BUNZL

News Release

01 September 2026

FINANCIAL REPORT FOR SIX MONTHS ENDED 30 JUNE 2026
Good first half performance; 2026 outlook upgraded; £500m buyback announced

Bunzl plc, the specialist international distribution and services Group, today publishes its financial report for the six months ended 30 June 2026.

Financial results	H1 26	H1 25	Growth as reported	Growth at constant exchange*	Underlying growth*
Revenue	**£5,933.1m**	£5,759.6m	3.0%	2.9%	3.2%
Adjusted operating profit*	**£440.6m**	£404.5m	8.9%	8.0%	
Adjusted profit before income tax*	**£380.9m**	£345.6m	10.2%	8.9%	
Adjusted earnings per share*	**87.7p**	77.8p	12.7%	11.4%	
Interim dividend per share	**20.8p**	20.2p	3.0%		

Statutory results			
Operating profit	**£351.2m**	£300.5m	16.9%
Profit before income tax	**£290.4m**	£250.1m	16.1%
Basic earnings per share	**65.7p**	55.6p	18.2%

Highlights include:

- Revenue increased by 2.9% at constant exchange rates*; underlying revenue* was 3.2% higher
- Underlying revenue supported by both volume growth, led by North America, and inflation, driven by product cost increases in the second quarter; Group underlying revenue growth now positive for five consecutive quarters
- Our largest business in North America, "North America Distribution", delivered encouraging volume growth across customers, supported by new business won in the second half of 2025
- Operating margin* expanded from 7.0% to 7.3%, driven by the net impact of inflation, much of which is expected to be temporary in nature, and supported by the annualisation of initial Nisbets' synergies
- Adjusted operating profit* increased by 8.0% at constant exchange rates; reported operating profit grew by 16.9%
- Adjusted EPS increased by 11.4%, building on the Group's track record of delivering long-term compounding growth
- Adjusted net debt to EBITDA* of 1.8 times, below our 2.0 to 2.5 times target leverage range; over the medium-term we aim, on average, to manage leverage within our target range
- Interim dividend per share increased by 3.0%; consistent with our long standing commitment to sustainable annual dividend growth
- Two bolt-on acquisitions completed year-to-date; we continue to expect 2026 to be an improved year for acquisitions compared to 2025, with a more active second half as deal momentum is building; pipeline remains active
- New £500m buyback programme to be completed over the next 12 months reflects our policy of distributing excess cash whilst maintaining headroom for high return bolt-on acquisitions, which remain a priority
- 2026 outlook upgraded; continue to expect modest underlying revenue growth, and now expect operating margin to be broadly flat year-on-year≠; expect modest adjusted operating profit growth year-on-year, at constant exchange rates≠

Commenting on today's results, Frank van Zanten, Chief Executive Officer of Bunzl, said:

"Bunzl has delivered a strong financial performance in the first half of 2026, with underlying growth in all regions and margin expansion. It is pleasing to see growth being led by North America, including in our Distribution business, which is testament to the operational progress that has been made with service levels restored and our teams fully engaged and motivated. Our teams around the world have again demonstrated relentless customer focus alongside their ability to effectively manage an inflationary environment.

The macroeconomic backdrop remains uncertain with challenging end markets and volatile input prices. The Group's robust first half performance, as well as its resilience and agile business model, gives us the confidence to upgrade our guidance for 2026. We continue to expect 2026 to be a foundation for future profit growth and I am confident in our ability to deliver consistent compounding growth in the medium-term.

Attractive bolt-on acquisitions are a priority for the business, with our pipeline remaining active and acquisition momentum building. As the business has delivered an improved performance, and with strong cash generation contributing to significant headroom, our capital allocation policy also supports a new £500 million buyback, whilst maintaining capacity for high return acquisitions."

* Alternative performance measure (see Note 2)

≠ After excluding an £8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 that were impacted by the Group's performance in 2025

Operational and strategic progress:

- Continued operational improvement in North America Distribution, with service levels and product availability restored, the business' responsiveness and agility boosted, and teams engaged and motivated to deliver. The work we have been doing in our Distribution business is delivering, with strong underlying revenue growth in the first half, driven by volume growth and margin expansion.
- 15 warehouse consolidations and relocations, alongside continued investments into digital solutions and automation; significant warehouse consolidation project in France now fully operational, with improvements already being delivered in service levels, working capital, warehouse capacity and health & safety
- Two bolt-on acquisitions year-to-date; Scientifix bolsters our healthcare business in Australia, while Ghessu Bath, announced today, complements our hospitality business in Spain
- Processed 78% of orders digitally, compared to 76% over 2025, supporting customer stickiness and increasing ease of customer ordering
- Own brand, c.30% of Group revenue, stable compared to 2025, and continues to complement the depth of our third-party supplier relationships

Business area highlights:

	Revenue (£m)		Growth at constant exchange*	Underlying revenue growth*	Operating profit* (£m)		Growth at constant exchange*	Operating margin*	
	H1 26	H1 25			**H1 26**	H1 25		**H1 26**	H1 25
North America	**3,062.4**	3,062.8	2.5%	4.6%	**199.4**	197.0	3.4%	**6.4%**	6.4%
Continental Europe	**1,269.4**	1,186.4	3.5%	2.1%	**106.7**	94.4	8.9%	**8.4%**	8.0%
UK & Ireland	**924.1**	904.2	1.7%	1.3%	**65.6**	59.9	9.3%	**7.1%**	6.6%
Rest of the World	**677.2**	606.2	5.4%	1.9%	**85.7**	70.3	15.5%	**12.7%**	11.6%

- **North America:** Strong underlying revenue growth, which accelerated in the second quarter, with positive contributions from both volume and inflation. Growth was driven by our Distribution business, including good growth in grocery and foodservice, as well as our safety businesses. Operating margin was stable, with the benefits of higher inflation offset by business mix and higher variable costs. Within the business area, margin increases in our Distribution and safety businesses were offset by margin declines in our retail, Mexico and convenience store businesses which continue to be impacted by challenging markets
- **Continental Europe:** Modest underlying revenue growth, with an acceleration in the second quarter driven by broad-based volume improvement and higher inflation. Strong growth in Spain, driven by packaging and safety businesses, and continued improved performance across our online businesses. France volume growth offset by deflation, although deflation moderated through the period. Moderate increase in operating margin driven by inflation in Turkey and Spain
- **UK & Ireland:** Slight underlying revenue growth, driven mostly by volume, with inflation only supportive towards the end of the period. Growth was driven by our foodservice and cleaning & hygiene businesses and partially offset by a modest revenue decline in safety. Strong operating margin expansion was driven by the annualisation of initial Nisbets synergies
- **Rest of the World:** Good constant currency revenue growth, driven by acquisitions. Modest underlying revenue growth, driven by Asia Pacific over the period, although performance in Latin America improved in the second quarter, supported by volume growth and moderating deflation in Brazil. Strong profit improvement driven by Latin America, partially offset by lower healthcare margins in Asia Pacific, which has been impacted by reduced public sector spending in New Zealand and the timing of project revenue

Outlook

Guidance for 2026 upgraded:

- The Group continues to expect revenue growth^ at constant exchange rates to be driven by modest underlying revenue growth*, supported by some inflation, alongside a small benefit from acquisitions
- Group operating margin* for the year is expected to be broadly flat year-on-year compared to the 7.6% operating margin reported in 2025≠
- Expect modest adjusted operating profit growth year-on-year≠, at constant exchange rates
- Other guidance items: net adjusted finance expense* of £125-£130 million; full year effective tax rate will be around 26.0%

* Alternative performance measure (see Note 2)

≠ After excluding an £8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 that were impacted by the Group's performance in 2025

^ Excludes US IEEPA tariff refund

Enquiries:

Bunzl plc
Frank van Zanten, Chief Executive Officer
Richard Howes, Chief Financial Officer
Sunita Entwisle, Head of Investor Relations and Communications
Tel: +44 (0)20 7725 5000

Teneo
Martin Robinson
Kate Somerville
Tel: +44 (0)20 7353 4200

Note: A live webcast of today's presentation to analysts will be available on www.bunzl.com, commencing at 9.30 am.

2026 HALF YEAR RESULTS

Overview

Bunzl has delivered a good performance over the first half of 2026. We have seen the Group benefit from the stabilisation of our largest business, North America Distribution, with actions taken last year to drive operational improvements starting to deliver financial results in terms of a return to growth. In addition, our businesses across the Group have been successfully managing the inflationary environment, highlighting the fundamental resilience within the business model. Furthermore, whilst acquisition activity year-to-date has been slower than typical, we are seeing momentum build and continue to expect 2026 spend to be ahead of 2025, given our expectations for the second half of the year. We believe the Group is now in a stronger position from which to deliver on its medium-term compounding growth opportunity and to rebuild external confidence in its resilience.

Following on from a robust finish to 2025, underlying revenue growth continued, delivering 3.2% over the first half, with an acceleration in the second quarter driven by both volume and inflation. The Group has now delivered underlying revenue growth for five consecutive quarters. Volume growth over the first half was particularly encouraging, given the challenging macro economic context, and was led by our North America Distribution business. Inflation across the Group was driven by product cost increases in certain categories, resulting from the geopolitical backdrop and subsequently higher commodity prices which have fed through into many plastic-related products. Overall, the Group delivered revenue growth of 4.1% at constant exchange rates^. Operating margin^ increased to 7.3%, from 7.0% in the prior year period, driven by the net impact of inflation in the second quarter and supported by our improved performance and the annualisation of initial Nisbets synergies, despite variable cost growth linked to improved performance. Whilst much of the first half margin expansion is expected to be temporary in nature, trading overall supports our confidence in 2026 being the foundation for future profit growth.

Bolt-on acquisitions at attractive multiples, and subsequently strong returns, continue to be a focus for the Group, with significant opportunity remaining to consolidate highly fragmented markets. The lower level of acquisition spend since 2025 is reflective of the continued impact of the uncertain macro economic environment on the timing of acquisitions, as we have seen at other points in our history. Whilst we continue to expect acquisition activity to pick up in the near-term, with acquisition momentum building, and continue to prioritise capital allocation to bolt-on acquisitions, our improved performance and low leverage supports the launch of a £500 million share buyback programme, which is expected to be completed over the next 12 months. The Group ended the period with an adjusted net debt to EBITDA of 1.8 times, below our target leverage range (2.0 times to 2.5 times) and over the medium-term Bunzl aims, on average, to manage leverage within this range. This buyback is aligned to our capital allocation policy and, given the strength of our cash generation, leaves the Group sufficient headroom to continue to deliver on the opportunity to consolidate fragmented markets via bolt-on acquisitions.

North America Distribution update

Our North America Distribution business, “Distribution”, continued to make good operational progress in the first half of 2026. The sales and operations model is now working effectively for both national and local customers, unlocking greater sales growth opportunities for the future. A strengthened local foodservice leadership structure has brought greater focus to this business, and agility has been restored with pricing and inventory decisions for local customers having moved back to the local teams. As a result, the business’ availability and commercial responsiveness is now back at desired levels. Furthermore, our salesforce is motivated and performing well, and we are seeing high levels of employee engagement and retention.

The effects of this operational progress are now visible in the business’ improved financial performance in terms of growth, despite the continued challenges for foodservice end customers. Distribution delivered 8% underlying revenue

^ Excluding US IEEPA tariff refund

growth, with good volume growth reflective of new business wins in the second half of 2025 and success with established grocery customer partnerships, as well as modest volume growth in the redistribution business, which predominantly services foodservice customers. Distribution also delivered a moderately higher operating margin reflective of its improved performance, as well as the net impact from inflation, which more than offset the negative mix impact from lower margin grocery growth and new business wins, as well as higher variable costs.

While the market remains competitive, with the business continuing to improve, our focus is on increasing market share, through both new customer wins and increased share of wallet of existing customers.

Continental Europe update

In Continental Europe, after achieving stabilisation in the second half of 2025, progress has continued in the first half of 2026. Modest volume growth included an encouraging acceleration in the second quarter and operating margin expanded in the period, driven by the net impact of inflation. The significant warehouse consolidation project in France is now fully operational and already delivering tangible improvements with higher service levels, lower inventory, increased warehouse capacity and improved health & safety. Over the period we also announced a global partnership with adidas to design, manufacture and distribute their safety footwear, initially in Europe, which is a great example of the Group's entrepreneurialism and continued focus on driving organic growth.

Group operating performance

The commentary below is stated at constant exchange rates unless otherwise highlighted.

During the period, Bunzl received US IEEPA tariff refunds, which at this stage are expected to be returned to customers. In accordance with accounting standards this reduced our statutory reported revenue by 1.2% over the period, effectively offsetting an implied revenue benefit in prior periods. A corresponding reduction in cost of sales means the refund has no impact on adjusted operating profit. Bunzl's gross margin, operating cost to sales ratio, and operating margin are stated in this release excluding the refund.

Revenue

Revenue increased by 2.9% to £5,933.1 million; excluding US IEEPA tariff refunds constant exchange growth was 4.1%, with underlying revenue growth of 3.2%. Underlying revenue momentum built through the period, with both volume and inflation growth accelerating in the second quarter. Volume growth over the first half was led by North America, driven by our Distribution business, although volume growth was delivered in all business areas. The Group also saw inflation across certain categories in the second quarter, largely plastic-related products and a reflection of product cost increases due to geopolitical events, which was partially offset by the impact of lower US tariffs. Acquisition related revenue growth, net of disposals, contributed 0.8% in the first half, while there was a neutral trading day impact in the period.

The sector performance is outlined below:

Safety, cleaning & hygiene and healthcare – total organic revenue growth was 2.9% in the first half of 2026. This was led by good growth in healthcare, particularly in Asia Pacific, although margin in these businesses was impacted by weakness in our New Zealand healthcare business and the timing of project revenue. The safety sector drove modest organic revenue growth, driven by higher inflation in North America, and with Brazil delivering a mixed performance with strong volume growth in its import businesses being offset by weakness elsewhere. Cleaning & hygiene revenues were modestly higher, driven by volume growth with limited support from inflation.

Foodservice – organic revenue growth was 2.6% in the period, driven by volume growth in our North America Distribution business, as well as some inflation. We also saw moderate growth in Continental Europe, driven by strong volumes in Turkey and Spain, and in the UK & Ireland, led by our service and project-based businesses.

^ Excluding US IEEPA tariff refund

Grocery and other sectors – total organic revenue growth was 4.9% in the period, driven again by strong volumes in North America Distribution, which benefitted from new customer wins in the second half of 2025 as well as good growth at some of its biggest customers.

Retail – organic revenue growth was 1.5% in the first half of 2026 despite challenging markets and was led by Continental Europe. Revenue increased modestly in our North America retail supplies business.

Profit and earnings

Gross margin^ over the period was 29.4%, compared to 28.8% in the prior year period, at actual exchange rates, supported by the net impact of inflation in the second quarter, much of which is expected to be temporary in nature and which has been mostly concentrated in plastic-related products, and also a benefit from currency translation. Gross margin^ expanded in all business areas, except for North America which saw a moderate decline driven by business mix.

Over the period, wage inflation and property cost inflation, linked to lease renewals, have been at more typical levels, although we saw elevated fuel and freight costs, resulting from higher commodity prices in the period, and additional variable costs associated, in particular, with North America's improved profit performance. This has been partially offset by the annualisation of initial Nisbets' synergies, and a strong focus on cost actions, such as restructuring projects and warehouse consolidations and relocations. Overall, the operating cost to sales ratio was 22.0% compared to 21.8% in the prior period.

Adjusted operating profit for the period was £440.6 million, a year-on-year increase of 8.0%. Operating margin expanded from 7.0% to 7.3%, at actual exchange rates, driven by the net impact of inflation in the second quarter, much of which is expected to be temporary in nature, and supported by the annualisation of initial Nisbets' synergies. Reported operating profit was £351.2 million, an increase of 15.9% (up 16.9% at actual exchange rates), driven by reduced deferred consideration charges, positive adjustments to previously estimated earnouts and reduced transaction costs and expenses.

The effective tax rate over the period was 26.0%, compared to 26.4% in the prior period, and consistent with our expectations for a 26.0% effective tax rate overall in 2026. Adjusted profit for the period was £281.9 million, an increase of 9.5%.

Adjusted earnings per share were 87.7p, an increase of 11.4%, and basic earnings per share were 65.7p, an increase of 16.5% (up 18.2% at actual exchange rates). The weighted average number of shares over the period was 321.5 million, compared to 326.9 million in the prior period, reflective of the share buybacks previously executed in 2025.

Cash and returns

The Group's cash generation continues to be good, with 90% cash conversion^, in line with our target. This conversion is slightly below last year's 97% and reflects an investment in working capital, but remains strong and in-line with our annual target.

Compared to the prior year period, free cash flow increased by 5.6%^ at actual exchange rates, to £256.8^ million, supported by higher adjusted operating profit and lower interest costs, partially offset by a working capital outflow. The continued strength of our underlying cash generation continues to enable our investment in the business, progressive dividends, self-funded value-accretive acquisitions and other capital allocation options with any excess capital. Adjusted net debt to EBITDA^, which excludes lease liabilities and includes total deferred and contingent consideration, at 30 June 2026 was 1.8 times. This compares to 1.9 times at 30 June 2025 and 2.0 times at 31 December 2025.

^ Excluding US IEEPA tariff refund

Returns were slightly higher compared to 2025 overall, driven by the Group's higher first half adjusted operating profit, partially offset by higher inventory levels. Return on average operating capital^ was 38.0% over the period (37.0% at 31 December 2025), while return on invested capital^ was 13.3% (13.0% at 31 December 2025).

Strategy: Organic growth and operational efficiency

We remain committed to delivering growth through our long-term compounding growth strategy which focuses on organic growth, operational efficiency and acquisitions. Our colleagues have continued to provide our customers with innovative products and services, with a particular focus on our sustainability offering. The announced exclusive global adidas partnership for safety footwear, to be sold through a number of our operating companies and partners, is a good example of the Group's entrepreneurial culture. The partnership is also testament to our safety expertise and global network of safety distribution businesses. These benefits were recognised by adidas and instrumental in them choosing to partner with Bunzl to introduce adidas workwear shoes.

We also continue to enhance our value-added proposition and complement our continual collaboration with our strategic third party branded supplier partners, alongside the development of our own brand offering to provide unparalleled choice for our customers. Own brand represents c.30% of Group revenue and continues to complement the depth of our third-party supplier relationships.

Similarly, our digital strategy continues to enhance our offering to customers and support retention. Digital sales accounted for 78% of orders over the period, compared to 76% over 2025.

Artificial intelligence (AI) is playing an ever-increasing role in supporting the day-to-day running of the Group, enhancing customer relationships and driving operational excellence. Our entrepreneurial and data-driven culture lends itself well to adopting new technologies with AI becoming embedded into everyday sales, operations and support processes. Product recommendations are building stronger customer relationships; identifying sales opportunities is helping to drive profitable growth; warehouse optimisation is delivering operational excellence; and agentic workflows are increasing productivity.

Pursuing operating efficiencies remains an important part of our strategy to reduce the impact of operating cost inflation, and includes areas such as warehousing, digital capability and system implementations, with artificial intelligence being embedded across all of these. Over the period, we have been able to partially offset operating cost inflation through further optimisation of our warehouse footprint with the consolidation of nine warehouses and the relocation of an additional six. This includes the significant programme undertaken in France that is now fully operational and will deliver further benefits going forward, particularly through the implementation of technology tools such as warehouse management systems. Furthermore, we have benefited from cost actions taken in North America and Continental Europe.

Strategy: acquisitions and disposals

In April, Bunzl completed the acquisition of Scientifix Group, an Australian distributor of critical products and services to the Life Sciences and Biotechnology sectors that will expand the category offering of our existing business. In the 12 months to June 2026, the business generated revenue of AUD18 million (c.9 million).

In July, we completed the acquisition of Ghessu Bath, a Spanish distributor of bathroom accessories to the hospitality industry, that will complement our existing business in Spain. In 2025, the business generated revenue of €7 million (c.£6 million).

The lower level of acquisition spend since 2025 is reflective of the continued impact of the uncertain macro economic environment on the timing of acquisitions, as we have seen at other points in our history. Typically, M&A activity picks up quickly once the macro economic backdrop improves. Our pipeline remains active and we are seeing momentum

^ Excluding US IEEPA tariff refund

building with conversations across a number of attractive businesses. We continue to expect an improved performance in the second half of the year, and for spend in 2026 overall to be ahead of 2025.

Committed spend year to date is less than £20 million, compared to an average annual spend on bolt-on deals between 2020 and 2025 of c.£300 million. Bolt-on deals here are defined as having an enterprise value of less than £200m and represent all but 3 acquisitions between 2020 and 2025, with an average committed spend on these businesses of £25 million. With no change to the consolidation opportunity, £300 million remains a relevant reference point for the medium-term, although timing cannot be guaranteed as evidenced by our recent history with c.£125 million spent in 2019 compared to c.£470 million spent in 2023.

There were no disposals in the period, but the Group continues to actively review its portfolio of over 150 companies to ensure optimal capital allocation across the Group. Since 2022, Bunzl has disposed of four businesses with a combined annual revenue in their final year before disposal of c.£250 million and low to mid single digit combined operating margin, well below the Group average.

The strength of the Group's cash conversion continues to enable the Group to self-fund further acquisitions, largely through cash generated in the year. We see significant opportunities for continued acquisition growth in our existing markets, as well as potential to expand into new markets.

Capital allocation and shareholder returns

Our capital allocation priorities remain unchanged and focused on the following: (1) to invest in the business to support organic growth and operational efficiencies; (2) to pay a progressive dividend; (3) to self-fund value-accretive acquisitions; and (4) to distribute excess cash. Furthermore, this framework is supported by a strong focus on optimising returns and ensuring an appropriate balance sheet for the business. Since 2004, Bunzl has committed £6.2 billion in acquisitions to support a growth strategy that has delivered an annual adjusted earnings per share CAGR of c.9%, and has returned £3.1 billion to shareholders through dividends and the 2024 and 2025 share buybacks.

The Board is recommending an interim dividend of 20.8p, 3% higher than the prior year period, following on from the Group's 33rd consecutive year of annual dividend growth in 2025. Dividend cover in 2026 is expected to be unchanged from last year's 2.4 times.

After investment in the business and our progressive dividend, we favour value-accretive bolt-on acquisitions, supported by the valuations and subsequent returns we have consistently achieved. After more than 230 bolt-on acquisitions since 2004, the Group has significant expertise in integrating businesses and has developed a clear and established acquisition process. Bolt-on acquisitions have been shown to deliver strong returns well ahead of required hurdle rates. However, the Board actively reviews the opportunity to distribute excess cash and allocate capital to share buybacks.

With lower than typical acquisition spend year-to-date and in 2025, the Group's adjusted net debt to EBITDA^ of 1.8x is now below Bunzl's target range of 2.0 to 2.5 times, providing significant headroom for capital allocation opportunities. Whilst we continue to expect acquisition activity to pick up in the second half of the year, our improved performance supports the return of excess cash to shareholders via the launch of a £500 million share buyback programme, which will be completed over the next 12 months. Over the medium-term Bunzl aims, on average, to manage leverage within its target range. This buyback is aligned to our capital allocation policy and, given the strength of our cash generation, leaves the Group appropriate headroom to continue to deliver on its strong track-record of delivering very attractive returns through bolt-on acquisitions.

^ Excluding US IEEPA tariff refund

We remain confident in Bunzl's ability to generate resilient, compounding growth over the medium-term, leveraging our scale advantage, entrepreneurial culture and ability to deploy strong cash generation to further consolidate our fragmented global markets.

Outlook

While we remain mindful of continuing macroeconomic and geopolitical uncertainties, we upgrade our 2026 guidance. The Group continues to expect revenue growth at constant exchange rates, excluding US IEEPA tariff refunds, to be driven by modest underlying revenue growth, supported by some inflation, alongside a small benefit from acquisitions. The group now expects operating margin to be broadly flat year-on-year, compared to the 7.6% reported in 2025 that excluded the benefit of an £8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 which were impacted by the Group's performance in 2025. Excluding this credit in the prior year, we expect modest growth year-on-year in adjusted operating profit, at constant exchange rates.

BUSINESS AREA REVIEW

North America

52% of revenue and 44% of adjusted operating profit†*

	H1 26 £m	H1 25 £m	Growth at constant exchange*	Underlying growth*
Revenue	**3,062.4**	**3,062.8**	2.5%	4.6%
Adjusted operating profit*	**199.4**	**197.0**	3.4%	
Operating margin*	**6.4%**	**6.4%**		

* Alternative performance measure (see Note 2); †Based on adjusted operating profit and before corporate costs (see Note 3)

In North America, revenue grew by 2.5%; excluding US IEEPA tariff refunds constant exchange growth was 4.8%, with underlying revenue growth of 4.6%. The growth in underlying revenue was supported by both volumes and inflation and accelerated in the second quarter. Volume growth was driven by growth in Distribution, while higher inflation was driven by product cost increases arising from geopolitical tensions, partially offset by the impact of lower US tariffs. Gross margin^ was modestly lower in the period as a result of business mix. Adjusted operating profit increased by 3.4%, to £199.4 million, with operating margin of 6.4% flat on the prior period, with the net impact of inflation offset by business mix and higher variable costs. Operating margin increased in our Distribution, safety, agriculture and processor businesses, but this was offset by challenges in our retail, Mexico and convenience store businesses.

Overall, the Distribution business delivered strong revenue growth over the period, driven by good volume growth which accelerated in Q2. Operating margin increased moderately with the net positive impact of inflation partially offset by business mix given the outperformance of lower margin grocery as well as new business wins, which are typically lower margin, and increased variable costs associated with profit growth delivered.

Within Distribution, the US grocery business grew strongly, as a result of new customer wins in the second half of 2025, strong performances from some of our biggest customers, category wins at a large national grocery retailer, and inflation. Within the wider Grocery sector, convenience store revenues declined, impacted by the loss of certain categories as well as continuing sector challenges with weak customer footfall.

The division of Distribution which supports foodservice redistribution customers saw good revenue growth in the period, supported by both volumes, despite continuing end market challenges, and inflation. Encouragingly, volume performance improved through the first half and was modestly higher over the period as a whole.

Revenue in our safety business increased strongly, largely supported by inflation, as well as a positive contribution from acquisitions, partially offset by the disposal of R3 Safety in the first half of 2025. Adjusted operating profit and margin improved as a result of good margin management related to inflation and tariffs offsetting operating cost pressures.

Cleaning & hygiene revenues improved, with volume increases in Distribution as a result of market share gains.

Revenue in our food processor business grew slightly, with new customer and category wins, supported by modest inflation. Our businesses serving the agriculture sector saw revenues decline, owing to some customer and category losses and a generally challenging macro economic environment. Operating profit and margins improved in both businesses owing to good margin management and well controlled operating costs.

Revenue in our retail supplies business increased modestly, with price inflation, category growth and new customer wins offsetting customer losses. Operating profit declined, driven by an unfavourable mix shift, with a lower share of higher margin packaging and value-added services, although well-controlled operating costs helped to lessen the impact.

Finally, our business in Canada grew modestly, driven by both volume growth and inflation. Adjusted operating profit and margin declined modestly as operating cost pressures more than offset the increase in revenue and improvement in trading margin.

^ Excluding US IEEPA tariff refund

Continental Europe

21% of revenue and 23% of adjusted operating profit†*

	H1 26 £m	H1 25 £m	Growth at constant exchange*	Underlying growth*
Revenue	**1,269.4**	**1,186.4**	3.5%	2.1%
Adjusted operating profit*	**106.7**	**94.4**	8.9%	
Operating margin*	**8.4%**	**8.0%**		

* Alternative performance measure (see Note 2)

†Based on adjusted operating profit and before corporate costs (see Note 3)

Revenue in Continental Europe grew by 3.5% to £1,269.4 million, driven by modest underlying growth and a slight benefit from acquisitions. Underlying revenue was driven by broad-based volume growth and higher inflation, which also supported a strong increase in gross margin. Adjusted operating profit increased by 8.9% to £106.7 million, with an increase in operating margin from 8.0% to 8.4%, driven by the net impact of inflation, particularly in Turkey and Spain.

In France, revenues in our cleaning & hygiene businesses were broadly flat with volume growth being offset by the continued impact of deflation, which is reducing. Our largest business in cleaning & hygiene completed its consolidation of smaller warehouses, thereby negating the impact of operating cost inflation, with a higher gross margin therefore dropping through into a strong improvement in operating profit. Our safety business has grown revenue, driven by volumes with larger customers, and has closed a number of small locations. Revenue declined in our foodservice businesses due to a soft market with caterers.

Spain saw very strong revenue growth, driven by strong volumes in our packaging and safety businesses, supported by acquisitions, as well as some inflation in the second quarter. Growth was driven by business wins with new and existing customers, with growth at our packaging business partially supported by customers increasing stock levels due to supply chain uncertainty as a result of the conflicts in the Middle East. The acquisitions of Quindesur and Anta made in the second half of 2025 are performing in line with expectations. Operating margin grew strongly due to a net positive impact from inflation, driven by our packaging business.

Sales growth was good in the Netherlands, driven by volume growth in a number of businesses. New customers and product categories have driven growth in our food and non-food retail businesses. Operating margin was broadly flat, resulting in good adjusted operating profit growth.

In Denmark, revenue declined modestly as our safety business faced reduced volumes from large customers in the pharma, shipping and wind sectors, with revenue in other markets broadly flat. Investment in automated warehousing at our Foodservice business added operating cost in the period but will drive operational efficiencies in the second half. Our business in Finland delivered moderate revenue growth, supported by customer wins from the second half of 2025, and good profit growth due to strong margin management.

In Central and Eastern Europe, underlying revenue was flat with good growth in our Polish safety business being offset by soft demand from grocery customers. In Turkey, volumes declined, but this was more than offset by significant inflation in disposable gloves. That, and very strong margin management, drove significant increases in operating margin and adjusted operating profit.

Our online businesses saw moderate revenue growth, driven by our German cleaning and hygiene business. Good margin management and the net positive impact of inflation, supported improved profitability.

UK & Ireland

16% of revenue and 14% of adjusted operating profit†*

	H1 26 £m	H1 25 £m	Growth at constant exchange*	Underlying growth*
Revenue	**924.1**	**904.2**	1.7%	1.3%
Adjusted operating profit*	**65.6**	**59.9**	9.3%	
Operating margin*	**7.1%**	**6.6%**		

* Alternative performance measure (see Note 2)

†Based on adjusted operating profit and before corporate costs (see Note 3)

In the UK & Ireland, revenue increased by 1.7% to £924.1 million, principally reflecting underlying revenue growth of 1.3%, as well as the 2025 acquisition of Caterline. Volumes grew slightly as market conditions remained challenging, while the inflationary environment only became more supportive at the end of the period. Both gross margin and operating margin were higher in the first half. Adjusted operating profit increased by 9.3% in the first half, despite overhead headwinds, primarily due to the annualisation of initial Nisbets' synergies.

Our cleaning & hygiene and care businesses benefited from a return to selling price inflation across key product categories, mainly in the second quarter, supporting overall divisional revenue growth in the first half. The largest operating business continued to win new customers, underpinned by a strong sustainability-centred value proposition. While input prices remain volatile, the strong first half performance provides confidence that the division is well positioned for the second half of the year.

The safety businesses reported a modest decline in underlying revenue, despite securing new contract wins during the year. This was largely due to lower volumes from certain national infrastructure projects that are winding down, such as the Hinkley Point nuclear facility, which are expected to be replaced by other announced construction projects in future periods. Further investment has been made in new, operationally efficient locations to enhance service levels for customers, leaving our businesses well positioned to capture both new and existing growth opportunities.

Our grocery and non-food retail businesses delivered slight revenue growth, driven by higher customer volumes, partially offset by slight deflation, which did reduce in the second quarter. The grocery business performed well, supported by two key customer renewals finalised during the period. Revenues in our non-food transit packaging businesses were broadly flat overall, but delivered a strong improvement in profitability, with the regional business in particular benefiting from recent investment in its sales team.

Sales were strong in our foodservice division during the period, driven by strong growth in the service and project-based businesses, where our value propositions complement the products offered by our other operating units. Margins improved in the first half as we continued to benefit from innovative and sustainable product solutions that also enhance customer profitability. Nisbets delivered a significant year-on-year increase in profit, driven by one-off property-related gains following changes to its key retail location, as well as reductions in third-party storage requirements and temporary labour costs. The business continues to make good progress on product synergy projects.

Our businesses in Ireland delivered good sales growth in the first half of the year, supported by recent customer wins across the retail, foodservice and healthcare sectors, inflation linked to higher product costs, and the contribution from Caterline, which was acquired in the second half of 2025. Recent operational investments, including enhancements to our warehouse management systems and IT platform, should increase efficiencies in future periods.

Rest of the World

11% of revenue and 19% of adjusted operating profit†*

	H1 26 £m	H1 25 £m	Growth at constant exchange*	Underlying growth*
Revenue	**677.2**	**606.2**	5.4%	1.9%
Adjusted operating profit*	**85.7**	**70.3**	15.5%	
Operating margin*	**12.7%**	**11.6%**		

* Alternative performance measure (see Note 2)

†Based on adjusted operating profit and before corporate costs (see Note 3)

In Rest of the World, revenue increased by 5.4% to £677.2 million, driven by acquisitions and underlying revenue growth of 1.9%. Modest volume growth in both Asia Pacific and across Latin America was partially offset by modest deflation in Brazil, albeit this was less of a drag in the second quarter. Gross margin and operating margin expanded strongly, with the latter increasing to 12.7%, with higher margins in Latin America, particularly Brazil, offsetting margin decline in Asia Pacific, and driving a 15.5% increase in adjusted operating profit to £85.7 million.

In Brazil, our safety businesses delivered a mixed performance. Our import safety businesses benefited from an easing of the recent deflationary trend and delivered strong volume-led sales growth and higher operating margin, driven by both the net profit impact from inflation as well as a general margin recovery. On the other hand, our end user safety businesses experienced more challenging trading conditions and could not fully pass on cost increases to customers. Our healthcare businesses delivered higher sales and operating profit, supported by volume growth and strong margin management. Our cleaning & hygiene business saw broadly flat sales and lower operating margin in the period, while our foodservice business delivered very strong underlying growth in adjusted operating profit, led by volumes and a strong margin performance. Our foodservice results were further improved by a very strong performance of new acquisition Solupack, which delivered growth well above expectations.

In Chile, our safety businesses delivered strong sales and adjusted operating profit growth, driven by higher volumes. Our foodservice business experienced more difficult trading conditions due to more intense competition while our newly acquired healthcare business performed largely in line with expectations. In Mexico, our safety business delivered strong growth in sales and operating profit as trading conditions improved.

In Asia-Pacific, the MedTech business and Specialist Healthcare operations in Australia and New Zealand continued to deliver good overall sales growth, and were supported by the introduction of new agencies and the acquisition of the life sciences business Scientifix. However, within this, our medical equipment business in New Zealand has been strongly impacted by reduced capital spend in the public health sector, as well as timing of large projects. The margin performance of this business has had a dilutive effect on Asia Pacific margins overall.

The Australian safety businesses saw declines in revenue and adjusted operating profit. While they retained several significant customers, these were at lower margins as our core base of mining and resources customers continues to look for savings opportunities and delays capital spending.

Our Bunzl Australia and New Zealand business delivered strong revenue growth in the period, driven by ongoing growth with existing customers and winning new customers in both hospitals and aged care, with operating margin slightly higher than prior year.

FINANCIAL REVIEW

As in previous years this review refers to a number of alternative performance measures which management uses to assess the performance of the Group. Details of the Group's alternative performance measures are set out in Note 2 to the interim financial statements.

Currency translation

Currency translation had a positive impact on the Group's reported profits, increasing the reported profit growth rates by between 1% and 2%. The positive exchange rate impact was principally due to the effect on average exchange rates of the weakening of sterling against the Euro, Brazilian real and Australian dollar.

Average exchange rates	Six months to 30.6.26	Six months to 30.6.25
US$	**1.34**	1.30
Euro	**1.15**	1.19
Canadian$	**1.85**	1.83
Brazilian real	**6.93**	7.47
Australian$	**1.91**	2.05

Closing exchange rates	30.6.26	30.6.25
US$	**1.33**	1.37
Euro	**1.16**	1.17
Canadian$	**1.88**	1.87
Brazilian real	**6.87**	7.48
Australian$	**1.92**	2.09

Revenue

Revenue increased to £5,933.1 million (2025 H1: £5,759.6 million), an increase of 3.0% at actual exchange rates. At constant exchange rates revenue increased by 2.9% driven by underlying growth of 3.2%. Underlying revenue growth was supported by both volume growth, led by North America, and inflation, driven by product cost increases in the second quarter.

Movement in revenue	£m
2025 H1 revenue	5,759.6
Underlying growth	186.0
Acquisitions net of disposals	46.4
Other*	(58.9)
2026 H1 revenue	**5,933.1**

* Other includes currency translation, excess growth in hyperinflationary economies and US IEEPA tariff refunds.

Operating profit

Adjusted operating profit was £440.6 million (2025 H1: £404.5 million), an increase of 8.0% at constant exchange rates and 8.9% at actual exchange rates. The operating margin increased to 7.3% from 7.0% in H1 2025.

Movement in adjusted operating profit	£m
2025 H1 adjusted operating profit	404.5
Currency translation	3.6
Decrease in hyperinflation accounting adjustments	0.8
Growth in the period	31.7
2026 H1 adjusted operating profit	**440.6**

Operating profit was £351.2 million (2025 H1: £300.5 million), an increase of 15.9% at constant exchange rates and 16.9% at actual exchange rates.

Movement in operating profit	**£m**
2025 H1 operating profit	300.5
Currency translation	2.5
Decrease in hyperinflation accounting adjustments	0.8
Increase in adjusted operating profit in the period	31.7
Decrease in amortisation (excluding software) and acquisition related items	15.7
2026 H1 operating profit	**351.2**

Amortisation excluding software, which includes amortisation on customer and supplier relationships, brands and technology, and acquisition related items are excluded from the calculation of adjusted operating profit as they do not relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and are removed in calculating adjusted operating profit and other alternative performance measures by which management assess the performance of the Group.

Net finance expense

The adjusted net finance expense of £59.7 million increased by £1.5 million at constant exchange rates (up £0.8 million at actual exchange rates), mainly due to higher interest on leases and a higher monetary loss from hyperinflation accounting. Net finance expense for the period was £60.8 million including £1.1 million of interest on unwinding of discounting deferred consideration on acquisitions.

Disposal of business

The profit on disposal of business in 2025 relates to the disposal of R3 Safety in North America, which completed on 31 January 2025. There have been no disposals of businesses in the period.

Profit before income tax

Adjusted profit before income tax was £380.9 million (2025 H1: £345.6 million), an increase of 8.9% at constant exchange rates (10.2% at actual exchange rates) due to the increase in adjusted operating profit partly offset by the increase in adjusted net finance expense. Profit before income tax was £290.4 million (2025 H1: £250.1 million), an increase of 14.7% at constant exchange rates (16.1% at actual exchange rates) mainly due to the increase in adjusted operating profit and a decrease in amortisation (excluding software) and acquisition related items.

Taxation

The Group's tax strategy is to comply with tax laws in all countries in which it operates and to balance its responsibilities for controlling the tax costs with its responsibilities to pay the appropriate level of tax where it does business. No companies are established in tax havens or other countries for tax purposes where the Group does not have an operational presence and the Group's de-centralised operational structure means that the level of intragroup trading transactions is very low. The Group does not use intragroup transfer prices to shift profit into low tax jurisdictions. The Group's tax strategy has been approved by the Board and tax risks are reviewed by the Audit Committee. In accordance with UK legislation, the strategy is published on the Bunzl plc website within the Investors section.

The effective tax rate (being the tax rate on adjusted profit before income tax) for the period was 26.0% (2025 H1: 26.4%, 2025 FY: 26.0%) and the reported tax rate on statutory profit was 27.2% (2025 H1: 27.2%). The effective tax rate for 2026 is the same as the effective tax rate for the year ended 31 December 2025. The effective tax rate for the full year is likely to be around 26.0%.

Earnings per share

Adjusted profit after tax attributable to the Company's equity holders was £281.8 million (2025 H1: £254.2 million), an increase of 9.5% or £24.5 million at constant exchange rates (10.9% at actual exchange rates), due to a £31.0 million increase in adjusted profit before income tax and a £0.1m decrease in profit attributable to non-controlling interests partly offset by a £6.6 million increase in the tax on adjusted profit before income tax at constant exchange rates. Adjusted profit after tax for the period bears a £3.3 million adverse impact from hyperinflation accounting adjustments (2025 H1: £3.6 million adverse impact), driven by a £3.1 million adverse impact to adjusted profit before tax (2025 H1: £3.6 million adverse impact).

Profit after tax attributable to the Company's equity holders increased to £211.3 million (2025 H1: £181.9 million), an increase of 14.7% or £27.0 million at constant exchange rates (16.2% at actual exchange rates), due to a £37.2 million increase in profit before income tax and a £0.1m decrease in profit attributable to non-controlling interests partly offset by a £10.3 million increase in the tax charge at constant exchange rates. Profit after tax for the period includes a £3.3 million adverse impact from hyperinflation accounting adjustments (2025 H1: £3.6 million adverse impact).

The weighted average number of shares in issue decreased from 326.9 million in the period ended 30 June 2025 to 321.5 million due to shares cancelled under the share buyback programme in 2025 partly offset by employee share option exercises during the period.

Adjusted earnings per share were 87.7p (2025 H1: 77.8p), an increase of 11.4% at constant exchange rates (12.7% at actual exchange rates). Basic earnings per share were 65.7p (2025 H1: 55.6p), an increase of 16.5% at constant exchange rates (18.2% at actual exchange rates).

Movement in adjusted earnings per share	**Pence**
2025 H1 adjusted earnings per share	77.8
Currency translation	0.9
Increase in adjusted profit before income tax	7.0
Decrease in effective tax rate	0.5
Decrease in weighted average number of shares	1.5
2026 H1 adjusted earnings per share	**87.7**

Movement in basic earnings per share	**Pence**
2025 H1 basic earnings per share	55.6
Currency translation	0.8
Increase in adjusted profit before income tax	6.9
Decrease in adjusting items	1.4
Increase in hyperinflation accounting adjustments	(0.1)
Decrease in weighted average number of shares	1.1
2026 H1 basic earnings per share	**65.7**

Dividends

The Company's practice in recent years has been to pay a progressive dividend, delivering year-on-year increases. The Board is proposing a 2026 interim dividend of 20.8p, an increase of 0.6p (3.0%) on the amount paid in relation to the 2025 interim dividend.

Before approving any dividends, the Board considers the level of borrowings of the Group by reference to the ratio of net debt to EBITDA, the ability of the Group to continue to generate cash, the amount required to invest in the business and the potential for future acquisitions. The Group's long-term track record of strong cash generation provides the Company with the financial flexibility to fund a growing dividend.

Acquisitions

The Group completed one acquisition during the period ended 30 June 2026 for consideration of £1.7 million. Including all transaction costs and expenses incurred during the period total committed spend is £3.8 million. The estimated annualised revenue and adjusted operating profit of the acquisition agreed during the period was £7.3 million and £0.9 million respectively.

A summary of the effect of the acquisition completed in the period is as follows:

	£m
Fair value of net assets acquired	0.1
Goodwill	1.6
Consideration	1.7
Satisfied by:	
cash consideration	2.5
deferred consideration	(0.8)
	1.7
Contingent payments relating to the retention of former owners	0.5
Net cash acquired	(0.2)
Transaction costs and expenses	1.8
Total committed spend in respect of acquisitions agreed and completed in the current period	**3.8**

The net cash outflow in the period in respect of acquisitions comprised:

	£m
Cash consideration	2.5
Net cash acquired	(0.2)
Deferred consideration payments	19.7
Net cash outflow in respect of acquisitions	22.0
Acquisition related items*	4.3
Total cash outflow in respect of acquisitions	**26.3**

*Acquisition related items comprised £1.9 million of transaction costs and expenses paid and £2.4 million of payments relating to the retention of former owners.

Cash flow

A summary of the cash flow for the period is shown below:

	Six months to 30.6.26 £m	Six months to 30.6.25 £m
Cash generated from operations†	**595.0**	524.5
Payment of lease liabilities	**(119.3)**	(113.5)
Net capital expenditure	**(26.1)**	(34.1)
Operating cash flow†	**449.6**	376.9
Net interest paid excluding interest on lease liabilities	**(31.3)**	(49.6)
Income tax paid	**(90.5)**	(84.1)
Free cash flow	**327.8**	243.2
Dividends paid	**(64.8)**	(66.7)
Net payments relating to employee share schemes	**5.1**	(42.2)
Net cash inflow before acquisitions, disposals and purchase of own shares	**268.1**	134.3
Purchase of own shares	**–**	(117.8)
Acquisitions◊	**(26.3)**	(48.7)
Disposals	**–**	17.3
Net cash inflow/(outflow) on net debt excluding lease liabilities	**241.8**	(14.9)

† Before acquisition related items.
◊ Including acquisition related items.

The Group's free cash flow of £327.8 million was £84.6 million higher than in the comparable period, primarily driven by US IEEPA tariff refunds. The Group's free cash flow was used to finance payments of £64.8 million in respect of 2025 dividends (2025 H1: £66.7 million in respect of 2024 dividends) and finance acquisition cash outflow, which includes deferred consideration payments, net of disposal proceeds of £26.3 million (2025 H1: £31.4 million). Cash conversion for the six months to 30 June 2026 was 90% (2025 H1: 97%, 2025 YE: 95%).

	Six months to 30.6.26 £m	Six months to 30.6.25 £m
Operating cash flow*	**381.0**	376.9
Adjusted operating profit	**440.6**	404.5
Add back depreciation of right-of-use assets	**101.3**	96.3
Deduct payment of lease liabilities	**(119.3)**	(113.5)
Lease adjusted operating profit	**422.6**	387.3
Cash conversion	**90%**	97%

* Excluding US IEEPA tariff refunds

Net debt

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Net debt excluding lease liabilities	**(1,432.3)**	(1,599.3)	(1,663.9)
Total deferred and contingent consideration – on and off balance sheet	**(250.5)**	(336.0)	(278.9)
Adjusted net debt	**(1,682.8)**	(1,935.3)	(1,942.8)
Lease liabilities	**(740.8)**	(712.5)	(742.5)
Adjusted net debt including lease liabilities	**(2,423.6)**	(2,647.8)	(2,685.3)
Adjusted net debt to EBITDA	**1.8x**	1.9x	2.0x
Adjusted net debt including lease liabilities to EBITDA	**2.0x**	2.1x	2.2x

Net debt excluding lease liabilities decreased by £231.6 million during the period to £1,432.3 million (31 December 2025: £1,663.9 million), mainly due to a net cash inflow of £241.8 million.

Balance sheet

Summary balance sheet	**30.6.26 £m**	30.6.25 £m	31.12.25 £m
Intangible assets	**3,569.1**	3,557.8	3,618.1
Right-of-use assets	**678.2**	655.4	682.1
Property, plant and equipment	**237.9**	218.2	231.1
Working capital	**1,295.8**	1,235.2	1,288.1
Deferred consideration	**(213.3)**	(243.0)	(225.7)
Other net liabilities	**(575.4)**	(579.8)	(411.9)
Net pensions asset	**18.9**	18.0	17.4
Net debt excluding lease liabilities	**(1,432.3)**	(1,599.3)	(1,663.9)
Lease liabilities	**(740.8)**	(712.5)	(742.5)
Equity	**2,838.1**	2,550.0	2,792.8
Return on average operating capital	**38.0%**	38.8%	37.0%
Return on invested capital	**13.3%**	13.5%	13.0%

Return on average operating capital increased to 38.0% from 37.0% at 31 December 2025 and Return on invested capital increased to 13.3% from 13.0% at 31 December 2025 due to higher profit in the underlying businesses.

Intangible assets decreased by £49.0 million from 31 December 2025 to £3,569.1 million due to an amortisation charge of £83.9 million partly offset by assets acquired through acquisitions in the period of £3.0 million, an increase from software additions net of disposals of £0.3 million, an increase from hyperinflation accounting adjustments of £3.6 million and an increase from currency translation of £28.0 million.

Right-of-use assets decreased by £3.9 million from 31 December 2025 to £678.2 million due to a depreciation charge of £101.3 million, partly offset by new leases during the period of £37.4 million, an increase from remeasurement adjustments of £55.5 million and an increase from currency translation of £4.5 million.

Working capital increased by £7.7 million from 31 December 2025 to £1,295.8 million mainly due to an increase from currency translation of £19.4 million partly offset by an underlying decrease of £11.3 million as shown in the cash flow statement, with an increase in trade and other payables partly offset from higher inventory and trade and other receivables.

Deferred consideration decreased by £12.4 million from 31 December 2025 to £213.3 million due to deferred consideration and retention payments of £21.6 million and other movements of £0.8 million partly offset by a net charge of £6.4 million relating to adjustments to previously estimated earn outs and the retention of former owners, interest on unwinding of discounting of £1.1 million and an increase from currency translation of £2.5 million. Including expected future payments which are contingent on the continued retention of former owners of businesses acquired of £37.2 million, total deferred and contingent consideration as at 30 June 2026 was £250.5 million.

The Group's net pension asset of £18.9 million at 30 June 2026 was £1.5 million higher than at 31 December 2025, largely due to actuarial gains of £1.2 million and net interest income of £0.6 million.

Shareholders' equity increased by £45.3 million from £2,792.8 million at 31 December 2025 to £2,838.1 million.

Movement in shareholders' equity	**£m**
Shareholders' equity at 31 December 2025	2,792.8
Profit for the period	211.4
Dividends	(238.1)
Currency (net of tax)	49.3
Hyperinflation accounting adjustment	7.3
Actuarial gain on pension schemes (net of tax)	0.9
Share based payments (net of tax)	7.5
Employee share schemes (net of tax)	7.0
Shareholders' equity at 30 June 2026	**2,838.1**

Capital management

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Group funds its operations through a mixture of shareholders' equity and bank and capital market borrowings. The Group's funding strategy is to maintain an investment grade credit rating. The Company's current credit ratings with Standard & Poor's are BBB+ (long-term) and A-2 (short-term). All borrowings are managed by a central treasury function and funds raised are lent onward to operating subsidiaries as required. The overall objective is to manage the funding to ensure the borrowings have a range of maturities, are competitively priced and meet the demands of the business over time. There were no changes to the Group's approach to capital management during the period and the Group is not subject to any externally imposed capital requirements.

Treasury policies and controls

The Group has a centralised treasury department to control external borrowings and manage liquidity, interest rate, foreign currency and credit risks. Treasury policies have been approved by the Board and cover the nature of the exposure to be hedged, the types of financial instruments that may be employed and the criteria for investing and borrowing cash. The Group uses derivatives to manage its foreign currency and interest rate risks arising from underlying business activities. No transactions of a speculative nature are undertaken. The treasury department is subject to periodic independent review by the internal audit department. Underlying policy assumptions and activities are periodically reviewed by the executive directors and the Board. Controls over exposure changes and transaction authenticity are in place.

The Group continually monitors net debt and forecast cash flows to ensure that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term and, in order to do so, arranges borrowings from a variety of sources. Additionally, compliance with the Group's biannual debt covenants is monitored on a monthly basis and formally tested at 30 June and 31 December. The principal covenant limits are net debt, calculated at average exchange rates, to EBITDA of no more than 3.5 times and interest cover of no less than 3.0 times. Covenant net debt to EBITDA was 1.5 times (31 December 2025: 1.8 times).

Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the six months ended 30 June 2026 all covenants were complied with and based on current forecasts it is expected that such covenants will continue to be complied with for the foreseeable future. Debt covenants are based on historical accounting standards. The US private placement notes (USPPs) issued in March 2022 contain a clause whereby upon maturity of the previously issued USPPs, the latest maturity being in 2028, the principal financial covenants referred to above will no longer apply.

The Group has substantial funding available comprising multi-currency credit facilities from the Group's banks, USPPs and senior bonds. At 30 June 2026 the nominal value of USPPs outstanding was £522.6 million (31 December 2025: £579.2 million) with maturities ranging from 2026 to 2032. At 30 June 2026 the nominal value of senior bonds outstanding was £1,331.0 million (31 December 2025: £1,334.8 million) with maturities ranging from 2030 to 2036. The Group's committed bank facilities mature in 2030. At 30 June 2026 the available committed bank facilities totalled £1,250.0 million (31 December 2025: £1,250.0 million), of which none was drawn down (31 December 2025: none drawn down), providing headroom of £1,250.0 million (31 December 2025: £1,250.0 million). The Group expects to make repayments in the 18 month period from the date of these interim financial statements to the end of 31 December 2027 of approximately £184 million relating to maturing USPPs. Since the half year, the Group has extended the maturity on all of its committed bank facilities from 2030 to 2031.

Going concern

The directors, having reassessed the principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the interim financial statements. In reaching this conclusion, the directors noted the Group's cash performance in the period, the substantial funding available to the Group as described above and the resilience of the Group to a severe but plausible downside scenario. Further details are set out in Note 1 to the interim financial statements.

Risks and uncertainties

The principal risks and uncertainties affecting the business activities of the Group for the remaining six months of the financial year include those detailed in the section entitled 'Principal risks and uncertainties' on pages 69 to 74 of the Annual Report for the year ended 31 December 2025. These principal risks and uncertainties are the risks of competitive pressures in the countries and markets in which the Group operates, product cost deflation, cost inflation, the inability of the Group to make further acquisitions, the risk of an unsuccessful acquisition, the risk of sustainability driven market changes, the risk of cyber-attacks on the Group's operations, risk relating to major change programme execution, the financial risks associated with the availability of funding and risk of business disruption caused by climate change. During the period, the Group has reviewed the principal risks and uncertainties and no longer considers financial collapse of either a large customer or a significant number of small customers to be a principal risk. The risk was initially elevated during the COVID-19 pandemic due to the potential impact of pandemic measures on multiple customers, and that this risk is no longer considered likely in the current environment. A copy of the 2025 Annual Report is available on the Company's website at www.bunzl.com.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed consolidated income statement
for the period ended 30 June 2026

	Notes	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Revenue	3	**5,933.1**	5,759.6	11,845.4
Operating profit	3	**351.2**	300.5	735.3
Finance income	4	**21.3**	32.2	54.6
Finance expense	4	**(82.1)**	(92.8)	(181.3)
Disposal of businesses	9	**–**	10.2	11.9
Profit before income tax		**290.4**	250.1	620.5
Income tax	5	**(79.0)**	(68.0)	(160.7)
Profit for the period		**211.4**	182.1	459.8
Profit is attributable to:				
Company's equity holders		**211.3**	181.9	459.2
Non-controlling interests		**0.1**	0.2	0.6
Profit for the period		**211.4**	182.1	459.8
Earnings per share attributable to the Company's equity holders				
Basic	7	**65.7p**	55.6p	141.5p
Diluted	7	**65.6p**	55.5p	140.9p
Dividend per share	6	**20.8p**	20.2p	74.1p

Alternative performance measures*				
Operating profit	3	**351.2**	300.5	735.3
Adjusted for:				
Amortisation excluding software	3	**77.1**	76.5	151.5
Acquisition related items through operating profit	3	**12.3**	27.5	23.5
Adjusted operating profit	3	**440.6**	404.5	910.3
Finance income	4	**21.3**	32.2	54.6
Adjusted finance expense	4	**(81.0)**	(91.1)	(177.8)
Adjusted profit before income tax		**380.9**	345.6	787.1
Tax on adjusted profit	5	**(99.0)**	(91.2)	(204.6)
Adjusted profit for the period		**281.9**	254.4	582.5
Adjusted profit is attributable to:				
Company's equity holders		**281.8**	254.2	581.9
Non-controlling interests		**0.1**	0.2	0.6
Adjusted profit for the period		**281.9**	254.4	582.5
Adjusted earnings per share attributable to the Company's equity holders	7	**87.7p**	77.8p	179.3p

* See Note 2 for further details of the alternative performance measures.

Condensed consolidated statement of comprehensive income
for the period ended 30 June 2026

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Profit for the period	**211.4**	182.1	459.8
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Actuarial gain/(loss) on defined benefit pension schemes	**1.2**	(2.6)	(3.7)
Tax on items that will not be reclassified to profit or loss	**(0.3)**	0.7	0.9
Total items that will not be reclassified to profit or loss	**0.9**	(1.9)	(2.8)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences on foreign operations	**55.3**	(97.3)	(31.8)
Reclassification from translation reserve to income statement on disposal of foreign operation (Note 9)	**–**	(5.7)	(5.6)
Loss recognised in cash flow hedge reserve	**(0.4)**	(7.7)	(6.9)
(Loss)/gain taken to equity as a result of effective net investment hedges	**(8.2)**	27.2	5.2
Tax on items that may be reclassified to profit or loss	**0.1**	1.9	1.8
Total items that may be reclassified subsequently to profit or loss	**46.8**	(81.6)	(37.3)
Other comprehensive income/(expense) for the period	**47.7**	(83.5)	(40.1)
Total comprehensive income	**259.1**	98.6	419.7
Total comprehensive income is attributable to:			
Company’s equity holders	**258.8**	98.5	419.2
Non-controlling interests	**0.3**	0.1	0.5
Total comprehensive income	**259.1**	98.6	419.7

Condensed consolidated balance sheet

at 30 June 2026

	Notes	**30.6.26 £m**	30.6.25 £m	31.12.25 £m
Assets				
Property, plant and equipment		**237.9**	218.2	231.1
Right-of-use assets	10	**678.2**	655.4	682.1
Intangible assets	11	**3,569.1**	3,557.8	3,618.1
Defined benefit pension assets		**36.2**	35.1	34.2
Derivative financial assets	13	**–**	5.8	6.1
Deferred tax assets		**19.9**	15.9	21.9
Total non-current assets		**4,541.3**	4,488.2	4,593.5
Inventories		**1,736.9**	1,636.2	1,682.6
Trade and other receivables		**1,822.0**	1,632.8	1,729.4
Income tax receivable		**15.2**	14.5	15.8
Derivative financial assets	13	**16.1**	15.9	10.8
Cash and cash equivalents	15	**598.1**	481.0	540.1
Total current assets		**4,188.3**	3,780.4	3,978.7
Total assets		**8,729.6**	8,268.6	8,572.2
Equity				
Share capital		**104.2**	105.3	104.2
Share premium		**217.2**	214.0	215.5
Translation reserve		**(309.7)**	(400.3)	(356.6)
Other reserves		**24.2**	18.6	22.0
Retained earnings		**2,798.1**	2,609.0	2,803.9
Total equity attributable to the Company's equity holders		**2,834.0**	2,546.6	2,789.0
Non-controlling interests		**4.1**	3.4	3.8
Total equity		**2,838.1**	2,550.0	2,792.8
Liabilities				
Interest bearing loans and borrowings	15	**1,728.8**	1,766.5	1,736.5
Defined benefit pension liabilities		**17.3**	17.1	16.8
Other payables		**189.2**	257.3	240.2
Provisions		**57.5**	51.3	55.4
Lease liabilities	14	**545.3**	535.6	555.5
Derivative financial liabilities	13	**66.9**	69.4	62.9
Deferred tax liabilities		**244.3**	247.3	258.7
Total non-current liabilities		**2,849.3**	2,944.5	2,926.0
Bank overdrafts	15	**187.1**	181.0	212.6
Interest bearing loans and borrowings	15	**52.9**	68.5	203.8
Trade and other payables		**2,454.9**	2,210.6	2,108.4
Income tax payable		**80.5**	62.7	77.6
Provisions		**62.0**	53.3	57.5
Lease liabilities	14	**195.5**	176.9	187.0
Derivative financial liabilities	13	**9.3**	21.1	6.5
Total current liabilities		**3,042.2**	2,774.1	2,853.4
Total liabilities		**5,891.5**	5,718.6	5,779.4
Total equity and liabilities		**8,729.6**	8,268.6	8,572.2

Condensed consolidated statement of changes in equity

for the period ended 30 June 2026

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves◊ £m	Retained earnings† £m	Total attributable to the Company's equity holders £m	Non-Controlling Interest £m	Total equity £m
At 1 January 2026	**104.2**	**215.5**	**(356.6)**	**22.0**	**2,803.9**	**2,789.0**	**3.8**	**2,792.8**
Profit for the period					**211.3**	**211.3**	**0.1**	**211.4**
Actuarial gains on defined benefit pension schemes					**1.2**	**1.2**	**–**	**1.2**
Foreign currency translation differences on foreign operations			**55.1**			**55.1**	**0.2**	**55.3**
Loss taken to equity as a result of effective net investment hedges			**(8.2)**			**(8.2)**	**–**	**(8.2)**
Loss recognised in cash flow hedge reserve				**(0.4)**		**(0.4)**	**–**	**(0.4)**
Income tax credit/(charge) on other comprehensive income			**–**	**0.1**	**(0.3)**	**(0.2)**	**–**	**(0.2)**
Total comprehensive income			**46.9**	**(0.3)**	**212.2**	**258.8**	**0.3**	**259.1**
2025 interim dividend					**(64.8)**	**(64.8)**	**–**	**(64.8)**
2025 final dividend					**(173.3)**	**(173.3)**	**–**	**(173.3)**
Movement from cash flow hedge reserve to inventory (net of tax)				**2.5**		**2.5**	**–**	**2.5**
Hyperinflation accounting adjustments[1]					**7.3**	**7.3**	**–**	**7.3**
Issue of share capital	**–**	**1.7**				**1.7**	**–**	**1.7**
Employee trust shares					**5.3**	**5.3**	**–**	**5.3**
Share based payments (net of tax)					**7.5**	**7.5**	**–**	**7.5**
At 30 June 2026	**104.2**	**217.2**	**(309.7)**	**24.2**	**2,798.1**	**2,834.0**	**4.1**	**2,838.1**

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves◊ £m	Retained earnings† £m	Total attributable to the Company's equity holders £m	Non-Controlling Interest £m	Total equity £m
At 1 January 2025	106.4	212.1	(324.6)	24.3	2,769.2	2,787.4	3.3	2,790.7
Profit for the period					181.9	181.9	0.2	182.1
Actuarial losses on defined benefit pension schemes					(2.6)	(2.6)	–	(2.6)
Foreign currency translation differences on foreign operations			(97.2)			(97.2)	(0.1)	(97.3)
Reclassification from translation reserve to income statement on disposal of foreign operations			(5.7)			(5.7)	–	(5.7)
Gain taken to equity as a result of effective net investment hedges			27.2			27.2	–	27.2
Loss recognised in cash flow hedge reserve				(7.7)		(7.7)	–	(7.7)
Income tax credit on other comprehensive income			–	1.9	0.7	2.6	–	2.6
Total comprehensive income			(75.7)	(5.8)	180.0	98.5	0.1	98.6
2024 interim dividend					(66.7)	(66.7)	–	(66.7)
2024 final dividend					(175.5)	(175.5)	–	(175.5)
Movement from cash flow hedge reserve to inventory (net of tax)				(1.1)		(1.1)	–	(1.1)
Hyperinflation accounting adjustments[1]					6.5	6.5	–	6.5
Issue of share capital	0.1	1.9				2.0	–	2.0
Own shares purchased for cancellation					(64.5)	(64.5)	–	(64.5)
Own shares cancelled	(1.2)			1.2		-	–	-
Employee trust shares					(41.7)	(41.7)	–	(41.7)
Share based payments (net of tax)					1.7	1.7	–	1.7
At 30 June 2025	105.3	214.0	(400.3)	18.6	2,609.0	2,546.6	3.4	2,550.0

Condensed consolidated statement of changes in equity (continued)

for the period ended 30 June 2026

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves◊ £m	Retained earnings† £m	Total attributable to the Company's equity holders £m	Non-Controlling Interest £m	Total equity £m
At 1 January 2025	106.4	212.1	(324.6)	24.3	2,769.2	2,787.4	3.3	2,790.7
Profit for the year					459.2	459.2	0.6	459.8
Actuarial losses on defined benefit pension schemes					(3.7)	(3.7)	–	(3.7)
Foreign currency translation differences on foreign operations			(31.7)			(31.7)	(0.1)	(31.8)
Reclassification from translation reserve to income statement on disposal of foreign operations			(5.6)			(5.6)	–	(5.6)
Gain taken to equity as a result of effective net investment hedges			5.2			5.2	–	5.2
Loss recognised in cash flow hedge reserve				(6.9)		(6.9)	–	(6.9)
Income tax credit on other comprehensive income			0.1	1.7	0.9	2.7	–	2.7
Total comprehensive income			(32.0)	(5.2)	456.4	419.2	0.5	419.7
2024 interim dividend					(66.7)	(66.7)	–	(66.7)
2024 final dividend					(175.5)	(175.5)	–	(175.5)
Movement from cash flow hedge reserve to inventory (net of tax)				0.6		0.6	–	0.6
Hyperinflation accounting adjustments[1]					11.2	11.2	–	11.2
Issue of share capital	0.1	3.4				3.5	–	3.5
Own shares purchased for cancellation					(151.5)	(151.5)	–	(151.5)
Own shares cancelled	(2.3)			2.3		-	–	-
Employee trust shares					(38.8)	(38.8)	–	(38.8)
Share based payments (net of tax)					(0.4)	(0.4)	–	(0.4)
At 31 December 2025	104.2	215.5	(356.6)	22.0	2,803.9	2,789.0	3.8	2,792.8

[1] IAS 29 'Financial Reporting in Hyperinflationary Economies' remains applicable for the Group's businesses with a functional currency of the Turkish Lira. The results of the Group's businesses in Turkey have been adjusted for the effects of inflation in accordance with IAS 29. See Note 1 for further details.

◊ Other reserves comprise merger reserve of £2.5m (30 June 2025: £2.5m; 31 December 2025: £2.5m), capital redemption reserve of £20.7m (30 June 2025: £19.6m; 31 December 2025: £20.7m) and a positive cash flow hedge reserve of £1.0m (30 June 2025: negative £3.5m; 31 December 2025: negative £1.2m).

† Retained earnings comprise earnings of £2,867.7m (30 June 2025: £2,686.5m; 31 December 2025: £2,870.2m), offset by own shares of £69.6m (30 June 2025: £77.5m; 31 December 2025: £66.3m).

Condensed consolidated cash flow statement
for the period ended 30 June 2026

	Notes	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Cash flow from operating activities				
Profit before income tax		**290.4**	250.1	620.5
Adjusted for:				
net finance expense	4	**60.8**	60.6	126.7
amortisation excluding software	11	**77.1**	76.5	151.5
acquisition related items through operating profit	3	**12.3**	27.5	23.5
disposal of businesses		**–**	(10.2)	(11.9)
Adjusted operating profit		**440.6**	404.5	910.3
Adjustments:				
depreciation and software amortisation	17	**130.9**	123.3	253.2
other non-cash items	17	**12.2**	11.4	3.1
working capital movement	17	**11.3**	(14.7)	(30.5)
Cash generated from operations before acquisition related items		**595.0**	524.5	1,136.1
Cash outflow from acquisition related items	8	**(4.3)**	(23.9)	(43.4)
Income tax paid		**(90.5)**	(84.1)	(179.7)
Cash inflow from operating activities		**500.2**	416.5	913.0
Cash flow from investing activities				
Interest received		**18.2**	30.6	50.9
Purchase of property, plant and equipment and software		**(26.6)**	(34.2)	(71.5)
Sale of property, plant and equipment and software		**0.5**	0.1	2.7
Purchase of businesses net of cash acquired	8	**(22.0)**	(24.8)	(118.5)
Disposal of businesses net of cash disposed	9	**–**	17.3	17.0
Cash outflow from investing activities		**(29.9)**	(11.0)	(119.4)
Cash flow from financing activities				
Interest paid excluding interest on lease liabilities		**(49.5)**	(80.2)	(127.3)
Dividends paid	6	**(64.8)**	(66.7)	(242.2)
Increase in borrowings	16	**–**	495.2	495.4
Repayment of borrowings	16	**(162.7)**	(624.6)	(559.2)
(Payments)/receipts on settlement of foreign exchange contracts	16	**(4.4)**	20.6	8.9
Payment of lease liabilities - principal	14	**(99.0)**	(94.1)	(192.1)
Payment of lease liabilities - interest	14	**(20.3)**	(19.4)	(40.6)
Proceeds from issue of ordinary shares to settle share options		**1.7**	2.0	3.5
Proceeds from exercise of market purchase share options		**3.4**	2.2	2.8
Purchase of own shares		**–**	(117.8)	(204.8)
Purchase of employee trust shares		**–**	(46.4)	(46.3)
Cash outflow from financing activities		**(395.6)**	(529.2)	(901.9)
Increase/(decrease) in cash, cash equivalents and overdrafts		**74.7**	(123.7)	(108.3)
Cash, cash equivalents and overdrafts at start of the period		**327.5**	445.0	445.0
Increase/(decrease) in cash, cash equivalents and overdrafts		**74.7**	(123.7)	(108.3)
Currency translation		**8.8**	(21.3)	(9.2)
Cash, cash equivalents and overdrafts at end of the period	15	**411.0**	300.0	327.5

Condensed consolidated cash flow statement (continued)
for the period ended 30 June 2026

Alternative performance measures*	Notes	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Cash generated from operations before acquisition related items		**595.0**	524.5	1,136.1
Purchase of property, plant and equipment and software		**(26.6)**	(34.2)	(71.5)
Sale of property, plant and equipment and software		**0.5**	0.1	2.7
Payment of lease liabilities	14	**(119.3)**	(113.5)	(232.7)
Operating cash flow		**449.6**	376.9	834.6
Adjusted operating profit		**440.6**	404.5	910.3
Add back depreciation of right-of-use assets	10	**101.3**	96.3	197.8
Deduct payment of lease liabilities	14	**(119.3)**	(113.5)	(232.7)
Lease adjusted operating profit		**422.6**	387.3	875.4
Cash conversion*		**90%**	97%	95%
Operating cash flow		**449.6**	376.9	834.6
Net interest paid excluding interest on lease liabilities		**(31.3)**	(49.6)	(76.4)
Income tax paid		**(90.5)**	(84.1)	(179.7)
Free cash flow		**327.8**	243.2	578.5

* See Note 2 for further details of the alternative performance measures. The definition of cash conversion has been updated in the period to exclude the impact of US IEEPA tariff refunds.

Notes

1. Basis of preparation and accounting policies

The condensed consolidated interim financial statements (the ‘interim financial statements’) of Bunzl plc (‘the Company’) for the six months ended 30 June 2026, with comparative figures for the six months ended 30 June 2025, are unaudited and do not constitute statutory accounts. However the external auditors have carried out a review of the interim financial statements and their report in respect of the six months ended 30 June 2026 is set out in the Independent review report. The comparative figures for the year ended 31 December 2025 do not constitute the Company’s statutory accounts for the year. Those accounts have been reported on by the Company’s auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

The interim financial statements for the six month period ended 30 June 2026 have been prepared in accordance with UK-adopted International Accounting Standard 34, ‘Interim Financial Reporting’ (IAS 34), and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority. The interim financial statements also comply with IAS 34 as issued by the International Accounting Standards Board. The interim report does not include all of the notes of the type normally included in the Annual Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2025, which was prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and the applicable legal requirements of the Companies Act 2006.

The accounting policies adopted are consistent with those of the corresponding interim reporting period and also the previous financial year except for the estimation of income tax (see Note 5). The Group has adopted all relevant amendments to existing standards issued by the IASB and UK Endorsement Board that are effective from 1 January 2026 with no material impact on its consolidated results or financial position.

Going concern

The directors, having reassessed the Group’s principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the interim financial statements.

In reaching this conclusion, the directors noted the Group’s operating cash flow performance in the first half of the year and the substantial funding available to the Group as described in the Financial Review. The directors also considered a range of different forecast scenarios for the 18 month period from the date of these financial statements to the end of December 2027 starting with a base case projection derived from the Group’s 2026 forecasts excluding any non-committed acquisition spend or changes in funding. The resilience of the Group to a severe but plausible downside scenario was factored into the directors’ considerations. The severe but plausible downside scenario included a 15% reduction in adjusted operating profit from the potential for adverse impacts from the crystallisation of the principal strategic and operational risks to the Group’s organic growth and a reduction in the Group cash conversion to 80%.

In addition, the Group has carried out a reverse stress test against the base case to determine the level of performance that would result in a breach of financial covenants. In order for a breach of covenants to occur during the 18 month period to the end of December 2027, being the period over which going concern has been assessed, the Group would need to experience a reduction in forecast EBITDA of over 45% compared with the base case.

In the severe but plausible downside scenario it was found that the Group was resilient and in particular it remained in compliance with the relevant financial covenants. The conditions required to create the reverse stress test scenario were so severe that they were considered to be implausible. The directors are therefore satisfied that the Group’s forecasts, and the severe but plausible downside scenario applied to them, show that there are no material uncertainties over going concern, including no anticipated breach of covenants, and therefore adoption of the going concern basis of preparation continues to be appropriate.

Impact of Hyperinflation on the financial statements at 30 June 2026

The Group’s interim financial statements include the results and financial position of its Turkish operations restated to the measuring unit current at the end of the period, with hyperinflationary gains and losses in respect of monetary items being reported in finance expense. Comparative amounts presented in the interim financial statements have not been restated. The inflation rates used by the Group are the official rates published by the Turkish Statistical Institute. The movement in the publicly available official price index for the six months to 30 June 2026 was an increase of 18% (six months to 30 June 2025: increase of 17%, year ended 31 December 2025: increase of 31%).

1. Basis of preparation and accounting policies (continued)

IAS 29 requires that the income statement is adjusted for inflation in the period and translated at the period-end foreign exchange rates and that non-monetary assets and liabilities on the balance sheet are inflated to reflect the change in purchasing power caused by inflation from the date of initial recognition. For the period ended 30 June 2026, this resulted in an increase in goodwill of £3.6m (six months to 30 June 2025: £3.0m, year ended 31 December 2025: £5.2m). The impacts on other non-monetary assets and liabilities were immaterial. The impact to retained earnings during the period was a gain of £7.3m (six months to 30 June 2025: £6.5m, year ended 31 December 2025: £11.2m). The total impact to the Condensed consolidated income statement during the period was a charge of £3.3m (six months to 30 June 2025: £3.6m, year ended 31 December 2025: £6.6m) to profit after tax from hyperinflation accounting adjustments, mainly comprising a £3.1m adverse impact (six months to 30 June 2025: £3.6m adverse impact, year ended 31 December 2025: £6.8m adverse impact) on adjusted profit before tax.

When applying IAS 29 on an ongoing basis, comparatives in a stable currency are not restated with the translation effect presented within other comprehensive income during the period, and the effect of inflating opening balances to the measuring unit current at the end of the reporting period presented as a change in equity.

2. Alternative performance measures

In addition to the various performance measures defined under IFRS, the Group reports a number of other measures that are designed to assist with the understanding of the underlying performance of the Group and its businesses. These measures are not defined under IFRS and, as a result, do not comply with Generally Accepted Accounting Practice (‘GAAP’) and are therefore known as ‘alternative performance measures’. Accordingly, these measures, which are not designed to be a substitute for any of the IFRS measures of performance, may not be directly comparable with other companies’ alternative performance measures. The principal alternative performance measures used within the interim financial statements and the location of the reconciliation to equivalent IFRS measures are shown and defined in the table below:

Organic revenue growth	Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior periods at constant exchange, adjusted for US IEEPA tariff refunds
Underlying revenue growth	Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior periods at constant exchange, adjusted for differences in trading days between periods, US IEEPA tariff refunds and adjusted to exclude growth in excess of 26% per annum in hyperinflationary economies (reconciled in the Financial Review)
Adjusted operating profit	Operating profit before amortisation excluding software, acquisition related items through operating profit and non-recurring pension scheme charges/credits (reconciled in the following tables and in the Condensed consolidated income statement)
Operating margin	Adjusted operating profit as a percentage of revenue excluding US IEEPA tariff refunds
Adjusted finance expense	Finance expense before interest on unwinding of discounting on deferred consideration (reconciled in the following tables)
Adjusted profit before income tax	Profit before income tax, amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits and profit or loss on disposal of businesses (reconciled in the following tables)
Adjusted profit for the period	Profit for the period before amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and the associated tax (reconciled in the following tables)
Effective tax rate	Tax on adjusted profit before income tax as a percentage of adjusted profit before income tax (reconciled in Note 5)
Adjusted earnings per share	Adjusted profit for the period attributable to the Company’s equity holders divided by the weighted average number of ordinary shares in issue (reconciled in the following tables and in Note 7)
Adjusted diluted earnings per share	Adjusted profit for the period attributable to the Company’s equity holders divided by the diluted weighted average number of ordinary shares (reconciled in Note 7)
Operating cash flow	Cash generated from operations before acquisition related items after deducting purchases of property, plant and equipment and software and adding back the proceeds from the sale of property, plant and equipment and software and deducting the payment of lease liabilities (as shown in the Condensed consolidated cash flow statement)
Free cash flow	Operating cash flow after deducting payments for income tax and net interest excluding interest on lease liabilities (as shown in the Condensed consolidated cash flow statement)
Lease adjusted operating profit	Adjusted operating profit after adding back the depreciation of right-of-use assets and deducting the payment of lease liabilities (as shown in the Condensed consolidated cash flow statement)
Cash conversion	Operating cash flow excluding US IEEPA tariff refunds as a percentage of lease adjusted operating profit
Working capital	Inventories and trade and other receivables less trade and other payables, excluding non-trading related receivables, non-trading related payables (including those relating to acquisition payments) and dividends payable (reconciled in Note 12)

2. Alternative performance measures (continued)

Return on average operating capital	The ratio of adjusted operating profit to the average of the month end operating capital employed (being property, plant and equipment, right-of-use assets, software, inventories and trade and other receivables less trade and other payables excluding US IEEPA tariff refunds)
Return on invested capital	The ratio of adjusted operating profit to the average of the month end invested capital (being equity after adding back net debt, lease liabilities, net defined benefit pension scheme assets/liabilities, cumulative amortisation excluding software, acquisition related items and amounts written off goodwill, net of the associated tax excluding US IEEPA tariff refunds)
Dividend cover	The ratio of adjusted earnings per share to the total dividend per share
EBITDA	Adjusted operating profit on a historical GAAP basis, before depreciation of property, plant and equipment and software amortisation and after adjustments as permitted by the Group's debt covenants, principally to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses
Net debt excluding lease liabilities	Net debt excluding the carrying value of lease liabilities (reconciled in Note 16)
Covenant net debt to EBITDA	Net debt excluding lease liabilities calculated at average exchange rates divided by EBITDA
Adjusted net debt	Net debt excluding lease liabilities and including total deferred and contingent consideration (as reconciled in the financial review)
Adjusted net debt including lease liabilities	Net debt including lease liabilities and total deferred and contingent consideration (as reconciled in the financial review)
Adjusted net debt to EBITDA	Adjusted net debt calculated at average exchange rates excluding US IEEPA tariff refunds divided by EBITDA adjusted for contractually agreed earnings targets
Adjusted net debt including lease liabilities to EBITDA	Adjusted net debt including lease liabilities calculated at average exchange rates excluding US IEEPA tariff refunds divided by adjusted operating profit, before depreciation of property, plant and equipment and right of use assets and software amortisation and after adjustments to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses adjusted for contractually agreed earnings targets
Constant exchange rates	Growth rates at constant exchange rates are calculated by retranslating the results for the prior periods at the average exchange rates for the period ended 30 June 2026 so that they can be compared without the distorting impact of changes caused by foreign exchange translation. The exchange rates used for 2026 and 2025 can be found in the Financial Review

There have been no new alternative performance measures during the period. The definitions of 'Organic revenue growth', 'Underlying revenue growth', 'Operating margin', 'Cash conversion', 'Return on average operating capital', 'Return on invested capital', 'Adjusted net debt to EBITDA' and 'Adjusted net debt including lease liabilities to EBITDA' have been amended to exclude the impact of US International Emergency Economic Powers Act (IEEPA) tariff refunds. US IEEPA tariff refunds were received towards the end of the six months ended 30 June 2026. There was no net impact on the income statement. All other alternative performance measures have been calculated consistently with the methods applied in the consolidated financial statements for the year ended 31 December 2025.

A number of the alternative performance measures listed above exclude the charge for amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and any associated tax, where relevant.

Acquisition related items through operating profit comprises deferred consideration payments relating to the retention of former owners of businesses acquired, transaction costs and expenses, adjustments to previously estimated earn outs, customer relationships asset impairment charges, goodwill impairment charges and interest on acquisition related income tax. Total acquisition related items also includes interest on unwinding of discounting deferred consideration, which is included in net finance expense. Amortisation excluding software comprises amortisation of customer and supplier relationships, brands and technology intangible assets. Acquisition related items, amortisation (excluding software) and any associated tax are considered by management to form part of the total spend on acquisitions or are non-cash items resulting from acquisitions. The non-recurring pension scheme charges/credit relate to non-recurring charges arising from the Group's participation in a number of defined benefit pension schemes. There have been no non-recurring pension scheme credits in the period ended 30 June 2026, 30 June 2025 and year ended 31 December 2025. There has been no disposal of businesses in the period ended 30 June 2026. Disposal of businesses in the period ended 30 June 2025 and 31 December 2025 relates to the profit on disposal of a Safety business in North America on 31 January 2025. None of these items relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and are removed in calculating the profitability measures by which management assesses the performance of the Group. However, it should be noted that they do exclude income and charges that nevertheless do impact the Group's cash flow and GAAP financial performance.

Further information on certain of the alternative performance measures is set out in the Financial Review.

2. Alternative performance measures (continued)

Reconciliation of alternative performance measures to statutory measures

The principal profit related alternative performance measures, these being adjusted operating profit, adjusted profit before income tax, adjusted profit for the period and adjusted earnings per share are reconciled to the most directly reconcilable statutory measures in the tables below.

Six months ended 30 June 2026

		Adjusting items				
	Alternative performance measures £m	**Amortisation excluding software £m**	**Acquisition related items £m**	**Disposal of businesses £m**	**Statutory measures £m**	
Adjusted operating profit	**440.6**	**(77.1)**	**(12.3)**		**351.2**	**Operating profit**
Finance income	**21.3**				**21.3**	Finance income
Adjusted finance expense	**(81.0)**		**(1.1)**		**(82.1)**	Finance expense
Disposal of businesses	**–**			**–**	**–**	Disposal of businesses
Adjusted profit before income tax	**380.9**	**(77.1)**	**(13.4)**	**–**	**290.4**	**Profit before income tax**
Tax on adjusted profit	**(99.0)**	**20.5**	**(0.5)**	**–**	**(79.0)**	Income tax
Adjusted profit for the period	**281.9**	**(56.6)**	**(13.9)**	**–**	**211.4**	**Profit for the period**
Adjusted earnings per share attributable to the Company's equity holders	**87.7p**	**(17.7)p**	**(4.3)p**	**–**	**65.7p**	**Basic earnings per share attributable to the Company's equity holders**

Six months ended 30 June 2025

		Adjusting items				
	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	404.5	(76.5)	(27.5)		300.5	Operating profit
Finance income	32.2				32.2	Finance income
Adjusted finance expense	(91.1)		(1.7)		(92.8)	Finance expense
Disposal of businesses	–			10.2	10.2	Disposal of businesses
Adjusted profit before income tax	345.6	(76.5)	(29.2)	10.2	250.1	Profit before income tax
Tax on adjusted profit	(91.2)	20.0	4.3	(1.1)	(68.0)	Income tax
Adjusted profit for the period	254.4	(56.5)	(24.9)	9.1	182.1	Profit for the period
Adjusted earnings per share attributable to the Company's equity holders	77.8p	(17.3)p	(7.6)p	2.7p	55.6p	Basic earnings per share attributable to the Company's equity holders

Year ended 31 December 2025

		Adjusting items				
	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	910.3	(151.5)	(23.5)		**735**.3	Operating profit
Finance income	54.6				54.6	Finance income
Adjusted finance expense	(177.8)		(3.5)		(181.3)	Finance expense
Disposal of businesses	–			11.9	11.9	Disposal of businesses
Adjusted profit before income tax	787.1	(151.5)	(27.0)	11.9	620.5	Profit before income tax
Tax on adjusted profit	(204.6)	39.5	5.7	(1.3)	(160.7)	Income tax
Adjusted profit for the period	582.5	(112.0)	(21.3)	10.6	**459**.8	Profit for the period
Adjusted earnings per share attributable to the Company's equity holders	179.3p	(34.5)p	(6.6)p	3.3p	141.5p	Basic earnings per share attributable to the Company's equity holders

3. Segment analysis

The Group results are reported as four business areas based on geographical regions which are reviewed regularly by the Company's chief operating decision maker, the Board of directors. Across the Group, the vast majority of revenue is generated from the delivery of goods to customers representing a single performance obligation which is satisfied upon delivery of the relevant goods. The Group's revenue and financial results have not historically been subject to significant seasonal trends. The principal results reviewed for each business area are revenue and adjusted operating profit.

Six months ended 30 June 2026	**North America £m**	**Continental Europe £m**	**UK & Ireland £m**	**Rest of the World £m**	**Corporate £m**	**Total £m**
Revenue	**3,062.4**	**1,269.4**	**924.1**	**677.2**		**5,933.1**
Adjusted operating profit/(loss)	**199.4**	**106.7**	**65.6**	**85.7**	**(16.8)**	**440.6**
Amortisation excluding software	**(25.2)**	**(22.7)**	**(13.1)**	**(16.1)**		**(77.1)**
Acquisition related items through operating profit	**(2.1)**	**(6.9)**	**(2.3)**	**(1.0)**		**(12.3)**
Operating profit/(loss)	**172.1**	**77.1**	**50.2**	**68.6**	**(16.8)**	**351.2**
Finance income						**21.3**
Finance expense						**(82.1)**
Disposal of business						**–**
Profit before income tax						**290.4**
Adjusted profit before income tax						**380.9**
Income tax						**(79.0)**
Profit for the period						**211.4**
Operating margin	**6.4%**	**8.4%**	**7.1%**	**12.7%**		**7.3%**
Return on average operating capital	**40.1%**	**35.8%**	**42.9%**	**38.1%**		**38.0%**

Six months ended 30 June 2025	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	3,062.8	1,186.4	904.2	606.2		5,759.6
Adjusted operating profit/(loss)	197.0	94.4	59.9	70.3	(17.1)	404.5
Amortisation excluding software	(26.3)	(21.8)	(13.9)	(14.5)		(76.5)
Acquisition related items through operating profit	(1.8)	(4.8)	(5.9)	(15.0)		(27.5)
Operating profit/(loss)	168.9	67.8	40.1	40.8	(17.1)	300.5
Finance income						32.2
Finance expense						(92.8)
Disposal of business						10.2
Profit before income tax						250.1
Adjusted profit before income tax						345.6
Income tax						(68.0)
Profit for the period						182.1
Operating margin	6.4%	8.0%	6.6%	11.6%		7.0%
Return on average operating capital	43.8%	36.0%	38.1%	36.3%		38.8%

Year ended 31 December 2025	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	6,276.7	2,442.0	1,883.6	1,243.1		11,845.4
Adjusted operating profit/(loss)	440.5	204.7	153.1	145.3	(33.3)	910.3
Amortisation excluding software	(51.9)	(44.8)	(26.3)	(28.5)		(151.5)
Acquisition related items through operating profit	(3.1)	(18.4)	10.6	(12.6)		(23.5)
Operating profit/(loss)	385.5	141.5	137.4	104.2	(33.3)	735.3
Finance income						54.6
Finance expense						(181.3)
Disposal of business						11.9
Profit before income tax						620.5
Adjusted profit before income tax						787.1
Income tax						(160.7)
Profit for the year						459.8
Operating margin	7.0%	8.4%	8.1%	11.7%		7.7%
Return on average operating capital	40.5%	34.5%	40.5%	35.5%		37.0%

3. Segment analysis (continued)

Acquisition related items through operating profit	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Deferred consideration payments relating to the retention of former owners of businesses acquired	**18.4**	24.3	47.1
Transaction costs and expenses	**1.8**	5.7	11.2
Adjustments to previously estimated earn outs and minority options	**(7.9)**	(2.5)	(45.5)
	12.3	27.5	12.8
Customer relationship impairment charges (Note 11)	**–**	–	10.7
	12.3	27.5	23.5
Acquisition related items through finance expense			
Interest on unwinding of discounting on deferred consideration	**1.1**	1.7	3.5
Acquisition related items	**13.4**	29.2	27.0

4. Finance income/(expense)

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Interest on cash and cash equivalents	**10.5**	20.2	29.6
Interest income from foreign exchange contracts	**7.4**	10.8	21.6
Net interest income on defined benefit pension schemes in surplus	**0.9**	1.0	2.0
Interest related to income tax	**–**	-	0.4
Other finance income	**2.5**	0.2	1.0
Finance income	**21.3**	32.2	54.6
Interest on loans and overdrafts	**(52.1)**	(63.8)	(119.3)
Lease interest expense	**(20.3)**	(19.4)	(40.6)
Interest expense from foreign exchange contracts	**(3.7)**	(6.0)	(12.9)
Net interest expense on defined benefit pension schemes in deficit	**(0.3)**	(0.3)	(0.8)
Fair value gain/(loss) on US private placement notes and senior bond in a hedge relationship	**10.4**	(19.4)	(26.5)
Fair value (loss)/gain on interest rate swaps in a hedge relationship	**(10.4)**	19.1	25.9
Foreign exchange gain/(loss) on intercompany funding	**1.7**	(21.6)	(12.7)
Foreign exchange (loss)/gain on external debt and foreign exchange forward contracts	**(1.6)**	21.8	12.4
Monetary loss from hyperinflation accounting[1]	**(1.8)**	(1.2)	(2.3)
Other finance expense	**(2.9)**	(0.3)	(1.0)
Adjusted finance expense	**(81.0)**	(91.1)	(177.8)
Interest on unwinding of discounting on deferred consideration	**(1.1)**	(1.7)	(3.5)
Finance expense	**(82.1)**	(92.8)	(181.3)
Net finance expense	**(60.8)**	(60.6)	(126.7)

[1]See Note 1 for further details.

The foreign exchange gain on intercompany funding in the six month period to 30 June 2026 arises as a result of the retranslation of foreign currency intercompany loans. This gain on intercompany funding is substantially matched by the foreign exchange loss on external debt and foreign exchange forward contracts not in a hedge relationship, which minimises the foreign currency exposure in the Condensed consolidated income statement.

5. Income tax

The tax charge for the interim financial statements is determined by applying the weighted average statutory tax rate based on full year forecast profits to the actual profits for the first half of the year, and then adjusting for non-taxable or deductible items that affect the profits of the first half of the year. Where tax balances are revised due to changes in tax rates or estimates of tax liabilities for prior periods, the full effect on the income statement is included in the tax charge for the first half of the year.

In assessing the underlying performance of the Group, management uses adjusted profit before income tax. The tax effect of the adjusting items (see Note 2) is excluded in monitoring the effective tax rate (being the tax rate on adjusted profit before income tax) which is shown in the table below:

5. Income tax (continued)

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Income tax on profit	**79.0**	68.0	160.7
Tax associated with adjusting items	**20.0**	23.2	43.9
Tax on adjusted profit	**99.0**	91.2	204.6
Profit before income tax	**290.4**	250.1	620.5
Adjusting items	**90.5**	95.5	166.6
Adjusted profit before income tax	**380.9**	345.6	787.1
Reported tax rate	**27.2%**	27.2%	25.9%
Effective tax rate	**26.0%**	26.4%	26.0%

The adjustments to the tax charge at the weighted average rate to determine the income tax on profit for the period are as follows:

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Profit before income tax	**290.4**	250.1	620.5
Weighted average rate	**26.2%**	25.5%	25.6%
Tax charge at weighted average rate	**76.0**	63.7	158.7
Effects of:			
non-deductible expenditure	**4.8**	5.5	7.1
impact of intercompany finance	**(0.4)**	(0.5)	1.0
change in tax rates	**–**	–	0.1
Inflation: tax and accounting impacts	**0.8**	–	1.2
prior year adjustments	**(2.0)**	(0.4)	(7.2)
other current year items	**(0.2)**	(0.3)	(0.2)
Income tax on profit	**79.0**	68.0	160.7

The Group is subject to the global minimum tax regime known as Pillar 2 and any additional taxes from this are included within the income tax expense. No significant tax liabilities are expected from Pillar 2 taxes for the current year.

6. Dividends

Total dividends for the periods in which they are recognised are:

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
2024 interim		66.7	66.7
2024 final		175.5	175.5
2025 interim	**64.8**		
2025 final	**173.3**		
Total	**238.1**	242.2	242.2

Total dividends per share for the periods to which they relate are:

			Per share
	Six months to 30.6.26	Six months to 30.6.25	Year to 31.12.25
2025 interim		20.2p	20.2p
2025 final			53.9p
2026 interim	**20.8p**		
Total	**20.8p**	20.2p	74.1p

The 2026 interim dividend of 20.8p per share will be paid on 5 January 2027 to shareholders on the register at the close of business on 13 November 2026. The 2026 interim dividend will comprise approximately £65m of cash.

7. Earnings per share

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Profit for the period attributable to the Company's equity holders	**211.3**	181.9	459.2
Adjusted for:			
amortisation excluding software	**77.1**	76.5	151.5
acquisition related items	**13.4**	29.2	27.0
profit on disposal of business	**–**	(10.2)	(11.9)
tax credit on adjusting items	**(20.0)**	(23.2)	(43.9)
Adjusted profit for the period attributable to the Company's equity holders	**281.8**	254.2	581.9

	Six months to 30.6.26	Six months to 30.6.25	Year to 31.12.25
Basic weighted average number of ordinary shares in issue (million)	**321.5**	326.9	324.6
Dilutive effect of employee share plans (million)	**0.8**	1.1	1.4
Diluted weighted average number of ordinary shares (million)	**322.3**	328.0	326.0
Basic earnings per share attributable to the Company's equity holders	**65.7p**	55.6p	141.5p
Adjustment (Note 2)	**22.0p**	22.2p	37.8p
Adjusted earnings per share attributable to the Company's equity holders	**87.7p**	77.8p	179.3p
Diluted basic earnings per share attributable to the Company's equity holders	**65.6p**	55.5p	140.9p
Adjustment (Note 2)	**21.8p**	22.0p	37.6p
Adjusted diluted earnings per share attributable to the Company's equity holders	**87.4p**	77.5p	178.5p

8. Acquisitions

Acquisitions involving the purchase of the acquiree's share capital or, as the case may be, the relevant assets of the businesses acquired, have been accounted for under the acquisition method of accounting. A key part of the Group's strategy is to grow through acquisition. The Group has developed a process to assist with the identification of the fair values of the assets acquired and liabilities assumed, including the separate identification of intangible assets in accordance with IFRS 3 'Business Combinations' as revised. This formal process is applied to each acquisition and involves an assessment of the assets acquired and liabilities assumed with assistance provided by external valuation specialists where appropriate. Until this assessment is complete, the allocation period remains open up to a maximum of 12 months from the relevant acquisition date. At 30 June 2026 the allocation period for all acquisitions completed since 1 July 2025 remained open and accordingly the fair values presented are provisional.

Adjustments are made to the assets acquired and liabilities assumed during the allocation period to the extent that further information and knowledge come to light that more accurately reflect conditions at the acquisition date. Adjustments are made to the value of assets acquired to reflect more accurately the estimated realisable or settlement value. Similarly, adjustments are made to acquired liabilities to record onerous commitments or other commitments existing at the acquisition date but not recognised by the acquiree. Adjustments are also made to reflect the associated tax effects. During the six months to 30 June 2026 adjustments have been recognised to the fair value of assets and liabilities acquired related to acquisitions made in the prior year, resulting in a net decrease to intangible assets of £0.9m. Given the immaterial amounts involved, the fair value of assets and liabilities acquired as reported in the prior year have not been restated.

The consideration in respect of acquisitions comprises amounts paid on completion and deferred consideration. The consideration has been allocated against the identified net assets, with the balance recorded as goodwill. Any payments that are contingent on future employment, including payments which are contingent on the retention of former owners of businesses acquired, are charged to the income statement. Transaction costs and expenses such as professional fees are charged to operating profit in the income statement. Given the structure of acquisitions and the quantum of deferred consideration in recent years, the Group recognises interest on unwinding of discounting deferred consideration, where applicable, which is charged to finance expense in the income statement.

8. Acquisitions (continued)

For each of the businesses acquired and announced during the period, the name of the business, the market sector served, its location and date of acquisition, as well as the estimated annualised revenue are separately disclosed. The remaining disclosures required by IFRS 3 are provided separately for those individual acquisitions that are considered to be material and in aggregate for individually immaterial acquisitions. An acquisition would generally be considered individually material if the impact on the Group's revenue or profit measures (on an annualised basis) or the relevant amounts on the balance sheet is greater than 5%. Management also applies judgement in considering whether there are any material qualitative differences from other acquisitions made.

Six months ended 30 June 2026

Summary details of the business acquired during the period ended 30 June 2026 is shown in the table below:

Business	**Sector**	**Country**	**Acquisition date 2026**	**Percentage of share capital acquired**	**Annualised revenue £m**
Scientifix	Healthcare	Australia	30 April 2026	**100%**	**7.3**
Acquisition completed in the current period					**7.3**

There were no individually significant acquisitions during the six months ended 30 June 2026.

A summary of the effect of acquisitions in the six months ended 30 June 2026 and 30 June 2025 and for the year ended 31 December 2025 is shown below:

	Total 30.6.26 £m	Total 30.6.25 £m	Total 31.12.25 £m
Customer and supplier relationships	**1.4**	(5.9)	49.5
Brands	**–**	–	3.9
Property, plant and equipment and software	**–**	(1.3)	5.9
Right-of-use assets	**–**	0.3	5.2
Net working capital	**(0.2)**	(5.2)	27.4
Net cash	**0.2**	0.3	1.0
Provisions	**(1.6)**	–	(13.2)
Lease liabilities	**–**	(0.4)	(5.2)
Income tax payable and deferred tax assets/(liabilities)	**0.3**	3.5	(21.2)
Fair value of net (liabilities)/assets acquired	**0.1**	(8.7)	53.3
Goodwill	**1.6**	12.6	50.9
Consideration	**1.7**	3.9	104.2
Satisfied by:			
cash consideration	**2.5**	3.9	95.6
deferred consideration – current and prior year acquisitions	**(0.8)**	–	8.6
	1.7	3.9	104.2
Contingent payments relating to the retention of former owners	**0.5**	0.8	17.4
Net cash acquired	**(0.2)**	(0.3)	(1.0)
Transaction costs and expenses	**1.8**	5.7	11.2
Total committed spend in respect of acquisitions completed in the current period	**3.8**	10.1	131.8
Spend on acquisitions committed but not completed at the period end	**–**	72.3	––
Total committed spend in respect of acquisitions agreed in the current period	**3.8**	82.4	131.8

The net cash outflow in respect of acquisitions comprised:

	Total 30.6.26 £m	Total 30.6.25 £m	Total 31.12.25 £m
Cash consideration	**2.5**	3.9	95.6
Net cash acquired	**(0.2)**	(0.3)	(1.0)
Deferred consideration payments	**19.7**	21.2	23.9
Net cash outflow on purchase of businesses	**22.0**	24.8	118.5
Transaction costs and expenses paid	**1.9**	6.1	12.1
Payments relating to retention of former owners	**2.4**	17.8	31.3
Cash outflow from acquisition related items	**4.3**	23.9	43.4
Total cash outflow in respect of acquisitions	**26.3**	48.7	161.9

8. Acquisitions (continued)

Acquisitions completed in the six months ended 30 June 2026 contributed £1.4m (six months ended 30 June 2025: £0.6m; year ended 31 December 2025: £37.4m) to the Group's revenue, £0.2m (six months ended 30 June 2025: £0.2m; year ended 31 December 2025: £6.9m) to the Group's adjusted operating profit and £0.2m (six months ended 30 June 2025: £0.2m; year ended 31 December 2025: £5.8m) to the Group's operating profit for the six months ended 30 June 2026.

The estimated contributions from acquisitions completed in the period to the results of the Group if such acquisitions had been made at the beginning of the respective periods, are as follows:

	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Revenue	**4.2**	**1.4**	92.3
Adjusted operating profit	**0.6**	**0.5**	16.0

Deferred consideration
The table below gives further details of the Group's deferred consideration liabilities.

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Minority options – acquisition of non-controlling interest	**123.9**	140.5	127.8
Earn outs	**26.8**	47.5	33.6
Deferred consideration held at fair value	**150.7**	188.0	161.4
Minority options – retention payments of former owners	**55.1**	46.3	44.4
Other	**7.5**	8.7	19.9
Total deferred consideration	**213.3**	243.0	225.7
Current	**69.9**	30.9	29.4
Non-current	**143.4**	212.1	196.3
Total deferred consideration	**213.3**	243.0	225.7
Expected future payments which are contingent on the continued retention of former owners of businesses acquired not yet recognised on balance sheet	**37.2**	93.0	53.2
Total deferred and contingent consideration – on and off balance sheet	**250.5**	336.0	278.9

The maturity profile of total deferred and contingent consideration is set out in the table below.

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Within one year	**74.6**	30.9	31.4
After one year but within two years	**141.0**	138.0	81.7
After two years but within five years	**34.9**	155.6	165.8
After five years	**–**	11.5	–
	250.5	336.0	278.9

8. Acquisitions (continued)

Year ended 31 December 2025
Summary details of the businesses acquired or agreed to be acquired during the year ended 31 December 2025 are shown in the table below:

Business	Sector	Country	Acquisition date 2025	Percentage of share capital acquired	Annualised revenue £m
Inpakomed	Healthcare	Netherlands	31 March	100%	2.5
Quindesur	Foodservice and Cleaning & Hygiene	Spain	1 July	100%	11.5
Hospitalia	Healthcare	Chile	8 July	100%	21.2
Solupack	Foodservice	Brazil	31 July	70%	17.9
Guantes Internacionales	Safety	Mexico	1 August	100%	15.8
Caterline	Foodservice	Ireland	10 September	100%	5.6
Anta y Jesús	Cleaning & Hygiene	Spain	30 September	100%	4.7
Damito s.r.o	Cleaning & Hygiene	Slovakia	31 October	80%	13.1
Completed acquisitions					92.3

9. Disposal of businesses

There were no disposals of businesses in the period ended 30 June 2026. Disposal of businesses in the period ended 30 June 2025 and year ended 31 December 2025 related to the profit on disposal of R3 Safety in North America on 31 January 2025.

The profit on disposal of businesses comprised:

Profit on disposal of businesses	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Cash consideration received	–	18.0	17.6
Net assets disposed	–	(9.9)	(10.4)
Recycling of historical foreign exchange gains	–	5.7	5.6
Transaction costs and provisions	–	(3.6)	(0.9)
Profit on disposal of businesses	–	10.2	11.9

The net cash inflow in the period in respect of disposal of business comprised:

Cash flow from disposal of businesses	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Cash consideration received	–	18.0	17.6
Transaction costs paid	–	(0.7)	(0.6)
Net cash inflow	–	17.3	17.0

10. Right-of-use assets

Six months ended 30 June 2026

Net book value	**Property £m**	**Motor Vehicles £m**	**Equipment £m**	**Total £m**
Beginning of period	**556.5**	**88.2**	**37.4**	**682.1**
Additions	**11.3**	**17.9**	**8.2**	**37.4**
Depreciation charge in the period	**(76.6)**	**(18.0)**	**(6.7)**	**(101.3)**
Remeasurement adjustments	**55.9**	**(0.6)**	**0.2**	**55.5**
Currency translation	**4.0**	**0.2**	**0.3**	**4.5**
As at 30 June 2026	**551.1**	**87.7**	**39.4**	**678.2**

Six months ended 30 June 2025

Net book value	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Beginning of period	577.7	83.9	36.0	697.6
Acquisitions (Note 8)	0.3	-	-	0.3
Additions	25.9	17.3	4.7	47.9
Depreciation charge in the period	(73.0)	(17.2)	(6.1)	(96.3)
Remeasurement adjustments	20.9	1.5	1.0	23.4
Currency translation	(14.1)	(1.6)	(1.8)	(17.5)
As at 30 June 2025	537.7	83.9	33.8	655.4

Year ended 31 December 2025

Net book value	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Beginning of year	577.7	83.9	36.0	697.6
Acquisitions (Note 8)	4.8	0.4	-	5.2
Additions	102.2	39.2	15.6	157.0
Depreciation charge in the year	(151.0)	(34.0)	(12.8)	(197.8)
Remeasurement adjustments	30.4	(0.8)	-	29.6
Currency translation	(7.6)	(0.5)	(1.4)	(9.5)
As at 31 December 2025	556.5	88.2	37.4	682.1

11. Intangible assets

Six months ended 30 June 2026

	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of period	**2,346.6**	**2,684.4**	**133.1**	**9.3**	**141.4**	**5,314.8**
Acquisitions (Note 8)	**1.6**	**1.4**	**–**	**–**	**–**	**3.0**
Adjustment for hyperinflation accounting[1]	**3.6**	**–**	**–**	**–**	**–**	**3.6**
Additions					**0.6**	**0.6**
Disposals					**(0.7)**	**(0.7)**
Currency translation	**17.9**	**23.1**	**0.5**	**(0.1)**	**(1.6)**	**39.8**
End of period	**2,369.7**	**2,708.9**	**133.6**	**9.2**	**139.7**	**5,361.1**
Accumulated amortisation and impairment						
Beginning of period	**11.4**	**1,558.8**	**23.1**	**5.5**	**97.9**	**1,696.7**
Amortisation charge in the period		**71.3**	**4.9**	**0.9**	**6.8**	**83.9**
Disposals					**(0.4)**	**(0.4)**
Currency translation	**0.5**	**10.8**	**0.1**	**–**	**0.4**	**11.8**
End of period	**11.9**	**1,640.9**	**28.1**	**6.4**	**104.7**	**1,792.0**
Net book value at 30 June 2026	**2,357.8**	**1,068.0**	**105.5**	**2.8**	**35.0**	**3,569.1**

Six months ended 30 June 2025

	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of period	2,297.8	2,653.5	130.6	8.8	130.1	5,220.8
Acquisitions (Note 8)	12.6	(5.9)	–	–	–	6.7
Adjustment for hyperinflation accounting[1]	3.0	–	–	–	–	3.0
Additions					5.8	5.8
Disposals					(3.1)	(3.1)
Currency translation	(35.6)	(44.8)	(1.9)	0.3	(1.4)	(83.4)
End of period	2,277.8	2,602.8	128.7	9.1	131.4	5,149.8
Accumulated amortisation and impairment						
Beginning of period	11.7	1,417.7	14.2	3.5	89.9	1,537.0
Amortisation charge in the period		70.5	5.1	0.9	5.8	82.3
Disposals					(3.1)	(3.1)
Currency translation	(0.8)	(22.1)	(0.6)	0.1	(0.8)	(24.2)
End of period	10.9	1,466.1	18.7	4.5	91.8	1,592.0
Net book value at 30 June 2025	2,266.9	1,136.7	110.0	4.6	39.6	3,557.8

11. Intangible assets (continued)

Year ended 31 December 2025

	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of year	2,297.8	2,653.5	130.6	8.8	130.1	5,220.8
Acquisitions (Note 8)	50.9	49.5	3.9	–	–	104.3
Disposal of businesses	-	(13.0)	–	–	–	(13.0)
Adjustment for hyperinflation accounting[1]	5.2	–	–	–	–	5.2
Additions					15.9	15.9
Disposals					(5.9)	(5.9)
Currency translation	(7.3)	(5.6)	(1.4)	0.5	1.3	(12.5)
End of year	2,346.6	2,684.4	133.1	9.3	141.4	5,314.8
Accumulated amortisation and impairment						
Beginning of year	11.7	1,417.7	14.2	3.5	89.9	1,537.0
Amortisation charge in year		140.4	9.3	1.8	13.0	164.5
Impairment charge in year	–	10.7	–	–	–	10.7
Disposal of businesses		(13.0)	–	–	–	(13.0)
Disposals					(5.9)	(5.9)
Currency translation	(0.3)	3.0	(0.4)	0.2	0.9	3.4
End of year	11.4	1,558.8	23.1	5.5	97.9	1,696.7
Net book value at 31 December 2025	2,335.2	1,125.6	110.0	3.8	43.5	3,618.1

[1]See Note 1 for further details.

Goodwill, customer and supplier relationships, brands and technology intangible assets have been acquired as part of business combinations. Further details of acquisitions made in the period are set out in Note 8.

The Group has completed an impairment assessment in relation to the carrying value of goodwill as at 30 June 2026. Based on this assessment, no impairment was identified and there were no reasonably possible changes in key assumptions that would result in a material change to the carrying amounts of goodwill in the next 12 months. The Group also considered whether there were any indicators that individual customer and supplier relationships, brands and technology intangible assets were impaired. As a result, triggers were identified and impairment tests were performed in relation to a small number of immaterial customer and supplier relationship intangible assets. Based on our impairment testing, no impairments were identified to the carrying value of customer and supplier relationships, brands and technology intangible assets as at 30 June 2026.

12. Working Capital

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Inventories	**1,736.9**	1,636.2	1,682.6
Trade and other receivables	**1,822.0**	1,632.8	1,729.4
Trade and other payables - current	**(2,454.9)**	(2,210.6)	(2,108.4)
Add back net non-trading related receivables and payables	**18.5**	1.3	(15.5)
Add back dividends payable	**173.3**	175.5	–
	1,295.8	1,235.2	1,288.1

See Note 17 for the cash flow impact of movements in working capital which exclude the impact from foreign exchange movements and acquisitions.

13. Financial instruments

The following financial assets and liabilities are held at fair value:

Financial assets	**30.6.26 £m**	30.6.25 £m	31.12.25 £m
Interest rate derivatives in fair value hedges	**–**	5.8	6.1
Foreign exchange derivatives in cash flow hedges	**2.5**	0.5	0.3
Foreign exchange derivatives in net investment hedges	**7.7**	9.5	7.7
Other foreign exchange and interest rate derivatives	**5.9**	5.9	2.8
Total derivative financial assets	**16.1**	21.7	16.9
Money market funds	**72.8**	18.7	67.3
Total financial assets held at fair value	**88.9**	40.4	84.2
Current derivative financial assets	**16.1**	15.9	10.8
Non-current derivative financial assets	**–**	5.8	6.1
Total derivative financial assets	**16.1**	21.7	16.9

Financial liabilities	**30.6.26 £m**	30.6.25 £m	31.12.25 £m
Interest rate derivatives in fair value hedges	**(67.3)**	(69.4)	(62.9)
Foreign exchange derivatives in cash flow hedges	**(1.0)**	(5.1)	(1.8)
Foreign exchange derivatives in net investment hedges	**(3.8)**	(12.0)	(0.4)
Other foreign exchange derivatives	**(4.1)**	(4.0)	(4.3)
Total derivative financial liabilities	**(76.2)**	(90.5)	(69.4)
Other payables held at fair value	**(150.7)**	(188.0)	(161.4)
Total financial liabilities held at fair value	**(226.9)**	(278.5)	(230.8)
Current derivative financial liabilities	**(9.3)**	(21.1)	(6.5)
Non-current derivative financial liabilities	**(66.9)**	(69.4)	(62.9)
Total derivative financial liabilities	**(76.2)**	(90.5)	(69.4)

Financial assets and liabilities stated as being measured at fair value in the tables above (including all derivative financial instruments), with the exception of money market funds and other payables, have carrying amounts where the fair value is, and has been throughout the year, a level two fair value measurement. Level two fair value measurements use inputs other than quoted prices that are observable for the relevant asset or liability, either directly or indirectly. The fair values of financial assets and liabilities stated at level two fair value have been determined by discounting expected future cash flows, translated at the appropriate balance sheet date exchange rates and adjusted for counterparty or own credit risk as applicable. Money market funds have a fair value which is a level one fair value measurement, as this is determined by utilising unadjusted quoted prices in active markets as at the balance sheet date. Other payables measured at fair value relate to earn outs and minority options, excluding elements relating to the retention of former owners, on businesses acquired. This is a level three fair value which is initially measured based on the expected future profitability of the businesses acquired at the acquisition date and subsequently reassessed at each reporting date based on the most recent data available on the expected profitability of the businesses acquired. These balances are sensitive to a change in the expected profitability of the businesses acquired. A 1% increase in the expected profitability of the relevant businesses acquired would result in an increase to other payables of £1.1m and 1% decrease in the expected profitability would result in a decrease of £1.3m.

There were no transfers between levels for recurring fair value measurements during the period.

The fair values of all financial instruments approximate to their book values, with the exception of the US private placement notes and the senior bonds which are held at amortised cost. The fair value of all US private placement notes which are held at amortised cost, using market prices at 30 June 2026, was £504.2m (30 June 2025: £553.1m; 31 December 2025: £565.5m), compared to a carrying value of £523.2m (30 June 2025: £574.3m; 31 December 2025: £581.8m). The fair value of the senior bonds which are held at amortised cost, using market prices at 30 June 2026, was £1,275.3m (30 June 2025: £1,264.4m, 31 December 2025: £968.2m) compared to a carrying value of £1,256.2m (30 June 2025: £1,254.4m, 31 December 2025: £1,269.2m).

14. Lease liabilities

The Group leases certain property, plant, equipment and vehicles under non-cancellable operating lease agreements. These leases have varying terms and renewal rights.

Movement in lease liabilities	**Six months to 30.6.26 £m**	Six months to 30.6.25 £m	Year to 31.12.25 £m
Beginning of period	**742.5**	754.1	754.1
Acquisitions (Note 8)	**–**	0.4	5.2
New leases	**37.4**	47.9	157.0
Interest charge in the period	**20.3**	19.4	40.6
Payment of lease liabilities	**(119.3)**	(113.5)	(232.7)
Remeasurement adjustments	**54.7**	23.9	29.3
Currency translation	**5.2**	(19.7)	(11.0)
End of period	**740.8**	712.5	742.5
Ageing of lease liabilities:			
Current lease liabilities	**195.5**	176.9	187.0
Non-current lease liabilities	**545.3**	535.6	555.5
End of period	**740.8**	712.5	742.5

15. Cash, cash equivalents and overdrafts and net debt

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Cash at bank and in hand	**525.3**	462.3	472.8
Money market funds	**72.8**	18.7	67.3
Cash and cash equivalents	**598.1**	481.0	540.1
Bank overdrafts	**(187.1)**	(181.0)	(212.6)
Cash, cash equivalents and overdrafts	**411.0**	300.0	327.5
Interest bearing loans and borrowings - current liabilities	**(52.9)**	(68.5)	(203.8)
Interest bearing loans and borrowings - non-current liabilities	**(1,728.8)**	(1,766.5)	(1,736.5)
Derivatives managing interest rate risk and currency profile of the debt	**(61.6)**	(64.3)	(51.1)
Net debt excluding lease liabilities	**(1,432.3)**	(1,599.3)	(1,663.9)
Lease liabilities	**(740.8)**	(712.5)	(742.5)
Total net debt including lease liabilities	**(2,173.1)**	(2,311.8)	(2,406.4)

The cash at bank and in hand and bank overdrafts amounts included in the table above include the amounts associated with the Group's cash pool. The cash pool enables the Group to access cash in its subsidiaries to pay down the Group's borrowings. The Group has the legal right of set-off of balances within the cash pool which is an enforceable right. The cash at bank and in hand and bank overdrafts figures net of the amounts in the cash pool are disclosed below for reference:

	30.6.26 £m	30.6.25 £m	31.12.25 £m
Cash at bank and in hand net of amounts in the cash pool	**347.1**	300.3	280.6
Money market funds	**72.8**	18.7	67.3
Bank overdrafts net of amounts in the cash pool	**(8.9)**	(19.0)	(20.4)
Cash, cash equivalents and overdrafts	**411.0**	300.0	327.5

16. Movement in net debt

Six months ended 30 June 2026	**Cash, cash equivalents and overdrafts £m**	**Interest bearing loans and borrowings £m**	**Derivatives £m**	**Net debt £m**
Beginning of period excluding lease liabilities	**327.5**	**(1,940.3)**	**(51.1)**	**(1,663.9)**
Cash flow excluding movements in other components of net debt	**291.3**	**–**	**–**	**291.3**
Interest paid excluding interest on lease liabilities	**(49.5)**	**–**	**–**	**(49.5)**
Repayment of borrowings	**(162.7)**	**162.7**	**–**	**–**
Payments on settlement of foreign exchange contracts	**(4.4)**	**–**	**4.4**	**–**
Net cash inflow	**74.7**	**162.7**	**4.4**	**241.8**
Non-cash movement in debt	**–**	**(1.1)**	**(10.4)**	**(11.5)**
Realised gain on foreign exchange contracts	**–**	**–**	**(4.4)**	**(4.4)**
Currency translation	**8.8**	**(3.0)**	**(0.1)**	**5.7**
End of period excluding lease liabilities	**411.0**	**(1,781.7)**	**(61.6)**	**(1,432.3)**
Lease liabilities	**–**	**(740.8)**	**–**	**(740.8)**
End of period including lease liabilities	**411.0**	**(2,522.5)**	**(61.6)**	**(2,173.1)**

Six months ended 30 June 2025	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Beginning of period excluding lease liabilities	445.0	(1,980.9)	(75.5)	(1,611.4)
Cash flow excluding movements in other components of net debt	65.3	–	–	65.3
Interest paid excluding interest on lease liabilities	(80.2)	–	–	(80.2)
Increase in borrowings	495.2	(495.2)	–	–
Repayment of borrowings	(624.6)	624.6	–	–
Receipts on settlement of foreign exchange contracts	20.6	–	(20.6)	–
Net cash outflow	(123.7)	129.4	(20.6)	(14.9)
Non-cash movement in debt	–	(22.4)	19.3	(3.1)
Realised gain on foreign exchange contracts	–	–	20.6	20.6
Currency translation	(21.3)	38.9	(8.1)	9.5
End of period excluding lease liabilities	300.0	(1,835.0)	(64.3)	(1,599.3)
Lease liabilities	–	(712.5)	–	(712.5)
End of period including lease liabilities	300.0	(2,547.5)	(64.3)	(2,311.8)

Year ended 31 December 2025	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Beginning of year excluding lease liabilities	445.0	(1,980.9)	(75.5)	(1,611.4)
Cash flow excluding movements in other components of net debt	73.9	–	–	73.9
Interest paid excluding interest on lease liabilities	(127.3)	–	–	(127.3)
Increase in borrowings	495.4	(495.4)	–	–
Repayment of borrowings	(559.2)	559.2	–	–
Receipts on settlement of foreign exchange contracts	8.9	–	(8.9)	–
Net cash outflow	(108.3)	63.8	(8.9)	(53.4)
Non-cash movement in debt	–	(33.9)	26.1	(7.8)
Realised gains on foreign exchange contracts	–	–	8.9	8.9
Currency translation	(9.2)	10.7	(1.7)	(0.2)
End of year excluding lease liabilities	327.5	(1,940.3)	(51.1)	(1,663.9)
Lease liabilities	–	(742.5)	–	(742.5)
End of year including lease liabilities	327.5	(2,682.8)	(51.1)	(2,406.4)

17. Cash flow from operating activities

The tables below give further details on the adjustments for depreciation and software amortisation and the working capital movement shown in the Condensed consolidated cash flow statement:

Depreciation and software amortisation	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Depreciation of right-of-use assets	**101.3**	96.3	197.8
Other depreciation and software amortisation	**29.6**	27.0	55.4
	130.9	123.3	253.2

Other non-cash items	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
Share based payments	**7.2**	9.7	3.5
Provisions	**1.7**	(3.7)	(6.6)
Retirement benefit obligations	**0.2**	0.4	0.1
Hyperinflation accounting adjustments	**1.3**	2.4	4.4
Other	**1.8**	2.6	1.7
	12.2	11.4	3.1

Working capital movement	Six months to 30.6.26 £m	Six months to 30.6.25 £m	Year to 31.12.25 £m
(Increase)/decrease in inventories	**(32.7)**	56.6	48.4
Increase in trade and other receivables	**(76.0)**	(34.5)	(72.0)
Increase/(decrease) in trade and other payables	**120.0**	(36.8)	(6.9)
	11.3	(14.7)	(30.5)

18. Related party disclosures

As disclosed in the Annual Report for the year ended 31 December 2025, the Group has identified the directors of the Company, their close family members, the Group's defined benefit pension schemes and its key management as related parties for the purpose of IAS 24 'Related Party Disclosures'. There have been no material transactions with those related parties during the six months ended 30 June 2026. Details of the relevant relationships with those related parties will be disclosed in the Annual Report for the year ending 31 December 2026. All transactions with subsidiaries are eliminated on consolidation.

Responsibility statement of the directors in respect of the financial report for the six months ended 30 June 2026

The directors confirm to the best of their knowledge that these condensed consolidated interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ as issued by the International Accounting Standards Board (‘IASB’), UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the UK governing the preparation and dissemination of a condensed set of financial statements may differ from legislation in other jurisdictions.

For and on behalf of the Board

Frank van Zanten	**Richard Howes**
Chief Executive Officer	Chief Financial Officer
1 September 2026	

Independent review report to Bunzl plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Bunzl plc's condensed consolidated interim financial statements (the "interim financial statements") in the financial report of Bunzl plc for the 6 month period ended 30 June 2026 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as issued by the IASB, UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed consolidated balance sheet as at 30 June 2026;
- the Condensed consolidated income statement and the Condensed consolidated statement of comprehensive income for the period then ended;
- the Condensed consolidated cash flow statement for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the financial report of Bunzl plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as issued by the IASB, UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The financial report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the financial report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the financial report, including the interim financial statements, the directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the financial report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of this report

This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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.

PricewaterhouseCoopers LLP
Chartered Accountants
London

1 September 2026