

FINANCIAL REPORT FOR SIX MONTHS ENDED 30 JUNE 2025 Profit in-line with expectations; operational performance improvement on track

Bunzl plc, the specialist international distribution and services Group, today publishes its financial report for the six months ended 30 June 2025.

Financial results	H1 25	H1 24	Growth as reported	Growth at constant exchange*
Revenue	£5,759.6m	£5,711.5m	0.8%	4.2%
Adjusted operating profit*	£404.5m	£455.5m	(11.2)%	(7.6)%
Adjusted profit before income tax*	£345.6m	£408.7m	(15.4)%	(11.7)%
Adjusted earnings per share*	77.8p	90.8p	(14.3)%	(10.6)%
Interim dividend	20.2p	20.1p	0.5%	

Statutory results			
Operating profit	£300.5m	£349.6m	(14.0)%
Profit before income tax	£250.1m	£279.4m	(10.5)%
Basic earnings per share	55.6p	59.2p	(6.1)%

Highlights include:

- Revenue increased by 4.2% at constant exchange rates*; with underlying revenue* broadly stable over the period in a challenging operating environment
- Operating margin* declined from 8.0% to 7.0%, driven by specific large businesses in North America and Continental Europe; adjusted operating profit* declined 7.6% at constant exchange rates; reported operating profit declined 14.0%
- Good progress being made with actions taken to improve operational performance in North America and Continental Europe. 2025 outlook reiterated; expect these actions to drive an improved performance in the second half and support a moderated year-on-year operating margin decline compared to the first half
- Five acquisitions announced August year to date, including Quindesur and Guantes Internacionales, S.A. de C.V. ("Gisa") announced today, with c.£120 million committed spend; pipeline remains active
- Adjusted net debt to EBITDA* of 1.9x; leverage expected to be toward the lower end of our target range of 2.0 to 2.5 times at the end of the year, after potential acquisition spend and a completed 2025 share buyback programme
- Buyback resumed with the intention of completing the remaining £86 million of our previously announced £200 million 2025 share buyback programme in the second half of the year; £114 million of the buyback was completed in the first half
- Interim dividend per share grew by 0.5%; committed to sustainable annual growth; expected dividend cover in 2025 of approximately 2.4 times

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

"We remain strongly focused on improving performance across the business. Actions taken in our largest business in North America have re-energised the team and we are seeing early positive indicators of success, with the profit momentum seen through the first half in-line with our expectations. This is a market-leading business, and while the benefits of some actions are not expected to drive improvements until well into 2026, we are focused on creating a stronger platform for its long-term profitable growth. In Continental Europe, the operating environment remains challenging, and our French business has been particularly impacted by ongoing deflation and a weak market, but we have seen improved performance in Benelux.

We also welcome two new businesses to Bunzl; Gisa, a leading PPE distributor in Mexico, and Quindesur, a foodservice distributor with a strong presence in Southern Spain. Our acquisition pipeline remains active, and we see significant opportunity for continued expansion.

We are reiterating our Group outlook for 2025 and expectations for an improved performance in the second half, driven by the actions taken. Notwithstanding a challenging first half for Bunzl, and the ongoing uncertain macro economic backdrop, our teams are very focussed on improving performance, and I remain confident in Bunzl's underlying resilience and strong business model, and its ability to deliver consistent compounding growth in the medium-term."

* Alternative performance measure (see Note 2)

Strategic progress:

- North America actions, focused on improving execution in our largest business in the region, have included leadership changes, cost saving actions, re-balanced decision-making between central and local teams, improved branded supplier engagement, and further own brand launches; early indicators are positive and in-line with expectations
- Continental Europe has an enhanced focus on reducing costs, to offset inflation, and is focused on pipeline management. Net business wins are expected in the second half of the year, and procurement opportunities are being pursued
- We continue to drive operating efficiencies with 16 warehouse consolidations and relocations, alongside continued investments into digital solutions and automation
- Five acquisitions announced August year-to-date, inclusive of our entry into Healthcare in Chile, with a total committed spend of c.£120 million
- Processed 75% of orders digitally, compared to 73% in the first half of 2024, supporting customer stickiness and increasing low touch customer ordering
- Own brand c.30% of Group revenue compared to c.28% over 2024, supported by the acquisition of Nisbets; own brands continue 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 25	H1 24			H1 25	H1 24		H1 25	H1 24
North America	3,062.8	3,234.8	(2.3)%	(1.2)%	197.0	239.1	(14.7)%	6.4%	7.4%
Continental Europe	1,186.4	1,186.9	2.3%	(0.4)%	94.4	106.7	(9.9)%	8.0%	9.0%
UK & Ireland	904.2	689.1	31.5%	0.3%	59.9	52.6	14.1%	6.6%	7.6%
Rest of the World	606.2	600.7	11.5%	5.6%	70.3	73.0	7.7%	11.6%	12.2%

- **North America:** Adjusted operating profit decline driven by execution challenges in our largest business, that primarily services foodservice and grocery customers, in a challenging macro economic environment. Actions taken to improve performance in the second half of the year have progressed to plan, with early indicators being positive and in-line with expectations. Excluding the largest business, North America adjusted operating profit was more stable, albeit still impacted by the uncertain environment
- **Continental Europe:** Broadly stable underlying revenue in a challenging market. Adjusted operating profit particularly impacted by: performance in France, where ongoing deflation, reflective of post Covid-19 pricing normalisation in cleaning & hygiene businesses, and a weak economy has continued to be compounded by operating cost inflation and a relatively high cost to serve operating model; and revenue decline in certain online businesses. Benelux trading has improved compared to the second half of 2024; Spain has been resilient, following a good performance in the prior year
- **UK & Ireland:** The acquisition of Nisbets in May 2024 has driven total revenue growth. Nisbets has seen good sales momentum, despite a more challenging trading environment, however profitability was impacted by product mix, driven by demand shifts in the current trading environment, and slower than anticipated progress on maximising warehouse automation; existing foodservice businesses performed well over the period. The UK & Ireland operating margin decline has been driven by the dilutive impact of consolidating Nisbets, reflective of it tending to have a seasonably lower margin in the first half of the year compared to the second half and given its profit performance over the period. Furthermore, our operating margin in our cleaning & hygiene business was impacted by continued selling-price deflation. Very good progress made on synergy projects with Nisbets; will largely benefit from the second half
- **Rest of the World:** Underlying revenue growth driven by strong inflation support in Latin America and moderate volume growth in Asia Pacific. Trading in Brazil became more challenging in the second quarter, with challenges to passing through all currency-related cost increases to customers in a weakening market impacting operating margin. Good performance in Asia Pacific healthcare. Business area operating margin remained strong despite a small decline, driven by Latin America

Outlook

Guidance for 2025 reiterated:

- The Group expects moderate revenue growth in 2025, at constant exchange rates, driven by announced acquisitions and broadly flat underlying revenue
- Group operating margin for the year is expected to be moderately below 8.0%, compared to 8.3% in 2024
- Moderation of year-on-year operating margin decline in the second half, compared to the first half, expected to be driven by: the benefit of actions taken in North America and Continental Europe to improve performance; easier comparatives in Continental Europe; and Nisbets synergy benefits. The Group's second half operating margin is seasonally higher
- Other guidance items: 1) net adjusted finance expense* in 2025 to be c.£120 million; full year effective tax rate will be around 26.0%

* Alternative performance measure (see Note 2)

Enquiries:

Bunzl plc
 Frank van Zanten, Chief Executive Officer
 Richard Howes, Chief Financial Officer
 Sunita Entwistle, 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.

2025 HALF YEAR RESULTS

Overview

Alongside a macro economic backdrop which remains uncertain, Bunzl has had a challenging first half of 2025. Whilst underlying revenue was broadly flat over the period and deflation eased compared to 2024, our operating margin declined from 8.0% in the first half of 2024 to 7.0% in the first half of 2025, driven by specific large businesses within North America and Continental Europe. In North America, this decline has been driven by execution issues within our largest operating business, related to a new organisational model, alongside a challenging macro economic backdrop. In Continental Europe, profit declines in France and certain other businesses have more than offset better performance in other businesses. Actions have been taken in both business areas to improve performance, which drives our second half guidance that anticipates an easing of year-on-year adjusted operating profit decline. Trading in July has been consistent with our expectations for the second half.

While we have seen operating profit decline over the first half of the year, Bunzl's operating profit over the period remains broadly in-line with the profit achieved in the first half of 2023, and c.40% higher than achieved in the first half of 2019, both at constant exchange rates. Although, actions to improve performance in North America's largest operating business are expected to extend well into 2026, we remain confident on building further on Bunzl's historic success. We have great confidence that the entrepreneurialism and agility of our people, supported by the diversification of our portfolio, and the underlying resilient nature of the Group, will continue to deliver long term growth and shareholder value.

The Group has announced five acquisitions August year-to-date, inclusive of our expansion into the Chilean Healthcare market, and our pipeline remains active. We continue to see significant opportunities for continued acquisition growth in our existing markets, as well as potential to expand into new markets.

The Group ended the period with an adjusted net debt to EBITDA of 1.9 times, which is around the lower end of our target leverage range (2.0 times to 2.5 times). We expect Bunzl's leverage at the end of the year to be towards 2.0 times, after potential further acquisition spend and completion of our previously announced buyback. We believe this is an appropriate leverage level, given the macro economic uncertainty, and would be around the level achieved in 2019, having fallen to a low of 1.2 times in 2022 and 2023.

North America update

In North America, financial performance has been impacted by execution challenges specific to our largest business, which primarily services foodservice and grocery customers, with the uncertain macro economic environment and its impact on end customers in the foodservice sector amplifying these issues.

This business, Bunzl North America Distribution ("Distribution"), is an established business, with market-leading positions in its chosen markets. The business benefits from its national scale and good infrastructure, as well as the strength and depth of its supply chain, efficient operations and high service levels. The business has delivered good growth in recent years and, supported by a strong focus on inventory management, has generated an attractive return on average operating capital. The business has continued to enhance its capabilities over the years, and more recently identified an opportunity to improve the service it provides its national customers by moving from a locally-focused branch model, run by multiple general managers, to a sales and operations model. This would also allow our local teams to focus on business development. In addition, the business identified an opportunity to develop its own brand offering to complement its already very strong third-party supplier partnerships.

The Distribution business has made substantial investments to execute this operating model change and has done so alongside a more challenging macro economic environment, and in particular, a pressured foodservice end market. While these changes have delivered some good results, particularly with regards to enhancing the business' own brand

offering and improving consistency and clarity of our service to national customers, other changes in 2024 have not been executed as expected. Primarily, we have been impacted by a loss of speed and agility servicing local customers, largely foodservice redistributors, given greater centralisation of processes. Distribution has seen wallet share loss within its foodservice customer base, and also saw some reduced engagement with third party suppliers, as a result of the focus on own brand investment. While some of these challenges were already evident prior to the start of the year, the first half of 2025 saw these challenges more than offset the benefits. As a result, we have seen slower than anticipated volume improvement and own brand growth in the first half of the year, against continued deflation, and lost a higher margin category, related to a programme that is no longer available in an ongoing customer's stores, without any offsetting large wins. This, combined with higher operational costs, reflective of investments made recently, higher inventory-related costs and operating cost inflation, has driven a significant decline in adjusted operating profit.

We have taken a series of decisive actions to improve performance. These include: leadership changes to support the re-energising of our local foodservice teams; cost actions which have taken effect from the second quarter; a re-empowerment of our local teams through greater control on pricing and inventory management; and, further own brand launches alongside an increased focus on preferred supplier engagement to reinforce that own brand products are complementary to our extensive range of third-party products. The early indicators following these actions are positive and in-line with our expectations. Our teams are fully energised, inventory levels are normalising, we have reshaped our cost structure, own brand launches in Q2 have seen good demand, and we are positive about business wins in the second half of the year. Furthermore, service levels are normalising despite some ongoing availability challenges related to tariffs. Overall, adjusted operating profit momentum through the first half was in-line with expectations, despite a challenging market. These early indicators support our expectation of a moderated operating margin decline in the second half of the year, although the benefit of some actions are not expected to drive improvements until well into 2026. We expect this strategy will deliver a stronger and more sustainable platform for long-term profitable growth in North America, with an optimal balance between centralisation and local autonomy to service both national and local customers effectively.

Overall, adjusted operating profit across North America declined by 14.7%, at constant exchange rates, but excluding Distribution, was more stable over the period, albeit still slightly impacted by the economic environment.

We have successfully implemented tariff-related price increases in our businesses in Q2, and expect to see further increases in the latter part of the year. Performance to date is supportive of some benefit in the second half, albeit impacted by the uncertainty we have seen, and continue to see, in tariff levels across Asia.

Continental Europe update

Our Continental Europe business area has continued to be impacted by expected trends already seen in the second half of last year. The operating environment has remained challenging, with France and certain online businesses driving the operating margin decline year-on-year, and offsetting better performance in some other businesses. France continues to be impacted by deflation in our cleaning & hygiene businesses, reflective of a post Covid-19 normalisation of pricing, and a weak economy, alongside operating cost inflation and a relatively high fixed cost base. Certain online businesses have been impacted by weaker revenue trends, driven by lower traffic and conversion of online marketing activities into revenue, in part due to a transition to an expanded product offering. These online businesses are focused on evolving their marketing tools to improve conversion and continue to be well positioned to support smaller professional customers with expert advice and specialist support in focused sectors. Elsewhere, we have seen an improved performance in Benelux, compared to the second half of 2024, and Spain remains resilient following a good performance in the prior year.

The second half of 2025 is expected to be supported by easier prior year comparatives, as well as net benefits related to the business area's active focus on improvement actions since the second half of 2024. The business has

strengthened its focus on pipeline management, with net business wins expected in the second half, and identified procurement opportunities which are being pursued. Whilst the market remains challenging, we expect these actions to support improved performance in the second half of the year.

Operating performance

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

Revenue

Revenue increased by 4.2% to £5,759.6 million. Acquisition related revenue growth, net of disposals, of 4.9% and a 0.1% benefit related to excess growth in hyperinflationary economies, was partially offset by a 0.6% impact from an additional trading day in the prior year. Underlying revenue declined by 0.2% over the period, with an improvement in the second quarter compared to a challenging first quarter. Within underlying growth, both the volume and pricing impact were broadly stable across the Group in the first half. Organic revenue decline, which is not adjusted for the impact of the number of trading days in the year, was 0.7%.

Profit and earnings

Adjusted operating profit for the period was £404.5 million, a decrease of 7.6%. Operating margin declined from 8.0% in the first half of 2024 to 7.0%, at actual exchange rates, driven by North America and Continental Europe.

Operating cost inflation was moderate, with wage inflation moderating in UK & Ireland and Continental Europe, albeit remaining slightly ahead of typical levels. The UK is, however, being impacted by increased National Insurance and National Living Wage costs. Property cost inflation, linked to lease renewals, moderated from recent high levels and fuel and freight inflation was moderate. Overall operating cost growth was supported by cost actions taken, such as restructuring projects and warehouse consolidations and relocations. Reported operating profit was £300.5 million, a decrease of 10.6% (down 14.0% at actual exchange rates).

The effective tax rate of 26.4% was higher than the 25.5% in the prior period. The effective tax rate in 2025 is expected to be around 26.0%.

Adjusted profit for the period was £254.4 million, a decrease of 12.8%. Adjusted earnings per share were 77.8p, a decrease of 10.6%, and basic earnings per share were 55.6p, a decrease of 1.4% (down 6.1% at actual exchange rates). The weighted average number of shares over the period was 326.9 million, compared to 335.4 million in the prior period, reflective of the share buybacks executed over the period.

Cash and returns

The Group's cash generation continues to be good, with 97% cash conversion (operating cash flow as a percentage of lease adjusted operating profit) ahead of our 90% target, and better than expected. This conversion reflects improved inventory levels through the second quarter.

Compared to the prior year period, free cash flow decreased by 21.6% at actual exchange rates, to £243.2 million, due to a decrease in adjusted operating profit alongside a broadly unchanged combined net interest and income tax payments. The strength of our underlying cash conversion, despite the Group's more challenging performance, continues to enable our investment in the business, progressive dividends, self-funded value-accretive acquisitions and other capital allocation options with any excess capital. The Group remains committed to ensuring sustainable dividend growth. Adjusted net debt to EBITDA, which excludes lease liabilities and includes total deferred and contingent consideration, at 30 June 2025 was 1.9 times and compares to 1.5 times at 30 June 2024 and 1.8 times at 31 December 2024.

Returns remained strong but declined over the period. Return on average operating capital was 38.8% over the period (43.2% at 31 December 2024, 36.9% at 31 December 2019), while return on invested capital was 13.5% (14.8% at 31 December 2024, 13.6% at 31 December 2019).

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. We also continue to enhance our value-added proposition and complement our continual collaboration with our strategic third party branded supplier partners, with the further development of our own brand offering to provide unparalleled choice for our customers. The Group's own brand penetration is currently c.30%, compared to c.28% over the full year of 2024, supported by the acquisition of Nisbets.

Digital sales accounted for 75% of orders over the period, compared to 73% in the first half of 2024. Our digital strategy continues to enhance our offering to customers and support retention.

Pursuing operating efficiencies remains an important part of our strategy to reduce the impact of operating cost inflation. Over the period, we have been able to partially offset operating cost inflation through further optimisation of our warehouse footprint with the consolidation of 13 warehouses and the relocation of an additional 3. Furthermore, we have benefited from cost actions taken in North America and Continental Europe.

Strategy: acquisitions and disposals

August year-to-date we have committed c.£120 million to acquisitions across five countries. This compares to the average annual committed spend over the four years to 31 December 2024 of c.£550 million and is reflective of the impact of the macro economic environment on the timing of acquisitions. Historically, we have seen activity pick-up quickly with an improved macro economic backdrop. Our pipeline remains active and conversations are ongoing with a number of attractive businesses.

Acquisition	Completion	Description
Inpakomed	March 2025	<ul style="list-style-type: none"> Dutch business specialising in sterile product packaging solutions for use in the medical and forensic markets Highly complementary to our existing business in the Netherlands Revenue of EUR 3 million in 2024 (c.£2 million)
Quindesur	July 2025	<ul style="list-style-type: none"> Spanish distributor of foodservice and cleaning & hygiene products, with a strong focus in Southern Spain The business complements our existing businesses and strengthens our regional presence Revenue of EUR 14 million in 2024 (c.£12 million)
Hospitalia	July 2025	<ul style="list-style-type: none"> One of the largest healthcare distributors in Chile; distributes a wide range of products, including those used in a surgical setting, to both public and private hospitals Represents Bunzl's entry into the healthcare sector in Chile Revenue of CLP 25 billion in 2024 (c.£21 million)
Solupack	July 2025	<ul style="list-style-type: none"> Brazilian distributor of own brand packaging solutions to the food industry, which alongside our existing business will enhance our offering to customers Revenue of BRL 106 million in 2024 (c.£15 million)
Guantes Internacionales, S.A. de C.V ("Gisa")	August 2025	<ul style="list-style-type: none"> Leading own brand personal protective equipment distributor based in Mexico, with a strong focus on gloves Strong cross-selling opportunities with existing business in the US and Mexico Revenue of MXN 399 million in 2024 (c.£17 million)

Bunzl regularly reviews its portfolio of companies, and in January 2025 we sold our US R3 Safety business, Bunzl's only pure branded wholesale safety business in the US, which generated revenue of c.£50 million in 2024. This decision reflects Bunzl's commitment to ensuring 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 combined operating margin of low to mid single digit, 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. Since 2004, Bunzl has committed £6.2 billion in acquisitions to support a growth strategy that delivered an annual adjusted earnings per share CAGR between 2004 and 2024 of c.9% and returned £2.9 billion to shareholders through dividends and share buybacks in 2024 and 2025.

The strength of Bunzl's performance and high cash generation in recent years had resulted in low leverage compared to the Group's target adjusted net debt to EBITDA range of 2.0 to 2.5 times. In 2023 our leverage was 1.2 times compared with 1.9 times in 2019 and 2.3 times in 2017, despite a step change in the level of value-accretive acquisition spend in recent years. However, through a combination of accelerated capital allocation, inclusive of share buybacks to support our plan to relever the Group and weaker earnings, our leverage is expected to be back towards the lower end of our target range at the end of 2025; the Group has relevered. Given the macro economic uncertainty, we believe it is appropriate to be around the lower end of our target range; we will keep our capital allocation options under regular review.

In December 2024 Bunzl announced a £200 million share buyback programme, which commenced at the start of 2025. £114 million of this buyback was completed by April 2025, at which point the Group, alongside the Q1 trading update, paused the remainder of the programme in order to ensure headroom for further potential value-accretive acquisitions. Whilst the Group is targeting leverage towards the lower end of its target range, given the level of committed spend on acquisitions August year-to-date, the Board has decided to resume the programme with the intention of completing the remaining £86 million of its previously announced share buyback in 2025. The Group expects leverage to be towards 2.0 times at the end of 2025, after potential acquisition spend and the completion of the 2025 buyback.

BUSINESS AREA REVIEW

North America

53% of revenue and 47% of adjusted operating profit[†]

	H1 25 £m	H1 24 £m	Growth at constant exchange*	Underlying growth*
Revenue	3,062.8	3,234.8	(2.3)%	(1.2) %
Adjusted operating profit*	197.0	239.1	(14.7)%	
Operating margin*	6.4%	7.4%		

* Alternative performance measure (see Note 2)

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

In North America, revenue declined 2.3% to £3,062.8 million with underlying revenue declining by 1.2%. The decline in underlying revenue is driven by slight deflation, particularly in the first quarter; volumes were stable over the period against the first half of 2024, with that period having experienced year-on-year volume decline. The disposal of R3 safety, which generated revenue of c.£50 million in 2024, impacted revenue further. Adjusted operating profit decreased by 14.7%, to £197.0 million with operating margin at 6.4%, down from 7.4% in the prior year period. This was driven by underlying margin deterioration in our Distribution business, driven by execution challenges related to an operating model change, alongside a challenging macro economic environment. During the first half Bunzl North America Distribution saw a significant decline in adjusted operating profit, with slower than anticipated volume improvement and own brand growth, alongside continued deflation, the loss of a higher margin category within an ongoing customer, and higher operating costs. This business drove the operating margin decline for the business area as a whole, with the rest of North America combined achieving a more stable operating margin, albeit slightly impacted by the economic environment.

The part of Distribution which supports the US grocery sector declined moderately, primarily due to price deflation. Volumes improved slightly, supported by a significant new business win late in the prior year period. However, the mix of the new volume and loss of a higher margin category, which supported a programme no longer available in our customer's stores, drove overall decline in operating margin and profits. Within the wider Grocery sector, convenience store revenues declined, impacted by customer footfall.

The division of Distribution which supports foodservice redistribution customers declined, impacted by execution issues related to operating model changes, alongside a challenging macro economic backdrop and continued deflation. The impact of these changes reduced the speed and agility of our local businesses, which drove lower than expected volumes and own brand conversion against investments made, resulting in a deterioration in operating margin. Actions are underway and progressing well to support improvements in the business.

Our food processor sector revenues declined slightly, with lower volumes only partially offset by price inflation, and operating margins were slightly lower. Our businesses serving the agriculture sector saw some revenue improvement, although margin and operating profit declined, mainly driven by increased customer pressure on margins.

Our cleaning & hygiene revenues declined moderately, driven by a volume decline in our Distribution business.

Revenue in our retail supplies business declined primarily from customer losses and new business materialising slower than expected. Operating profit also declined driven primarily by an unfavourable mix shift, with a lower mix of higher margin packaging and value-added services, though well-controlled operating costs have helped lessen the impact.

Revenue in our safety business, excluding the disposal of the R3 Safety business, was broadly flat, supported by price inflation resulting from tariffs, offset by a slight decline in volumes. Operating margin declined as a result of product mix.

Finally, our business in Canada grew slightly, primarily driven by strong volumes, with a minor benefit from an acquisition, although operating margin was impacted by customer and product mix.

Continental Europe

21% of revenue and 22% of adjusted operating profit**

	H1 25 £m	H1 24 £m	Growth at constant exchange*	Underlying growth*
Revenue	1,186.4	1,186.9	2.3%	(0.4)%
Adjusted operating profit*	94.4	106.7	(9.9)%	
Operating margin*	8.0%	9.0%		

* Alternative performance measure (see Note 2)

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

Revenue in Continental Europe grew by 2.3% to £1,186.4 million, driven by the benefit of acquisitions. Underlying revenue was broadly stable, with a slight benefit from net inflation. Overall revenue growth was driven by the positive contributions from acquisitions made in 2024 and in the first half of 2025. Adjusted operating profit decreased by 9.9% to £94.4 million, with a decrease in operating margin from 9.0% to 8.0%. In a challenging operating environment, we delivered growth in Benelux and a resilient performance in Spain, against a good 2024, but saw France and certain online businesses drive an overall decline in adjusted operating profit. A range of actions have been taken including price increases, pipeline and margin management and cost saving initiatives throughout the business area with a greater impact on underlying operating profit expected in the second half.

In France, revenues in our cleaning & hygiene businesses declined with the continued impact of deflation, related to sales price normalisation following the Covid-19 pandemic, and volume decline in a soft market. With continued operating cost inflation and a relatively high fixed cost base, profits were significantly impacted, as expected. Our largest business in cleaning & hygiene is in the process of consolidating its smaller warehouses to improve operational efficiency and provide an improved, more standardised service level for national customers. Comodis, acquired in December 2024, is performing well. Our safety business saw revenue decline with lower activity from both national and regional customers. Revenue also declined in our foodservice specific businesses with domestic customers due to a soft market with caterers.

Sales in Spain grew, driven by strong volumes in our cleaning & hygiene and packaging businesses. Growth was driven by business wins with new customers, as well as with existing customers, and new product ranges in the packaging business. Our safety redistribution business acquired in 2023 continues to perform well, but revenue in our online healthcare businesses decreased with a lower conversion of online activity to sales.

In the Netherlands, acquisition-related revenue growth, alongside good margin management, drove operating profit growth. We continue to make good progress with a number of digital tools to support the businesses including the successful implementation of a Warehouse Management System in our Grocery business.

In Denmark, revenue in our safety business has grown due to increased activities from customers in the wind and energy sector and we also grew in our cleaning & hygiene and food processor business. Overall, Denmark revenue declined moderately due to volume reduction in our foodservice and retail businesses with 2024 customer losses only partially offset with recent wins. Although operating costs were well managed, operating profit declined given the revenue decline.

In Germany, we delivered strong growth in our online cleaning & hygiene business, but a slight decline in our foodservice business. In Central and Eastern Europe, revenue is down moderately due to soft demand from Industrial customers, while in Turkey volumes have grown overall with strong sales to redistributors.

Combined profitability of our online businesses was impacted by certain businesses that saw revenue pressure from reduced traffic and conversion of online marketing activities into revenue over the first half of the year, in part due to a transition to an expanded product offering. These online businesses are focused on evolving their marketing tools to improve conversion, and continue to be well positioned to support smaller professional customers with expert advice and specialist support in focused sectors.

UK & Ireland*16% of revenue and 14% of adjusted operating profit***

	HY 25 £m	HY 24 £m	Growth at constant exchange*	Underlying growth*
Revenue	904.2	689.1	31.5%	0.3%
Adjusted operating profit*	59.9	52.6	14.1%	
Operating margin*	6.6%	7.6%		

* Alternative performance measure (see Note 2)

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

In UK & Ireland, revenue increased by 31.5% to £904.2 million due to the impact of the 2024 acquisitions, particularly the acquisition of Nisbets in May 2024. Underlying revenue grew by 0.3%, with some volume growth largely offset by the impact of some deflation across key product groups, although this pressure eased somewhat in the second quarter. The sales environment has been challenging due to increases in employer's National Insurance rates which took effect from April and have negatively impacted demand in some of our key sectors. The direct cost impact to UK & Ireland from this change has been largely mitigated by productivity gains in the form of headcount and property related savings. The reduction in first half operating margins from 7.6% to 6.6% is driven primarily by the dilutive impact of consolidating Nisbets which, as a catering business, has a seasonally lower margin in the first half of the year, and given its performance over the period.

Our cleaning & hygiene and care businesses saw further deflation across some key product categories but delivered revenue growth as a result of the acquisition of Arrow County, which was acquired in October 2024. Operating margins of our existing business declined, reflective of selling-price deflation.

The safety businesses delivered a slight decline in underlying revenue, despite some new contract wins through the course of the year. There has been further investment in new operationally efficient locations to deliver higher levels of service to customers and our businesses are well placed to take advantage of recent government announcements relating to infrastructure projects which should provide significant growth opportunities over the next few years.

Our grocery and non-food retail businesses saw a slight reduction in revenues largely due to the impact of product price deflation. Our grocery customers experienced mixed performance with overall consumer sentiment remaining weak. Our non-food packaging business aimed primarily at the luxury end of fashion and jewellery has recently been negatively impacted by reduced demand by consumers in both Asia and in Europe, but some sizeable customer orders resulted in good first half growth.

Our foodservice division experienced higher sales over the period, driven by the full year impact of the acquisitions of Nisbets and C&C group, which were acquired in May 2024 and October 2024, respectively. Strong year-on-year operating profit growth resulted from effective margin management and control of costs. The signing of further customer contract renewals demonstrates our strong sustainability offering, including our ability to provide sustainable and innovative product alternatives. The Nisbets business has seen good sales momentum over the period, despite a more challenging trading environment. Profitability has, however, been impacted by product mix, driven by demand shifts in the current environment, and slower than anticipated progress on maximising warehouse automation. The business is demonstrating very good progress on product synergy projects, which will positively impact the second half of the year and future periods.

Our businesses in Ireland experienced good sales growth in the first half of the year helped by some recent customer wins in the retail and foodservice sector which helped to more than offset the negative impact of product deflation and challenging market conditions across many sectors. Recent investments in our operations, including the enhancements made to our warehouse management systems, leave us well placed to fully benefit from these volume wins in future periods.

Rest of the World*10% of revenue and 17% of adjusted operating profit***

	H1 25 £m	H1 24 £m	Growth at constant exchange*	Underlying growth*
Revenue	606.2	600.7	11.5%	5.6%
Adjusted operating profit*	70.3	73.0	7.7%	
Operating margin*	11.6%	12.2%		

* 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 11.5% to £606.2 million, driven by acquisitions and underlying revenue growth of 5.6%. Underlying revenue growth was driven by strong inflation support in Latin America and moderate volume growth in Asia Pacific, although trading in Brazil became more challenging through the period. Adjusted operating profit grew by 7.7% to £70.3 million, with revenue growth partially offset by a reduction in operating margin from 12.2% to 11.6%, driven by Latin America.

In Brazil, our safety businesses delivered good sales growth driven by price increases despite a challenging market during the second quarter. Operating margins came under pressure, as higher currency-driven product costs could not be fully passed on to customers. Our healthcare businesses, on the other hand, delivered margin growth despite lower sales due to a favourable mix of surgical supplies. Our hygiene businesses saw flat sales and benefited from good margin management. While our foodservice business benefitted from some price-led sales growth, margin declined given currency-driven product costs could not be fully passed on to customers.

In Chile both our safety and foodservice businesses delivered strong sales growth driven by higher volumes as economic conditions remained favourable. Margins also improved as the businesses benefitted from purchasing savings on imports. Our Mexican safety business was able to deliver good sales and profit growth despite the uncertainty relating to tariffs on exports to the US.

Bunzl Australia and New Zealand, our largest business in Asia Pacific, continued to see revenue and adjusted profit growth with ongoing focus on margin management. The healthcare sector has delivered constant growth as we further penetrate existing customers with additional categories, particularly across aged care. The hospitality sector has been subdued and suffered from slightly lower sales during peak periods due to severe weather. We continue to make good progress winning new business and additional categories in the food processor and the industrial sector. The acquisition of PowerVac has added value to our facilities management sector by providing us a full offering to existing and new customers.

Our MedTech business and specialist healthcare operations in Australia and New Zealand have had strong sales growth and positively contributed to our margin expansion. Recent acquisitions in the second half of 2024, including Cubro which was acquired in September 2024, have continued to add value to the overall business through their customer specialisation and are trading in line with expectations.

The Australian safety business has been impacted by lower revenue associated with the resource sector and a reduction in inventory levels held by redistribution customers. We have a strong pipeline targeted at new customers and additional sectors.

After a very strong 2024, the emergency services business has seen a decline in revenue, with fewer government large orders, compared to several large orders received in the prior year, only partially offset by opportunities in the ongoing service of previously purchased equipment. The second half will see continued benefit of service revenue along with new government orders.

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 negative impact on the Group's reported results, decreasing revenue, profits and earnings by between 3% and 5%. The negative exchange rate impact was principally due to the effect on average exchange rates of the strengthening of sterling against the US dollar, Euro, Canadian dollar, Brazilian real and Australian dollar.

Average exchange rates	Six months to 30.6.25	Six months to 30.6.24
US\$	1.30	1.27
Euro	1.19	1.17
Canadian\$	1.83	1.72
Brazilian real	7.47	6.43
Australian\$	2.05	1.92

Closing exchange rates	30.6.25	30.6.24
US\$	1.37	1.26
Euro	1.17	1.18
Canadian\$	1.87	1.73
Brazilian real	7.48	7.02
Australian\$	2.09	1.89

Revenue

Revenue increased to £5,759.6 million (2024 H1: £5,711.5 million), an increase of 4.2% at constant exchange rates (up 0.8% at actual exchange rates). Acquisition related revenue growth, net of disposals, of 4.9% and a 0.1% benefit related to excess growth in hyperinflationary economies, was partially offset by a 0.6% impact from one less trading day in the first half of 2025 compared to H1 2024. Underlying revenue declined by 0.2% over the period, with an improvement in the second quarter compared to a challenging first quarter. Within the underlying revenue decline, both the volume and pricing impact were broadly stable across the Group in the first half.

Movement in revenue	£m
2024 H1 revenue	5,711.5
Currency translation	(186.3)
Impact of one less trading day	(30.2)
Excess growth in hyperinflationary economies	0.5
Underlying decline	(8.5)
Acquisitions net of disposals	272.6
2025 H1 revenue	5,759.6

Operating profit

Adjusted operating profit declined to £404.5 million (2024 H1: £455.5 million), a decrease of 7.6% at constant exchange rates and 11.2% at actual exchange rates. The operating margin decreased to 7.0% from 8.0% in H1 2024.

Movement in adjusted operating profit	£m
2024 H1 adjusted operating profit	455.5
Currency translation	(17.9)
Decrease in hyperinflation accounting adjustments	0.7
Decline in the period	(33.8)
2025 H1 adjusted operating profit	404.5

Operating profit was £300.5 million (2024 H1: £349.6 million), a decrease of 10.6% at constant exchange rates (down 14.0% at actual exchange rates).

Movement in operating profit	£m
2024 H1 operating profit	349.6
Currency translation	(13.6)
Decrease in hyperinflation accounting adjustments	0.8
Decline in adjusted operating profit in the period	(33.8)
Non-repeat of non-recurring pension scheme credit	(3.2)
Increase in amortisation (excluding software) and acquisition related items	0.7
2025 H1 operating profit	300.5

Amortisation excluding software, which includes amortisation on customer and supplier relationships, brands and technology, acquisition related items and the non-recurring pension scheme credit 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 £58.9 million increased by £12.8 million at constant exchange rates (up £12.1 million at actual exchange rates), mainly due to higher average debt during the period. Net finance expense for the period was £60.6 million including £1.7 million of interest on unwinding of discounting deferred consideration on acquisitions.

Disposal of business

The profit on disposal of business in 2025 of £10.2 million relates to the disposal of a safety business in North America, which completed on 31 January 2025. The profit on disposal reflects the cash consideration received of £18.0 million and recycling of historical foreign exchange gains of £5.7 million held in the translation reserve within equity offset by the net book value of assets disposed of £9.9 million and transaction costs and provisions of £3.6 million. The loss on disposal of business in 2024 of £23.1 million related to the disposal of the Group's business in Argentina, which completed on 14 March 2024. There was no material impact from the disposal of these businesses on the Group's trading performance.

Profit before income tax

Adjusted profit before income tax was £345.6 million (2024 H1: £408.7 million), down 11.7% at constant exchange rates (down 15.4% at actual exchange rates) due to the decrease in adjusted operating profit and the increase in adjusted net finance expense. Profit before income tax declined to £250.1 million (2024 H1: £279.4 million), a decrease of 6.2% at constant exchange rates (down 10.5% at actual exchange rates) mainly due to the decline in adjusted operating profit.

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 26.4% (2024 H1: 25.5%) and the reported tax rate on statutory profit was 27.2% (2024 H1: 28.9%). The effective tax rate for 2025 has increased by 0.9% mainly due to the absence of one-off benefits from UK group relief and tax provision changes included in 2024. 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 £254.2 million (2024 H1: £304.5 million), down 12.9% and a decrease of £37.5 million at constant exchange rates (down 16.5% at actual exchange rates), due to a £45.9 million decrease in adjusted profit before income tax partly offset by a £8.6 million decrease in the tax on adjusted profit before income tax at constant exchange rates, and excluding £0.2 million profit attributable to non-controlling interests. Adjusted profit after tax for the period bears a £3.6 million adverse impact from hyperinflation accounting adjustments (2024 H1: £5.9 million adverse impact), driven by a £3.6 million adverse impact to adjusted profit before tax (2024 H1: £6.0 million adverse impact).

Profit after tax attributable to the Company's equity holders decreased to £181.9 million (2024 H1: £198.7 million), down 3.8% and a decrease of £7.2 million at constant exchange rates (down 8.5% at actual exchange rates), due to a £16.4 million decrease in profit before income tax partly offset by a £9.4 million decrease in the tax charge at constant exchange rates, and excluding £0.2 million profit attributable to non-controlling interests. Profit after tax for the period includes a £10.2 million profit on disposal of business (2024 H1: £23.1 million loss) and a £3.6 million adverse impact from hyperinflation accounting adjustments (2024 H1: £6.0 million adverse impact).

The weighted average number of shares in issue decreased from 335.4 million in the period ended 30 June 2024 to 326.9 million due to shares cancelled under the share buyback programme and share purchases into the employee benefit trust partly offset by employee share option exercises.

Adjusted earnings per share were 77.8p (2024 H1: 90.8p), a decrease of 10.6% at constant exchange rates (down 14.3% at actual exchange rates). Basic earnings per share were 55.6p (2024 H1: 59.2p), down 1.4% at constant exchange rates (down 6.1% at actual exchange rates).

Movement in adjusted earnings per share	Pence
2024 H1 adjusted earnings per share	90.8
Currency translation	(3.8)
Decrease in adjusted profit before income tax	(10.5)
Decrease in hyperinflation accounting adjustments	0.3
Increase in effective tax rate	(1.0)
Decrease in weighted average number of shares	2.0
2025 H1 adjusted earnings per share	77.8

Movement in basic earnings per share	Pence
2024 H1 basic earnings per share	59.2
Currency translation	(2.8)
Decrease in adjusted profit before income tax	(10.7)
Decrease in adjusting items	6.9
Decrease in hyperinflation accounting adjustments	0.3
Decrease in reported tax rate	1.3
Decrease in weighted average number of shares	1.4
2025 H1 basic earnings per share	55.6

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 2025 interim dividend of 20.2p, an increase of 0.1p on the amount paid in relation to the 2024 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 2025 for consideration of £3.9 million, including all transaction costs and expenses incurred during the period total committed spend is £10.1 million. Including the acquisitions of Hospitalia in Chile and Solupack in Brazil, which were agreed in the first half of 2025 but completed on 8 July and 31 July respectively, total committed spend on acquisitions agreed during the period was £82.4 million. The estimated annualised revenue and adjusted operating profit of the acquisitions agreed during the period were £40 million and £10 million respectively.

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

	£m
Fair value of net liabilities acquired	(8.7)
Goodwill	12.6
Consideration	3.9
Satisfied by:	
cash consideration	3.9
deferred consideration	-
	3.9
Contingent payments relating to the retention of former owners	0.8
Net cash acquired	(0.3)
Transaction costs and expenses	5.7
Total committed spend in respect of acquisitions completed in the current period	10.1
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	82.4

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

	£m
Cash consideration	3.9
Net cash acquired	(0.3)
Deferred consideration payments	21.2
Net cash outflow in respect of acquisitions	24.8
Acquisition related items*	23.9
Total cash outflow in respect of acquisitions	48.7

*Acquisition related items comprised £6.1 million of transaction costs and expenses paid and £17.8 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 30.6.25 £m	Six months to 30.6.24 £m
Cash generated from operations [†]	524.5	564.2
Payment of lease liabilities	(113.5)	(103.2)
Net capital expenditure	(34.1)	(18.2)
Operating cash flow[†]	376.9	442.8
Net interest paid excluding interest on lease liabilities	(49.6)	(33.9)
Income tax paid	(84.1)	(98.5)
Free cash flow	243.2	310.4
Dividends paid	(66.7)	(61.0)
Net payments relating to employee share schemes	(42.2)	(53.6)
Net cash inflow before acquisitions, disposals and purchase of own shares	134.3	195.8
Purchase of own shares	(117.8)	-
Acquisitions [◇]	(48.7)	(439.2)
Disposals	17.3	0.6
Net cash outflow on net debt excluding lease liabilities	(14.9)	(242.8)

[†] Before acquisition related items.

[◇] Including acquisition related items.

The Group's free cash flow of £243.2 million was £67.2 million lower than in the comparable period, driven primarily by a decrease in operating cash flow from lower operating profit. The Group's free cash flow was used to finance payments of £66.7 million in respect of 2024 dividends (2024 H1: £61.0 million in respect of 2023 dividends) and net payments of £42.2 million (2024 H1: £53.6 million) relating to employee share schemes and partially finance acquisition cash outflow net of disposal proceeds of £31.4 million (2024 H1: £438.6 million). Purchase of own shares of £117.8 million comprises a £113.5 million share buy back completed in the period, £3.3 million relating to outstanding payments from the share buy backs completed in 2024, stamp duty of £0.9 million and transaction costs of £0.1 million. Cash conversion (being the ratio of operating cash flow to lease adjusted operating profit) for the six months to 30 June 2025 was 97% (2024 H1: 100%, 2024 YE: 93%).

	Six months to 30.6.25 £m	Six months to 30.6.24 £m
Operating cash flow	376.9	442.8
Adjusted operating profit	404.5	455.5
Add back depreciation of right-of-use assets	96.3	89.1
Deduct payment of lease liabilities	(113.5)	(103.2)
Lease adjusted operating profit	387.3	441.4
Cash conversion	97%	100%

Net debt

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Net debt excluding lease liabilities	(1,599.3)	(1,332.2)	(1,611.4)
Total deferred and contingent consideration – on and off balance sheet	(336.0)	(395.2)	(375.4)
Adjusted net debt	(1,935.3)	(1,727.4)	(1,986.8)
Lease liabilities	(712.5)	(768.2)	(754.1)
Adjusted net debt including lease liabilities	(2,647.8)	(2,495.6)	(2,740.9)
Adjusted net debt to EBITDA	1.9x	1.5x	1.8x
Adjusted net debt including lease liabilities to EBITDA	2.1x	1.9x	2.1x

Net debt excluding lease liabilities decreased by £12.1 million during the period to £1,599.3 million (31 December 2024: £1,611.4 million), due to a £30.1 million decrease due to currency translation partly offset by a net cash outflow of £14.9 million and £3.1 million increase due to non-cash movements in debt.

Balance sheet

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Summary balance sheet			
Intangible assets	3,557.8	3,579.9	3,683.8
Right-of-use assets	655.4	716.2	697.6
Property, plant and equipment	218.2	209.4	213.3
Working capital	1,235.2	1,187.8	1,210.2
Net assets held for sale	-	4.3	10.0
Deferred consideration	(243.0)	(264.0)	(258.2)
Other net liabilities	(579.8)	(546.4)	(420.3)
Net pensions asset	18.0	45.4	19.8
Net debt excluding lease liabilities	(1,599.3)	(1,332.2)	(1,611.4)
Lease liabilities	(712.5)	(768.2)	(754.1)
Equity	2,550.0	2,832.2	2,790.7
Return on average operating capital	38.8%	45.3%	43.2%
Return on invested capital	13.5%	15.3%	14.8%

Return on average operating capital decreased to 38.8% from 43.2% at 31 December 2024 and Return on invested capital decreased to 13.5% from 14.8% at 31 December 2024 due to lower profit in the underlying businesses.

Intangible assets decreased by £126.0 million from 31 December 2024 to £3,557.8 million due to an amortisation charge of £82.3 million and a decrease from currency translation of £59.2 million partly offset by assets acquired through acquisitions in the period of £6.7 million, software additions of £5.8 million and a net increase from hyperinflation accounting adjustments of £3.0 million.

Right-of-use assets decreased by £42.2 million from 31 December 2024 to £655.4 million due to a depreciation charge of £96.3 million and a decrease from currency translation of £17.5 million, partly offset by new leases during the period of £47.9 million, an increase from remeasurement adjustments of £23.4 million and an increase from acquisitions of £0.3 million.

Working capital increased by £25.0 million from 31 December 2024 to £1,235.2 million mainly due to payment of commitments of £53.3 million under the share buy back programme recognised at 31 December 2024, an underlying increase of £14.7 million as shown in the cash flow statement, with the decrease from lower inventory more than offset by an increase in trade and other receivables and decrease in trade and other payables, partly offset by a decrease from currency translation of £40.2 million.

Deferred consideration decreased by £15.2 million from 31 December 2024 to £243.0 million due to deferred consideration and retention payments of £38.5 million partly offset by a net charge of £19.2 million relating to adjustments to previously estimated earn outs and the retention of former owners, interest on unwinding of discounting of £1.7 million and an increase from currency translation of £2.4 million. Including expected future payments which are contingent on the continued retention of former owners of businesses acquired of £93.0 million, total deferred and contingent consideration as at 30 June 2025 was £336.0 million.

The Group's net pension asset of £18.0 million at 30 June 2025 was £1.8 million lower than at 31 December 2024, largely due to actuarial losses of £2.6 million.

Included within net debt excluding lease liabilities, cash and cash equivalents have decreased by £951.9 million and bank overdrafts have decreased by £806.9 million following a focus on reducing the gross balances within the Group's cash-pooling arrangement.

Shareholders' equity decreased by £240.7 million from £2,790.7 million at 31 December 2024 to £2,550.0 million.

Movement in shareholders' equity	£m
Shareholders' equity at 31 December 2024	2,790.7
Profit for the period	182.1
Dividends	(242.2)
Own shares purchased for cancellation	(64.5)
Currency (net of tax)	(82.7)
Hyperinflation accounting adjustment	6.5
Actuarial loss on pension schemes (net of tax)	(1.9)
Share based payments (net of tax)	1.7
Employee share schemes (net of tax)	(39.7)
Shareholders' equity at 30 June 2025	2,550.0

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 1.7 times (31 December 2024: 1.5 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 2025 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. During 2025, the Group issued under the terms of its Euro Medium Term Note ('EMTN') programme a £250.0 million senior unsecured bond maturing in 2031 and a £250.0 million senior unsecured bond maturing in 2036.

At 30 June 2025 the nominal value of USPPs outstanding was £570.8 million (31 December 2024: £798.6 million) with maturities ranging from 2026 to 2032. At 30 June 2025 the nominal value of senior bonds outstanding was £1,327.4 million (31 December 2024: £1,113.2 million) with maturities ranging from 2030 to 2036. The Group's committed bank facilities mature between 2026 and 2029. At 30 June 2025 the available committed bank facilities totalled £933.1 million (31 December 2024: £933.5 million), of which none was drawn down (31 December 2024: none drawn down), providing headroom of £933.1 million (31 December 2024: £933.5 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 2026 of approximately £115 million relating to maturing USPPs. In May 2025, the Group established a \$1 billion US commercial paper programme, under which it can issue short-term notes. Since the half year, the Group has refinanced all of its committed bank facilities with a syndicated bank facility of £950 million and bilateral bank facilities of £300 million, with a maturity of 2030.

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 2024. These principal risks and uncertainties are the risks of competitive pressures in the countries and markets in which the Group operates, financial collapse of either a large customer and/or a significant number of small customers, 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, the financial risks associated with the availability of funding and risk of business disruption caused by climate change. Following the issues associated with the change programme in the Group's largest business in North America during the period, the Group has now also included an additional principal risk relating to major change programme execution. The business primarily services foodservice and grocery customers and its operating performance during the course of a major change programme has materially impacted the Group's results in 2025. Subsequently, a series of actions were taken to improve performance (i.e., leadership changes to focus on commercial agility and operational excellence, empowering the local management and delivering margin benefits through further own brand launches, in addition to accelerating cost saving initiatives).

A copy of the 2024 Annual Report is available on the Company's website at www.bunzl.com.

Condensed consolidated income statement
for the period ended 30 June 2025

	Notes	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Revenue	3	5,759.6	5,711.5	11,776.4
Operating profit	3	300.5	349.6	799.3
Finance income	4	32.2	31.6	72.6
Finance expense	4	(92.8)	(78.7)	(178.0)
Disposal of businesses	9	10.2	(23.1)	(20.3)
Profit before income tax		250.1	279.4	673.6
Income tax	5	(68.0)	(80.7)	(172.6)
Profit for the period		182.1	198.7	501.0
Profit is attributable to:				
Company's equity holders		181.9	198.7	500.4
Non-controlling interests		0.2	-	0.6
Profit for the period		182.1	198.7	501.0
Earnings per share attributable to the Company's equity holders				
Basic	7	55.6p	59.2p	149.6p
Diluted	7	55.5p	58.8p	148.7p
Dividend per share	6	20.2p	20.1p	73.9p
Alternative performance measures*				
Operating profit	3	300.5	349.6	799.3
Adjusted for:				
Amortisation excluding software	3	76.5	69.9	148.3
Acquisition related items through operating profit	3	27.5	39.2	31.7
Non-recurring pension scheme credit	3	-	(3.2)	(3.2)
Adjusted operating profit	3	404.5	455.5	976.1
Finance income	4	32.2	31.6	72.6
Adjusted finance expense	4	(91.1)	(78.4)	(175.8)
Adjusted profit before income tax		345.6	408.7	872.9
Tax on adjusted profit	5	(91.2)	(104.2)	(222.4)
Adjusted profit for the period		254.4	304.5	650.5
Adjusted profit is attributable to:				
Company's equity holders		254.2	304.5	649.9
Non-controlling interests		0.2	-	0.6
Adjusted profit for the period		254.4	304.5	650.5
Adjusted earnings per share attributable to the Company's equity holders	7	77.8p	90.8p	194.3p

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

Condensed consolidated statement of comprehensive income
for the period ended 30 June 2025

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Profit for the period	182.1	198.7	501.0
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Actuarial loss on defined benefit pension schemes	(2.6)	(8.3)	(35.1)
Tax on items that will not be reclassified to profit or loss	0.7	1.4	8.2
Total items that will not be reclassified to profit or loss	(1.9)	(6.9)	(26.9)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences on foreign operations	(97.3)	(95.0)	(193.3)
Reclassification from translation reserve to income statement on disposal of foreign operation (Note 9)	(5.7)	19.3	18.7
(Loss)/gain recognised in cash flow hedge reserve	(7.7)	2.6	6.3
Gain taken to equity as a result of effective net investment hedges	27.2	10.3	20.3
Tax on items that may be reclassified to profit or loss	1.9	(0.8)	(1.7)
Total items that may be reclassified subsequently to profit or loss	(81.6)	(63.6)	(149.7)
Other comprehensive expense for the period	(83.5)	(70.5)	(176.6)
Total comprehensive income	98.6	128.2	324.4
Total comprehensive income is attributable to:			
Company's equity holders	98.5	128.2	323.8
Non-controlling interests	0.1	-	0.6
Total comprehensive income	98.6	128.2	324.4

Condensed consolidated balance sheet

at 30 June 2025

	Notes	30.6.25 £m	30.6.24 £m	31.12.24 £m
Assets				
Property, plant and equipment		218.2	209.4	213.3
Right-of-use assets	10	655.4	716.2	697.6
Intangible assets	11	3,557.8	3,579.9	3,683.8
Defined benefit pension assets		35.1	64.0	35.8
Derivative financial assets	13	5.8	0.1	-
Deferred tax assets		15.9	15.0	14.1
Total non-current assets		4,488.2	4,584.6	4,644.6
Inventories		1,636.2	1,633.3	1,760.9
Trade and other receivables		1,632.8	1,662.4	1,634.1
Income tax receivable		14.5	15.4	13.0
Derivative financial assets	13	15.9	13.9	28.0
Cash and cash equivalents	15	481.0	1,381.4	1,432.9
Assets classified as held for sale		-	4.3	15.7
Total current assets		3,780.4	4,710.7	4,884.6
Total assets		8,268.6	9,295.3	9,529.2
Equity				
Share capital		105.3	108.7	106.4
Share premium		214.0	209.6	212.1
Translation reserve		(400.3)	(235.7)	(324.6)
Other reserves		18.6	18.7	24.3
Retained earnings		2,609.0	2,730.9	2,769.2
Total equity attributable to the Company's equity holders		2,546.6	2,832.2	2,787.4
Non-controlling interests		3.4	-	3.3
Total equity		2,550.0	2,832.2	2,790.7
Liabilities				
Interest bearing loans and borrowings	15	1,766.5	1,090.7	1,361.7
Defined benefit pension liabilities		17.1	18.6	16.0
Other payables		257.3	255.0	255.4
Income tax payable		-	0.5	-
Provisions		51.3	96.5	49.7
Lease liabilities	14	535.6	589.1	573.7
Derivative financial liabilities	13	69.4	87.0	82.8
Deferred tax liabilities		247.3	241.8	263.3
Total non-current liabilities		2,944.5	2,379.2	2,602.6
Bank overdrafts	15	181.0	1,062.3	987.9
Interest bearing loans and borrowings	15	68.5	475.4	619.2
Trade and other payables		2,210.6	2,303.6	2,206.1
Income tax payable		62.7	44.3	63.7
Provisions		53.3	7.4	57.1
Lease liabilities	14	176.9	179.1	180.4
Derivative financial liabilities	13	21.1	11.8	15.8
Liabilities relating to assets classified as held for sale		-	-	5.7
Total current liabilities		2,774.1	4,083.9	4,135.9
Total liabilities		5,718.6	6,463.1	6,738.5
Total equity and liabilities		8,268.6	9,295.3	9,529.2

Condensed consolidated statement of changes in equity
for the period ended 30 June 2025

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves ^o £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 charge 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

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves ^o £m	Retained earnings [†] £m	Total attributable to the Company's equity holders £m	Non- Controlling Interest £m	Total equity £m
At 1 January 2024	108.6	205.2	(170.2)	16.7	2,806.0	2,966.3	-	2,966.3
Profit for the period					198.7	198.7	-	198.7
Actuarial losses on defined benefit pension schemes					(8.3)	(8.3)	-	(8.3)
Foreign currency translation differences on foreign operations			(95.0)			(95.0)	-	(95.0)
Reclassification from translation reserve to income statement on disposal of foreign operations			19.3			19.3	-	19.3
Gain taken to equity as a result of effective net investment hedges			10.3			10.3	-	10.3
Gain recognised in cash flow hedge reserve				2.6		2.6	-	2.6
Income tax charge on other comprehensive income			(0.1)	(0.7)	1.4	0.6	-	0.6
Total comprehensive income			(65.5)	1.9	191.8	128.2	-	128.2
2023 interim dividend					(61.0)	(61.0)	-	(61.0)
2023 final dividend					(167.6)	(167.6)	-	(167.6)
Movement from cash flow hedge reserve to inventory (net of tax)				0.1		0.1	-	0.1
Hyperinflation accounting adjustments ¹					10.7	10.7	-	10.7
Issue of share capital	0.1	4.4				4.5	-	4.5
Employee trust shares					(55.8)	(55.8)	-	(55.8)
Share based payments (net of tax)					6.8	6.8	-	6.8
At 30 June 2024	108.7	209.6	(235.7)	18.7	2,730.9	2,832.2	-	2,832.2

Condensed consolidated statement of changes in equity (continued)

for the period ended 30 June 2025

	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 2024	108.6	205.2	(170.2)	16.7	2,806.0	2,966.3	-	2,966.3
Profit for the year					500.4	500.4	0.6	501.0
Actuarial losses on defined benefit pension schemes					(35.1)	(35.1)	-	(35.1)
Foreign currency translation differences on foreign operations			(193.3)			(193.3)	-	(193.3)
Reclassification from translation reserve to income statement on disposal of foreign operations			18.7			18.7	-	18.7
Gain taken to equity as a result of effective net investment hedges			20.3			20.3	-	20.3
Loss recognised in cash flow hedge reserve				6.3		6.3	-	6.3
Income tax charge on other comprehensive income			(0.1)	(1.6)	8.2	6.5	-	6.5
Total comprehensive income			(154.4)	4.7	473.5	323.8	0.6	324.4
2023 interim dividend					(61.0)	(61.0)	-	(61.0)
2023 final dividend					(167.6)	(167.6)	-	(167.6)
Movement from cash flow hedge reserve to inventory (net of tax)				0.6		0.6	-	0.6
Hyperinflation accounting adjustments ¹					17.1	17.1	-	17.1
Non-controlling interest acquired						-	2.7	2.7
Issue of share capital	0.1	6.9				7.0	-	7.0
Own shares purchased for cancellation					(301.2)	(301.2)	-	(301.2)
Own shares cancelled	(2.3)			2.3		-	-	-
Employee trust shares					(16.6)	(16.6)	-	(16.6)
Share based payments (net of tax)					19.0	19.0	-	19.0
At 31 December 2024	106.4	212.1	(324.6)	24.3	2,769.2	2,787.4	3.3	2,790.7

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 2024: £2.5m; 31 December 2024: £2.5m), capital redemption reserve of £19.6m (30 June 2024: £16.1m; 31 December 2024: £18.4m) and a negative cash flow hedge reserve of £3.5m (30 June 2024: positive £0.1m; 31 December 2024: positive £3.4m).

[†] Retained earnings comprise earnings of £2,686.5m (30 June 2024: £2,838.9m; 31 December 2024: £2,832.5m), offset by own shares of £77.5m (30 June 2024: £108.0m; 31 December 2024: £63.3m).

Condensed consolidated cash flow statement
for the period ended 30 June 2025

	Notes	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Cash flow from operating activities				
Profit before income tax		250.1	279.4	673.6
Adjusted for:				
net finance expense	4	60.6	47.1	105.4
amortisation excluding software	11	76.5	69.9	148.3
acquisition related items through operating profit	3	27.5	39.2	31.7
non-recurring pension scheme credit		-	(3.2)	(3.2)
disposal of businesses		(10.2)	23.1	20.3
Adjusted operating profit		404.5	455.5	976.1
Adjustments:				
depreciation and software amortisation	17	123.3	112.1	235.8
other non-cash items	17	11.4	13.4	18.6
working capital movement	17	(14.7)	(16.8)	(97.1)
Cash generated from operations before acquisition related items		524.5	564.2	1,133.4
Cash outflow from acquisition related items	8	(23.9)	(25.2)	(42.0)
Income tax paid		(84.1)	(98.5)	(180.5)
Cash inflow from operating activities		416.5	440.5	910.9
Cash flow from investing activities				
Interest received		30.6	29.6	61.4
Purchase of property, plant and equipment and software		(34.2)	(24.8)	(54.4)
Sale of property, plant and equipment and software		0.1	6.6	17.2
Purchase of businesses net of cash acquired	8	(24.8)	(414.0)	(636.2)
Disposal of businesses net of cash disposed	9	17.3	0.6	2.9
Cash outflow from investing activities		(11.0)	(402.0)	(609.1)
Cash flow from financing activities				
Interest paid excluding interest on lease liabilities		(80.2)	(63.5)	(126.6)
Dividends paid	6	(66.7)	(61.0)	(228.6)
Increase in borrowings	16	495.2	148.1	561.7
Repayment of borrowings	16	(624.6)	(130.9)	(132.9)
Receipts on settlement of foreign exchange contracts		20.6	8.6	24.2
Payment of lease liabilities - principal	14	(94.1)	(85.2)	(178.2)
Payment of lease liabilities - interest	14	(19.4)	(18.0)	(38.5)
Proceeds from issue of ordinary shares to settle share options		2.0	4.5	7.0
Proceeds from exercise of market purchase share options		2.2	17.1	53.7
Purchase of own shares		(117.8)	-	(247.9)
Purchase of employee trust shares		(46.4)	(75.2)	(75.0)
Cash outflow from financing activities		(529.2)	(255.5)	(381.1)
Decrease in cash, cash equivalents and overdrafts		(123.7)	(217.0)	(79.3)
Cash, cash equivalents and overdrafts at start of the period		445.0	551.9	551.9
Decrease in cash, cash equivalents and overdrafts		(123.7)	(217.0)	(79.3)
Currency translation		(21.3)	(15.8)	(27.6)
Cash, cash equivalents and overdrafts at end of the period	15	300.0	319.1	445.0

Condensed consolidated cash flow statement (continued)
for the period ended 30 June 2025

		Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Alternative performance measures*	Notes			
Cash generated from operations before acquisition related items		524.5	564.2	1,133.4
Purchase of property, plant and equipment and software		(34.2)	(24.8)	(54.4)
Sale of property, plant and equipment and software		0.1	6.6	17.2
Payment of lease liabilities	14	(113.5)	(103.2)	(216.7)
Operating cash flow		376.9	442.8	879.5
Adjusted operating profit		404.5	455.5	976.1
Add back depreciation of right-of-use assets	10	96.3	89.1	186.1
Deduct payment of lease liabilities	14	(113.5)	(103.2)	(216.7)
Lease adjusted operating profit		387.3	441.4	945.5
Cash conversion (operating cash flow as a percentage of lease adjusted operating profit)		97%	100%	93%
Operating cash flow		376.9	442.8	879.5
Net interest paid excluding interest on lease liabilities		(49.6)	(33.9)	(65.2)
Income tax paid		(84.1)	(98.5)	(180.5)
Free cash flow		243.2	310.4	633.8

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

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 2025, with comparative figures for the six months ended 30 June 2024, 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 2025 is set out in the Independent review report. The comparative figures for the year ended 31 December 2024 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)(3) of the Companies Act 2006.

The interim financial statements for the six month period ended 30 June 2025 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 2024, 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 2025 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 2026 starting with a base case projection derived from the Group's 2025 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 85%.

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 2026 the Group would need to experience a reduction in EBITDA of over 40% 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 the going concern basis of preparation continues to be appropriate.

Impact of Hyperinflation on the financial statements at 30 June 2025

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 2025 was an increase of 17% (six months to 30 June 2024: increase of 25%, year ended 31 December 2024: increase of 44%).

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 2025, this resulted in an increase in goodwill of £3.0m (six months to 30 June 2024: £4.8m, year ended 31 December 2024: £7.5m). The impacts on other non-monetary assets and liabilities were immaterial. The impact to retained earnings during the period was a gain of £6.5m (six months to 30 June 2024: £10.7m, year ended 31 December 2024: £17.1m). The total impact to the Condensed consolidated income statement during the period was a charge of £3.6m (six months to 30 June 2024: £6.0m, year ended 31 December 2024: £9.8m) to profit after tax from hyperinflation accounting adjustments, comprising a £3.6m adverse impact (six months to 30 June 2024: £6.0m adverse impact, year ended 31 December 2024: £9.9m 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
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 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
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 as a percentage of lease adjusted operating profit (as shown in the Condensed consolidated cash flow statement)

2. Alternative performance measures (continued)

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)
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)
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)
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 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 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 2025 so that they can be compared without the distorting impact of changes caused by foreign exchange translation. The exchange rates used for 2025 and 2024 can be found in the Financial review

There have been no new alternative performance measures during the period and all alternative performance measures have been calculated consistently with the methods applied in the consolidated financial statements for the year ended 31 December 2024.

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. In the period ended 30 June 2025 there have been no non-recurring pension scheme credit. In the period ended 30 June 2024 and year ended 31 December 2024 the non-recurring pension scheme credit related to a gain on curtailment of the UK defined benefit pension scheme following the scheme's closure to further accrual in May 2024. Disposal of businesses relates to the profit on disposal of a Safety business in North America on 31 January 2025. Disposal of businesses in the period ended 30 June 2024 and year ended 31 December 2024 related to the loss on disposal of the Group's business in Argentina on 14 March 2024 and a healthcare business in Germany on 12 July 2024. 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

2. Alternative performance measures (continued)

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.

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 2025

	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Non-recurring pension scheme credit £m	Disposal of business £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 business	-				10.2	10.2	Disposal of business
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

Six months ended 30 June 2024

	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Non-recurring pension scheme credit £m	Disposal of business £m	Statutory measures £m	
Adjusted operating profit	455.5	(69.9)	(39.2)	3.2		349.6	Operating profit
Finance income	31.6					31.6	Finance income
Adjusted finance expense	(78.4)		(0.3)			(78.7)	Finance expense
Disposal of business					(23.1)	(23.1)	Disposal of business
Adjusted profit before income tax	408.7	(69.9)	(39.5)	3.2	(23.1)	279.4	Profit before income tax
Tax on adjusted profit	(104.2)	19.1	5.3	(0.8)	(0.1)	(80.7)	Income tax
Adjusted profit for the period	304.5	(50.8)	(34.2)	2.4	(23.2)	198.7	Profit for the period
Adjusted earnings per share attributable to the Company's equity holders	90.8p	(15.2)p	(10.1)p	0.6p	(6.9)p	59.2p	Basic earnings per share attributable to the Company's equity holders

Year ended 31 December 2024

	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Non-recurring pension scheme credit £m	Disposals of businesses £m	Statutory measures £m	
Adjusted operating profit	976.1	(148.3)	(31.7)	3.2		799.3	Operating profit
Finance income	72.6					72.6	Finance income
Adjusted finance expense	(175.8)		(2.2)			(178.0)	Finance expense
Disposal of businesses	-				(20.3)	(20.3)	Disposal of businesses
Adjusted profit before income tax	872.9	(148.3)	(33.9)	3.2	(20.3)	673.6	Profit before income tax
Tax on adjusted profit	(222.4)	42.8	7.8	(0.8)	-	(172.6)	Income tax
Adjusted profit for the period	650.5	(105.5)	(26.1)	2.4	(20.3)	501.0	Profit for the period
Adjusted earnings per share attributable to the Company's equity holders	194.3p	(31.5)p	(7.8)p	0.7p	(6.1)p	149.6p	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 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%
Six months ended 30 June 2024	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	3,234.8	1,186.9	689.1	600.7		5,711.5
Adjusted operating profit/(loss)	239.1	106.7	52.6	73.0	(15.9)	455.5
Amortisation excluding software	(28.5)	(21.1)	(6.8)	(13.5)		(69.9)
Acquisition related items through operating profit	(3.5)	(12.0)	(13.6)	(10.1)		(39.2)
Non-recurring pension scheme credit	-	-	-	-	3.2	3.2
Operating profit/(loss)	207.1	73.6	32.2	49.4	(12.7)	349.6
Finance income						31.6
Finance expense						(78.7)
Disposal of business						(23.1)
Profit before income tax						279.4
Adjusted profit before income tax						408.7
Income tax						(80.7)
Profit for the period						198.7
Operating margin	7.4%	9.0%	7.6%	12.2%		8.0%
Return on average operating capital	48.6%	45.0%	56.4%	37.7%		45.3%
Year ended 31 December 2024	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	6,568.1	2,377.1	1,625.8	1,205.4		11,776.4
Adjusted operating profit/(loss)	515.6	210.8	135.1	146.2	(31.6)	976.1
Amortisation excluding software	(55.9)	(42.7)	(20.7)	(29.0)		(148.3)
Acquisition related items through operating profit	(0.8)	(10.4)	5.1	(25.6)		(31.7)
Non-recurring pension scheme credit	-	-	-	-	3.2	3.2
Operating profit/(loss)	458.9	157.7	119.5	91.6	(28.4)	799.3
Finance income						72.6
Finance expense						(178.0)
Disposal of businesses						(20.3)
Profit before income tax						673.6
Adjusted profit before income tax						872.9
Income tax						(172.6)
Profit for the year						501.0
Operating margin	7.9%	8.9%	8.3%	12.1%		8.3%
Return on average operating capital	47.5%	40.8%	45.4%	38.9%		43.2%

3. Segment analysis (continued)

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Acquisition related items through operating profit			
Deferred consideration payments relating to the retention of former owners of businesses acquired	24.3	20.1	45.5
Transaction costs and expenses	5.7	16.6	25.9
Adjustments to previously estimated earn outs and minority options	(2.5)	0.2	(42.0)
	27.5	36.9	29.4
Customer relationship impairment charges (Note 11)	-	2.3	2.3
	27.5	39.2	31.7

4. Finance income/(expense)

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Interest on cash and cash equivalents	20.2	22.1	46.7
Interest income from foreign exchange contracts	10.8	7.7	19.9
Net interest income on defined benefit pension schemes in surplus	1.0	1.6	3.1
Interest related to income tax	-	-	1.8
Other finance income	0.2	0.2	1.1
Finance income	32.2	31.6	72.6
Interest on loans and overdrafts	(63.8)	(55.8)	(122.4)
Lease interest expense	(19.4)	(18.0)	(38.5)
Interest expense from foreign exchange contracts	(6.0)	(0.5)	(6.1)
Net interest expense on defined benefit pension schemes in deficit	(0.3)	(0.3)	(0.7)
Fair value (loss)/gain on US private placement notes and senior bonds in a hedge relationship	(19.4)	8.3	3.9
Fair value gain/(loss) on interest rate swaps in a hedge relationship	19.1	(8.4)	(4.1)
Foreign exchange loss on intercompany funding	(21.6)	(12.4)	(35.5)
Foreign exchange gain on external debt and foreign exchange forward contracts	21.8	11.6	34.8
Interest related to income tax	-	-	(1.4)
Monetary loss from hyperinflation accounting ¹	(1.2)	(2.0)	(3.6)
Other finance expense	(0.3)	(0.9)	(2.2)
Adjusted finance expense	(91.1)	(78.4)	(175.8)
Interest on unwinding of discounting on deferred consideration	(1.7)	(0.3)	(2.2)
Finance expense	(92.8)	(78.7)	(178.0)
Net finance expense	(60.6)	(47.1)	(105.4)

¹See Note 1 for further details.

The foreign exchange loss on intercompany funding in the six month period to 30 June 2025 arises as a result of the retranslation of foreign currency intercompany loans. This loss on intercompany funding is substantially matched by the foreign exchange gain 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 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Income tax on profit	68.0	80.7	172.6
Tax associated with adjusting items	23.2	23.5	49.8
Tax on adjusted profit	91.2	104.2	222.4
Profit before income tax	250.1	279.4	673.6
Adjusting items	95.5	129.3	199.3
Adjusted profit before income tax	345.6	408.7	872.9
Reported tax rate	27.2%	28.9%	25.6%
Effective tax rate	26.4%	25.5%	25.5%

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 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Profit before income tax	250.1	279.4	673.6
Weighted average rate	25.5%	25.5%	25.1%
Tax charge at weighted average rate	63.7	71.2	168.9
Effects of:			
non-deductible expenditure	5.5	12.0	9.7
impact of intercompany finance	(0.5)	(0.4)	1.4
change in tax rates	-	0.2	(0.4)
Inflation: tax and accounting impacts	-	0.3	1.3
prior year adjustments	(0.4)	(2.7)	(7.9)
other current year items	(0.3)	0.1	(0.4)
Income tax on profit	68.0	80.7	172.6

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 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
2023 interim		61.0	61.0
2023 final		167.6	167.6
2024 interim	66.7		
2024 final	175.5		
Total	242.2	228.6	228.6

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

	Six months to 30.6.25	Six months to 30.6.24	Per share Year to 31.12.24
2024 interim		20.1p	20.1p
2024 final			53.8p
2025 interim	20.2p		
Total	20.2p	20.1p	73.9p

The 2025 interim dividend of 20.2p per share will be paid on 5 January 2026 to shareholders on the register at the close of business on 14 November 2025. The 2025 interim dividend will comprise approximately £66m of cash.

7. Earnings per share

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Profit for the period attributable to the Company's equity holders	181.9	198.7	500.4
Adjusted for:			
amortisation excluding software	76.5	69.9	148.3
acquisition related items	29.2	39.5	33.9
(profit)/loss on disposal of businesses	(10.2)	23.1	20.3
non-recurring pension scheme credit	-	(3.2)	(3.2)
tax credit on adjusting items	(23.2)	(23.5)	(49.8)
Adjusted profit for the period attributable to the Company's equity holders	254.2	304.5	649.9
	Six months to 30.6.25	Six months to 30.6.24	Year to 31.12.24
Basic weighted average number of ordinary shares in issue (million)	326.9	335.4	334.4
Dilutive effect of employee share plans (million)	1.1	2.1	2.1
Diluted weighted average number of ordinary shares (million)	328.0	337.5	336.5
Basic earnings per share attributable to the Company's equity holders	55.6p	59.2p	149.6p
Adjustment (Note 2)	22.2p	31.6p	44.7p
Adjusted earnings per share attributable to the Company's equity holders	77.8p	90.8p	194.3p
Diluted basic earnings per share attributable to the Company's equity holders	55.5p	58.8p	148.7p
Adjustment (Note 2)	22.0p	31.4p	44.4p
Adjusted diluted earnings per share attributable to the Company's equity holders	77.5p	90.2p	193.1p

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 2025 the allocation period for all acquisitions completed since 1 July 2024 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 2025 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 increase to intangible assets of £3.1m. 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 2025

Summary details of the businesses acquired or agreed to be acquired during the period ended 30 June 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 2025	100%	2.7
Acquisition completed in the current period					2.7
Hospitalia	Healthcare	Chile	8 July 2025	100%	21.9
Solupack	Foodservice	Brazil	31 July 2025	70%	15.4
Acquisitions agreed in the current period					40.0

There were no individually significant acquisitions during the six months ended 30 June 2025. The acquisition of Nisbets on 22 May 2024 was considered to be individually significant due to its impact on intangible assets and was therefore separately disclosed for the year ended 31 December 2024.

A summary of the effect of acquisitions in the six months ended 30 June 2025 and 30 June 2024 and for the year ended 31 December 2024 is shown below:

	Total 30.6.25 £m	Total 30.6.24 £m	Nisbets 31.12.24 £m	Other 31.12.24 £m	Total 31.12.24 £m
Customer and supplier relationships	(5.9)	258.5	124.6	160.0	284.6
Brands	-	-	78.3	5.0	83.3
Property, plant and equipment and software	(1.3)	62.2	62.5	9.2	71.7
Right-of-use assets	0.3	62.9	55.7	17.3	73.0
Net working capital	(5.2)	59.1	33.6	69.2	102.8
Net cash	0.3	41.3	43.4	16.5	59.9
External debt	-	(5.6)	(5.6)	(0.7)	(6.3)
Provisions	-	(24.4)	(10.5)	(22.3)	(32.8)
Lease liabilities	(0.4)	(62.9)	(55.7)	(18.0)	(73.7)
Income tax payable and deferred tax assets/(liabilities)	3.5	(63.2)	(45.8)	(65.4)	(111.2)
Fair value of net (liabilities)/assets acquired	(8.7)	327.9	280.5	170.8	451.3
Less non-controlling Interests	-	-	(2.7)	-	(2.7)
Goodwill	12.6	214.9	187.5	170.3	357.8
Consideration	3.9	542.8	465.3	341.1	806.4
Satisfied by:					
cash consideration	3.9	443.6	377.6	297.6	675.2
deferred consideration	-	99.2	87.7	43.5	131.2
	3.9	542.8	465.3	341.1	806.4
Contingent payments relating to the retention of former owners	0.8	52.4	42.1	50.7	92.8
Interest relating to discounting of deferred consideration	-	15.1	15.1	2.2	17.3
Net cash acquired	(0.3)	(41.3)	(43.4)	(16.5)	(59.9)
Transaction costs and expenses	5.7	16.6	12.4	13.5	25.9
Total committed spend in respect of acquisitions completed in the current period	10.1	585.6	491.5	391.0	882.5
Spend on acquisitions committed but not completed at the period end	72.3	65.7	-	-	-
Total committed spend in respect of acquisitions agreed in the current period	82.4	651.3	491.5	391.0	882.5

8. Acquisitions (continued)

The net cash outflow in respect of acquisitions comprised:

	Total 30.6.25 £m	Total 30.6.24 £m	Nisbets 31.12.24 £m	Others 31.12.24 £m	Total 31.12.24 £m
Cash consideration	3.9	443.6	377.6	297.6	675.2
Net cash acquired	(0.3)	(41.3)	(43.4)	(16.5)	(59.9)
Deferred consideration payments	21.2	11.7	-	20.9	20.9
Net cash outflow on purchase of businesses	24.8	414.0	334.2	302.0	636.2
Transaction costs and expenses paid	6.1	11.7	11.0	14.6	25.6
Payments relating to retention of former owners	17.8	13.5	-	16.4	16.4
Cash outflow from acquisition related items	23.9	25.2	11.0	31.0	42.0
Total cash outflow in respect of acquisitions	48.7	439.2	345.2	333.0	678.2

Acquisitions completed in the six months ended 30 June 2025 contributed £0.6m (six months ended 30 June 2024: £68.6m; year ended 31 December 2024: £398.3m) to the Group's revenue, £0.2m (six months ended 30 June 2024: £5.1m; year ended 31 December 2024: £34.8m) to the Group's adjusted operating profit and £0.2m (six months ended 30 June 2024: £3.4m; year ended 31 December 2024: £20.1m) to the Group's operating profit for the six months ended 30 June 2025.

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 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Revenue	1.4	289.7	744.2
Adjusted operating profit	0.5	21.6	72.0

Deferred consideration

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

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Minority options – acquisition of non-controlling interest	140.5	160.4	158.4
Earn outs	47.5	51.2	33.7
Deferred consideration held at fair value	188.0	211.6	192.1
Minority options – retention payments of former owners	46.3	42.4	50.3
Other	8.7	10.0	15.8
Total deferred consideration	243.0	264.0	258.2
Current	30.9	51.8	43.6
Non-current	212.1	212.2	214.6
Total deferred consideration	243.0	264.0	258.2
Expected future payments which are contingent on the continued retention of former owners of businesses acquired not yet recognised on balance sheet	93.0	131.2	117.2
Total deferred and contingent consideration – on and off balance sheet	336.0	395.2	375.4

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

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Within one year	30.9	57.5	44.2
After one year but within two years	138.0	28.7	19.3
After two years but within five years	155.6	298.5	301.3
After five years	11.5	10.5	10.6
Total	336.0	395.2	375.4

8. Acquisitions (continued)

Year ended 31 December 2024

Summary details of the businesses acquired or agreed to be acquired during the year ended 31 December 2024 are shown in the table below:

Business	Sector	Country	Acquisition date 2024	Percentage of share capital acquired	Annualised revenue £m
Pamark	Foodservice, Healthcare, Cleaning & Hygiene and Safety	Finland	29 February	100%	53.3
Nisbets	Foodservice	United Kingdom	23 May	80%	474.9
Clean Spot	Cleaning & Hygiene	Canada	18 June	100%	4.3
Sistemas De Embalaje Anper	Other	Spain	28 June	100%	24.9
Holland Packaging	Retail	Netherlands	29 June	75%	15.0
RCL Implantes	Healthcare	Brazil	03 July	100%	15.6
Powervac	Cleaning & Hygiene	Australia	31 July	100%	4.5
Cermerón	Foodservice	Spain	30 August	100%	10.3
Cubro Group	Healthcare	New Zealand	30 September	72%	45.7
DBM Medical Group	Healthcare	New Zealand	30 September	75%	8.7
Arrow County Holdings Limited	Cleaning & Hygiene	United Kingdom	22 October	100%	27.1
C&C Group	Foodservice	United Kingdom	29 October	100% / 80%	26.7
Comodis	Cleaning & Hygiene	France	01 December	100%	20.7
Others*					12.5
Acquisitions agreed and completed in the current year					744.2

*Others includes two acquisitions agreed in 2024.

9. Disposal of businesses

The Group completed the disposal of a Safety business in North America on 31 January 2025. Disposal of businesses in the period ended 30 June 2024 and year ended 31 December 2024 related to the loss on disposal of the Group's business in Argentina on 14 March 2024 and a healthcare business in Germany on 12 July 2024.

The profit/loss on disposal of businesses comprised:

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Profit/(loss) on disposal of businesses	£m	£m	£m
Cash consideration received	18.0	1.0	4.4
Net assets disposed	(9.9)	(4.8)	(6.0)
Recycling of historical foreign exchange gains/(loss)	5.7	(19.3)	(18.7)
Transaction costs and provisions	(3.6)	-	-
Profit/(loss) on disposal of businesses	10.2	(23.1)	(20.3)

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

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Cash flow from disposal of businesses	£m	£m	£m
Cash consideration received	18.0	1.0	4.4
Cash and cash equivalents disposed	-	(0.4)	(1.5)
Transaction costs paid	(0.7)	-	-
Net cash inflow	17.3	0.6	2.9

10. Right-of-use assets

Six months ended 30 June 2025

	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Net book value				
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

Six months ended 30 June 2024

	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Net book value				
Beginning of period	520.0	68.8	27.5	616.3
Acquisitions (Note 8)	57.6	4.7	0.6	62.9
Transferred to assets held for sale	(0.2)	(0.2)	-	(0.4)
Additions	62.0	23.9	10.6	96.5
Depreciation charge in the period	(68.4)	(15.0)	(5.7)	(89.1)
Remeasurement adjustments	36.4	(0.6)	0.5	36.3
Currency translation	(5.6)	(0.6)	(0.1)	(6.3)
As at 30 June 2024	601.8	81.0	33.4	716.2

Year ended 31 December 2024

	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Net book value				
Beginning of year	520.0	68.8	27.5	616.3
Acquisitions (Note 8)	69.8	2.9	0.3	73.0
Disposal of businesses	(0.2)	(0.1)	(0.1)	(0.4)
Transferred to assets held for sale	(1.5)	-	-	(1.5)
Additions	97.9	44.4	19.0	161.3
Depreciation charge in the year	(142.8)	(31.6)	(11.7)	(186.1)
Remeasurement adjustments	47.8	0.8	1.2	49.8
Currency translation	(13.3)	(1.3)	(0.2)	(14.8)
As at 31 December 2024	577.7	83.9	36.0	697.6

11. Intangible assets

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

Six months ended 30 June 2024

	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of period	2,020.7	2,494.5	48.5	9.3	116.8	4,689.8
Acquisitions (Note 8)	214.9	258.5	-	-	3.8	477.2
Disposal of business (Note 9)	(2.8)	(3.2)	-	-	(0.1)	(6.1)
Adjustment for hyperinflation accounting ¹	4.8	0.9	-	-	-	5.7
Additions					6.5	6.5
Disposals					(0.5)	(0.5)
Transferred to assets held for sale	(0.5)	(12.2)	-	-	(0.3)	(13.0)
Currency translation	(38.8)	(52.1)	(0.5)	(0.2)	(2.2)	(93.8)
End of period	2,198.3	2,686.4	48.0	9.1	124.0	5,065.8
Accumulated amortisation and impairment						
Beginning of period	11.8	1,343.7	7.4	1.8	83.0	1,447.7
Amortisation charge in the period		67.5	1.6	0.8	5.3	75.2
Impairment charge in the period	-	2.3	-	-	-	2.3
Disposal of business (Note 9)	-	(2.6)	-	-	(0.1)	(2.7)
Adjustment for hyperinflation accounting ¹		0.7	-	-	-	0.7
Disposals					(0.5)	(0.5)
Transferred to assets held for sale	-	(8.5)	-	-	(0.2)	(8.7)
Currency translation	(0.1)	(27.0)	-	(0.1)	(0.9)	(28.1)
End of period	11.7	1,376.1	9.0	2.5	86.6	1,485.9
Net book value at 30 June 2024	2,186.6	1,310.3	39.0	6.6	37.4	3,579.9

11. Intangible assets (continued)

Year ended 31 December 2024

	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of year	2,020.7	2,494.5	48.5	9.3	116.8	4,689.8
Acquisitions (Note 8)	357.8	284.6	83.3	-	4.2	729.9
Disposal of businesses	(3.3)	(15.4)	-	-	(0.3)	(19.0)
Adjustment for hyperinflation accounting ¹	7.5	0.9	-	-	-	8.4
Additions					14.1	14.1
Disposals					(2.1)	(2.1)
Transferred to assets held for sale	(1.7)	-	-	-	-	(1.7)
Currency translation	(83.2)	(111.1)	(1.2)	(0.5)	(2.6)	(198.6)
End of year	2,297.8	2,653.5	130.6	8.8	130.1	5,220.8
Accumulated amortisation and impairment						
Beginning of year	11.8	1,343.7	7.4	1.8	83.0	1,447.7
Amortisation charge in year		139.4	7.1	1.8	11.9	160.2
Impairment charge in year	-	2.3	-	-	-	2.3
Disposal of businesses		(11.2)	-	-	(0.3)	(11.5)
Adjustment for hyperinflation accounting ¹		0.7	-	-	-	0.7
Disposals					(2.1)	(2.1)
Currency translation	(0.1)	(57.2)	(0.3)	(0.1)	(2.6)	(60.3)
End of year	11.7	1,417.7	14.2	3.5	89.9	1,537.0
Net book value at 31 December 2024	2,286.1	1,235.8	116.4	5.3	40.2	3,683.8

¹See 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 2025. 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 2025.

12. Working Capital

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Inventories	1,636.2	1,633.3	1,760.9
Trade and other receivables	1,632.8	1,662.4	1,634.1
Trade and other payables - current	(2,210.6)	(2,303.6)	(2,206.1)
Add back net non-trading related receivables and payables	1.3	28.1	21.3
Add back dividends payable	175.5	167.6	-
	1,235.2	1,187.8	1,210.2

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:

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Financial assets			
Interest rate derivatives in fair value hedges	5.8	-	-
Foreign exchange derivatives in cash flow hedges	0.5	1.1	4.8
Foreign exchange derivatives in net investment hedges	9.5	5.9	13.3
Other foreign exchange and interest rate derivatives	5.9	7.0	9.9
Total derivative financial assets	21.7	14.0	28.0
Money market funds	18.7	-	63.8
Total financial assets held at fair value	40.4	14.0	91.8
Current derivative financial assets	15.9	13.9	28.0
Non-current derivative financial assets	5.8	0.1	-
Total derivative financial assets	21.7	14.0	28.0
	30.6.25 £m	30.6.24 £m	31.12.24 £m
Financial liabilities			
Interest rate derivatives in fair value hedges	(69.4)	(87.0)	(82.8)
Foreign exchange derivatives in cash flow hedges	(5.1)	(0.9)	(0.1)
Foreign exchange derivatives in net investment hedges	(12.0)	(9.8)	(9.1)
Other foreign exchange derivatives	(4.0)	(1.1)	(6.6)
Total derivative financial liabilities	(90.5)	(98.8)	(98.6)
Other payables held at fair value	(188.0)	(211.6)	(192.1)
Total financial liabilities held at fair value	(278.5)	(310.4)	(290.7)
Current derivative financial liabilities	(21.1)	(11.8)	(15.8)
Non-current derivative financial liabilities	(69.4)	(87.0)	(82.8)
Total derivative financial liabilities	(90.5)	(98.8)	(98.6)

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 £2.1m and 1% decrease in the expected profitability would result in a decrease of £2.1m.

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 2025, was £553.1m (30 June 2024: £749.6m; 31 December 2024: £761.6m), compared to a carrying value of £574.3m (30 June 2024: £797.3m; 31 December 2024: £802.0m). The fair value of the senior bonds which are held at amortised cost, using market prices at 30 June 2025, was £1,264.4m (30 June 2024: £615.5m, 31 December 2024: £968.2m) compared to a carrying value of £1,254.4m (30 June 2024: £615.2m, 31 December 2024: £1,027.2m).

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.

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Movement in lease liabilities			
Beginning of period	754.1	664.5	664.5
Acquisitions (Note 8)	0.4	62.9	73.7
Disposal of businesses (Note 9)	-	-	(0.4)
Transferred to liabilities held for sale	-	(0.4)	(1.6)
New leases	47.9	96.5	161.3
Interest charge in the period	19.4	18.0	38.5
Payment of lease liabilities	(113.5)	(103.2)	(216.7)
Remeasurement adjustments	23.9	36.3	50.4
Currency translation	(19.7)	(6.4)	(15.6)
End of period	712.5	768.2	754.1
Ageing of lease liabilities:			
Current lease liabilities	176.9	179.1	180.4
Non-current lease liabilities	535.6	589.1	573.7
End of period	712.5	768.2	754.1

15. Cash, cash equivalents and overdrafts and net debt

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Cash at bank and in hand	462.3	1,381.4	1,369.1
Money market funds	18.7	-	63.8
Cash and cash equivalents	481.0	1,381.4	1,432.9
Bank overdrafts	(181.0)	(1,062.3)	(987.9)
Cash, cash equivalents and overdrafts	300.0	319.1	445.0
Interest bearing loans and borrowings - current liabilities	(68.5)	(475.4)	(619.2)
Interest bearing loans and borrowings - non-current liabilities	(1,766.5)	(1,090.7)	(1,361.7)
Derivatives managing interest rate risk and currency profile of the debt	(64.3)	(85.2)	(75.5)
Net debt excluding lease liabilities	(1,599.3)	(1,332.2)	(1,611.4)
Lease liabilities	(712.5)	(768.2)	(754.1)
Total net debt including lease liabilities	(2,311.8)	(2,100.4)	(2,365.5)

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:

	30.6.25 £m	30.6.24 £m	31.12.24 £m
Cash at bank and in hand net of amounts in the cash pool	300.3	354.7	406.9
Money market funds	18.7	-	63.8
Bank overdrafts net of amounts in the cash pool	(19.0)	(35.6)	(25.7)
Cash, cash equivalents and overdrafts	300.0	319.1	445.0

16. Movement in net debt

	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Six months ended 30 June 2025				
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)

	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Six months ended 30 June 2024				
Beginning of period excluding lease liabilities	551.9	(1,547.1)	(90.3)	(1,085.5)
Cash flow excluding movements in other components of net debt	(179.3)	-	-	(179.3)
Interest paid excluding interest on lease liabilities	(63.5)	-	-	(63.5)
Increase in borrowings	148.1	(148.1)	-	-
Repayment of borrowings	(130.9)	130.9	-	-
Receipts on settlement of foreign exchange contracts	8.6	-	(8.6)	-
Net cash outflow	(217.0)	(17.2)	(8.6)	(242.8)
Non-cash movement in debt	-	10.1	(8.5)	1.6
Loans and borrowings recognised on acquisition	-	(5.6)	-	(5.6)
Realised gain on foreign exchange contracts	-	-	8.6	8.6
Currency translation	(15.8)	(6.3)	13.6	(8.5)
End of period excluding lease liabilities	319.1	(1,566.1)	(85.2)	(1,332.2)
Lease liabilities	-	(768.2)	-	(768.2)
End of period including lease liabilities	319.1	(2,334.3)	(85.2)	(2,100.4)

	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Year ended 31 December 2024				
Beginning of year excluding lease liabilities	551.9	(1,547.1)	(90.3)	(1,085.5)
Cash flow excluding movements in other components of net debt	(405.7)	-	-	(405.7)
Interest paid excluding interest on lease liabilities	(126.6)	-	-	(126.6)
Increase in borrowings	561.7	(561.7)	-	-
Repayment of borrowings	(132.9)	132.9	-	-
Receipts on settlement of foreign exchange contracts	24.2	-	(24.2)	-
Net cash outflow	(79.3)	(428.8)	(24.2)	(532.3)
Non-cash movement in debt	-	6.5	(4.2)	2.3
Loans and borrowings recognised on acquisition	-	(6.3)	-	(6.3)
Realised gains on foreign exchange contracts	-	-	24.2	24.2
Currency translation	(27.6)	(5.2)	19.0	(13.8)
End of year excluding lease liabilities	445.0	(1,980.9)	(75.5)	(1,611.4)
Lease liabilities	-	(754.1)	-	(754.1)
End of year including lease liabilities	445.0	(2,735.0)	(75.5)	(2,365.5)

17. Cash flow from operating activities

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

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Depreciation and software amortisation			
Depreciation of right-of-use assets	96.3	89.1	186.1
Other depreciation and software amortisation	27.0	23.0	49.7
	123.3	112.1	235.8

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Other non-cash items			
Share based payments	9.7	8.5	17.2
Provisions	(3.7)	(1.4)	0.6
Retirement benefit obligations	0.4	1.0	1.1
Hyperinflation accounting adjustments	2.4	4.0	6.0
Other	2.6	1.3	(6.3)
	11.4	13.4	18.6

	Six months to 30.6.25 £m	Six months to 30.6.24 £m	Year to 31.12.24 £m
Working capital movement			
Decrease/(increase) in inventories	56.6	45.4	(94.3)
(Increase)/decrease in trade and other receivables	(34.5)	(38.9)	0.7
Decrease in trade and other payables	(36.8)	(23.3)	(3.5)
	(14.7)	(16.8)	(97.1)

18. Own shares purchased for cancellation

During the 6 month period ended 30 June 2025, the Company repurchased and cancelled 3,602,252 ordinary shares, with an aggregate nominal value of £1.2m, for a total consideration of £114.5m, including transaction costs of £0.1m and stamp duty of £0.9m, all of which has been paid during the period. The repurchased shares represent approximately 1% of ordinary share capital in issue as at 30 June 2025. Own shares purchased for cancellation of £64.5m, as shown in the condensed consolidated statement of changes in equity, includes the £114.5m total consideration for shares repurchased and cancelled during the period less £50.0m for share purchases committed to as at 31 December 2024. The number of shares in issue is reduced when shares are repurchased and cancelled.

19. Related party disclosures

As disclosed in the Annual Report for the year ended 31 December 2024, 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 2025. Details of the relevant relationships with those related parties will be disclosed in the Annual Report for the year ending 31 December 2025. 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 2025

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
Chief Executive Officer
26 August 2025

Richard Howes
Chief Financial Officer

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 2025 (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 2025;
- 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. 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
26 August 2025