months' notice. The contracts contain no specific provision for compensation for loss of office, other than an obligation to pay salary and benefits for any notice period waived by the Company. Non-Executive Directors are appointed under letters of appointment one of which is terminable on six months' notice and the others are terminable on thirty days notice. There were no other significant contracts with Directors.

The terms and conditions of appointment of the Executive and Non-Executive Directors are available for inspection by any person at the Company's registered office during normal business hours and at the AGM.

Approach to leavers

The Company's policy is to limit severance payments on termination to pre-established contractual arrangements. Such contracts contain no specific provision for compensation for loss of office, other than an obligation to pay for any notice period waived by the Company, where pay is defined as salary plus benefits only.

The following payments may also be made to departing Executive Directors, depending on circumstances. In all cases, the Committee retains discretion to alter these provisions on a case-by-case basis following a review of circumstances and to ensure fairness for both shareholders and participants:

- An annual bonus may be payable for the period of active service in certain prescribed 'good leaver' circumstances and in other circumstances at the discretion of the Committee and subject to the achievement of the relevant performance targets. Outstanding deferred bonus awards will typically be retained by a departing Executive Director with no acceleration of the applicable deferral period.
- Unvested LTIP awards will normally lapse. For 'good leavers', unvested awards will typically vest on the normal vesting date subject to the achievement of any relevant performance condition(s) and with a pro-rata reduction applied to reflect the proportion of the vesting period served. LTIP awards, which are subject to an additional holding period, will typically be retained and released at the end of the relevant holding period.
- At the discretion of the Committee, a contribution to reasonable outplacement costs may be made where considered appropriate. The Committee also retains the ability to reimburse reasonable legal costs incurred in connection with a termination of employment.
- Any payment for statutory entitlements or to settle claims in connection with a termination of any existing or future Executive Director may be made, as necessary.

Policy on external appointments

Executive Directors are encouraged to hold a non-executive role in addition to their full-time position in order to broaden their experience, and may retain any fees received in respect of such roles. All appointments must first be agreed by the Committee and must not represent a conflict to their current role. During the year:

- Jeremy Pilkington and Keith Winstanley held no external directorships.
- Anna Bielby was a director of BLB (UK) Limited, a dormant professional services company.

Consideration of shareholder views

The Committee considers shareholder feedback received at the AGM each year. This feedback, plus any feedback received during other meetings, is then considered as part of the Group's ongoing review of remuneration. Given the best-practice nature of changes proposed, the Committee did not engage directly with major shareholders during the most recent policy review (in 2022).

The Committee wrote to the top ten shareholders in April 2025 in relation to the Implementation of the Remuneration Policy in FY 2025/26, engaging with them and providing them with advance notice of our intention to consult with them on our revised Directors' Remuneration Policy in FY 2025/26.

Details of votes cast for and against the resolution to approve last year's Annual report on remuneration and in respect of the current Remuneration Policy are set out on page 73.

Annual report on remuneration

The following section provides details of how the Remuneration Policy was implemented during the financial year ending 31 March 2025 and how it is proposed to be implemented in the financial year ending 31 March 2026. Any information in this section of the report subject to audit is highlighted.

Single total figure of remuneration (audited)

The following table shows a single total figure of remuneration for the year ended 31 March 2025 together with the comparative figures for 2024.

Executive Directors		Salaries and fees £000	Taxable benefits £000	Pensions £000	Annual bonus £000	Grant date face value of vested LTIP shares £000	Share price appreciation (depreciation) £000	Total £000	Total fixed pay £000	Total variable £000
Jeremy Pilkington	**2025**	471	14	47	–	–	–	532	532	–
	2024	471	–	71	–	–	–	542	542	–
Anna Bielby	**2025**	412	16	41	–	–	–	469	469	–
	2024	363	16	36	–	–	–	415	415	–
Keith Winstanley	**2025**	278	17	28	–	–	–	323	323	–
	2024	68	4	7	–	–	–	79	79	–
Non-Executive Directors										
Phil White	**2025**	50	–	–	–	–	–	50	50	–
	2024	50	–	–	–	–	–	50	50	–
Mark Bottomley	**2025**	50	–	–	–	–	–	50	50	–
	2024	50	–	–	–	–	–	50	50	–
Stuart Watson	**2025**	50	–	–	–	–	–	50	50	–
	2024	50	–	–	–	–	–	50	50	–
Richard Smith	**2025**	8	–	–	–	–	–	8	8	–
	2024	–	–	–	–	–	–	–	–	–

The table above reflects the following changes in roles and responsibilities:

- Anna Bielby was promoted to Chief Executive with effect from 1 September 2023.
- Keith Winstanley joined the Board as Chief Financial Officer on 1 January 2024.
- Richard Smith joined the Board as a Non-Executive Director on 1 February 2025.

Base salaries and fees

Following a review of the Executive Directors' base salaries, the Committee approved an increase of 3% for Anna Bielby and Keith Winstanley with effect from 1 April 2024, in line with the average increase applied across the Group. Jeremy Pilkington's salary remained unchanged and there was no increase to the fees payable to Non-Executive Directors during the year.

Taxable benefits

Taxable benefits consist primarily of Company car or car allowance and private health care insurance.

Pension benefits

Jeremy Pilkington, Anna Bielby and Keith Winstanley each receive 10% of base salary in lieu of pension contributions.

Annual bonus payments

The annual bonus out-turn presented in the table was based on Group adjusted profit targets as measured over the 2024/25 financial year.

Targets for annual bonus payments typically are set by the Committee at the beginning of the financial year and are based upon growth in adjusted profit. The targets are challenging and look for year-on-year growth with entry thresholds set in line with the Group's adjusted profit budget for the relevant financial year.

For FY 2024/25, the Committee approved an adjusted profit target range of £39.5 million (threshold) to £47.0 million (maximum), which was considered to be suitably stretching and motivational. Actual adjusted profit was £36.7 million, which meant that no bonuses were payable to Executive Directors in respect of the 2024/25 financial year. The Committee is satisfied that this outcome delivered is a genuine reflection of the performance of the business and appropriately reflects the experience of stakeholders in financial year.

Measure	Weighting	Threshold (0%)	Maximum (100%)	Actual	Outcome (% of max)
Adjusted profit	100%	£39.5m	£47.0m	£36.7m	0%

Executive	Salary	Max bonus (% of sal)	Outcome (% of max)	Outcome (% of sal)	Actual bonus (£)
Jeremy Pilkington	£471,000	150%	0%	0%	£–
Anna Bielby	£412,000	150%	0%	0%	£–
Keith Winstanley	£278,100	150%	0%	0%	£–

Vesting of LTIP awards (audited)

Vesting of the LTIP awards granted in August 2022 was dependent on earnings per share performance over the three years ended 31 March 2025, the achievement of a minimum return on average capital employed of 12.0% and continued service until August 2025. Despite the Group's resilient performance, the stretching performance targets were not met and these awards will lapse in full in August 2025.

The performance targets for this award and actual performance against those targets was as follows:

Measure	Weighting	Threshold (0%)	Maximum (100%)	Actual	Outcome (% of max)
Adjusted basic earnings per share[1]	100%	95.63 pence	115.56 pence	67.3 pence	–
ROACE[1]	underpin	12.0%	12.0%	14.2%	

Executive	Number of shares at grant	Outcome (% of max)	Number of shares to vest	Grant date value of vested shares	Estimated value of vested shares
Jeremy Pilkington	59,800	–	–	–	–

The award of the LTIP above was based upon the policy of awarding up to an equivalent of 100% of salary. As recent joiners, neither Anna Bielby nor Keith Winstanley held awards under the 2022 LTIP.

1 These measures are explained and reconciled in the Alternative Performance Measures on page 140.

Share scheme interests awarded during the financial year (audited)

The following awards were granted to Executive Directors:

Executive	Scheme	Basis of award granted	Date of grant	Share price at grant	Number of shares	Face value £000	Perf. period end date
Jeremy Pilkington	LTIP	100% of salary	18 July 2024	£6.60	71,312	471	31 March 2027
Anna Bielby	LTIP	100% of salary	18 July 2024	£6.60	62,424	412	31 March 2027
	SAYE	N/A	26 July 2024	£6.90	672	5	N/A
Keith Winstanley	LTIP	100% of salary	18 July 2024	£6.60	42,136	278	31 March 2027
	SAYE	N/A	26 July 2024	£6.90	672	5	N/A

The share price at the date of grant has been used to calculate the face value of the awards granted. Targets for LTIP awards were disclosed in last year's report, with performance in line with threshold resulting in 0% vesting, rising on a straight-line to 100% vesting for stretch performance.

Payments to past directors and for loss of office (audited)

Neil Stothard retired as Chief Executive on 1 September 2023, and stood down from the Board on 30 September 2023.

Over the period 1 April to 30 June 2024, Neil continued to receive base salary, pension and other contractual benefits, totalling £83,735 after tax. Neil was treated as a "Good Leaver" for the purposes of his outstanding 2022 LTIP award. As noted on page 62, the performance conditions applying to the 2022 LTIP were not met and accordingly the entire award will lapse.

No other payments were made to past Directors or for loss of office in the year ended 31 March 2025.

Outstanding share awards (audited)

The table below sets out details of unvested share awards held by Executive Directors. Details of vested awards are shown in the statement of Directors' shareholdings and share interests as below.

Executive	Scheme	Grant date	Ex. Price £	# shares at 1 Apr 2024	Granted during the year	Vested during the year	Lapsed during the year	# shares at 1 Apr 2025	Exercise period	End of perf. period
Jeremy Pilkington	Total LTIP	Various	Nil	194,596	71,312	–	51,800	214,108	Jul 2025 to Jul 2034	31 Mar 2025 to 31 Mar 2027
Anna Bielby	Total LTIP	Various	Nil	54,978	62,424	–	–	117,402	Jul 2026 to Jul 2034	31 Mar 2026 to 31 Mar 2027
	SAYE	2023	4.78	753	–	–	–	753	Oct 2026 to Mar 2027	N/A
	SAYE	2024	5.52	–	672	–	–	672	Oct 2027 to Mar 2028	N/A
Keith Winstanley	Total LTIP	18 Jul 2024	Nil	–	42,136	–	–	42,136	Jul 2027 to Jul 2034	31 Mar 2027
	SAYE	2024	5.52	–	672	–	–	672	Oct 2027 to Mar 2028	N/A

Statement of Directors' shareholdings and share interests (audited)

Executive	Shareholding as % of salary /fee at 31 Mar 2025	Shares beneficially owned at 31 Mar 2025	Shares beneficially owned at 31 Mar 2024	Options vested but not yet exercised 31 Mar 2025	Options vested but not yet exercised 31 Mar 2024	Unvested LTIP awards[1]	Outstanding SAYE awards
Jeremy Pilkington	*	329,220	29,220	–	257,281	214,108	–
Anna Bielby	0 %	–	–	–	–	117,402	1,425
Keith Winstanley	6 %	2,981	–	–	–	42,136	672
Stuart Watson	16 %	1,505	1,505	N/A	N/A	N/A	N/A

None of Phil White, Mark Bottomley or Richard Smith held any shares at any point in the year.

The share price used to calculate the value of shares beneficially owned for the purposes of establishing shareholding as a percentage of salary is the share price as at 31 March 2025: £5.35.

*During the year, Jeremy Pilkington was interested in shares owned by Ackers P Investment Company Limited. This company is ultimately controlled by a number of trusts of which, for the purposes of Sections 252 to 255 of the Companies Act 2006, Jeremy Pilkington is deemed to be a connected person. As at 31 March 2025, Ackers P Investment Company Limited owned 20,181,411 shares (2024: 20,181,411 shares).

The LTIP awards outstanding in respect of Jeremy Pilkington are notional shares, which would be settled by a cash payment.

The Executive Directors are each in compliance with the Company's requirements to hold shares equivalent to at least 100% of salary, to be built up within five years of appointment. Both Anna Bielby and Keith Winstanley have five years to meet this requirement having been appointed on 1 January 2023 and 1 January 2024 respectively.

There were no changes in the interests of the Directors between 31 March 2025 and 10 June 2025.

1 Unvested LTIP awards are subject to performance conditions.

Implementation of the Remuneration Policy for the year ending 31 March 2025 (unaudited)

A summary of how the Directors' Remuneration Policy will be applied during the year ended 31 March 2026 is set out below.

Base salary and fees

As noted on page 60, the Committee resolved to increase Anna Bielby's salary to £450,000, Keith Winstanley's salary to £300,000 and to increase the Non-Executive Directors' base fee to £60,000 with effect from 1 April 2025. No increases are proposed for the Executive Chair.

Director	1 April 2025	1 April 2024 (or date of appointment)	% increase
Jeremy Pilkington	£471,000	£471,000	–
Anna Bielby	£450,000	£412,000	9.2%
Keith Winstanley	£300,000	£278,100	7.9%
Phil White	£60,000	£50,000	20.0%
Mark Bottomley	£60,000	£50,000	20.0%
Stuart Watson	£60,000	£50,000	20.0%
Richard Smith	£60,000	£50,000	20.0%

A salary increase averaging 2% across the Group was proposed at the annual 2025 pay review, effective from 1 April 2025.

Pension arrangements

Jeremy Pilkington, Anna Bielby and Keith Winstanley will continue to receive 10% of base salary in lieu of pension contributions.

Annual bonus

The maximum bonus potential will remain at 150% of base salary. Bonuses will be based on challenging growth targets for adjusted profit, and supplemented with a small element based on achievement of personal/strategic objectives for Anna Bielby and Keith Winstanley. Maximum payout targets will be set at a level that appropriately reflects the maximum opportunity available.

The Committee is of the opinion that the performance targets for the annual bonus are commercially sensitive and that it would be detrimental to the interests of the Group to disclose them before the start of the financial year. The targets and objectives will be disclosed after the end of the relevant financial year in that year's remuneration report.

Long-term incentives

The maximum LTIP award in 2025 will remain at 100% of salary for all Executive Directors. Consistent with past awards, the extent to which any LTIP awards granted in 2025 will vest will be dependent upon the achievement of a challenging target growth in the Group's adjusted earnings per share, underpinned by Group ROACE.

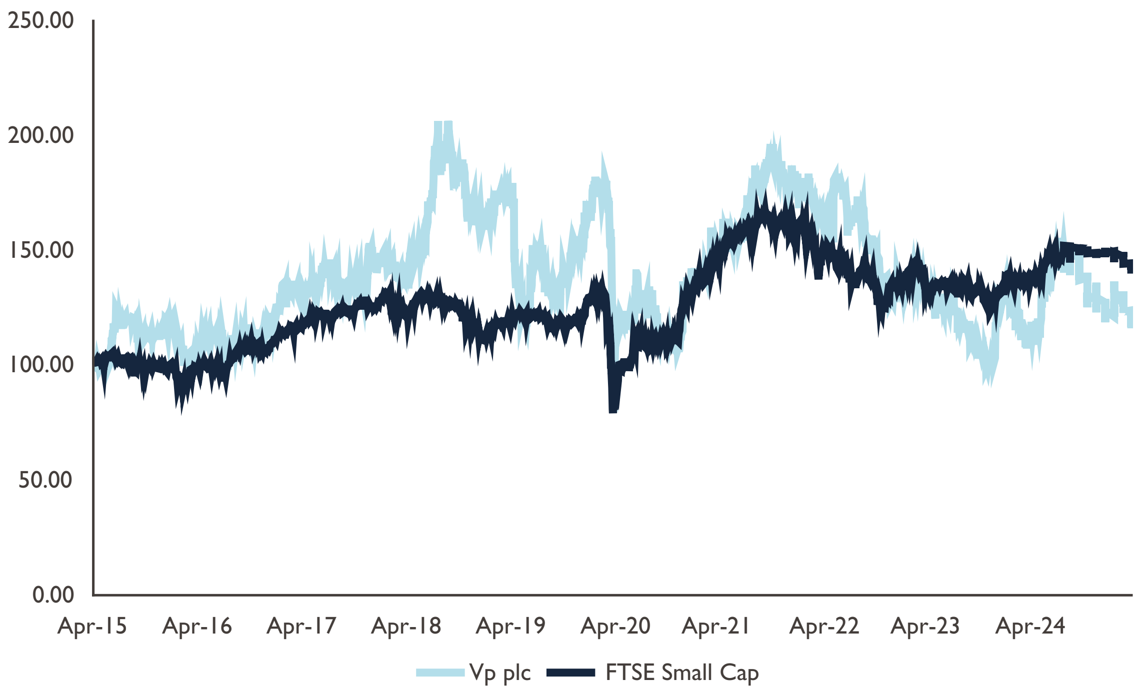
The targets for the LTIP awards granted in 2025 are as follows:

Measure	Weighting	Threshold (0%)	Maximum (100%)
Earnings per share	100%	76.51 pence	90.25 pence
ROACE	underpin	12.0%	12.0%

Clawback and malus provisions in the event of significant misstatement of the results will apply to both the annual bonus and the long-term incentive as noted on page 63.

Performance graph and table (unaudited)

The following graph charts the total shareholder return of the Group and the FTSE Small Cap Index over the ten-year period from 1 April 2015 to 31 March 2025.



The FTSE Small Cap index excluding investment trusts is regarded as an appropriate benchmark for the Group's shareholders, being an index which the Group has been a constituent of during the period shown. Total shareholder return is defined as the total return a shareholder would receive over the period inclusive of both share price growth and dividends.

The total remuneration and incentive payouts for the Executive Chair, Jeremy Pilkington, across the same period were as follows:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
Single figure (£000)	1,613	1,580	1,498	1,770	919	915	1,098	782	542	**532**
Annual bonus (% of maximum)	27	72	57	94	–	75	54	30	–	–
LTIP vesting (% of maximum)	100	100	100	100	71	–	24	7	–	–

Executive Chair pay ratio (unaudited)

The table below provides the ratio between the Executive Chair single figure of total remuneration and total remuneration for UK employees identified at the lower quartile, median and upper quartile. Consistent with previous years, and reflecting that the data is already readily available, we have selected the comparative employees using hourly rate data as at 5 April 2024 collected for our reporting under the gender pay gap legislation (Option B). The day by reference to which the date for the three percentiles was determined was 31 March 2025.

			Pay ratio			Remuneration		
	Year	Method	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
Total remuneration	**2025**	B	19	15	13	£25,117	£31,340	**£37,711**
Salary	**2025**	B	19	16	14	£24,994	£29,177	**£34,139**
Total remuneration	2024	B	22	18	12	£24,265	£29,331	£46,010
Salary	2024	B	20	17	11	£23,507	£28,293	£42,417
Total remuneration	2023	B	34	28	20	£23,502	£27,863	£39,743
Salary	2023	B	21	18	13	£22,955	£27,000	£35,598
Total remuneration	2022	B	49	41	29	£22,527	£26,880	£38,200
Salary	2022	B	21	18	14	£22,160	£26,000	£34,334
Total remuneration	2021	B	44	38	27	£20,554	£24,238	£33,366
Salary	2021	B	23	20	15	£20,466	£23,968	£30,905
Total remuneration	2020	B	44	37	27	£20,650	£24,624	£33,731
Salary	2020	B	23	20	15	£20,131	£23,915	£30,600

The Committee has considered the pay data for the three individuals identified and believes that it fairly reflects pay at the relevant quartiles among our UK workforce. The median total remuneration ratio has fallen further this year (from 18:1 to 15:1) reflecting that there was no payout recorded under either the annual bonus or long-term incentive. The Committee has considered the findings of the pay ratio analysis and believes that it is reasonable in the context of the Group's sector and taking into account the composition of the Group's UK workforce.

Annual report on remuneration continued

Percentage change in all Directors' remuneration (unaudited)

The table below shows the percentage change in the Directors' salary, benefits and annual bonus between the financial year ended 31 March 2024 and 31 March 2025 compared to the percentage change for UK employees of the Group for each of these elements of pay.

		Salary	Taxable benefits	Annual bonus[1]
Jeremy Pilkington	**2025**	**–**	**N/M**	**–**
	2024	–	–	(45%)
	2023	–	(100%)	9%
	2022	5%	1,600%	100%
	2021	(5%)	(33%)	(100%)
Anna Bielby	**2025**	**3%**	**–**	**–**
	2024	32%	–	N/M
	2023	N/A	N/A	N/A
Keith Winstanley	**2025**	**3%**	**6%**	**–**
	2024	N/A	N/A	N/A
Phil White	**2025**	**–**	**–**	**N/A**
	2024	8%	–	N/A
	2023	3%	–	N/A
	2022	5%	–	N/A
	2021	(4%)	–	N/A
Mark Bottomley	**2025**	**–**	**–**	**N/A**
	2024	–	–	N/A
	2023	N/A	N/A	N/A
Stuart Watson	**2025**	**–**	**–**	**N/A**
	2024	–	–	N/A
	2023	N/A	N/A	N/A
Richard Smith	**2025**	**N/A**	**N/A**	**N/A**
UK Employees	**2025**	**4%**	**(14)%**	**(12)%**
	2024	(5%)	(18%)	(19%)
	2023	5%	10%	43%
	2022	12%	5%	169%
	2021	1%	(7%)	(67%)

N/A – not applicable, either because the Director is not eligible for the element of pay or there is no prior year comparative figure.
N/M – not meaningful, e.g. a change from a prior year comparative figure of zero.

The percentage change for UK employees is based upon a consistent set of employees and is calculated using P60 and P11D data. The employee data set includes employees from all employing entities, including Vp plc, in order to reflect fairly the position across the Group.

1 To be comparable to the data for the UK employees the annual bonus for the Directors disclosed above is the bonus paid in the relevant tax year.

Relative importance of spend on pay (unaudited)

The following table shows the Group's actual spend on pay (for all employees) relative to dividends.

		2024	2025	% change
Staff costs	£m	126.5	**135.6**	**7%**
Dividends	£m	15.0	**15.4**	**3%**

Dividend figures relate to amounts paid in respect of the relevant financial year.

Remuneration Committee (unaudited)

The Group's approach to Executive Directors' remuneration is determined by the Board on the advice of the Remuneration Committee.

The primary role of the Committee is to:

- Review, recommend and monitor the level and structure of remuneration for Executive Directors;
- Approve the remuneration packages for Executive Directors; and
- Determine the balance between base pay and performance-related elements of the package so as to align Directors' interests to those of shareholders.

The Committee's terms of reference are set out on the Company's website.

The members of the Remuneration Committee, all independent Non-Executive Directors, during the year under review were as follows:

- Mark Bottomley (Committee Chair)
- Phil White
- Stuart Watson

Biographical information on Committee members and details of attendance at the Committee meetings during the year are set out on pages 48 and 49.

External advisors

During FY 2024/25, the Committee received advice on remuneration matters from Ellason LLP (Ellason), who were recommended by the Committee members' external networks. Ellason are signatories of the Code of Conduct for Remuneration Consultants, details of which can be found at www.remunerationconsultantsgroup.com, and the Committee is therefore satisfied that the advice it receives from Ellason is independent and objective. The Committee is also satisfied that there is no connection between the advisers and the Company or individual Directors. The fees paid by the Company to Ellason during the financial year were £6,480 (on the basis of time and materials) which related to Non-Executive Director fee benchmarking and Remuneration reporting drafting support. Ellason provided no other material services to the Company or to the Group,

Annual General Meeting voting outcomes (unaudited)

The following table details votes for and against the 2023 Directors' Remuneration Policy and the Directors' remuneration report for FY 2023/24, along with the number of votes withheld. The Committee will continue to consider the views of shareholders when determining and reporting on remuneration arrangements.

	Directors' remuneration policy 2023	Directors' remuneration report 2023/24
Votes for	30,858,360 (91.38%)	32,537,682 (99.93%)
Votes against	2,910,178 (8.62%)	21,765 (0.07%)
Votes withheld	900	3,877

The Company's Remuneration Policy was approved by shareholders at the Annual General Meeting held on 20 July 2023 and applies for up to three years. The Remuneration Committee's Annual Report for FY 2023/24 was approved at the Company's Annual General Meeting held on 25 July 2024.

Directors' report

The Directors of Vp plc present their annual report and the audited financial statements of the Group and Parent Company for the year ended 31 March 2025.

Principal activities

The principal activity of the Group is equipment rental and associated services.

Strategic report

Pursuant to sections S414c(11) Companies Act 2006, elements of required reporting including future developments, engagement with others, and environmental matters are included within the Strategic report, which can be found on pages 1 to 45.

Results and dividend

Group profit after tax for the year was £14.4 million (2024: loss £5.3 million). The Directors recommend a final dividend of 39.5 pence per share. Subject to approval, the final dividend will be paid on 6 August 2025 to all shareholders on the register as at 20 June 2025.

Directors

Details of the Directors of the Company who were in office during the year and up to the date of signing the financial statements are given on page 48. Details of Directors' interests in shares are provided in the directors' remuneration report on page 68. During the financial year, and up to the date of approval of these financial statements, the Group has maintained an appropriate level of Directors' and Officers' insurance whereby Directors were indemnified against liabilities to third parties. This is a qualifying third party indemnity provision.

Share capital

Details of the Company's share capital structure are shown in note 20 to the accounts. All shares have the same voting rights. There are no restrictions on the transfer of shares in the Company or restrictions on voting rights.

Substantial shareholders

As at 27 May 2025, the following had notified the Company of an interest of 3% or more in the Company's issued ordinary share capital.

	Number of ordinary shares	Percentage of issued ordinary shares %
Ackers P Investment Company Limited	20,181,411	50.26
Aberforth Partners	1,428,965	3.56
Fidelity Worldwide Investment (FIL)	1,387,816	3.46
Ruffer investment Mgt	1,387,398	3.46
Jupiter Investment Mgt Holdings	1,363,566	3.40
Chelverton Asset Mgt	1,204,075	3.00

Jeremy Pilkington is a Director of Ackers P Investment Company Limited, which is the holding company of Vp plc.

Financial risk management

Consideration of the financial risk management of the Group has been included in the Strategic report on page 43.

Engagement with stakeholders

We set out on page 18 of the Strategic report how the Group meets the needs and expectations of its stakeholders.

Disclosure of information under Listing Rule 6.2.3.

The Directors confirm that the Company has entered into a relationship agreement with Ackers P Investment Company Limited (a controlling shareholder) and has complied with the independence provisions of the agreement.

Disclosure of information under Listing Rule 6.6.1

Pursuant to Listing Rule 6.6.1 the Company is required to disclose that an arrangement is in place whereby the trustee of the Company employee benefit trust has agreed to waive present and future dividend rights in respect of certain shares that it holds, as the Trust only holds the shares to facilitate future share awards.

Employee engagement

The Directors are committed to maintaining effective communication with its workforce on matters which affect their continued employment, job roles, and future prospects as well as being transparent about the Group's financial and business performance, strategy, market challenges, and key projects, both operational and transformational.

This communication is multi layered in the form of: communications from the Chief Executive and wider Executive Committee, delivered either in person, by video conference or by emails and/or via the website.

The Group is committed to ensuring opportunities for employment are available to all those in our communities. With particular reference to those employers with disabilities, we have signed a commitment to a government initiative called Disability Confident, whose aim it is to encourage employees to recruit and retain disabled people, and those with other health conditions. It is the policy of the Group to employ and train disabled people whenever their skills and qualifications allow and suitable vacancies are available. If existing employees become disabled, every effort is made to find them appropriate work and training is provided if necessary.

This year we have continued our partnership with Business in the Community (BITC) which has supported us in the development of our social strategy and colleague volunteering. Our Group HR Director joined the Board of BITC for the North East and is actively engaged in their initiatives. Richard Smith was appointed to the Board and he takes up his role with specific focus on colleague engagement. Richard will be ensuring the thoughts and opinions of our employees are shared with the wider Board and supporting the delivery of objectives aligned to our people strategy.

Further details regarding employees are provided in the strategic report from page 22.

Political and charitable contributions

The Group made no political contributions during the year. Donations to charities amounted to £106,715 (2024: £109,520). The donations made in the year principally relate to environmental initiatives and sponsorship of employee driven fund raising activities on behalf of local and national charities.

Supplier payment policy

It is the Company's policy to make payment to suppliers on agreed terms. The Company seeks to abide by these payment terms whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

Taxation principles

We operate in accordance with our Tax Strategy, which can be found at: www.vpplc.com/investors.

During the year the Group paid £4.6 million (2024: £9.2 million) in corporate taxes. We are a responsible corporate tax payer and conduct our affairs to ensure compliance with all laws and relevant regulations in the countries in which we operate.

Contracts

There are no disclosures required under S417 of the Companies Act in relation to contractual or other arrangements with customers or suppliers.

Purchase of own shares

A resolution is to be proposed to the Company's shareholders at the AGM to authorise the Company to purchase its own shares up to a maximum of 10% of the Company's issued share capital either to be cancelled or retained as treasury shares. This resolution will be proposed as a special resolution in line with previous years. The maximum and minimum prices that may be paid for an ordinary share in exercise of such powers are set out in paragraphs (b) and (c) of Resolution 12 of the Notice of Meeting. The Directors undertake to shareholders that they will only exercise this power after careful consideration, taking into account the financial resources of the Company, future funding opportunities and the price of the Company's shares. The Directors will not exercise the ability to purchase the Company's own shares unless to do so would result in an increase in earnings per share and would be in the best interest of shareholders generally.

During the year ended 31 March 2025, the Company did not acquire any shares under the authority of the resolution passed at the Annual General Meeting.

Going concern

The Group ended the financial year in a solid financial position. The Group continues to generate strong cash flows. Net debt, excluding lease liabilities increased by £13.3 million from £125.2 million at 31 March 2024 to £138.5 million at 31 March 2025. This was after the acquisition of CPH. EBITDA before exceptional items[1] and IFRS 16 impact totalled £90.6 million, which was less than1% lower than prior year of £91.2 million. The operational review on page 10 sets out how the Group has performed in each of the end markets in which it operates.

The Group finances its operations through a combination of shareholders' funds, bank borrowings and leases.

The capital structure is monitored using the gearing ratio of adjusted Net Debt/EBITDA. The Group allocates its capital using a disciplined capital allocation policy that prioritises organic growth and ordinary dividends.

In October 2024, the Group's revolving credit facility (RCF) was extended for a further year to November 2027. The £90.0 million RCF continues to include a £30.0 million uncommitted accordion facility. In addition, NatWest replaced Bank of Ireland within our banking club. The Group is pleased to welcome NatWest to the club and thanks Bank of Ireland for its support. The first date of any debt maturity in the Group is now January 2027 when a tranche of private placement matures. Financial covenants associated with the revolving credit facility remain unchanged.

As at 31 March 2025, the Group had £183.0 million of debt capacity (2024: £183.0 million) comprising committed revolving credit facilities of £90.0 million and £93.0 million private placements, which are subject to covenant testing. At 31 March 2025, £153.1 million of the combined facilities were drawn down (2024: £132.0 million). In addition to the committed facilities, the Group net overdraft facility at the year-end was £7.5 million (2024: £7.5 million). The Board has evaluated the facilities and covenants on the basis of the budget for 2025/26 and 2026/27. All of which has been prepared taking into account the current economic climate, together with appropriate sensitivity analysis. Stress scenarios have also been considered by the Board. Under these scenarios material revenue reductions have been applied for the financial year ended 31 March 2026 against the Group's original budget and extended to 30 September 2026. All scenarios retain adequate headroom against borrowing facilities and fall within the existing covenants.

Our most severe downside modelling, which reflects a 15% reduction in revenue levels demonstrates headroom over borrowing facilities and existing covenant levels throughout the forecast period to the end of September 2026.

On the basis of this testing, the Directors have a reasonable expectation that the Group and Parent Company has adequate resources to continue in operation for the foreseeable future. For this reason, the going concern basis has been adopted in preparation of the consolidated financial statements. This is covered further in note 1 Basis of Preparation on page 91.

Corporate governance

The corporate governance statement on pages 50 to 53 forms part of the Directors' report.

1 These measures are explained and reconciled in the Alternative Performance measures section on page 140

Directors' report continued

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and the 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 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and 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 Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

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

Directors' confirmations

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

Each of the Directors, whose names and functions are listed in the governance section of the Annual Report confirm that, to the best of their knowledge:

- the Group and Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group and Company, and of the profit of the Group
- the operational review and financial review includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

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 Company's Auditors are unaware
- 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 Company's Auditors are aware of that information.

Independent Auditors

In accordance with section 489 of the Companies Act 2006, a resolution for the re-appointment of PricewaterhouseCoopers LLP as Auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board.

Jeremy Pilkington
Chair

10 June 2025

Independent Auditors' report to the members of Vp plc

Report on the audit of the financial statements

Opinion

In our opinion:

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

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Consolidated and Parent Company Balance Sheets as at 31 March 2025; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

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

Independence

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

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

Other than those disclosed in Note 3 of the financial statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The group is organised into 12 reporting units. The group financial statements are a consolidation of these reporting units.
- Of the 12 reporting units, we identified 3 which, in our view, required an audit of their complete financial information, either due to their size or risk characteristics.
- Audit procedures were also performed over certain financial statement line items ('FSLIs') within 4 further reporting units.
- On the remaining 5 reporting units, we performed targeted risk assessment procedures to identify any potential risks of material misstatement to the group financial statements.
- Reporting units over which we performed full scope audit procedures accounted for 74% of the group's reported revenues and 67% of the group's profit before tax, amortisation, impairment of intangible assets and exceptional items. These coverages are based on absolute values.

Key audit matters

- Existence of rental assets (group and parent).
- Short term cash flows used in determining the valuation of non-current assets in relation to the Brandon Hire Station Cash Generating Unit ('CGU') (group).
- Accounting for the acquisition of Charleville Hire and Platform Ltd (group).

Materiality

- Overall group materiality: £1,835,000 (2024: £1,993,000) based on 5% of profit before tax, amortisation and impairment of goodwill, trade names and customer relationships and exceptional items.
- Overall company materiality: £3,120,000 (2024: £3,274,000) based on 1% of total assets.
- Performance materiality: £1,376,250 (2024: £1,494,000) (group) and £2,340,000 (2024: £2,455,000) (company).

The scope of our audit

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

Key audit matters

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

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

Independent Auditors' report to the members of Vp plc continued

Accounting for the acquisition of Charleville Hire and Platform Ltd is a new key audit matter this year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Existence of rental assets (group and parent) Refer to page 57 (Significant accounting issues), page 91 (Material accounting policies) and Notes 9 and 4 in the group and company financial statements, respectively. We focused on this area as the group and parent company hold a significant quantum and carrying amount of rental assets in the normal course of business. At 31 March 2025 the net book value of rental equipment across the group was £241m (2024: £226.0m) and for the parent company was £87.2m (2024: £103.3m). The magnitude of the aggregate carrying value of rental assets, their diverse geographic spread and the frequency of movement (through purchases, hires and sales), results in complexity in maintaining an accurate register of rental assets. We considered the significant risk to be over the existence of both the fleeted (typically higher value and itemised assets with a unique serial identifier) and non-fleeted (typically lower value homogenous assets that do not hold a unique identifier) assets, given that both classes of assets are many multiples of materiality and both represent significant portions of the overall rental asset net book value.	Our audit work in respect of the existence of rental assets included: • gained an understanding of, and evaluated, management's controls over the existence of rental assets, including performing walkthroughs to evaluate the design and operating effectiveness of these controls; • attended a sample of locations across the group at or near the year end and independently tested a sample of rental assets to verify existence; • where required, performed roll-forward procedures to trace movements of rental assets that were not counted at the year-end date in order to confirm their existence at 31 March 2025; • tested a sample of additions in the year to supporting documentation; and • agreed the existence of a sample of assets on hire at the year end to rental invoices (with a period of hire that included 31 March 2025). We found, based on the results of our testing, that the amounts recorded, and disclosures made in the financial statements, were consistent with the supporting evidence obtained.
Short term cash flows used in determining the valuation of non-current assets in relation to the Brandon Hire Station ('BRHS') Cash Generating Unit ('CGU') (group) Refer to page 57 (Significant accounting issues), page 92 (Material accounting policies), page 96 (key accounting estimates) and Notes 4 and 10 in the financial statements. If management identify any impairment triggers over any CGU within the Group they are required to perform an impairment assessment over that CGU, in line with IAS 36. The impairment assessment uses a value in use ('VIU') model based on discounted future cash flows or a calculation of fair value less costs to sell ('FVLCTS'). The recoverable amount of the CGU is the higher of the two valuations. After assessing the results of the BRHS CGU for the year ended 31 March 2025 and the group's outlook for the division, management concluded, and we agreed, that an impairment indicator was present. Whilst all goodwill attached to the BRHS CGU has been impaired in previous periods, we considered the risk of impairment of the remaining non-current assets attached to the CGU to be a significant risk, specifically in relation to short term cash flow projections given the estimation uncertainty in determining the timing and pace of growth.	We obtained management's impairment model for the BRHS CGU. Procedures performed included: • evaluated the historical accuracy of the budgeting process to assess management's ability to forecast accurately; • compared cash flows in the forecast period to: recent actual performance; and external market commentary on expected growth in the UK construction sector to assess the achievability of those forecasts; • traced the forecast financial information within the model to the latest Board approved budgets; • assessed management's fair value less costs to sell ('FVLCTS') valuation cross-check, which they prepared in accordance with IAS 36, so as to conclude on the appropriate recoverable amount; • performed sensitivity analysis over the short term operating cash flows to understand the impact on the impairment charge of reasonable changes in growth assumptions; and • assessed the disclosures in the financial statements relating to impairment for compliance with the IFRS accounting framework. We found, based on the results of our testing, that the impairment recognised in relation to non-current assets within the BRHS CGU to be appropriate.

Key audit matter	How our audit addressed the key audit matter
Accounting for the acquisition of Charleville Hire and Platform Ltd (group) Refer to page 57 (Significant accounting issues), page 92 (Material accounting policies), page 97 (key accounting judgements) and Note 26 in the financial statements. During the year the Group acquired 90% of the issued share capital of Charleville Hire and Platform Ltd ('CPH') for an initial cash consideration of €12.1m (£10.2m), with put options entered into to acquire the remaining 10% within a 3-year period to October 2027. Subject to business performance against EBITDA targets, a further maximum deferred earn out payment of €21.7m may be payable across the second and third anniversaries of the acquisition. Whilst the magnitude of the acquisition was reasonably modest in the context of the existing group and materiality, we focused on the accounting given the structure of the deal and the assumptions required to estimate the fair value of assets acquired, particularly intangible assets.	We obtained management's paper and workings supporting the acquisition accounting, specifically details of the deal structure (including post acquisition employment conditions) and the book value of assets and liabilities acquired and adjustments to arrive at fair value in accordance with IFRS 3. Audit procedures included: • tested the cash consideration paid to bank; • considered the accounting treatment of the further payments due contingent on post-acquisition performance, specifically to determine whether they should be accounted for as post-acquisition remuneration or consideration; • understood and assessed the impact of the put and call options in determining whether a non-controlling interest should be recognised; • assessed, in conjunction with our valuations experts, the assumptions used in deriving the fair value of acquired intangible assets, notably customer relationships; and • recalculated the mathematical accuracy of the models and workings that supported the acquisition accounting. We found, based on the results of our testing, the accounting for the acquisition of CPH to be appropriate and in accordance with the accounting framework

How we tailored the audit scope

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

The group's accounting process is structured around a group finance function at its head office in Harrogate which is responsible for the group's reporting units. The group is organised into 12 reporting units and the group financial statements are a consolidation of these reporting units. Of the 12 reporting units, we identified three which, in our view, required an audit of their complete financial information. The reporting units over which we performed full scope audit procedures accounted for 74% of the group's revenues and 67% of the group's profit before tax, amortisation, impairment of intangible assets and exceptional items (calculated on an absolute value basis).

All of the audit procedures have been performed by the group engagement team. In addition, the group audit team performed targeted risk assessment procedures over a number of smaller reporting units. This included an analysis of year on year movements, at a level of disaggregation to enable a focus on higher risk balances and unusual movements. In aggregate the procedures we performed gave us the evidence we needed for our opinion on the financial statements as a whole.

The parent company consists of two reporting units, both of which required an audit of their complete financial information as part of the audit of the group. The scope of our work therefore covered 100% of the parent company's financial statements.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and parent company's financial statements and the timescale and impact of any 'net zero' commitments. Management have made a commitment to reach net zero greenhouse gas ('GHG') emissions across the group's value chain by 2050.

We remained alert when performing our audit procedures for any indicators of the impact of climate risk. In particular, we considered the nature and useful economic lives of the group's and parent company's rental equipment and the potential impact on the group of maintaining/ replacing these assets in line with climate targets.

Our procedures did not identify any material impacts as a result of climate risk on the group's and parent company's financial statements.

Independent Auditors' report to the members of Vp plc continued

Materiality

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

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

	Financial statements - group	Financial statements - company
Overall materiality	£1,835,000 (2024: £1,993,000).	£3,120,000 (2024: £3,274,000).
How we determined it	5% of profit before tax amortisation and impairment of goodwill, trade names and customer relationships and exceptional items	1% of total assets
Rationale for benchmark applied	We have chosen this as our benchmark as it is a key performance measure disclosed to users of the financial statements. This figure takes prominence in the Annual Report, as well as the communications to both the shareholders and the market. The benchmark is consistent with the prior year.	We have used an asset based measure for the parent company, which is a generally accepted auditing benchmark. Where applicable, we have performed our testing to a lower, group allocated, materiality for individual balances that contribute to the consolidated group results.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £303,000 and £1,652,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £1,376,250 (2024: £1,494,000) for the group financial statements and £2,340,000 (2024: £2,455,000) for the company financial statements.

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

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £91,750 (group audit) (2024: £100,000) and £156,000 (company audit) (2024: £163,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's latest forecasts, including forecast covenant compliance, that support the Board's assessment and conclusions with respect to the going concern basis of preparation of the financial statements;
- Checking the mathematical accuracy of management's forecasts;
- Considering the out-turn of previous forecasts to assess management's forecasting accuracy;
- Corroborating management's base case forecast to appropriate supporting documentation including board approved budgets and divisional budgets;
- Evaluating management's base case forecasts and downside scenarios, challenging the underlying data and adequacy and appropriateness of the assumptions used in making their assessment. We also evaluated the directors' plans for future actions in relation to their going concern assessment, should these be required; and
- Review of the disclosures made in respect of going concern included in the financial statements.

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

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

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

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

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

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

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

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

Strategic report and Directors' report

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

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

Directors' Remuneration

In our opinion, the part of the Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;

Independent Auditors' report to the members of Vp plc continued

- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Listing Rules and health and safety legislation, and we considered the extent to which non-compliance might have a material e ect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in key accounting estimates and posting of inappropriate journal entries to improve the group's result for the period. Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- testing accounting estimates that we deemed to present a risk of material misstatement, including assessing the data, methods and assumptions applied by management in the development of each estimate;
- identifying and testing journal entries using a risk-based targeting approach for unexpected account combinations; and
- reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

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

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 15 October 2014 to audit the financial statements for the year ended 31 March 2015 and subsequent financial periods. The period of total uninterrupted engagement is 11 years, covering the years ended 31 March 2015 to 31 March 2025.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Tom Yeates (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Leeds

10 June 2025

Financial Statements

Consolidated Income Statement
for the year ended 31 March 2025

	Note	2025 £000	2024 Restated* £000
Revenue	2	**379,957**	368,691
Cost of sales		**(287,839)**	(283,159)
Gross profit		**92,118**	85,532
Administrative expenses		**(65,416)**	(48,644)
Impairment losses on trade receivables		**(1,753)**	(3,743)
Impairment of intangible assets	10	**(884)**	(28,120)
Profit on disposal of property, plant and equipment		**7,973**	7,456
Operating profit	3	**32,038**	12,481
Net financial expense	7	**(10,318)**	(9,635)
Profit before tax, amortisation and impairment of goodwill, trade names and customer relationships and exceptional items		**36,672**	39,861
Amortisation and impairment of goodwill, trade names and customer relationships	10	**(4,062)**	(31,198)
Exceptional items	4	**(10,890)**	(5,817)
Profit before tax		**21,720**	2,846
Income tax expense	8	**(7,275)**	(8,137)
Profit/(loss) after tax		**14,445**	(5,291)
Basic earnings/(loss) per share	22	**36.6p**	(13.4)p
Diluted earnings/(loss) per share	22	**36.5p**	(13.4)p
Dividend per share interim paid	21	**11.5p**	11.5p
Dividend per share final paid	21	**27.5p**	26.5p

* Due to a change in presentation, profit on disposal of property, plant and equipment is now presented on the face of the Income Statement. Previously such profits were presented within cost of sales. The comparatives have been restated accordingly. See page 94 for further details.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Profit/(loss) for the year		**14,445**	(5,291)
Other comprehensive expense			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension schemes	25	**(746)**	(391)
Tax on items taken to other comprehensive income	8	**342**	248
Items that may be subsequently reclassified to profit or loss			
Foreign exchange translation differences		**(1,886)**	(1,522)
Tax on items taken to other comprehensive income	8	**247**	–
Net investment hedge	16	**(22)**	–
Total other comprehensive expense		**(2,065)**	(1,665)
Total comprehensive income/(expense) for the year		**12,380**	(6,956)

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

	Note	Share capital £000	Capital redemption reserve £000	Share premium £000	Foreign currency translation £000	Hedging Reserve £000	Retained earnings £000	Total equity £000
At 1 April 2023		**2,008**	**301**	**16,192**	**(518)**	–	**156,949**	**174,932**
Loss for the year		–	–	–	–	–	(5,291)	(5,291)
Other comprehensive expense		–	–	–	(1,522)	–	(143)	(1,665)
Total comprehensive expense		–	–	–	(1,522)	–	(5,434)	(6,956)
Tax movements to equity	8	–	–	–	–	–	(20)	(20)
Share based payments expense in the year		–	–	–	–	–	767	767
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	–	(706)	(706)
Transactions with owners								
Dividends to shareholders	21	–	–	–	–	–	(14,997)	(14,997)
Total changes in equity during the year		–	–	–	(1,522)	–	(20,390)	(21,912)
At 31 March 2024 and 1 April 2024		**2,008**	**301**	**16,192**	**(2,040)**	–	**136,559**	**153,020**
Profit for the year		–	–	–	–	–	14,445	14,445
Other comprehensive expense		–	–	–	(1,886)	(22)	(157)	(2,065)
Total comprehensive income/(expense)		–	–	–	(1,886)	(22)	14,288	12,380
Share based payments expense in the year		–	–	–	–	–	433	433
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	–	(41)	(41)
Transactions with owners								
Dividends to shareholders	21	–	–	–	–	–	(15,394)	(15,394)
Total changes in equity during the year		**–**	**–**	**–**	**(1,886)**	**(22)**	**(714)**	**(2,622)**
As at 31 March 2025		**2,008**	**301**	**16,192**	**(3,926)**	**(22)**	**135,845**	**150,398**

Consolidated Balance Sheet
as at 31 March 2025

NET ASSETS	Note	2025 £000	2024 Restated* £000
Non-current assets			
Property, plant and equipment	9	**271,058**	256,944
Intangible assets	10	**29,398**	28,572
Right-of-use assets	11	**57,832**	58,645
Employee benefits	25	**858**	1,853
Total non-current assets		**359,146**	346,014
Current assets			
Inventories	12	**9,911**	9,548
Trade and other receivables	13	**71,473**	74,753
UK income tax receivable		**2,019**	3,582
Cash and cash equivalents	14	**29,870**	24,527
Total current assets		**113,273**	112,410
Total assets		**472,419**	458,424
Current liabilities			
Lease liabilities	11	**(17,609)**	(16,319)
Overseas income tax payable		**(2,275)**	(1,501)
Trade and other payables	17	**(63,622)**	(71,720)
Bank overdraft	14	**(17,202)**	(18,466)
Total current liabilities		**(100,708)**	(108,006)
Non-current liabilities			
Interest-bearing loans and borrowings	15	**(151,165)**	(131,280)
Lease liabilities	11	**(47,815)**	(45,642)
Other payables	17	**(2,608)**	(667)
Provisions	18	**(2,937)**	(3,160)
Deferred tax liabilities	19	**(16,788)**	(16,649)
Total non-current liabilities		**(221,313)**	(197,398)
Total liabilities		**(322,021)**	(305,404)
Net assets		**150,398**	153,020
EQUITY			
Issued share capital	20	**2,008**	2,008
Capital redemption reserve		**301**	301
Share premium		**16,192**	16,192
Hedging reserve		**(22)**	–
Foreign currency translation reserve		**(3,926)**	(2,040)
Retained earnings		**135,845**	136,559
Total equity		**150,398**	153,020

* See note 14 explaining a change to present the bank overdraft gross of cash and cash equivalents.

The financial statements on pages 86 to 124 were approved and authorised for issue by the Board of Directors on 10 June 2025 and were signed on its behalf by:

Jeremy Pilkington
Chair

Keith Winstanley
Director

Company number: 481833

Consolidated Statement of Cash Flows
for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Profit before taxation		**21,720**	2,846
Adjustments for:			
Share based payment charges expense		**433**	767
Depreciation of property, plant and equipment	9	**46,464**	44,138
Impairment of property, plant and equipment	9	**1,174**	–
Depreciation of right-of-use assets	11	**18,396**	16,488
Impairment of right-of-use-assets	11	**4,219**	–
Impairment of intangible assets	10	**884**	28,120
Bargain purchase	4	**(1,085)**	–
Contingent remuneration	4	**1,800**	–
Amortisation of intangible assets	10	**4,026**	3,934
Release of arrangement fees		**346**	427
Net financial expense		**10,318**	9,635
Profit on disposal of property, plant and equipment		**(7,973)**	(7,456)
Operating cash flow before changes in working capital and provisions		**100,722**	98,899
Increase in inventories		**(363)**	(633)
Decrease in trade and other receivables		**4,154**	6,760
(Decrease)/increase in trade and other payables		**(8,559)**	2,082
(Decrease)/increase in provisions		**(223)**	1,548
Cash generated from operations		**95,731**	108,656
Interest paid		**(6,795)**	(6,521)
Interest element of lease liability payments		**(3,698)**	(3,315)
Interest received		**117**	58
Income taxes paid		**(4,618)**	(9,233)
Net cash generated from operating activities		**80,737**	89,645
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**23,745**	25,273
Purchase of property, plant and equipment		**(72,869)**	(71,375)
Purchase of intangible assets		**(800)**	(963)
Acquisition of subsidiary (net of cash acquired)	26	**(9,945)**	–
Net cash used in investing activities		**(59,869)**	(47,065)
Cash flows from financing activities			
Purchase of own shares by Employee Trust		**(41)**	(706)
Repayment of borrowings		**(38,000)**	(76,000)
Drawdown of borrowings		**57,738**	62,000
Arrangement fees		**(199)**	(655)
Principal payment of lease liabilities		**(17,985)**	(17,275)
Dividends paid	21	**(15,394)**	(14,997)
Net cash used in financing activities		**(13,881)**	(47,633)
Net increase/(decrease) in cash and cash equivalents		**6,987**	(5,053)
Effect of exchange rate fluctuations on cash held		**(380)**	(26)
Cash and cash equivalents net of overdrafts as at the beginning of the year		**6,061**	11,140
Cash and cash equivalents net of overdrafts as at the end of the year	14	**12,668**	6,061

Notes
(forming part of the financial statements)

1. Material accounting policies and other explanatory information

Basis of preparation
Vp plc is a public limited company (limited by shares), which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom. These consolidated Financial Statements of Vp plc, for the year-ended 31 March 2025, consolidate those of the Company and its subsidiaries (together referred to as the "Group").

Statement of compliance
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 Financial Statements are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis and historic cost basis, except that defined benefit pension plans, hedging instruments and cash-settled share options are stated at fair value.

Going concern
The going concern basis has been adopted in preparation of the consolidated and parent company financial statements. The Board has evaluated funding, facilities and covenants on the basis of the budget for 2025/26 which have been extended to the period September 2026 and performed sensitivity analysis on them.

The Group and Parent Company forecast positive cash inflows through a pipeline of existing and new hire agreements and other services; the Group and Parent Company also have sufficient finance facilities available. The assessment included an analysis of the Group's and Parent Company's current financial position, ability to trade, principal risks facing the Group, and the effectiveness of its strategies to mitigate the impact of liquidity risks and included a severe but plausible downside scenario. On the basis of these procedures, the Board has a reasonable expectation that the Group and Parent Company has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Group and Parent Company were unable to continue as a going concern.

Material accounting policies
The Group's material accounting policies are set out below and have been applied consistently to all periods presented in these consolidated financial statements. There were no changes to IFRSs or IFRIC interpretations that have had a material impact on the Group for the year-ended 31 March 2025.

Standards effective in the year
The Group adopted the following new accounting policies on 1 April 2024 to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Group's financial reporting on adoption, are:
- Amendments to IFRS 16 - Leases on sale and leaseback
- Amendments to IAS 1 - Non-current liabilities with covenants; and
- Amendments to IAS 7 and IFRS 7 - Supplier Finance

Future standards
Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2025 reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. These standards are as follows:

- IFRS 18, Presentation and disclosure in financial statements
- IFRS 19, Subsidiaries without public accountability; disclosures
- Amendments to IAS 21 - lack of exchangeability
- Amendments to IFRS 9 and IFRS 7
- Annual improvements 2024

Basis of consolidation
Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights, which presently are exercisable or convertible, are taken into account. The financial information of subsidiaries is included in the consolidated Financial Statements from the date that control commences until the date that control ceases.

Property, plant and equipment
Property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Certain items of property, plant and equipment that had been revalued to fair value on, or prior to, 1 April 2004, the date of transition to adopted IFRSs, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, as permitted by the exemption in IFRS 1.

Assets acquired via acquisitions are recorded in the accounting records at fair value.

Notes

(forming part of the financial statements) continued

1. Material accounting policies and other explanatory information continued

Depreciation is provided by the Group to write off the cost or deemed cost less estimated residual value (where appropriate) of property, plant and equipment using the following annual rates:

Land and Buildings – Freehold buildings	– 2% straight line
Land and Buildings – Leasehold improvements	– Term of lease
Rental equipment	– 5%–33% straight line depending on asset type
Motor vehicles	– 20%–33% straight line
Other – Computers	– 10%–33% straight line
Other – Fixtures, fittings and other equipment	– 10%–20% straight line

Estimates of residual values are reviewed at least annually, and adjustments made as appropriate. Any profit or loss generated on disposal is shown on the face of the income statement within profit on disposal of property, plant and equipment. This is a change in presentation, see page 94 for further details. No depreciation is provided on freehold land.

In accordance with IAS 16 the Group regularly reviews its depreciation rates to ensure that they remain appropriate. As part of the reviews carried out during the year the Group amended certain depreciation rates and residual values to reflect better the expected useful lives and expected end-of-life values of these assets. The impact of this was to reduce the deprecation charge by £0.6 million.

Business combinations and goodwill

For acquisitions on or after 1 April 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition are expensed to the income statement as incurred.

In respect of acquisitions between 1 April 2004 and 1 April 2010, goodwill represents the difference between the cost of the acquisitions and the fair value of identifiable net assets and contingent liabilities acquired. Costs related to the acquisition were capitalised as part of the cost of the acquisition.

Goodwill is stated at cost less any accumulated impairment losses and is included on the balance sheet as an intangible asset. It is allocated to cash-generating units and is not amortised, but is tested annually for impairment. Impairments of goodwill are not subsequently reversed.

The Group has chosen not to restate business combinations prior to 1 April 2004 on an IFRS basis as permitted by IFRS 1. Goodwill is included on the basis of deemed cost for the transactions, which represent its carrying value at the date of transition to adopted IFRSs.

Any contingent future payments, linked with future employment services represents remuneration for post-combination services as opposed to contingent consideration, and is expensed over the period of service.

Other intangible assets

Intangible assets other than goodwill that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Intangible assets acquired in a business combination are initially recorded at fair value and are subsequently measured at amortised cost. Amortisation is included within cost of sales within the Income Statement. The rate of amortisation attempts to write off the cost of the intangible asset over its estimated useful life using the following rates:

Customer relationships	– up to 10 years
Supply agreements	– the initial term of the agreement
Trade names	– over their estimated useful life at acquisition, normally 10 years
Software	– over the useful economic life, normally 3 to 5 years

Impairment

The carrying amounts of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment losses are recognised through the Income Statement. For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is tested at each balance sheet date. The recoverable amount of a CGU is determined either by reference to discounted forecast cash flows from the CGU or an estimate of its fair value less costs of disposal, whichever is higher. A CGU is defined as the smallest identifiable group of assets that generates largely independent cash inflows.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of individual items of inventory are determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. For slow-moving or obsolete items, where net realisable value is lower than cost, necessary provision is made.

Raw materials and consumables are held primarily for the repair and maintenance of fleet assets. Goods for resale is inventory held for sale to customers.

Trade and other receivables

Trade and other receivables are stated at their due amounts less impairment losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Trade receivables are written off when there is no reasonable expectation of recovery. The loss allowance for trade receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows. The Group has a legal right and an intention to settle these balances net.

Interest-bearing loans and borrowings

Financial assets and liabilities are recognised on the balance sheet when the Group becomes party to the contractual provision of the instrument. Interest-bearing borrowings are recognised initially at fair value. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the periods of the borrowings on an effective interest basis. Cash flows for interest paid and interest received on financial assets held for cash management purposes are presented as operating cash flows in the statement of cash flows.

Taxation

The charge for taxation is based on the results for the year and takes into account full provision for deferred taxation due to temporary differences.

Deferred tax is provided using the balance sheet liability method to provide for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and liabilities are not discounted and are offset where amounts will be settled on a net basis as a result of a legally enforceable right.

Current tax is the expected tax payable on the taxable income for the year, using rates enacted at the balance sheet date, and any adjustment to tax payable in respect of prior years. A tax provision is recognised where there is a probable requirement to settle, in the future, an obligation based on a past event.

Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Employee benefits – pensions

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

The Group's net surplus/obligation, in respect of its defined benefit pension plans, is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The liability discount rate is the yield at the balance sheet date on AA credit-rated bonds that have maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit method.

The Group's net surplus/obligation is recorded as a balance sheet asset or liability and the actuarial gains and losses associated with this balance sheet item are recognised in the statement of comprehensive income as they arise. Actuarial gains and losses occur when actuarial assumptions differ from those previously envisaged by the actuary or when asset returns differ from the liability discount rate.

An asset for the surplus has been recognised on the basis that it is recoverable prior to wind up of the scheme; however, the balance sheet position is sensitive to small fluctuations in the assumptions made.

When the benefits of the plan are improved, the proportion of the increased benefit relating to past service by employees is recognised as an expense in the Income Statement at the earlier of the date when a plan amendment or curtailment occurs and the date when an entity recognises related restructuring costs or termination benefits.

Notes
(forming part of the financial statements) continued

1. Material accounting policies and other explanatory information continued

Dividend
Final dividends are recognised as a liability in the period in which they are approved; however, interim dividends are recognised on a paid basis.

Share capital
Ordinary shares are classified as equity.

Employee trust shares
The Group has an employee trust (the Vp Employee Trust) for the warehousing of shares in support of awards granted by the Company under its various share option schemes. The Group consolidated financial statements include the assets and related liabilities of the Vp Employee Trust. In the Group consolidated financial statements, the shares in the Group held by the employee trust are treated as treasury shares, are held at cost and are presented in the balance sheet as a deduction from retained earnings. The shares are ignored for the purpose of calculating the Group's earnings per share.

Treasury shares
When share capital recognised as equity is repurchased and classified as treasury shares, the amount of the consideration paid is recognised as a deduction from equity. When treasury shares are sold or reissued, subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from the retained earnings.

Revenue
Revenue represents the amounts (excluding Value Added Tax) derived from the hire of equipment and the provision of goods and services to third-party customers during the year. Revenue from equipment hire, which is the vast majority of Group revenues, is accounted for under IFRS 16 'Leases'. Revenue is recognised from the start of hire through to the end of the agreed hire period, predominantly on a time-apportioned basis. Revenue for services and sales of goods are accounted for under IFRS 15 'Revenue from Contracts with Customers'. Revenue from providing services is recognised in the accounting period in which the services are rendered. The majority of services provided are short term and only an immaterial proportion bridge a financial year-end. Any increases or decreases in estimated revenues or costs arising from changed circumstances are reflected in profit in the period in which they become known by management. As the Group does not, in the course of its ordinary activities, routinely dispose of equipment held for hire, any amounts derived are excluded from revenue. Revenue from sale of goods primarily relates to consumables and new machine sales. Revenue is recognised when a Group entity sells a consumable to the customer or when control of the new machine has transferred ownership to the buyer upon delivery. The terms of the contract are considered to determine the transaction price. Depending on the type of sale, a receivable is recognised when the goods are delivered or due immediately. Amounts due from customers are payable by customers on standard credit terms and there is no significant financing component or variable consideration within amounts due from customers. Obligations for returns are measured by estimating the likely cost of future refunds using historical information.

Prior year restatements
Profit on disposal of property, plant and equipment has been included on the face of the income statement.. This is a change in presentation, previously such profits were presented within cost of sales. The impact of the change on the comparative figures is to show a profit on disposal of £7.5 million on the face of the income statement and increase cost of sales by the same amount. There was no change to operating profit or profit before tax.

Below summarises the disaggregation of revenue from contracts with customers from the total revenue disclosed in the consolidated income statement. The prior year has been restated regarding segments as per note 2:

	2025			2024		
	UK £000	**International £000**	**Total £000**	UK £000 Restated	International £000 Restated	Total £000 Restated
Equipment hire	**239,769**	**46,012**	**285,781**	229,705	44,169	273,874
Services	**53,013**	**14,091**	**67,104**	49,321	12,645	61,966
Sales of goods	**24,835**	**2,237**	**27,072**	30,286	2,565	32,851
Total revenue	**317,617**	**62,340**	**379,957**	309,312	59,379	368,691

Share-based payments
The fair value of share options is charged to the Income Statement based upon their fair value at the date of grant with a corresponding increase in equity. The charge is recognised evenly over the vesting period of the options. The liabilities for cash-settled share-based payment arrangements are measured at fair value.

The fair values are calculated using an appropriate option pricing model. The Group's approved, unapproved and Save As You Earn (SAYE) schemes have been valued using the Black–Scholes model and the Income Statement charge is adjusted to reflect the expected number of options that will vest, based on expected levels of performance against non-market-based conditions and the expected number of employees leaving the Group. The fair values of the Group's Long-Term Incentive Plan (LTIP) and Share Matching scheme are calculated using a discounted grant price model, again adjusted for expected performance against non-market-based conditions and employees leaving the Group.

Any cash-settled options are valued at their fair value as calculated at each period end, taking account of performance criteria and expected numbers of employees leaving the Group, and the liability is reflected in the balance sheet within accruals.

The Parent Company recharges the subsidiary entities with the fair value of the share options relating to the employees associated with that entity.

The Group's results are subject to fluctuations caused by the cash-settled share options and national insurance costs on LTIPs and share option schemes as these are required to be remeasured at each reporting date based on the Company share price. Changes in the share price during the reporting period, therefore, impact the charge to the Income Statement for cash-settled options and national insurance, including vested but not exercised options, as well as unvested options. A movement of 10 pence in the share price would impact the charge to the Income Statement by £2,000 (2024: £31,000).

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Income Statement. Non-monetary assets and liabilities that are stated at fair value are translated to sterling at the foreign exchange rates ruling at the date the values were determined.

The assets and liabilities of foreign operations are translated at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at rates approximating to the foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on retranslation are recognised directly in equity.

Net investment hedge

On consolidation, exchange differences arise from the translation of the net investment in foreign entities and foreign currency denominated borrowings. For designated hedges of such investments, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of the hedge is charged or credited directly to administrative expenses.

When a hedging instrument expires, or when a hedge no longer meets the criteria for hedge accounting, any cumulative exchange differences existing in equity at that time remain in equity. Foreign exchange translation differences accumulated in equity are reclassified to the income statement when the foreign operation is partially disposed of or sold.

Net financial expenses

Net financial expenses comprise interest on obligations under the defined benefit pension schemes, the expected return on scheme assets under the defined benefit pension schemes, interest payable on borrowings calculated using the effective interest rate method, interest expenses arising on leases in accordance with IFRS 16 and interest receivable on funds invested.

Leases (as lessee)

The Group holds leases for various properties, equipment and vehicles. Rental contracts are typically made for fixed periods of one to ten years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are, initially, measured on a present value basis. Lease liabilities include the net present value of fixed payments less any incentives receivable, variable lease payments that are based on a specified index or a rate, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. A separate provision for onerous leases is, therefore, no longer required.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This incremental borrowing rate is the interest rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value over a similar term and with similar security to the right-of-use asset in a similar economic environment. To determine the incremental borrowing rate, the Group, where possible uses recent third-party financing received as a starting point, adjusted to reflect changes in the financing conditions since third-party financing was received; adjusts for credit risk as required; and makes adjustments specific to the lease for example to country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are, generally, depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Notes

(forming part of the financial statements) continued

1. Material accounting policies and other explanatory information continued

Where a lease has ended and we have moved to an ongoing rental with the supplier, no right-of-use asset or lease liability is recognised until a new contract is signed. Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in the Consolidated Income Statement. Short-term leases are certain leases with a lease term of 12 months or less. Low-value assets comprise certain IT equipment and small items of office equipment.

Extension and termination options are included in a number of leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects the assessment and that is within the control of the Group. This reassessment could result in a recalculation of the lease liability and a material adjustment to the associated balances.

Provisions

Provisions are created where the Group has a present legal or constructive obligation as a result of a past event, where it is probable that it will result in an outflow of economic benefits to settle the obligation, and where it can be reliably measured. For dilapidations on leased properties this is when a requirement for repairs or reinstatement is identified.

Exceptional items

The Group makes adjustments to the statutory profit measures in order to derive certain alternative performance measures. Certain pre-tax items, excluding amortisation and impairment of intangible assets, are included in the most appropriate income statement line item according to function but are also presented as exceptional items on the face of the consolidated income statement. Exceptional items are those items that, in the judgement of the Group, need to be disclosed separately due to their size, nature or irregularity. Separate disclosure provides assistance in understanding the underlying performance of the business. Restructuring and transformational costs are considered on a case-by-case basis as to whether they meet the exceptional criteria. Other items are considered against the exceptional criteria based on specific circumstances. The presentation is consistent with the way financial performance is measured by management and reported to the Board. Further disclosure is included in note 4.

Accounting estimates and judgements

The key accounting policies, estimates and judgements used in preparing the Group's Annual Report and Accounts for the year-ended 31 March 2025 have been reviewed and approved by the Board.

Key accounting estimates

The areas of principal accounting uncertainty that could have a significant impact in the next 12 months are the useful lives of rental assets, including residual values, the testing for impairment of goodwill and other intangibles which require significant estimates relating to cash flows.

Depreciation rates

The Group continually reviews depreciation rates and, using its judgement, adopts a best estimate policy in assessing the estimated useful economic lives of fleet assets. The rate of technological and legislative change and impact of climate-related risks is factored into the estimates, together with the diminution in value through use and time. The Group also takes account of the profit or loss it makes on the disposal of fixed assets in determining whether depreciation policies are appropriate. The net book value of rental equipment at 31 March 2025 is £240.9 million (2024: £226.0 million). It is not practical to disclose sensitivity analysis due to the range of assumptions used relating to both the useful economic lives and residual values of the Group's diverse range of fleet assets.

Impairment of non-current assets held in the Brandon Hire Station Cash Generating Unit ("CGU")

An impairment assessment of the assets held by the Brandon Hire Station CGU was undertaken as the current year performance relative to plan was considered to be an impairment trigger.

The impairment assessment used a value in use model based on discounted cash flows and a calculation of fair value less costs to sell. The recoverable amount, being the higher of the two valuations, was derived from the value in use model.

As a result of the assessment, impairments totalling £6.3 million were recorded against right-of-use assets (£4.2 million), property, plant and equipment (£1.2 million), and intangible assets (£0.9 million), allocated in accordance with IAS 36.

The key estimates in determining the recoverable amount are deemed to be the short term (years 1 and 2) operating cash flow growth rates in the forecast cash flows and the pre-tax discount rate used in the value in use model. The pre-tax discount rate was 13.3% (2024: 13.2%), an estimate based on the Group's weighted average cost of capital adjusted to reflect the required return an investee would expect. Short term operating cash flow growth rates have been based on past experience, market conditions and the size of the fleet.

A sensitivity analysis has been performed over each of the key estimates. A 1% increase in the discount rate or a 10% decrease in the short term (years 1 and 2) operating cash flow growth rates would increase the impairment charge across the Brandon Hire Station CGU assets by £7.9 million or £5.0 million respectively. A 1% decrease in the discount rate or a 10% increase in the short term operating cash flow growth rates would result in no impairment charge being recognised.

Key accounting judgements

The Group applies judgement over the classification of exceptional items. Judgement is required as to whether transactions relate to costs or incomes which, due to their size, nature or irregularity, are excluded from management's view of the underlying trading performance of the Group.

Business Combinations - Charleville Hire and Platform Limited ("CPH") acquisition

On 2 October 2024 Vp plc acquired 90% of the shares in CPH, with the remaining 10% to be acquired over a three-year period. Judgement is required in the determination of no non-controlling interest being recognised, with it determined risks and rewards associated with CPH fully transferred to Vp plc, and therefore 100% of post-acquisition results are included within the Consolidated Group Accounts. Judgement was also applied in determining contingent future payments, for the remaining 10% of shares, represents remuneration for post-combination services as opposed to contingent consideration.

2. Segment reporting

Segment reporting is presented in respect of the Group's business and geographical segments. The Group's reportable segments are UK and International.

The Group's reportable segments are determined on the way in which financial information is organised and reported to the Group Board, who are responsible for the key operating decisions of the Group, the allocation of resources and the assessment of performance and, hence, are the chief operating decision makers. Total external revenue in 2025 was £380.0 million (2024: £368.7 million). Inter-segment pricing is determined on an agreed price between the parties. Included within revenue is £27.1 million (2024: £32.9 million) of revenue relating to the sale of goods; the rest of the revenue is service related, including hire revenue. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

Geographical segments

Revenue is generated mainly within the United Kingdom with no single overseas geographical area accounting for more than 10% of the Group revenue. The Group's geographical segments are aligned with the presentation of business segments below.

Business segments

	Revenue						Adjusted Operating Profit	
	2025			2024			**2025**	2024
	External revenue £000	**Internal revenue £000**	**Total revenue £000**	External revenue £000 Restated	Internal revenue £000 Restated	Total revenue £000 Restated	**£000**	£000 Restated
UK	**317,617**	**7,874**	**325,491**	309,312	12,325	321,637	**37,405**	39,361
International	**62,340**	**–**	**62,340**	59,379	–	59,379	**9,585**	10,135
	379,957	**7,874**	**387,831**	368,691	12,325	381,016	**46,990**	49,496

A reconciliation of operating profit before amortisation and impairment of goodwill, trade names and customer relationships and exceptional items to profit before tax is provided on page 140.

The segmental analysis is different from that presented in the year ended 31 March 2024 annual financial statements. Previously the segments were based on the historic management location. Following a reorganisation of the internal reporting of financial information, the UK segments now contain all divisions and sub-divisions which are primarily operating in the UK. The International segment contains all divisions and sub-divisions which are primarily operating outside the UK. Prior year balances have been restated into the new segmentation. Revenue of £20.8 million and operating profit before amortisation and impairment of goodwill, trade names and customer relationships and exceptional items of £5.3 million have been reclassified from the UK segment to the International segment.

	Non-current assets		Additions to property, plant and equipment		Amortisation and impairment of intangible assets	
	2025 £000	2024 £000 Restated	**2025 £000**	2024 £000 Restated	**2025 £000**	2024 £000
UK	**286,904**	294,439	**52,515**	56,689	**4,651**	31,305
International	**71,384**	49,723	**18,787**	13,187	**258**	749
	358,288	344,162	**71,302**	69,876	**4,909**	32,054

2. Segment reporting continued

Significant items of income and (expense) include:

	2025			2024		
	UK £000	**International £000**	**Total £000**	UK £000	International £000	Total £000
Employment costs	**(112,011)**	**(22,811)**	**(134,822)**	(104,698)	(21,390)	(126,088)
Depreciation of owned property, plant and equipment	**(39,602)**	**(6,862)**	**(46,464)**	(38,811)	(5,327)	(44,138)
Depreciation of right-of-use assets	**(16,273)**	**(2,123)**	**(18,396)**	(14,645)	(1,843)	(16,488)
Profit on disposal of property, plant and equipment	**5,655**	**2,318**	**7,973**	6,310	1,146	7,456

No single customer contributes more than 10% of the Group's revenue.

3. Operating profit

		2025 £000	2024 £000
Operating profit is stated after charging/(crediting):			
Amortisation and impairment of intangible assets		**4,910**	32,054
Depreciation of property, plant and equipment	– owned	**46,464**	44,138
	– leased	**18,396**	16,488
Impairment of property, plant and equipment	– owned	**1,174**	–
	– leased	**4,219**	–
Exceptional Items (Note 4)		**10,890**	5,817
Profit on disposal of property, plant and equipment		**(7,973)**	(7,456)
Amounts paid to Auditors:			
Audit fees – Parent Company annual accounts		**662**	562
– other Group companies		**124**	73
– other Group companies in respect of prior year audits		**100**	25
– total Group		**886**	660
Audit-related assurance services all within the Parent Company		**1**	1

4. Exceptional items

During the year, those items considered exceptional include:

	2025 **£000**	2024 £000
Restructuring and reorganisations	**3,807**	5,817
Gain on bargain purchase	**(1,085)**	–
Contingent remuneration for post-combination services	**1,800**	–
Acquisition-related costs	**975**	–
Impairment of property, plant and equipment and right-of-use assets	**5,393**	–
Total Exceptional Items	**10,890**	5,817

Current year restructuring and reorganisation costs include branch closure costs of £3.5 million in the Group's Brandon Hire and UK Forks divisions (2024: £4.2 million) and system and structural changes required to enable transformation projects within the Group (£0.3 million). Branch closure costs are deemed exceptional due to their size and nature. Branch closure costs included redundancies, property exit costs and the write-off of assets that can no longer be used. Prior year restructuring and reorganisation costs also included costs relating to changes to the Group's Board and Senior leadership team (£1.6 million). Costs relating to Board and leadership changes were considered exceptional due to the size and irregularity.

Gain on bargain purchase of £1.1 million relates to the difference between consideration and assets acquired associated with the acquisition of CPH. This item is considered exceptional due to its irregularity.

Contingent remuneration for post-combination services, associated with the CPH acquisition, is based on CPH business performance against future EBITDA targets, and may be payable on the second and third anniversary of the 2 October 2024 acquisition. The charge in the year represents the directors' best estimate of amount to be paid, pro-rated based on employment term completed post combination. They are deemed exceptional due to their size and irregularity. As the remuneration costs are to be accrued across the periods of two and three years post acquisition, costs in relation to this are expected to be incurred over the next three financial years, up to the year ending 31 March 2028. These costs are considered exceptional due to their irregularity.

Acquisition-related costs are costs incurred in the process of acquiring CPH. These costs are considered exceptional due to their irregularity.

Impairment charges against non-current assets, including property, plant and equipment of £1.2 million and right-of-use assets of £4.2 million, have been recognised against assets held in the Brandon Hire Station cash generating unit (CGU), where challenges in the general construction sector continue to impact performance. These non-cash impairments have been calculated by comparing the carrying value of the CGU against its recoverable amount and allocating the impairment identified across certain non-current asset categories in accordance with IAS 36.

The exceptional items above result in a reduction of £2.0 million (2024: £1.5 million) in the tax charge.

All exceptional items are included within administrative expenses within the consolidated income statement.

5. Employment costs

The average monthly number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Operations	**2,065**	1,972
Sales	**335**	329
Administration	**555**	597
	2,955	2,898

The aggregate payroll costs of these persons were as follows:

	2025 £000	2024 £000
Wages and salaries	**119,967**	112,480
Social security costs	**10,744**	9,846
Other pension costs	**4,111**	3,762
Share option costs including associated social security costs – equity-settled	**438**	751
– cash-settled	**387**	(341)
	135,647	126,498

6. Remuneration of Directors

The Group's key management are the Executive and Non-Executive Directors. The aggregate remuneration paid to, or accrued for, the Directors for services in all capacities during the year is as follows:

	2025 £000	2024 £000
Total remuneration including bonus and benefits	**1,366**	1,288
Pension contributions	**116**	145
	1,482	1,433

Further details of Directors' remuneration, pensions and share options, including the highest-paid Director, are given in the annual report on remuneration on page 66 onwards. No amounts were accruing for Directors in relation to defined benefit pension schemes.

7. Net financial expense

	2025 £000	2024 £000
Financial income:		
Bank and other interest receivable	**117**	58
Financial expenses:		
Bank loans, overdrafts and other interest	**(6,736)**	(6,378)
Finance charges in respect of leases under IFRS 16	**(3,699)**	(3,315)
	(10,435)	(9,693)
Net financial expense	**(10,318)**	(9,635)

8. Income tax expense

Current tax expense	2025 £000	2024 £000
UK Corporation tax charge at 25% (2024: 25%)	**5,015**	6,066
Overseas tax – current year	**2,370**	2,075
Adjustments in respect of prior years – UK	**(57)**	(317)
Adjustments in respect of prior years – Overseas	**(6)**	185
Total current tax	**7,322**	8,009
Deferred tax (credit)/expense		
Origination and reversal of temporary differences	**148**	(122)
Adjustments to deferred tax in respect of prior years	**(195)**	250
Total deferred tax	**(47)**	128
Total tax expense in income statement	**7,275**	8,137

Reconciliation of effective tax rate

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the statutory tax rate applicable to profits of the consolidated entities as follows:

	2025 %	2025 £000	2024 %	2024 £000
Profit before tax		**21,720**		2,846
Profit multiplied by standard rate of corporation tax	**25.0%**	**5,430**	25.0%	712
Effects of:				
Expenses not deductible for tax purposes	**5.3%**	**1,167**	13.2%	377
Non-qualifying depreciation and amortisation	**4.1%**	**886**	19.5%	556
Gains covered by exemption/losses	**(4.1)%**	**(893)**	(22.2)%	(632)
Income not taxable	**(1.3)%**	**(271)**	–	–
Unrecognised deferred tax	**1.8%**	**383**	–	–
Effects of overseas tax rates	**3.5%**	**750**	11.6%	329
Impairment of goodwill not deductible for tax purposes	**–**	**–**	227.3%	6,470
Share options	**0.4%**	**81**	7.3%	207
Adjustments in respect of prior years	**(1.2)%**	**(258)**	4.1%	118
Total tax charge for the year	**33.5%**	**7,275**	285.9%	8,137

Tax recognised in other comprehensive income or directly in reserves

	2025 £000	2024 £000
Other comprehensive income:		
Tax relating to actuarial losses on defined benefit pension schemes	**(187)**	(98)
Tax relating to historic asset revaluations	**(1)**	(1)
Tax relating to foreign exchange translation differences	**(247)**	(149)
Adjustments in respect of prior years	**(154)**	–
	(589)	(248)
Direct to equity:		
Deferred tax relating to share-based payments	**–**	20
Total tax recognised in reserves	**(589)**	(228)

8. Income tax expense continued

The UK corporation tax rate for the year-ended 31 March 2025 was 25% (2024: 25%).

The main reconciling items are:

- expenses not deductible for tax purposes: primarily related to capital transactions, disallowable expenses and customer entertaining, including costs related to the acquisition of CPH;
- non-qualifying depreciation: mainly relates to depreciation on land and buildings, including an impairment to Hire Station Ltd property;
- share options, reflecting share based payment charges in excess of tax relief;
- gains covered by exemptions/losses, which relates to chattels exemptions on the disposal proceeds of fleet items;
- income not taxable, relating to the gain on bargain purchase;

unrecognised deferred tax in relation to overseas losses (£1.7 million) (2024: £nil), where utilisation is not foreseeable in the near future;

- overseas tax rates which are higher than the UK tax rate, particularly in Australia and Germany; and
- adjustments in respect of prior years; reflecting the differences between the tax calculation for accounts purposes and the final tax returns. Factors include disallowed expenses and chargeable gains.

The effective tax rate before any prior year adjustments, tax rate change, impairment of intangible assets and exceptional items would be expected to be 4.2% over the standard rate of tax (2024: 2.1%).

The closing unremitted earnings of subsidiaries is approximately £158.0 million (2024: £175.0 million). No deferred tax liability is recognised on investments in subsidiaries and branches because the Parent Company is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

The Organisation for Economic Cooperation and Development ('OECD') has published Global Anti-Base Erosion ('GloBE') Model Rules, which include a minimum 15% tax rate by jurisdiction ("Pillar Two"). The Group does operate in various jurisdictions that have substantially enacted Pillar Two legislation.

While the Group is a multinational enterprise group, it is not currently within the scope of Pillar Two legislation, as its consolidated revenue does not exceed the €750 million threshold in FY 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

9. Property, plant and equipment

Cost or deemed cost	Land and buildings £000	Rental equipment £000	Motor vehicles £000	Other assets £000	Total £000
At 1 April 2023	47,582	455,129	6,245	41,090	550,046
Additions	3,408	62,831	866	2,771	69,876
Disposals	(615)	(52,848)	(623)	(911)	(54,997)
Transfer to intangible assets	–	–	–	(3,285)	(3,285)
Exchange rate differences	(24)	(2,128)	(106)	(191)	(2,449)
Transfer between categories	–	(2)	–	2	–
At 31 March 2024	50,351	462,982	6,382	39,476	559,191
Additions	1,978	65,359	1,202	2,763	71,302
Acquisitions (note 26)	467	6,544	377	141	7,529
Disposals	(3,360)	(49,353)	(791)	(3,195)	(56,699)
Exchange rate differences	(22)	(2,007)	(90)	(249)	(2,368)
Transfer between categories	–	(19)	–	19	–
At 31 March 2025	**49,414**	**483,506**	**7,080**	**38,955**	**578,955**
Accumulated depreciation and impairment losses					
At 1 April 2023	25,945	234,490	3,319	33,907	297,661
Charge for year	2,270	38,757	873	2,238	44,138
On disposals	(459)	(35,275)	(603)	(845)	(37,182)
Transfer to intangible assets	–	–	–	(1,213)	(1,213)
Exchange rate differences	(21)	(967)	(45)	(124)	(1,157)
Transfer between categories	–	11	–	(11)	–
At 31 March 2024	27,735	237,016	3,544	33,952	302,247
Charge for year	2,441	40,654	996	2,373	46,464
Impairment	1,174	–	–	–	1,174
On disposals	(2,487)	(34,184)	(495)	(3,763)	(40,929)
Exchange rate differences	(20)	(851)	(31)	(157)	(1,059)
Transfer between categories	–	(19)	–	19	–
At 31 March 2025	**28,843**	**242,616**	**4,014**	**32,424**	**307,897**
Net book value					
At 31 March 2025	**20,571**	**240,890**	**3,066**	**6,531**	**271,058**
At 31 March 2024	22,616	225,966	2,838	5,524	256,944
At 31 March 2023	21,637	220,639	2,926	7,183	252,385

The cost or deemed cost of land and buildings for the Group includes £3,204,000 (2024: £3,204,000) of freehold land not subject to depreciation.

The banks that provide the Group's funding facilities have a fixed and floating charge over the assets of the Group as set out in note 15.

An impairment of property, plant and equipment of £1.2 million has been recorded against assets held in the Brandon Hire Station CGU. Further details are included on page 96 and 99.

10. Intangible assets

	Trade names £000	Customer relationships £000	Supply agreements £000	Goodwill £000	Total intangible assets acquired as part of business combinations £000	Software £000	Total intangibles £000
Cost or deemed cost							
At 1 April 2023	14,313	26,536	4,989	73,060	118,898	–	118,898
Transfers in from PPE	–	–	–	–	–	3,285	3,285
Additions during the year	–	–	–	–	–	963	963
Disposed of	–	–	(4,989)	–	(4,989)	–	(4,989)
Exchange rate differences	(78)	(82)	–	(116)	(276)	–	(276)
At 31 March 2024	14,235	26,454	–	72,944	113,633	4,248	117,881
Additions during the year	594	4,484	–	–	5,078	800	5,878
Exchange rate differences	(105)	(91)	–	(153)	(349)	–	(349)
At 31 March 2025	**14,724**	**30,847**	–	**72,791**	**118,362**	**5,048**	**123,410**
Accumulated amortisation and impairment							
At 1 April 2023	9,308	18,442	4,989	28,411	61,150	–	61,150
Exchange rate differences	(58)	(58)	–	(3)	(119)	–	(119)
Transfers in from PPE	–	–	–	–	–	1,213	1,213
Amortisation	1,159	1,919	–	–	3,078	856	3,934
Impairment	924	1,068	–	26,128	28,120	–	28,120
Disposed of	–	–	(4,989)	–	(4,989)	–	(4,989)
At 31 March 2024	11,333	21,371	–	54,536	87,240	2,069	89,309
Exchange rate differences	(100)	(91)	–	(16)	(207)	–	(207)
Amortisation	1,095	2,083	–	–	3,178	848	4,026
Impairment	370	514	–	–	884	–	884
At 31 March 2025	**12,698**	**23,877**	–	**54,520**	**91,095**	**2,917**	**94,012**
Carrying amount							
At 31 March 2025	**2,026**	**6,970**	–	**18,271**	**27,267**	**2,131**	**29,398**
At 31 March 2024	2,902	5,083	–	18,408	26,393	2,179	28,572
At 31 March 2023	5,005	8,094	–	44,649	57,748	–	57,748

As in previous years, fully amortised assets are retained in the Group's fixed asset register. Supply agreements are now fully expired and therefore were disposed of during the previous year.

Within customer relationships is a carrying amount at the year end of £4.3 million (2024: £nil) relating to the CPH acquisition, the remaining amortisation period for this intangible asset is between nine and ten years.

Goodwill and indefinite life intangible assets considered significant in comparison to the Group's total carrying amount of such assets have been allocated to cash-generating units (CGUs) or groups of CGUs as follows:

	Goodwill	
	2025 £000	2024 £000
Groundforce	**7,456**	7,459
ESS	**5,260**	5,260
MEP	**3,981**	3,981
TR	**1,574**	1,708
	18,271	18,408

Goodwill

Goodwill arising on business combinations has been allocated to CGUs that are expected to benefit from those business combinations.

The Group tests goodwill annually for impairment, or more frequently if there are any indications that goodwill might be impaired.

The carrying value of goodwill has been assessed for impairment by reference to its recoverable amount, being the higher of its value in use and fair value less costs of disposal. Value in use has been estimated using cash flow projections over a period of five years derived from the Board approved budgets.

The pre-tax discount rate applied to all CGUs was 13.3% (2024: 13.2%), an estimate based on the Group's weighted average cost of capital adjusted to reflect the required return an investee would expect from each CGU. The same discount rate is used as all CGUs are considered to have similar profiles. A long-term growth rate factor of 2.0% (2024: 2.0%) was applied, reflecting the long-term average growth rate for the UK economy.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the CGUs or groups of CGUs to which goodwill is allocated. The Directors believe that any reasonably possible change in the key assumptions would not cause the aggregate carrying amounts to exceed the aggregate recoverable.

Trade names and customer relationships

Impairment charges of £0.5 million and £0.4 million have been recognised against customer relationships and trade names. Both impairments have been recorded against assets held in the Brandon Hire Station CGU. Further details are included on page 96.

Following impairment, the carrying amount of trade names (£2.0 million) and customer relationships (£7.0 million) include £1.3 million (2024: £2.6 million) and £1.8 million (2024: £3.6 million) associated with the Brandon Hire Station CGU. The remaining amortisation period for these intangible assets is between one and two years.

11. Leases

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the balance sheet

The recognised right-of-use assets relate to the following types of assets:

	2025 £000	2024 £000
Property	**31,143**	38,768
Equipment	**9,560**	5,952
Vehicles	**17,129**	13,925
Total right-of-use assets	**57,832**	58,645

11. Leases continued

	2025 £000	2024 £000
Property	38,709	42,233
Equipment	9,835	6,171
Vehicles	16,880	13,557
Total lease liabilities	65,424	61,961
Of which are:		
– Current lease liabilities	17,609	16,319
– Non-current lease liabilities	47,815	45,642
	65,424	61,961

Additions to the right-of-use assets during the current financial year for the Group was £19.8 million (2024: £17.2 million).

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases for the year-ended 31 March 2025:

	2025 £000	2024 £000
Depreciation charge on right-of-use assets		
Property	8,311	8,249
Equipment	2,607	2,737
Vehicles	7,478	5,502
Total depreciation charge on right-of-use assets	18,396	16,488
Right-of-use assets impairment	4,219	–
Interest expense (included in finance expenses)	3,698	3,315
Expense relating to short-term leases (included in cost of sales and administrative expenses)	3,117	4,484
Expenses relating to low-value assets that are not shown above as short-term leases (included in administrative expenses)	83	234

The total cash outflow for leases in the year ended 31 March 2025, including interest, for the Group was £21.7 million (2024: £20.6 million).

Short-term leases are leases with a term of 12 months or less. Low-value leases relate to any leases that had a value of £5,000 or less at the lease term commencement date.

Trading conditions for Brandon Hire Station remain challenging and some trading locations were closed resulting in some exceptional costs (see note 4). The cash flow projections for Brandon Hire Station take into account recent performance, resulting in the recoverable amount derived for that CGU being lower than its previous carrying value. An impairment of £4.2 million (2024: £nil) has been allocated to the right-of-use assets in the Brandon Hire Station CGU, presented within exceptional items (see note 4).

12. Inventories

	2025 £000	2024 £000
Raw materials and consumables	4,395	4,015
Goods for resale	5,516	5,533
	9,911	9,548

During the year, as a result of the year-end assessment of inventory, there was a £372,000 decrease in the Group provision for impairment of inventories (2024: £292,000 decrease). The provision reflects the Group's best estimate of potential inventory obsolescence. The cost of goods for resale expensed during the year was £19.7 million (2024: £25.2 million). Inventories are stated after provisions for impairment of £1,206,000 (2024: £1,578,000). Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

13. Trade and other receivables

	2025 £000	2024 £000
Gross trade receivables	**67,830**	71,421
Trade receivables provisions	**(4,198)**	(4,923)
Other receivables	**1,823**	1,641
Prepayments and accrued income	**6,018**	6,614
	71,473	74,753

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables as shown above. The Group does not hold any collateral as security.

The valuation of the provision reflects the Group's best estimate of likely impairment as a result of the ageing of the debt, expected credit losses and its knowledge of the debtors. The Group has a reasonable spread of credit risk with the top 25 customers accounting for significantly less than 50% of gross trade debtors. The Group does not consider there to have been a significant increase in credit risk during the year. The ageing of the Group's trade receivables at the end of the year was as follows:

Trade receivables at 31 March 2025	Not yet due	1-30 days overdue	31-90 days overdue	91+ days overdue	Total
Expected credit loss rate	**6%**	**1%**	**4%**	**22%**	**6%**
Estimated total gross carrying amount at default	**46,082**	**12,919**	**4,156**	**4,673**	**67,830**
Expected credit loss	**(2,853)**	**(151)**	**(176)**	**(1,018)**	**(4,198)**

Trade receivables at 31 March 2024	Not yet due	1-30 days overdue	31-90 days overdue	91+ days overdue	Total
Expected credit loss rate	**7%**	**4%**	**6%**	**8%**	**7%**
Estimated total gross carrying amount at default	**54,250**	**7,804**	**3,004**	**6,363**	**71,421**
Expected credit loss	**(3,961)**	**(295)**	**(181)**	**(486)**	**(4,923)**

On this basis, there are £20.4 million (2024: £16.2 million) of trade receivables at the balance sheet date that were past due but have not been provided against. There is no indication as at 31 March 2025 that these debtors will not meet their payment obligations in respect of trade receivables recognised in the balance sheet. On this basis, there is no material difference between the fair value and the carrying value.

The expected credit loss for trade receivables as at 31 March reconciles as follows:	2025 £000	2024 £000
At 1 April	**4,923**	4,646
Impairment provision charged to the Income Statement	**1,753**	3,743
Utilised in the year	**(2,478)**	(3,466)
At 31 March	**4,198**	4,923

14. Cash and cash equivalents and bank overdraft

	2025 £000	2024 £000
Bank balances and cash in hand	**29,870**	24,527
Bank overdraft	**(17,202)**	(18,466)
Net cash and cash equivalents	**12,668**	6,061

The Group's net overdraft facility is £7.5 million (2024: £7.5 million), which has a pooling arrangement on all GBP bank accounts. However, following a review of the cash pooling arrangement, bank overdrafts have been presented gross of cash and cash equivalents on the face of the consolidated balance sheet as the Group does not routinely net settle balances in the cash pool. The comparatives on the face of the balance sheet have been restated accordingly. The impact on the consolidated balance sheet as at 1 April 2023 would have been to increase cash and cash equivalents and bank overdraft by £3,557,000.

15. Interest-bearing loans and borrowings

	2025 £000	2024 £000
Current liabilities		
Lease liabilities	**17,609**	16,319
Non-current liabilities		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**93,000**	93,000
Arrangement fees	**(573)**	(720)
Lease liabilities	**47,815**	45,642
	198,980	176,922

Net debt defined as total borrowings less cash and cash equivalents was:

	As at 31 Mar 2024 £000	Cash movements £000	Non-cash movements £000	As at 31 Mar 2025 £000
Secured loans	132,000	19,700	38	**151,738**
Arrangement fees	(720)	(199)	346	**(573)**
Cash and cash equivalents	(6,061)	(6,987)	380	**(12,668)**
Net debt excluding lease liabilities	125,219	12,514	764	**138,497**
Lease liabilities	61,961	(21,683)	25,146	**65,424**
Net debt including lease liabilities	187,180	(9,169)	25,910	**203,921**

The repayment schedule of the carrying amount of the non-current borrowings as at 31 March 2025 is:

Due in less than one year:	2025 £000	2024 £000
Lease liabilities	**17,609**	16,319
Due in more than one year but not more than two years:		
Secured private placement loan	**65,000**	–
Lease liabilities	**15,090**	13,092
Total	**80,090**	13,092
Due in more than two years but not more than five years:		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**28,000**	93,000
Lease liabilities	**23,847**	22,003
Total	**110,585**	154,003
Due in more than five years:		
Lease liabilities	**8,878**	10,547
Total	**8,878**	10,547

The secured bank loans represent a £90 million revolving credit facility (RCF) which, alongside the overdraft, are secured by a fixed and floating charge over the assets of the Group and are at variable interest rates linked to SONIA and EURIBOR. The unutilised RCF available to the Group as at 31 March 2025 was £31.3 million (2024: £51.0 million). In November 2024, the Group's RCF was extended for a further year to November 2027. The RCF continues to include an additional £30 million uncommitted accordion facility. In November 2024, NatWest replaced Bank of Ireland within our banking club.

The Group has two private placement loans. The first loan provides funding of £65.0 million and matures in January 2027. The second loan provides funding of £28.0 million and matures in April 2028. Both loans have fixed interest rates payable semi-annually and were fully drawn at the balance sheet date.

There is no material difference between the carrying value and fair value of the Group's borrowings. Further details relating to the Group's funding strategy (including the maturity details of the bank loans) and its credit, interest rate and currency risk policies are provided in the Financial Review on pages 16 to 17, the Risk Management Report on pages 41 to 44 and the Directors' Report within going concern on page 75. The loans are subject to covenants. At the 31 March 2025 measurement date interest cover was 6.83 times (2024: 7.3 times) and the gearing ratio of adjusted Net Debt/EBITDA was 1.45 (2024: 1.36); both are calculated in accordance with our bank facility agreements and are comfortably within our covenants of greater than 3 times and lower than 2.5 times respectively.

Liquidity risk

The following are undiscounted cash flows relating to the Group's financial liabilities, including estimated interest payments, but excluding the impact of netting agreements, based on the assumption that the loans are repaid at the end of the committed period.

31 March 2025	Carrying value £000	Contractual cash flows £000	Less than 1 year £000	1–2 years £000	2–5 years £000	Over 5 years £000
Secured loans	**151,738**	**164,996**	**5,594**	**70,150**	**89,252**	**–**
Lease liabilities	**65,424**	**77,631**	**21,081**	**17,680**	**27,905**	**10,965**
Trade payables and accruals	**58,637**	**58,637**	**56,029**	**2,608**	**–**	**–**
	275,799	**301,264**	**82,704**	**90,438**	**117,157**	**10,965**
31 March 2024						
Secured loans	132,000	154,351	5,285	5,285	143,781	–
Lease liabilities	61,961	67,745	18,087	14,163	23,926	11,569
Trade payables and accruals	64,800	64,800	64,133	667	–	–
	258,761	286,896	87,505	20,115	167,707	11,569

16. Financial instruments

The Group finances its operations through a combination of shareholders' funds, bank borrowings and leases. The capital structure is monitored using the gearing ratio of debt to shareholders' funds. The Group's funding requirements are largely driven by capital expenditure and acquisition activity.

Capital management

The Group manages capital so as to fund operations as efficiently as possible whilst maintaining a balanced approach to risk. This is done by maintaining borrowings which are balanced between fixed and floating rates and between relevant currencies. The Group monitors net debt and covenants closely. The revolving credit facility (RCF) is drawn down or repaid when appropriate in line with cash flows requirements. The Group purchases its own shares through its employee trust, solely for the purpose of fulfilling share incentive schemes.

Financial risks

Through its operations the Group is exposed to a number of financial risks. The Group's risk management framework is designed to ensure that all key risks, including financial risks, are recognised and mitigation plans are evaluated for effectiveness. The Group's approach to risk management is set out in the Strategic report on pages 40 to 44. They key financial risks resulting from financial instruments which the Group is exposed to are interest rate risk, exchange rate risk, credit risk and liquidity risk.

Interest rate risk: The Group is exposed to movements in interest rates on its borrowings, which is managed by maintaining a mix of fixed and floating debt. The fixed element of borrowings is £93.0 million, which was 67% of net debt excluding lease liabilities during the year.

Exchange rate risk: The Group is exposed to movements in exchange rates for both foreign currency transactions and the translation of net assets and income statements of foreign subsidiaries. The Group regards its interests in overseas subsidiary companies as long-term investments and manages its transactional exposures through the currency matching of assets and liabilities where possible.

Foreign exchange gains and losses resulting from the translation of foreign currency denominated subsidiaries if they relate to qualifying net investment hedges or are attributable to part of the net investment in a foreign operation, are deferred in the foreign translation reserve in equity. All debt is in GBP or Euro and the majority of cash held is also in GBP.

Exchange rate exposure arising from the net investment in the Group's foreign entities is reduced primarily through borrowings denominated in the relevant foreign currencies where it is efficient to do so.

16. Financial instruments continued

Commencing in the current year, net investment hedging is undertaken, with euro denominated tranches of the Group's RCF facility as hedging instruments to hedge the Group's exposure arising from translation of the net investment in euro denominated entities.

An economic relationship between the hedging instrument and hedged item exists as the critical terms perfectly match 1:1. It is qualitatively assessed that they will move in the opposite direction in response to fluctuations in foreign currency exchange rates. The hedging relationship is therefore 100% effective.

Sources of hedge ineffectiveness may arise if there is a decline in the euro carrying value of the net investment, below the value on commencement of the hedging relationship. This is however mitigated by regular review of the hedge relationship as the RCF facility is rolled over periodically.

Net investment hedge in foreign operations	2025 £000/€000	2024 £000/€000
Nominal amount of the hedging instruments	**(€36,356)**	–
Carrying amount of hedging instruments (non-current liabilities - interest bearing loans and borrowings)	**(30,416)**	–
Foreign euro denominated operations carrying amount	**€36,356**	–
Hedge ratio	**1:1**	–
Change in carrying amount of bank loan as a result of foreign currency movements since 1 February 2025 (hedge inception)- recognised in other comprehensive income	**(22)**	–
Change in value of hedged item used to determine hedge effectiveness	**22**	–

Credit risk: The Group is exposed to credit risk in the context of our customer base. This is managed closely with constant review by the Group and divisional management teams to ensure the optimal equilibrium between risk and opportunity is maintained. Where appropriate, credit insurance is obtained over some balances.

Liquidity risk: The Group is exposed to a risk that it will not be able to meet its financial obligations as they fall due. The Board is responsible for ensuring that the Group has sufficient liquidity to meet its financial liabilities and ensures this by frequent review of headroom available in the RCF. Sensitivity analysis is also carried out to ensure that sufficient funds would be available in the case of a severe but plausible downturn in cash availability.

There are no material differences between the carrying value and the fair value of the Group's other financial instruments, including trade receivables and trade payables.

The risks associated with interest rate and foreign exchange rate management are further discussed in the Principal risks on pages 41 to 44, as are the risks relating to credit and currency management and the capital management of the Group.

Financial instrument sensitivity analysis

10% movements in sterling exchange rates and interest rates in the current and prior year would have increased/(decreased) equity and profit/(loss) by the amounts shown below. This analysis assumes that all other variables remain constant.

	Equity and profit/(loss)	
10% strengthening of sterling against:	**2025 £000**	2024 £000
US dollar	**211**	(4)
Australian dollar	**(37)**	28
Singapore dollar	**(15)**	(8)
Euro	**(128)**	73
10% weakening of sterling against:		
US dollar	**(258)**	5
Australian dollar	**45**	(34)
Singapore dollar	**18**	10
Euro	**156**	(90)
10% movement in sterling interest rates:		
Increase in interest rates	**(168)**	(274)
Decrease in interest rates	**168**	274

The exposure of the Group to other foreign exchange rate movements is not significant and, therefore, is not presented in the analysis above.

17. Trade and other payables

Current liabilities	2025 £000	2024 £000
Trade payables	**25,193**	28,796
Other tax and social security	**6,544**	6,607
Accruals and deferred income	**31,885**	36,317
	63,622	71,720

Within accruals is £0.1 million (2024: £1.6 million) in relation to the liability for cash-settled share options, which are also valued at fair value. All other liabilities are valued at amortised cost. There are no material liabilities in relation to contracts with customers.

Non-current liabilities	2025 £000	2024 £000
Accruals and deferred income	**2,608**	667

Within accruals is £1.8 million in relation to contingent remuneration for post-combination services, associated with the acquisition of CPH on 2 October 2024. Based on business performance against future EBITDA targets, up to a maximum of €6.7 million may be payable on the second anniversary of the acquisition and up to €15.0 million may be payable on the third anniversary. An expected value approach has been applied, allowing for the uncertainty of multiple potential outcomes, which is pro-rated based on employment term completed post combination, to the second and third anniversaries from the date of acquisition. At the year end, £1.4 million and £0.4 million are accrued respectively in relation to the two non-current future contingent payments, see note 4 for further details.

18. Provisions

Provisions relate to dilapidations on properties. The timing and amount of future cash flows related to lease dilapidations are subject to uncertainty. The provision recognised is based on management's experience and understanding of the commercial property market and third party surveyors' reports where appropriate in order to best estimate the future outflow of funds. The estimates used take into consideration the location, size and age of the properties. Estimates of future dilapidation costs are regularly reviewed when new information is available.

	£000
1 April 2023	1,612
Charge during the year	2,773
Utilised during the year	(880)
Unused amounts released	(345)
At 31 March 2024	3,160
Charge during the year	**1,046**
Utilised during the year	**(784)**
Unused amounts released	**(485)**
At 31 March 2025	**2,937**

Notes

(forming part of the financial statements) continued

19. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Note	Property, plant and equipment £000	Intangible assets £000	Employee benefits £000	Other items £000	Total £000
1 April 2023		14,537	4,045	(416)	(1,546)	16,620
Re-categorised		(490)	490	–	–	–
Recognised in income statement		1,085	(1,137)	128	52	128
Recognised in other comprehensive income		(1)	–	(98)	–	(99)
Recognised in equity	8	–	–	20	–	20
Foreign exchange		(50)	(14)	16	28	(20)
At 31 March 2024		15,081	3,384	(350)	(1,466)	16,649
Recognised on acquisition		(230)	635	–	–	405
Recognised in income statement	8	617	(953)	362	(73)	(47)
Recognised in other comprehensive income		(1)	–	(187)	–	(188)
Foreign exchange		(114)	27	19	37	(31)
At 31 March 2025		**15,353**	**3,093**	**(156)**	**(1,502)**	**16,788**

Of the deferred tax liability above, the amount expected to unwind within 12 months is £4.0 million (2024: £3.9 million).

The Group has not recognised deferred tax assets in respect of tax losses of £1.0 million and £0.7 million, as it is not currently probable that there will be relevant future taxable profits. The applicable tax rates are approximately 17% and 30% respectively.

20. Capital and reserves

Ordinary share capital	2025 £000	2024 £000
Allotted, called up and fully paid		
40,154,253 ordinary shares of 5 pence each (2024: 40,154,253)	**2,008**	2,008

The Company articles authorise 60,000,000 shares (2024: 60,000,000). All shares have the same voting rights.

Reserves

Full details of reserves are provided in the consolidated statement of changes in equity on page 88.

Own shares held

Deducted from retained earnings (Group and Company) is £5,091,000 (2024: £5,501,000) in respect of own shares held by the Vp Employee Trust. The Trust acts as a repository of issued Company shares and held 649,000 shares (2024: 693,000) with a market value at 31 March 2025 of £3,472,000 (2024: £3,810,000).

21. Dividends

	2025 £000	2024 £000
Amounts recognised as distributions to equity holders of the Parent Company in the year:		
Ordinary shares:		
Final paid 27.5p (2024: 26.5p) per share	**10,852**	10,460
Interim paid 11.5p (2024: 11.5p) per share	**4,542**	4,537
	15,394	14,997

The dividends paid in the year is after dividends were waived to the value of £266,000 (2024: £262,000) in relation to shares held by the Vp Employee Trust. These dividends will continue to be waived in the future.

In addition, the Directors are proposing a final dividend in respect of the current year of 28.0 pence per share, which will absorb an estimated £11.1 million of shareholders' funds. The proposed dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liabilities in the financial statements, and there are no income tax consequences.

22. Earnings per share

Basic earnings per share

The calculation of basic profit per share of 36.59 pence (2024: loss of (13.41) pence) was based on the profit after tax of £14,445,000 (2024: loss of £5,291,000) and a weighted average number of ordinary shares outstanding during the year-ended 31 March 2025 of 39,482,000 (2024: 39,470,000), calculated as follows:

	2025 Shares 000s	2024 Shares 000s
Issued ordinary shares	**40,154**	40,154
Effect of own shares held	**(672)**	(684)
Weighted average number of ordinary shares	**39,482**	39,470

Diluted earnings per share

The calculation of diluted earnings per share of 36.48 pence (2024: loss of (13.41) pence) was based on profit after tax of £14,445,000 (2024: loss of £5,291,000) and a weighted average number of ordinary shares outstanding during the year-ended 31 March 2025 of 39,594,000 (2024: 39,683,000), calculated as follows:

	2025 Shares 000s	2024 Shares 000s
Weighted average number of ordinary shares	**39,482**	39,470
Effect of own shares held	**112**	213
Weighted average number of ordinary shares (diluted)	**39,594**	39,683

The calculation of diluted earnings per share in the prior year does not assume conversion, exercise or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

23. Share option schemes

SAYE scheme

During the year, options over a further 321,014 shares were granted under the SAYE scheme at a price of 552 pence. The outstanding options at the year-end were:

Date of grant	**Price per share**	**Number of shares**
July 2021	693p	156,098
December 2022	560p	229,352
July 2023	478p	270,622
July 2024	552p	284,866
		940,938

Options are exercisable between 3 and 3.5 years after completion of the scheme. At 31 March 2025, there were 834 employees saving an average of £161 per month (2024: 760 employees saving £166 per month) in respect of options under the SAYE scheme. The only SAYE scheme condition is continuous employment over the term of the option.

23. Share option schemes continued

Approved Share Option Scheme

No awards were made during the year in relation to shares. The options outstanding at the year-end were:

Date of grant	Price per share	Number of shares
July 2015	770.0p	19,500
July 2016	657.0p	18,300
July 2017	870.0p	39,760
July 2019	860.0p	17,604
July 2020	698.0p	9,564
August 2022	787.0p	190,820
July 2023	567.5p	492,684
		788,232

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 and 2023 are subject to the achievement of performance targets over a three-year period. The awards for 2020 and prior are vested, but not yet exercised.

Unapproved Share Option Scheme

No awards were made during the year in relation to shares. The options outstanding at the year-end were:

Date of Grant	Price per share	Number of shares
July 2015	770.0p	37,850
July 2016	657.0p	106,500
July 2017	870.0p	134,900
July 2019	860.0p	68,796
July 2020	698.0p	27,435
August 2022	787.0p	450,464
July 2023	567.5p	203,400
		1,029,345

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 and 2023 are subject to the achievement of performance targets over a three-year period. The awards for 2020 and prior are vested, but not yet exercised.

Long-Term Incentive Plan

Awards were made during the year in relation to a further 219,457 shares. Shares outstanding at the year-end were:

Date of Grant	Number of shares
July 2016	4,000
July 2017	11,147
July 2019	18,408
July 2020	8,806
August 2022	274,591
July 2023	432,786
July 2024	219,457
	969,195

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 to 2024 are subject to the achievement of performance targets over a three-year period as shown in the Annual Report on Remuneration on page 70. The awards for 2020 and prior are vested, but not yet exercised.

Share matching

No awards were made during the year in relation to shares. Shares outstanding at the year-end were:

Date of grant	Number of shares
August 2015	900
August 2016	1,200
	2,100

These options are exercisable between the third and tenth anniversary of the grant. The awards are vested, but not yet exercised.

Awards under the above schemes will be, generally, made utilising shares owned by the Vp Employee Trust.

The market value of the ordinary shares at 31 March 2025 was 535 pence (2024: 550 pence), the highest market value in the year to 31 March 2025 was 720 pence (2024: 688 pence) and the lowest 525 pence (2024: 485 pence). The average share price during the year was 620 pence (2024: 582 pence).

The number and weighted average exercise price of share options is as follows:

	2025		2024	
	Weighted average exercise price	Number options 000s	Weighted average exercise price	Number options 000s
Outstanding at the beginning of the year	515p	4,967	555p	5,220
Lapsed during the year	636p	(1,442)	493p	(2,008)
Exercised during the year	57p	(335)	309p	(60)
Granted during the year	328p	540	369p	1,815
Outstanding at the end of the year	483p	3,730	515p	4,967
Exercisable at the year-end	715p	681	495p	974

The options outstanding at 31 March 2025 have an exercise price in the range of 0.0p to 870.0p and have a weighted average life of 2.3 years.

For options granted, the fair value of services received in return for share options granted are measured by reference to the fair value of those share options. The fair value for the approved, unapproved and SAYE options are measured using the Black–Scholes model and the LTIP, and share-matching schemes are valued using a discounted grant price method. Cash-settled options are valued at their fair value at each year-end. The assumptions used to value the probable options granted during the year were in the following ranges:

	2025	2024
Weighted average fair value per share	289.0p	165.0p
Share price at date of grant	660.0p to 690.0p	567.5p to 597.5p
Exercise price (details provided above)	0.0p to 552.0p	0.0p to 567.5p
Expected volatility	27.5%	25.8%
Option life	3 to 10 years	3 to 10 years
Expected dividend yield	5.7% to 5.9%	6.3% to 6.6%
Risk free rate	5.25%	5.00%

The expected volatility is based on historic volatility, which is based on the latest three years' share price data. The cost of share options charged to the Income Statement is shown in note 5.

The total carrying amount of cash-settled transaction liabilities, including associated national insurance at the year-end was £59,000 (2024: £1,633,000). £nil of this liability had vested at the year-end (2024: £1,610,000).

Notes
(forming part of the financial statements) continued

24. Capital commitments

Capital commitments for property, plant and equipment at the end of the financial year, for which no provision has been made, are as follows:

	2025 £000	2024 £000
Contracted	**24,431**	15,965

25. Employee benefits

Defined benefit schemes

The details in this section of the note relate solely to the defined benefit arrangements and exclude any allowance for contributions in respect of death in service insurance premiums and expenses which are also borne by the Company.

The Group has two defined benefit pension schemes, the main scheme is the Vp Pension Scheme with a net present value surplus of £1.0 million (2024: £1.8 million). In addition, Torrent Trackside participate in a small section of the Railways Pension Scheme with a net present value deficit of £0.1 million (2024: £0.0 million net present value surplus). The two schemes are considered below.

Vp pension scheme

Vp plc operates a UK-registered trust-based Pension Scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustee is responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustee of the Scheme is required to act in the best interests of the beneficiaries of the Scheme.

There are two Pension Scheme member categories:

- Deferred members: former employees of the Company who are not yet in receipt of a pension.
- Pension members: those who are in receipt of a pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit outgoings (allowing for revaluation to retirement for deferred members and annual pension increases for all members) and then discounting to the balance sheet date. The majority of benefits receive increases in deferment linked to inflation (subject to a cap of no more than 5% pa). The valuation method used is known as the Projected Unit Method. The approximate overall duration of the Scheme's defined benefit obligation as at 31 March 2025 was eight years (2024: nine years).

The Trustee is required to carry out an actuarial valuation every three years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustee as at 31 March 2021. The valuation revealed a funding surplus of approximately £1,700,000. The Company, therefore, does not expect to pay any contributions into the Scheme during the accounting year beginning 1 April 2025. The difference between the actuarial valuation and the IAS 19 valuation reflects the different valuation dates, the last actuarial valuation was as at 31 March 2021, and the assumptions adopted. The actuarial valuation uses assumptions determined by the Scheme Trustees to evaluate the Scheme funding requirements on a triannual basis and the IAS 19 valuation uses assumptions that are chosen by the Company, but heavily prescribed by the accounting standard. Through the Scheme, the Company is exposed to a number of risks:

- Asset volatility: the Scheme's defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Scheme invests some of the assets in diversified growth funds. These assets are expected to outperform corporate bonds in the long term but provide volatility and risk in the short term.
- Changes in bond yields: a decrease in corporate bond yields would increase the Scheme's defined benefit obligation.
- Inflation risk: a significant proportion of the Scheme's defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place).
- Life expectancy: if Scheme members live longer than expected, the Scheme's benefits will need to be paid for longer, increasing the Scheme's defined benefit obligation.

The Trustee and Company manage risks in the Scheme through the following strategies:

- Diversification: investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- Investment strategy: the Trustee is required to review its investment strategy on a regular basis.
- LDI: the Scheme invests in Liability Driven Investment (LDI) funds in order to control interest rate and inflation risks.

Torrent Railways Pension Scheme

The Group participates in a section of the multi-employer Railways Pension Scheme (the "Section"), a UK registered trust-based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustee is responsible for running the Section in accordance with the Section's Trust Deed and Rules, which sets out their powers. The Trustee of the Scheme is required to act in the best interests of the beneficiaries of the Scheme.

There are three categories of pension scheme members in the Section:

- Active members: currently employed by the Company and accruing pension benefits.
- Deferred members: former members of the Section not yet in receipt of pension.
- Pensioner members: in receipt of pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit outgoings (allowing for future salary increases for active members, revaluation to retirement for deferred members and annual pension increases for all members) and then discounting to the balance sheet date. The majority of benefits receive increases linked to the CPI inflation. The valuation method used is known as the Projected Unit Method. The approximate overall duration of the Section's defined obligation as at 31 March 2025 was 13 years.

The Trustee is required to carry out an actuarial valuation every three years. The last actuarial valuation for the Section was performed by the Scheme Actuary for the Trustee as at 31 December 2022. This valuation revealed a shortfall in the Section of £10,000 on the Scheme Funding basis. The Company agreed to pay annual contributions of 20.9% pa of members' section pay prior to 30 June 2018, and 21.7% pa of members' pensionable salaries from 1 July 2018; all subject to the Omnibus rate as defined in the Rules. The Company expects to pay around £15,000 to the Section during the accounting year beginning 1 April 2025. The difference between the actuarial valuation and the IAS 19 valuation is due to the same principles as described in the Vp plc details above, albeit the last actuarial valuation was performed at 31 December 2022.

Through the Section, the Company is exposed to a number of risks:

- Asset volatility: the Section's defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Section invests significantly in equities. These assets are expected to outperform corporate bonds in the long term but provide volatility and risk in the short term.
- Changes in bond yields: a decrease in corporate bond yields would increase the Section's defined benefit obligation; however, this would be partially offset by an increase in the value of the Section's assets.
- Inflation risk: a significant proportion of the Section's defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place). The majority of the Section's assets are either unaffected by inflation, or only loosely correlated with inflation; therefore, an increase in inflation would also increase the deficit.
- Life expectancy: if Section members live longer than expected, the Section's benefits will need to be paid for longer, increasing the Section's defined benefit obligation.

The Trustee manages risks in the Section through the following strategies:

- Diversification: investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- Investment strategy: the Trustee is required to review the investment strategy on a regular basis. All actuarial gains and losses are recognised in the year in which they occur in the Statement of Comprehensive Income.

	Group		Company	
Present value of net surplus	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Present value of defined benefit obligation	**(6,407)**	(7,057)	**(5,161)**	(5,819)
Fair value of scheme assets	**7,265**	8,910	**6,148**	7,638
Present value of net surplus	**858**	1,853	**987**	1,819

25. Employee benefits continued

The movement in the defined benefit surplus is as follows:

	2025			2024		
Group	**Present value of obligation £000**	**Fair value of assets £000**	**Total £000**	Present value of obligation £000	Fair value of assets £000	Total £000
At beginning of year	**(7,057)**	**8,910**	**1,853**	(7,201)	9,501	2,300
Service costs	**(18)**	**–**	**(18)**	(18)	–	(18)
Administrative expenses	**–**	**(332)**	**(332)**	–	(161)	(161)
Interest (cost)/income	**(327)**	**408**	**81**	(335)	441	106
Remeasurements						
Actuarial gains: change in demographic assumptions	**49**	**–**	**49**	144	–	144
Actuarial gains/(losses): change in financial assumptions	**478**	**–**	**478**	(7)	–	(7)
Actuarial losses: experience differing from that assumed	**(58)**	**–**	**(58)**	(130)	–	(130)
Actuarial losses: actual return on assets	**–**	**(1,215)**	**(1,215)**	–	(398)	(398)
Contributions: employer	**–**	**20**	**20**	–	17	17
Contributions: employees	**(8)**	**8**	**–**	(8)	8	–
Benefits paid	**534**	**(534)**	**–**	498	(498)	–
	(6,407)	**7,265**	**858**	(7,057)	8,910	1,853

	2025			2024		
Company	**Present value of obligation £000**	**Fair value of assets £000**	**Total £000**	Present value of obligation £000	Fair value of assets £000	Total £000
At beginning of year	**(5,819)**	**7,638**	**1,819**	(6,012)	8,147	2,135
Administrative expenses	**–**	**(325)**	**(325)**	–	(150)	(150)
Interest (cost)/income	**(268)**	**347**	**79**	(278)	377	99
Remeasurements						
Actuarial gains: change in demographic assumptions	**42**	**–**	**42**	122	–	122
Actuarial gains: change in financial assumptions	**352**	**–**	**352**	9	–	9
Actuarial gains/(losses): experience differing from that assumed	**41**	**–**	**41**	(120)	–	(120)
Actuarial losses: actual return on assets	**–**	**(1,021)**	**(1,021)**	–	(276)	(276)
Benefits paid	**491**	**(491)**	**–**	460	(460)	–
	(5,161)	**6,148**	**987**	(5,819)	7,638	1,819

Expense recognised in the Income Statement	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Service costs	**18**	18	**–**	–
Administrative expenses	**332**	161	**325**	150
Net interest	**(81)**	(106)	**(79)**	(99)
	269	73	**246**	51

These expenses/(income) are recognised in the following line items in the Income Statement:

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Cost of sales	**350**	179	**325**	150
Administrative expenses	**(81)**	(106)	**(79)**	(99)
	269	73	**246**	51

Amount recognised in other comprehensive income	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Actuarial gains on defined benefit obligation	**469**	7	**435**	11
Actuarial loss on assets	**(1,215)**	(398)	**(1,021)**	(276)
	(746)	(391)	**(586)**	(265)

Cumulative actuarial net losses reported in the statement of comprehensive income since 1 April 2004, the transition to adopted IFRSs, for the Group are a loss of £1,027,000 (2024: loss of £281,000) and Company loss of £1,561,000 (2024: loss of £975,000).

Scheme assets and returns

The fair value of the scheme assets and the return on those assets were as follows:

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Fair value of assets				
Diversified growth funds	**–**	4,336	**–**	4,336
Equities and other growth assets	**456**	536	**–**	–
Bonds and cash	**1,648**	2,006	**987**	1,270
Liability driven investments (LDI)	**–**	2,032	**–**	2,032
Buy-in policy	**5,161**	–	**5,161**	–
	7,265	8,910	**6,148**	7,638
Returns				
Actual (losses)/return on scheme assets	**(807)**	42	**(674)**	100

During the year, the Trustees of the Vp pension scheme entered into a bulk annuity contract covering all members of the Scheme. The purchase of the policy has led to a reduction in the asset value of £0.6 million due to the difference between the premium paid and the associated defined benefit obligation.

Excluding the buy-in policy and cash, all assets listed above have a quoted market price in an active market. For the purposes of the financial statements the value of the buy-in policy was set as equal to the associated defined benefit obligation. The cash balance is unquoted, as cash is measured through cost.

25. Employee benefits continued

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are:

	Group and Company	
	2025	2024
Inflation	**3.5%**	3.5%
Discount rate at 31 March	**5.6%**	4.8%
Expected future salary increases	**2.0%**	2.0%
Expected future pension increases	**3.3%**	3.3%
Revaluation of deferred pensions	**3.1%**	3.0%

Mortality rate assumptions adopted at 31 March 2025, based on S3PA CMI Model 2022, imply the following life expectations on retirement at age 65 for:

	2025	2024
Male currently aged 45	**23 years**	23 years
Female currently aged 45	**25 years**	25 years
Male currently aged 65	**21 years**	22 years
Female currently aged 65	**24 years**	24 years

History of schemes

The history of the schemes for the current and prior years is as follows:

Group	**2025 £000**	2024 £000	2023 £000	2022 £000	2021 £000
Present value of defined benefit obligation	**(6,407)**	(7,057)	(7,201)	(9,531)	(10,600)
Fair value of plan assets	**7,265**	8,910	9,501	12,269	12,775
Present value of net surplus	**858**	1,853	2,300	2,738	2,175

Company	**2025 £000**	2024 £000	2023 £000	2022 £000	2021 £000
Present value of defined benefit obligation	**(5,161)**	(5,819)	(6,012)	(7,706)	(8,737)
Fair value of plan assets	**6,148**	7,638	8,147	10,774	11,394
Present value of net surplus	**987**	1,819	2,135	3,068	2,657

(Losses)/gains recognised in statement of comprehensive income

Group	2025	2024	2023	2022	2021
Difference between expected and actual return on scheme assets:					
– Amount (£000)	**(1,215)**	(398)	(2,387)	(98)	223
– Percentage of scheme assets	**(16.7%)**	(4.5%)	(25.1%)	(0.8%)	1.7%
Experience gains and losses arising on the scheme liabilities:					
– Amount (£000)	**(58)**	(130)	(131)	(11)	15
– Percentage of present value of scheme liabilities	**(0.9%)**	(1.8%)	(1.8%)	(0.1%)	0.1%
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities:					
– Amount (£000)	**527**	137	2,199	803	(1,033)
Percentage of present value of scheme liabilities	**8.2%**	1.9%	30.5%	8.4%	(9.7%)
Total amount recognised in statement of comprehensive income:					
Amount (£000)	**(746)**	(391)	(319)	693	(795)
Percentage of present value of scheme liabilities	**(11.6%)**	(5.5%)	(4.4%)	7.3%	(7.5%)

Company	2025	2024	2023	2022	2021
Difference between expected and actual return on scheme assets:					
Amount (£000)	**(1,021)**	(276)	(2,250)	(202)	27
Percentage of scheme assets	**(16.6%)**	(3.6%)	(27.6%)	(1.9%)	0.2%
Experience gains and losses arising on the scheme liabilities:					
Amount (£000)	**41**	(120)	(113)	26	–
Percentage of present value of scheme liabilities	**0.8%**	(2.1%)	(1.9%)	0.3%	0.0%
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities:					
Amount (£000)	**394**	131	1,507	679	(708)
Percentage of present value of scheme liabilities	**7.6%**	2.3%	25.1%	8.8%	(8.1%)
Total amount recognised in statement of comprehensive income:					
Amount (£000)	**(586)**	(265)	(856)	503	(681)
Percentage of present value of scheme liabilities	**(11.4%)**	(4.6%)	(14.2%)	6.5%	(7.8%)

Sensitivity analysis

The sensitivity of the net pension asset/obligation to assumptions is set out below:

Vp plc scheme

	2025		2024	
Assumption	**Change in assumption**	**Change in defined benefit obligation**	Change in assumption	Change in defined benefit obligation
Discount rate	**+/- 0.5% p.a.**	**-4% / +4%**	+/– 0.5% p.a.	–4% / +5%
RPI inflation	**+/- 0.5% p.a.**	**+1% / -1%**	+/– 0.5% p.a.	+1% / –1%
Assumed life expectancy	**+1 year**	**+4%**	+1 year	+4%

25. Employee benefits continued

Torrent Railways scheme

	2025		2024	
Assumption	**Change in assumption**	**Change in defined benefit obligation**	Change in assumption	Change in defined benefit obligation
Discount rate	**+/- 0.5% p.a.**	**-6%/+7%**	+/– 0.5% p.a.	–7% / +8%
RPI inflation	**+/- 0.5% p.a.**	**+6%/-5%**	+/– 0.5% p.a.	+7% / –6%
Future salary increase	**+/- 0.5% p.a.**	**+1%/-1%**	+/– 0.5% p.a.	+1% / –1%
Assumed life expectancy	**+1 year**	**+3%**	+1 year	+3%

These calculations provide an approximate guide to the sensitivity of the results and may not be as accurate as a full valuation carried out on these assumptions. Each assumption change is considered in isolation, which, in practice, is unlikely to occur, as changes in some of the assumptions are correlated.

In June 2023, the High Court made a ruling in the case of Virgin Media Ltd v NTL Pension Trustees II Limited. The ruling related to Section 37 of the 1993 Pensions Act and the correct interpretation of historical legislation governing the amendment of contracted-out defined benefit schemes. On 25 July 2024, the Court of Appeal upheld the June 2023 High Court decision. The Court's decision could have wider ranging implications, affecting other schemes that were contracted-out on a salary-related basis, and made amendments between April 1997 and April 2016. The Trustee has no reason to believe that any historic deeds were not properly executed (either due to a failure to obtain a section 37 confirmation where one was necessary, or any other reason). However, the Trustee is in the process of collating a list of deeds executed within the relevant time period to make an initial assessment on the materiality of the issue before considering whether to instruct their legal advisor to undertake a formal review. The Trustee is also aware that the position may develop due to ongoing legal cases and the potential for DWP intervention. As a result, no changes are proposed in the current year's pension scheme liability calculations. The Group considers this approach reasonable and appropriate since there is no reason to doubt that the appropriate confirmations were obtained for relevant amendments to the Pension Scheme.

Defined contribution plans

The Group also operates defined contribution schemes for other eligible employees, the main schemes being the Vp money purchase scheme and the Legal and General Stakeholder Scheme. The assets of the schemes are held separately from those of the Group. The pension cost represents contributions payable by the Group and amounted to £2,539,000 (2024: £2,386,000) in the year.

26. Business combinations

During the year, the Group acquired the following business:

Name of acquisition	Date of acquisition	Type of acquisition	Acquired by
Charleville Hire and Platform Ltd ("CPH")	2 October 2024	Share purchase (90% equity)	Vp plc

Details of the acquisition are provided below:

	2025 £000
Property, plant and equipment	8,322
Right-of-use assets	1,126
Cash	216
Trade receivables	1,450
Other assets	153
Tax, trade and other payables	(3,901)
Deferred tax	131
Net assets	7,497
Fair value adjustments	
Intangibles on acquisition	5,078
Property, plant and equipment	(793)
Deferred tax	(536)
Total fair value adjustments	3,749
Bargain purchase	(1,085)
Cost of acquisition	10,161
Satisfied by	
Cash consideration	10,161
Analysis of cash flow for acquisition	
Cash consideration	10,161
Net cash on acquisition	(216)
	9,945

There were no prior year figures in relation to Business combinations.

The fair value of net assets generally reflect the book value of assets in the acquired company. The acquisition was made to build on the Group's specialist capabilities, particularly in the access market, as well as providing a significant growth opportunity and a platform for further expansion into the Irish market. Intangible assets identified in relation to the acquisition relate to customer relationships £4.5 million and brands £0.6 million . The amortisation periods for these intangibles are set out in note 1.

Total consideration for the entire share capital of CPH includes an initial cash consideration of £10.2 million. Vp plc acquired 90% of the shares in CPH, with the remaining 10% to be acquired over a three-year period under a mandatory put/call arrangement. The gain on bargain purchase arising on acquisition is recognised in exceptional items within the consolidated income statement. The gain is primarily a result of the remaining shares being acquired in the future by contingent remuneration for post-combination services, as opposed to these contingent amounts representing consideration.

Subject to business performance against stretching EBITDA targets, a further maximum contingent remuneration for post-combination services of €21.7 million may be payable across the second and third anniversaries of the acquisition. See note 17 for details of accrued remuneration for post-combination services.

No non-controlling interest is recognised, as under IFRS 10 consolidated financial statements, it has been determined the risks and rewards associated with CPH, on 2 October 2024, fully transferred to Vp plc.

The acquisition costs expensed in the year ended 31 March 2025 in relation to the acquisition were £0.7 million (2024: £nil) and are recognised within exceptional items (note 4).

26. Business combinations continued

CPH contributed revenues of £4.4 million and net profit before tax of £0.9 million to the Group for the period 2 October 2024 to 31 March 2025.

The trade receivables acquired of £1.5 million includes a provision of £0.1m.

If the acquisition had occurred on 1 April 2024, consolidated pro-forma revenue and profit after tax for the year ended 31 March 2025 would have been £9.0 million and £1.4 million respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

* differences in the accounting policies between the Group and the subsidiary; and

* the additional depreciation and amortisation that would have been charged using the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 April 2024, together with the consequential tax effects.

27. Related parties

Material transactions with key management (being the Directors of the Group) mainly constitute remuneration including share-based payments, details of which are included in the remuneration report on pages 70 to 76 and in note 6 to the financial statements.

Trading transactions with subsidiaries – Group

Transactions between the Company and the Group's subsidiaries, which are related parties, have been eliminated on consolidation and are, therefore, not disclosed. The list of the Group's subsidiary undertakings is presented in note 22 of the Parent Company financial statements.

28. Contingent liabilities

In an international group a variety of claims arise from time to time in the normal course of business. Such claims may arise due to matters concerning suppliers or customers, actions being taken against Group companies as a result of investigations by fiscal authorities or under regulatory requirements. Provision has been made in these consolidated financial statements against any claims which the Directors consider are likely to result in significant liabilities or required under accounting standard IAS 37.

29. Ultimate parent company and controlling party

The Company is an immediate subsidiary undertaking of Ackers P Investment Company Limited, which is the ultimate Parent Company incorporated in the United Kingdom and registered at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. Consolidated accounts are prepared for this company, being the largest group into which the results of this Group are consolidated, and are available from the registered office address. Ackers P Investment Company Limited is, ultimately, controlled by a number of Trusts of which, for the purposes of Sections 252 to 255 of the Companies Act 2006, Jeremy Pilkington is deemed to be a connected person.

Parent Company Balance Sheet
as at 31 March 2025

NET ASSETS	Note	2025 £000	2024 Restated* £000
Non-current assets			
Property, plant and equipment	4	**103,236**	119,411
Intangible assets	5	**9,055**	9,145
Investments in subsidiaries	7	**58,434**	64,405
Right-of-use assets	6	**18,411**	14,966
Employee benefits	19	**987**	1,819
Trade and other receivables	9	**86,367**	61,150
Total non-current assets		**276,490**	270,896
Current assets			
Inventories	8	**2,473**	2,792
Trade and other receivables	9	**28,173**	27,083
Income tax receivable		**1,094**	3,079
Cash and cash equivalents	10	**3,747**	4,226
Total current assets		**35,487**	37,180
Total assets		**311,977**	308,076
Current liabilities			
Lease liabilities	6	**(4,992)**	(4,245)
Trade and other payables	12	**(25,723)**	(47,366)
Bank overdraft	10	**(17,202)**	(18,466)
Total current liabilities		**(47,917)**	(70,077)
Non-current liabilities			
Interest-bearing loans and borrowings	11	**(151,165)**	(131,280)
Deferred tax liabilities	14	**(15,586)**	(15,133)
Provisions	13	**(103)**	(266)
Lease liabilities	6	**(13,871)**	(11,126)
Trade and other payables	12	**(18,028)**	(20,457)
Total non-current liabilities		**(198,753)**	(178,262)
Total liabilities		**(246,670)**	(248,339)
Net assets		**65,307**	59,737
EQUITY			
Capital and reserves			
Issued share capital		**2,008**	2,008
Capital redemption reserve		**301**	301
Share premium		**16,192**	16,192
Hive up reserve		**8,156**	8,156
Retained earnings			
At the beginning of the year		**33,080**	22,920
Profit for the financial year		**21,010**	25,313
Other changes in retained earnings		**(15,440)**	(15,153)
At the end of the year		**38,650**	33,080
Total equity		**65,307**	59,737

* See note 10 explaining a change to present the bank overdraft gross of cash and cash equivalents and note 9 with regard to a restatement of amounts owed by/to subsidiary undertakings.

The financial statements on pages 125 to 138 were approved and authorised for issue by the Board of Directors on 10 June 2025 and were signed on its behalf by:

Jeremy Pilkington
Chair

Keith Winstanley
Director

Company number: 481833

Parent Company Statement of Changes in Equity

as at 31 March 2025

	Note	Share capital £000	Capital redemption reserve £000	Share premium £000	Hive up reserve £000	Retained earnings £000	Total equity £000
At 1 April 2023		**2,008**	**301**	**16,192**	**8,156**	**22,920**	**49,577**
Profit for the year		–	–	–	–	25,313	25,313
Other comprehensive expense		–	–	–	–	(197)	(197)
Tax movements to equity		–	–	–	–	(20)	(20)
Share based payments expense in the year		–	–	–	–	767	767
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	(706)	(706)
Transactions with owners							
Dividends to shareholders	16	–	–	–	–	(14,997)	(14,997)
Total changes in equity during the year		–	–	–	–	10,160	10,160
At 31 March 2024 and 1 April 2024		**2,008**	**301**	**16,192**	**8,156**	**33,080**	**59,737**
Profit for the year		–	–	–	–	21,010	21,010
Other comprehensive expense		–	–	–	–	(438)	(438)
Share based payments expense in the year		–	–	–	–	433	433
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	(41)	(41)
Transactions with owners							
Dividends to shareholders	16	–	–	–	–	(15,394)	(15,394)
Total changes in equity during the year		–	–	–	–	5,570	5,570
At 31 March 2025		**2,008**	**301**	**16,192**	**8,156**	**38,650**	**65,307**

The hive up reserve relates to the post acquisition retained reserves of TPA Portable Roadways Limited and has been recognised in the reserves of Vp plc as a result of the transfer of the business and assets of TPA Portable Roadways to Vp plc on 1 April 2017.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

1. Material accounting policies and other explanatory information

Basis of preparation

Vp plc is a public limited company (limited by shares), which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom, registered office: Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. The principal activity of the Company is equipment hire.

The Company only Financial Statements of Vp plc (the "Company") are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis (further details are provided in the consolidated financial statements on page 89 and historic cost basis, except that of defined benefit pension plans and cash-settled share options are stated at fair value. The Company only Financial Statements present information about the Company as a separate entity and not about the Group.

During the year, the Company has elected to change the basis of preparation from UK-Adopted International Accounting Standards to Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), which had no material impact on the information presented. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. At year end the Company has neither financial assets or liabilities measured at fair value through profit or loss (FVTPL) nor those measured at fair value through other comprehensive income (FVOCI).

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The requirements of IAS 7, 'Statement of cash flows';
- The requirements of IFRS 7 Financial Instruments: Disclosures;
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement';
- The requirements of paragraphs 10(d), 10(f), 39(c) and 134–136 of IAS 1 Presentation of Financial Statements;
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraphs 53 (a), (h) and (j) of IRFS 16;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- The requirements of paragraphs 134(d)–134(f) and 135(c)–135(e) of IAS 36 Impairment of Assets; and
- The effects of new but not yet effective International Financial Reporting Standards.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Group's consolidated financial statements. These Financial Statements do not include certain disclosures in respect of:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments'

The Company adopted the following new accounting policies on 1 April 2024 to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Company's financial reporting on adoption, are:

– Amendments to IFRS 16 – Leases on sale and leaseback;

– Amendments to IAS 1 – Non-current liabilities with covenants; and

– Amendments to IAS 7 and IFRS 7 – Supplier Finance

No income statement or statement of comprehensive income is presented by the Company as permitted by Section 408 of the Companies Act 2006. The results of the Company are included in the consolidated financial statements of Vp plc.

The Company financial statements are prepared on the going concern basis as set out in Note 1 to the consolidated financial statements.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

1. Material accounting policies and other explanatory information continued

Material accounting policies

The principal accounting policies adopted have been applied consistently and are the same as those set out in Note 1 to the consolidated financial statements except as noted below.

Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less impairment.

Dividends received and receivable are credited to the Company's income statement to the extent that the Company has the right to receive payment.

Amounts owed to/by Group undertakings

Amounts owed to/by Group undertakings are initially recorded at fair value, which is generally the proceeds received. They are subsequently carried at amortised cost. The amounts range from non-interest bearing to 7% and are repayable either on demand or ten years from agreement date.

Accounting estimates and judgements

The key accounting policies, estimates and judgements used in preparing the Company's financial statements for the year-ended 31 March 2025 have been reviewed and approved by the Board.

Key accounting estimates

The areas of principal accounting uncertainty that could have a significant impact in the next 12 months are the useful lives of rental assets, including residual values, the testing for impairment of goodwill and other intangible assets which require significant estimates relating to cash flows.

Depreciation rates

The Company continually reviews depreciation rates and, using its judgement, adopts a best estimate policy in assessing the estimated useful economic lives of fleet assets. The rate of technological and legislative change and impact of climate-related risks is factored into the estimates, together with the diminution in value through use and time. The Company also takes account of the profit or loss it makes on the disposal of property, plant and equipment in determining whether depreciation policies are appropriate. The net book value of rental equipment at 31 March 2025 is £87.2 million (2024: £103.3 million).

Impairment of goodwill and intangible assets

Goodwill and other intangible assets are tested for impairment by reference to the higher of expected estimated cash generated by the CGU or fair value less cost to sale. This is deemed to be the best approximation of value but is subject to the same key uncertainties over growth and discount rates as the cash flow forecast being used. The carrying value of goodwill at 31 March 2025 is £7.3 million (2024: £7.3 million). See note 5 for details of sensitivity analysis.

Key accounting judgements

The directors do not consider there to be any significant judgements in preparing the Company financial statements.

2. Employment costs

The average monthly number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Operations	**388**	403
Sales	**121**	123
Administration	**192**	191
	701	717

The aggregate payroll costs of these persons were as follows:

		2025 £000	2024 £000
Wages and salaries		**33,782**	33,896
Social security costs		**3,689**	3,602
Other pension costs		**900**	888
Share option costs including associated social security costs	– equity settled	**202**	432
	– cash-settled	**387**	(341)
		38,960	38,477

Remuneration paid to the Directors is disclosed in the Remuneration report on pages 59 to 65 and in Note 6 to the Group's consolidated financial statements.

3. Profit or loss

The profit attributable to equity Shareholders dealt with in the Financial Statements of the Company was £21.0 million (2024: £25.3 million). In accordance with Section 408 of the Companies Act 2006, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Registrar of Companies.

Amounts paid to the Company's auditors in respect of the audit of the financial statements of the Company are disclosed in Note 3 to the consolidated Financial Statements. Fees paid to the auditors for non-audit services to the Company itself are not disclosed in the individual financial statements of the Company because the consolidated financial statements are prepared which are required to disclose such fees on a consolidated basis. These are disclosed in Note 3 to the consolidated financial statements.

		2025 £000	2024 £000
Operating profit is after charging:			
Amortisation and impairment of intangible assets		**658**	714
Depreciation of property, plant and equipment	– owned	**11,179**	13,685
	– leased	**4,914**	4,657
Interest expense on lease liabilities		**1,017**	816
Expense relating to short-term leases		**890**	1,064
Expense relating to leases of low-value assets		**41**	37

Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

4. Property, plant and equipment

Cost or deemed cost	Land and buildings £000	Rental equipment £000	Motor vehicles £000	Other assets £000	Total £000
At 31 March 2024	20,622	200,520	2,228	14,958	238,328
Additions	781	14,643	557	1,241	17,222
Group transfers in	–	4,766	–	–	4,766
Group transfers out	–	(4,951)	–	–	(4,951)
Disposals	(849)	(63,466)	(209)	(732)	(65,256)
At 31 March 2025	**20,554**	**151,512**	**2,576**	**15,467**	**190,109**
Accumulated depreciation and impairment losses					
At 31 March 2024	8,134	97,246	1,205	12,332	118,917
Charge for year	649	9,142	347	1,041	11,179
Group transfers in	–	2,696	–	–	2,696
Group transfers out	–	(2,943)	–	–	(2,943)
On disposals	(349)	(41,839)	(111)	(677)	(42,976)
At 31 March 2025	**8,434**	**64,302**	**1,441**	**12,696**	**86,873**
Net book value					
At 31 March 2025	**12,120**	**87,210**	**1,135**	**2,771**	**103,236**
At 31 March 2024	12,488	103,274	1,023	2,626	119,411

The cost or deemed cost of land and buildings for the Company includes £3,204,000 (2024: £3,204,000) of freehold land not subject to depreciation. The banks that provide the Company's funding facilities have a fixed and floating charge over the assets of the Group as set out in note 15 of the Group consolidated financial statements.

5. Intangible assets

Cost or deemed cost	Trade names £000	Customer relationships £000	Goodwill £000	Total of acquired goodwill £000	Software £000	Total intangibles £000
At 31 March 2024	2,482	5,548	25,163	**33,193**	2,885	36,078
Additions during the year	–	–	–	**–**	568	568
At 31 March 2025	**2,482**	**5,548**	**25,163**	**33,193**	**3,453**	**36,646**
Accumulated amortisation and impairment						
At 31 March 2024	2,482	5,318	17,849	**25,649**	1,284	26,933
Amortisation charge	–	64	–	**64**	594	658
At 31 March 2025	**2,482**	**5,382**	**17,849**	**25,713**	**1,878**	**27,591**
Carrying amount						
At 31 March 2025	**–**	**166**	**7,314**	**7,480**	**1,575**	**9,055**
At 31 March 2024	–	230	7,314	**7,544**	1,601	9,145

The Directors have reviewed the carrying amount of the Company's goodwill and indefinite life intangible assets on the same basis as the Group's goodwill in note 10 of the consolidated Financial Statements and concluded that there are no additional impairment charges required.

6. Leases

This note provides information for leases where the Company is a lessee.

Amounts recognised in the balance sheet

The recognised right-of-use assets relate to the following types of assets:

	2025 £000	2024 £000
Property	**3,307**	4,833
Equipment	**8,182**	5,065
Vehicles	**6,922**	5,068
Total right-of-use assets	**18,411**	14,966
Property	**3,592**	5,155
Equipment	**8,453**	5,276
Vehicles	**6,818**	4,940
Total lease liabilities	**18,863**	15,371
Of which are:		
– Current lease liabilities	**4,992**	4,245
– Non-current lease liabilities	**13,871**	11,126
	18,863	15,371

Additions to the right-of-use assets during the current financial year for the Company was £9.3 million (2024: £8.1 million). The total cash outflow for leases in the year ended 31 March 2025, including interest, for the Company was £5.7 million (2024: £5.0 million).

7. Investments in subsidiaries

Cost	**£000**
At 1 April 2023	68,775
Strike off of dormant companies	(4,370)
Carrying amount at 31 March 2024	64,405
Acquisitions (see note 20)	10,161
Impact of return of capital from dormant subsidiaries	(16,132)
Carrying amount at 31 March 2025	**58,434**

See note 23 of the Company Financial Statements for details of subsidiary undertakings. During the year the Company undertook a corporate simplification exercise resulting in a return of capital from dormant subsidiaries of £16.1 million.

8. Inventories

	2025 £000	2024 £000
Raw materials and consumables	**1,740**	1,815
Goods for resale	**733**	977
	2,473	2,792

During the year, as a result of the year-end assessment of inventory, there was a £211,000 decrease in the Company provision for impairment of inventories (2024: £80,000 decrease). The provision reflects the Company's best estimate of potential inventory obsolescence. The cost of goods for resale expensed during the year was £6.3 million (2024: £5.4 million) Inventories are stated after provisions for impairment of £181,000 (2024: £393,000). Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

Notes to the Parent Company Financial Statements
(forming part of the financial statements)

9. Trade and other receivables

	2025 £000	2024 £000
Gross trade receivables	**18,979**	22,291
Trade receivables provisions	**(938)**	(1,833)
Amounts owed by subsidiary undertakings	**7,179**	3,395
Other receivables	**260**	238
Prepayments and accrued income	**2,693**	2,992
	28,173	27,083

Non-current assets	2025 £000	2024 Restated* £000
Amounts owed by subsidiary undertakings	**86,367**	61,150

* Following review of amounts owed by subsidiary undertakings within non-current assets it was identified that a balance of £23,549,000 as at 31 March 2024 should have been netted against amounts owed to group undertakings in trade and other payables within current liabilities. The comparatives have been restated accordingly.

Amounts owed by subsidiary undertakings are unsecured, repayable either on demand or ten years from agreement date and range in interest from 0% to 7%.

The valuation of the provision reflects the Company's best estimate of likely impairment as a result of the ageing of the debt, expected credit losses and its knowledge of the debtors. The Company has a reasonable spread of credit risk with the top 25 customers accounting for significantly less than 50% of gross trade debtors. The Company does not consider there to have been a significant increase in credit risk during the year. The ageing of the Company's trade receivables (net of impairment provision) at the end of the year was as follows:

	2025 £000	2024 £000
Not overdue	**14,525**	15,053
0–30 days overdue	**3,064**	3,803
31–90 days overdue	**318**	1,060
More than 90 days overdue	**134**	541
	18,041	20,457

On this basis, there are £3.5 million (2024: £5.4 million) trade receivables at the balance sheet date that have not been provided against. There is no indication as at 31 March 2025 that debtors will not meet their payment obligations in respect of trade receivables recognised in the balance sheet that are unprovided. On this basis, there is no material difference between the fair value and the carrying value.

10. Cash and cash equivalents and bank overdrafts

	2025 £000	2024 £000
Bank balances and cash in hand	**3,747**	4,226
Bank overdraft	**(17,202)**	(18,466)
Net overdraft	**(13,455)**	(14,240)

Following a review of the cash pooling arrangement, bank overdrafts have been presented gross of cash and cash equivalents on the face of the balance sheet as the Company does not routinely net settle balances in its cash pool. The comparatives on the face of the balance sheet have been restated accordingly. The impact on the balance sheet as at 1 April 2023 would have been to increase cash and cash equivalents and bank overdraft by £3,557,000.

11. Interest-bearing loans and borrowings

	2025 £000	2024 £000
Current liabilities		
Lease liabilities	**4,992**	4,245
Non-current liabilities		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**93,000**	93,000
Arrangement fees	**(573)**	(720)
Lease liabilities	**13,871**	11,126
	165,036	142,406

Net debt defined as total borrowings and net overdraft was:

	As at 31 Mar 2024 £000	Cash movements £000	Non-cash Movements £000	As at 31 Mar 2025 £000
Secured loans	132,000	19,700	38	**151,738**
Arrangement fees	(720)	(199)	346	**(573)**
Net overdraft	14,240	(785)	–	**13,455**
Net debt excluding lease liabilities	145,520	18,716	384	**164,620**
Lease liabilities	15,371	(5,721)	9,213	**18,863**
Net debt including lease liabilities	160,891	12,995	9,597	**183,483**

The repayment schedule of the carrying amount of the non-current borrowings as at 31 March 2025 is:

Due in less than one year:	2025 £000	2024 £000
Lease liabilities	**4,992**	4,245
Due in more than one year but not more than two years:		
Private placement loan	**65,000**	–
Lease liabilities	**4,501**	3,484
Total	**69,501**	3,484
Due in more than two years but not more than five years:		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**28,000**	93,000
Lease liabilities	**8,291**	5,844
Total	**95,029**	137,844
Due in more than five years:		
Lease liabilities	**1,079**	1,798
Total	**1,079**	1,798

The secured bank loans represent a £90.0 million revolving credit facility (RCF) which, alongside the overdraft, are secured by a fixed and floating charge over the assets of the Group and are at variable interest rates linked to SONIA and EURIBOR. The unutilised RCF available to the Group as at 31 March 2025 was £31.3 million (2024: £51.0 million). In November 2024, the Group's RCF was extended for a further year to November 2027. The RCF continues to include an additional £30.0 million uncommitted accordion facility. In November 2024, NatWest replaced Bank of Ireland within our banking club.

The Group has two private placement loans. The first loan provides funding of £65.0 million and matures in January 2027. The second loan provides funding of £28.0 million and matures in April 2028. Both loans have fixed interest rates payable semi-annually and were fully drawn at the balance sheet date.

Notes to the Parent Company Financial Statements
(forming part of the financial statements)

12. Trade and other payables

Current liabilities	2025 £000	2024 Restated* £000
Trade payables	**7,746**	7,793
Amounts owed to subsidiary undertakings	**1,788**	20,556
Other tax and social security	**2,704**	2,443
Accruals and deferred income	**13,485**	16,574
	25,723	47,366

Within accruals is £0.1 million (2024: £1.6 million) in relation to the liability for cash-settled share options, which are also valued at fair value. All other liabilities are valued at amortised cost. There are no material liabilities in relation to contracts with customers. Amounts owed to subsidiary undertakings are repayable on demand, unsecured and interest free.

* See note 9 for details of restatement.

Non-current liabilities	2025 £000	2024 £000
Amounts owed to subsidiary undertakings	**16,028**	20,457
Other creditors and accruals	**2,000**	–
	18,028	20,457

Amounts owed to subsidiary undertakings are unsecured, repayable on demand or ten years from agreement date and range in interest from 0% to 7.0%.

Within accruals is £1.8 million in relation to contingent remuneration for post-combination services, associated with the acquisition of CPH on 2 October 2024. Based on business performance against future EBITDA targets, up to a maximum of €6.7 million may be payable on the second anniversary of the acquisition and up to €15.0 million may be payable on the third anniversary. An expected value approach has been applied, allowing for the uncertainty of multiple potential outcomes, which is pro-rated based on employment term completed post combination, to the second and third anniversaries from the date of acquisition. At the year end, £1.4 million and £0.4 million are accrued respectively in relation to the two non-current future contingent payments, see note 4 of the consolidated group financial statements for further details.

13. Provisions

Provisions relate to dilapidations on properties. The timing and amount of future cash flows related to lease dilapidations are subject to uncertainty. The provision recognised is based on management's experience and understanding of the commercial property market and third party surveyors' reports where appropriate in order to best estimate the future outflow of funds. The estimates used take into consideration the location, size and age of the properties. Estimates of future dilapidation costs are regularly reviewed when new information is available.

	£000
1 April 2023	54
Charge during the year	226
Utilised during the year	(14)
At 31 March 2024	266
Charge during the year	49
Utilised during the year	(212)
At 31 March 2025	**103**

14. Deferred tax assets and liabilities

	Property, plant and equipment £000	Intangible assets £000	Employee benefits £000	Other items £000	Total £000
1 April 2023	14,302	511	(107)	(267)	14,439
Re-categorised	(356)	356	–	–	–
Recognised in income statement	615	36	124	(33)	742
Recognised in reserves	(1)	–	(67)	–	(68)
Recognised in equity	–	–	20	–	20
At 31 March 2024	14,560	903	(30)	(300)	15,133
Recognised in income statement	384	2	322	(107)	601
Recognised in reserves	(1)	–	(147)	–	(148)
At 31 March 2025	**14,943**	**905**	**145**	**(407)**	**15,586**

Of the deferred tax liability above, the amount expected to unwind within 12 months is £3.0 million (2024: £3.0 million).

Deferred tax assets have been recognised on employee benefits and other items on the basis that there will be future taxable profits against which these assets can be utilised. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the net balance.

15. Called-up share capital

Details in respect of called-up share capital are presented in Note 20 of the consolidated Financial Statements.

16. Dividends and earnings per share

Details in respect of dividends and earnings per share to shareholders are presented in Notes 21 and 22 respectively of the consolidated Financial Statements.

17. Share options schemes

Details in respect of Company share options schemes are presented in Note 23 of the consolidated Financial Statements.

18. Capital commitments

Capital commitments for property, plant and equipment at the end of the financial year, for which no provision has been made, are as follows:

	2025 £000	2024 £000
Contracted	**4,759**	3,600

19. Employee benefits

The Company has one defined benefit pension scheme, the Vp Pension Scheme. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). Details in respect of employee benefits associated with the Vp Pension Scheme are presented in Note 25 of the consolidated Financial Statements within disclosures titled 'Company'.

20. Business combinations

Vp plc acquired Charleville Hire and Platform Limited ('CPH') on 2 October 2024. Details of the acquisition are provided in Note 26 of the consolidated Financial Statements.

21. Contingent liabilities

Details in respect of contingent liabilities are presented in Note 28 of the consolidated Financial Statements.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

22. Ultimate parent company and controlling party

The Company is an immediate subsidiary undertaking of Ackers P Investment Company Limited, which is the ultimate Parent Company incorporated in the United Kingdom and registered at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. Consolidated financial statements are prepared for this company, being the largest group into which the results of this Group are consolidated, and are available from the registered office address. Ackers P Investment Company Limited is, ultimately, controlled by a number of Trusts of which, for the purposes of Sections 252 to 255 of the Companies Act 2006, Jeremy Pilkington is deemed to be a connected person. .The smallest group to consolidate these financial statements is Vp plc, as per the consolidated Financial Statements, available from the Vp plc registered office at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD.

23. Subsidiary undertakings

The investments in trading subsidiary undertakings as at 31 March 2025 and 31 March 2024 are:

	Country of registration or incorporation	Principal Activity	Country of principal operation	Class and percentage of shares held
Torrent Trackside Limited	England	Rail equipment hire	UK	Ordinary shares 100%
Hire Station Limited	England	Tool hire	UK	Ordinary shares 100%
Airpac Rentals Pte Limited	Singapore	Oilfield services	Singapore	Ordinary shares 100%
Airpac Bukom Oilfield Services Middle East FZE	Sharjah	Oilfield services	Sharjah	Ordinary shares 100%
Airpac Rentals (Australia) Pty Limited	Australia	Oilfield services	Australia	Ordinary shares 100%
Airpac Rentals Holdco Limited**	England	Oilfield services	UK	Ordinary shares 100%
Airpac Rentals UK Limited**	England	Oilfield services	UK	Ordinary shares 100%
Vp GmbH	Germany	Equipment hire	Germany	Ordinary shares 100%
Vp Equipment Rental (Ireland) Limited	Ireland	Equipment hire	Ireland	Ordinary shares 100%
Vp Equipment Rental Pty Limited	Australia	Holding company	Australia	Ordinary shares 100%
TR Pty Limited	Australia	Equipment hire	Australia	Ordinary shares 100%
Tech Rentals (Malaysia) SDN BHD	Malaysia	Equipment hire	Malaysia	Ordinary shares 100%
TR TechRentals Pte Limited**	Singapore	Equipment hire	Singapore	Ordinary shares 100%
Vidcom New Zealand Limited	New Zealand	Equipment hire	New Zealand	Ordinary shares 100%
Charleville Hire and Platform Limited*	Ireland	Equipment hire	Ireland	Ordinary shares 90%

* Acquired during the year ending 31 March 2025.

** During the previous year Airpac Rentals Holdco Limited, Airpac Rentals UK Limited and TR TechRentals Pte Limited were incorporated.

The full list of the dormant subsidiary undertakings is:

	Country of registration or incorporation	Principal activity	Country of principal operation	Class and percentage of shares held
Stopper Specialists Limited	England	Dormant	N/A	Ordinary shares 100%
Trench Shore Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Investments Limited*	England	Dormant	N/A	Ordinary shares 100%
Bukom General Oilfield Services Limited*	England	Dormant	N/A	Ordinary shares 100%
Fred Pilkington and Son Limited	England	Dormant	N/A	Ordinary shares 100%
Domindo Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
Instant Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
The Handi Hire Group Limited*	England	Dormant	N/A	Ordinary shares 100%
Hire & Sales (Canterbury) Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Trustees Limited	England	Dormant	N/A	Ordinary shares 100%
U M (Holdings) Limited*	England	Dormant	N/A	Ordinary shares 100%
U-Mole Limited*	England	Dormant	N/A	Ordinary shares 100%
727 Plant Limited*	England	Dormant	N/A	Ordinary shares 100%
Cannon Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
M.E.P. Hire Limited	Scotland	Dormant	N/A	Ordinary shares 100%
Arcotherm (UK) Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Limited	England	Dormant	N/A	Ordinary shares 100%
Mr Cropper Limited	England	Dormant	N/A	Ordinary shares 100%
Direct Instrument Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
Test & Measurement Hire Group Limited	England	Dormant	N/A	Ordinary shares 100%
Test & Measurement Hire Limited	England	Dormant	N/A	Ordinary shares 100%
Higher Access Limited	England	Dormant	N/A	Ordinary shares 100%
Zenith Survey Equipment Limited	England	Dormant	N/A	Ordinary shares 100%
Survey Connection Scotland Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Group Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Group Holdings Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Limited	England	Dormant	N/A	Ordinary shares 100%
FNPR Holdings Limited	England	Dormant	N/A	Ordinary shares 100%
First National Plant Rental Limited	England	Dormant	N/A	Ordinary shares 100%
TPA Portable Roadways Limited	England	Dormant	N/A	Ordinary shares 100%
Sandhurst Limited	England	Dormant	N/A	Ordinary shares 100%
M. & S. Hire Limited	England	Dormant	N/A	Ordinary shares 100%

During the year, applications have been made to dissolve the companies marked with a *

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

23. Subsidiary undertakings continued

The registered offices of the companies are:

Country of Registration	Registered Office Address
England	Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire, HG3 1UD
Scotland	Tofthills Avenue, Midmill Business Park, Kintore, Aberdeenshire AB51 0QP
Singapore	43 Tuas West Avenue, Singapore 639483
Sharjah	SAIF Office P8-13-10, PO Box 121378, Sharjah, United Arab Emirates
Australia	18 Joseph Street, Blackburn North, Victoria 3130
Germany	Lurgiallee 6-8, 60439 Frankfurt
Ireland	70 Sir John Rogerson's Quay, Dublin 2
Malaysia	Wisma Goshen, 2nd Floor, 60 & 62 Jalan SS22/21, Damansara Jaya, 47400 Petaling Ja-ya, Selangor Dami Ehsan
New Zealand	27 Exmouth Street, Eden Terrace, Auckland 101

The subsidiary companies listed below are exempt from the requirements of Companies' Act 2006 relating to the audit of individual financial statements by virtue of section 479A of Companies' Act 2006.

Company	Registered number
Torrent Trackside Limited	01132882
Trench Shore Limited	02139927
Stopper Specialists Limited	03711587
Mr Cropper Limited	03989159
First National Plant Rental Limited	02143903
FNPR Holdings Limited	05903105
Higher Access Limited	06574406
Test & Measurement Hire Group Limited	08627189
Test & Measurement Hire Limited	05508572
M.E.P. Hire Limited	SC162952
Arcotherm (UK) Limited	05137012
Zenith Survey Equipment Limited	02024095
M. & S. Hire Limited	01858587
TPA Portable Roadways Limited	04277764
Fred Pilkington and Son Limited	01604130
Survey Connection Scotland Limited	02664160
Vibroplant Limited	02644935

Five-year summary

	2021 £000	2022 £000	2023 £000	2024 £000	**2025** **£000**
Revenue	307,997	350,915	371,519	368,691	**379,957**
Adjusted profit	23,176	38,946	40,206	39,861	**36,672**
Profit before tax	(2,269)	35,644	30,706	2,846	**21,720**
Tax	(2,332)	(10,109)	(7,696)	(8,137)	**(7,275)**
Profit/(loss) after tax	(4,601)	25,535	23,010	(5,291)	**14,445**
Dividends*	(8,674)	(14,054)	(14,471)	(14,997)	**(15,394)**
Total equity	153,090	166,585	174,932	153,020	**150,398**
Share statistics (unaudited)					
Asset value	381p	415p	436p	381p	**375p**
Earnings (pre amortisation)	46.56p	71.24p	78.41p	75.10p	**68.38p**
Dividend	25.0p	36.0p	37.5p	39.0p	**39.5p**
Times covered (pre amortisation)	1.9	2.0	2.1	1.9	**1.7**

* Dividends under IFRS relate only to dividends declared in that year

Alternative performance measures

The Board monitors performance, principally, through adjusted and like-for-like performance measures or Alternative Performance Measures (APMs). Adjusted profit and earnings per share measures exclude certain items, including the impact on net debt of IFRS 16, amortisation of acquired some intangible assets, impairment charges and exceptional items.

The Board believes that such alternative measures are useful as they exclude one-off (impairment of intangible assets and exceptional items) and non-cash (amortisation of intangible assets) items; which are normally disregarded by investors, analysts and brokers in gaining a clearer understanding of the underlying performance of the Group from one year to the next when making investment and other decisions. Equally, IFRS 16 is excluded from net debt measures used by these same stakeholders and so is removed from certain APMs. In previous years, the impact of IFRS 16 was excluded from adjusted profit figures but this adjustment has not been made in the current year. The comparative figures have been restated to reflect this change.

The key measures used as APMs are reconciled below.

	2025 £000	2024 Restated £000
Profit before tax as per the Income Statement	**21,720**	2,846
Amortisation and impairment of goodwill, trade names and customer relationships	**4,062**	31,198
Exceptional items	**10,890**	5,817
Adjusted profit before tax, amortisation, impairment of goodwill, trade names and customer relationships and exceptional items APM ('Adjusted Profit')	**36,672**	39,861
Interest	**10,318**	9,635
Operating profit before amortisation, impairment of goodwill, trade names and customer relationships and exceptional items APM ('Adjusted Operating Profit')	**46,990**	49,496
Remove interest on lease liabilities	**(3,699)**	(3,315)
Depreciation of property, plant and equipment	**46,464**	44,138
Amortisation of software	**848**	856
Adjusted EBITDA APM	**90,603**	91,175

	2025 Pence	2024 Pence
Basic earnings per share	**36.6**	(13.4)
Impact of amortisation, impairment of intangible assets and exceptional items after tax	**30.2**	88.5
Impact of IFRS 16	**0.5**	(0.3)
Adjusted basic earnings per share APM	**67.3**	74.8

	2025 £000	2024 £000
Net debt including lease liabilities	**203,921**	187,180
Lease liabilities	**(65,424)**	(61,961)
Net debt excluding lease liabilities APM	**138,497**	125,219

Return on Average Capital Employed (ROACE) of 14.2% (2024: 14.5%) is based on adjusted operating profit before interest on lease liabilities divided by average capital employed on a monthly basis using the management accounts.

Directors and advisers

Executive Directors

Jeremy F G Pilkington, B.A. Hons. (Chair)
Anna C Bielby, F.C.A.
Keith J Winstanley PhD, B.S.C, F.C.A

Non-Executive Directors

Stuart W Watson, B.A, (Econ) F.C.A.
J Mark Bottomley, B.S.C, F.C.A.
Philip M White, B.Com, F.C.A, CBE
Richard S Smith

Company Secretary

Sarah (Sally) E Jones

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National Westminster Bank Plc

Investment Bankers

N M Rothschild & Sons Limited

Brokers

Singers Capital Markets
Berenberg

Public Relations

Sodali & Co (Powerscourt Limited)

Consultancy, design and production by:
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