Big Brands
Big Savings

B&M European Value Retail S.A.

Annual Report and Accounts 2025

Welcome to our **2025 Annual Report and Accounts**

Financial highlights

Headline measures (52-week comparable basis)

Group revenues	Adjusted EBITDA (pre-IFRS 16)[1]	Adjusted operating profit[1]
£5.6bn	£620m	£591m
3.7% (2024: £5.4bn)	0.6% (2024: £616m)	-1.8% (2024: £602m)

Statutory measures (FY25: 52-week, FY24: 53-week)

Statutory revenue	Operating profit	Cash generated from operations
£5.6bn	£566m	£784m
1.6% (2024: 5.5bn)	-7.0% (2024: £608m)	-9.1% (2024: £862m)
Statutory diluted earnings per share	**Post-tax free cash flow[2]**	**Ordinary dividends per share**
31.8p	£311m	15.0p
-13.0% (2024: 36.5p)	-18.5% (2024: £382m)	2.0% (2024: 14.7p)

This Annual Report and Accounts are for the 52 weeks financial reporting period to 29 March 2025 ("FY25").

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1. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 2, 3 and 4 of the financial statements for further details.
2. Post-tax free cash flow is an Alternative Performance Measure. Please see note 3 of the financial statements for more details and reconciliation to the Consolidated Statement of Cash Flows.

Our principles

Our goal:

To be Europe's leading variety discount retailer.

What we do:

Provide excellent best-selling products at the lowest prices, in brilliant shops.

How we do it:

Excellence

We're obsessed with retail excellence and develop our colleagues to be the best.

Speed

We operate at speed, at low cost with simplicity.

Teamwork

We help each other, with respect and high personal integrity.

Hard Work

We work hard for our customers every day and celebrate it.

A leading European variety discount retailer, providing excellent, best-selling products at low prices in brilliant shops everyday

Our fascias

B&M UK

Number of employees	Number of stores
32,662	777

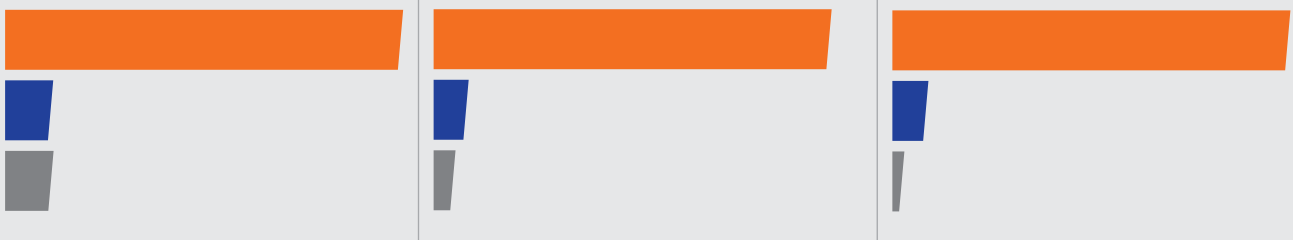
B&M France

Number of employees[2]	Number of stores
1,449	135

Heron Foods

Number of employees	Number of stores
5,437	343

FY25 performance by fascia



Revenue

£5,571m

B&M UK	£4,483m
B&M France	£542m
Heron Foods	£546m

Adjusted EBITDA (pre-IFRS 16)[3]

£620m[1]

B&M UK	£545m
B&M France	£48m
Heron Foods	£30m

Adjusted operating profit[3]

£591m[1]

B&M UK	£530m
B&M France	£48m
Heron Foods	£16m

1. Includes the corporate segment. For further detail, see note 3 of the financial statements and the reconciliation.
2. Includes colleagues at the French support centre, and those working in stores operated directly by the Group. Those colleagues working in stores operated under the mandated manager model are employed directly by the manager of each store, and are therefore not employees of the Group and so excluded from the number above.
3. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of accounts. See notes 2, 3 and 4 of the financial statements for further details.

Long-term strategy

Our four channels of growth will deliver long-term, profitable, cash-generating growth

1 Existing B&M UK stores – a core driver of growth

Progress in FY25

With 777 stores already open, B&M has a significant discount retail presence across the UK. Our existing stores offer considerable scope for improving sales densities. Like-for-like[1] ("LFL") sales growth tends to be highly profitable growth and will be achieved through a relentless focus on product, price and an excellence in retail standards that ultimately encourages more customers to shop with us more frequently.

We believe that improved store standards were a key driver of LFL growth in earlier years, and we continue to maintain these high levels, confirmed by strong weekly scores and good on-shelf availability. We continue to see a differentiation in performance between stores scored at high standards relative to others.

FY25 saw a 3.1% LFL[1] sales decline, which was below our expectation of positive LFL performance. The focus on LFL performance remains relentless and space, ranging and in-store merchandising initiatives are all underway to strengthen performance in FY26.

Performance in FY25
B&M UK LFL[1] revenue performance
(3.1)%

2 New B&M UK stores – continuing rollout with rapid payback

Progress in FY25

We aim to have not less than 1,200 B&M UK stores. What underpinned this target has been increased sales densities, the success of our Southern openings and the experience of opening stores in closer proximity than previously thought.

At 1,200 stores, the estate would be over 50% bigger than it is today, but with new stores being typically larger, with a higher proportion of garden centres and with higher total sales, the impact on our sales, profit and cash generation is likely to be even greater. New stores continue to payback rapidly within 12 months.

In addition, we place great emphasis on refreshing and updating our existing store estate. This can mean relocating an older, legacy store to a new larger format store – often with a garden centre attached. This results in square footage growth surpassing the increase in the number of stores.

Performance in FY25
B&M UK gross new store openings
45

3 France will provide growth for many years to come

Progress in FY25

France has continued the transformative journey that it has embarked on since acquisition. All stores trade under the B&M banner, the proportion of Fast-Moving Consumer Goods ("FMCG") sales is increasing as we expand the range, leading to higher sales densities, and we continue to gently expand our new store opening programme.

In General Merchandise, the product mix has evolved with a greater focus on home and the phasing out of clothing. This product realignment along with the B&M branding of the stores has been well received by the French consumers.

France has a similar population to the UK and over the long-term the French discount retail market is less competitive and therefore we expect France to continue to build sustainable profit for many years to come.

Performance in FY25
B&M France total revenue growth[3]
7.8%

4 Heron Foods offers growth potential

Progress in FY25

Heron Foods ("Heron") continues to deliver value and convenience to customers looking to manage their budgets.

Over recent years, Heron Foods has improved its ranges to increase appeal to existing and new customers. Through more intense merchandising, some freezers have been removed from stores, freeing up space for expanded, fresh, chilled and ambient ranges. All of which led to exceptional revenue growth in FY23 and FY24. Performance in FY25 has moderated on the back of these two exceptional years of growth.

Heron remains a long-term growth opportunity. With 343 stores currently and an opening programme of 10-15 stores per annum, the long-term opportunity remains considerable.

Performance in FY25
Heron Foods total revenue growth[3]
(0.6)%

1. One-year LFL revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 week vs. 52 week or 13 week vs. 13 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY24. This 14-month approach has been adopted as it excludes the two-month halo period which new stores experience following opening.
2. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of accounts. See notes 2, 3 and 4 of the financial statements for further details.
3. Total revenue growth is measured on a 52-week comparable basis.

Long-term profitable growth

B&M is positioned for long-term compounding earnings growth and cash returns for shareholders.

B&M is a leading European discount variety value retailer, with 777 B&M stores in the UK, 135 B&M stores in France and 343 Heron Foods discount convenience stores in the UK. Each fascia has the opportunity for many years of growth – with a relentless focus on price, relevant ranges and excellence in store operational standards.

B&M is committed to delivering long-term profitable growth through its four channels

B&M has many opportunities and many years of growth ahead as it broadens its appeal and expands its store numbers in the UK and France. In expanding its store numbers and increasing sales densities in existing stores, B&M expects to continue to deliver long-term profitable growth, generate cash and return excess cash to shareholders. B&M remains a rollout story, thereby we have confidence we will deliver compounding earnings growth and cash returns for shareholders.

There are four channels of growth:

1

New UK stores: A store target to operate at least 1,200 B&M UK stores

We plan to operate at least 1,200 B&M stores in the UK, which represents an increase of over 50% in store numbers compared to the year end. At our current pace of openings this represents over ten years of growth in store numbers. With new stores tending to be bigger than the existing average and with a higher proportion expected to have garden centres, the underlying growth in sales is expected to be greater than the 50%+ increase in store numbers.

New stores bring direct volume growth and our plans to open 45 gross stores in FY26 bring significant benefits to buying, productivity gains and cash-generation. Payback on recent new stores has been on average less than a year, so the more stores we open the better the cash-generation. We will always open in a controlled, disciplined manner, and we will not put a strain on the operational and support functions of the business. The quality of our openings is paramount. Rather than opening a larger number of stores in any given year we will always ensure new stores meet our strict financial criteria and payback requirements.

In conjunction with our new store openings, we will continue to maintain and update our existing store estate. Where the opportunity arises, we will replace older, legacy stores that are at the end of their lease with newer, larger stores, often with a small garden centre attached. This will result in square footage growth (a key driver of sales) outpacing growth in store numbers.

2

Positive LFLs over the longer term help offset cost inflation and help drive cash generating profitable growth

Our existing stores offer considerable scope for improving sales densities over the long term. Each 1% LFL[1] sales growth is equivalent to opening over seven new stores, but without any capital expenditure or increases in fixed costs. LFL[1] growth therefore tends to be highly profitable growth, which helps fund low prices (to drive further LFL[1] sales), creates new jobs and generates good returns to shareholders. Growth in sales densities will be achieved by taking a bigger share of available expenditure in existing catchment areas as our relentless focus on price, value and retail standards drives brand awareness and frequency of shop with consumers.

Each year will be different and will be impacted by the overall economy, the competitive environment and the health of the consumer (financially and in terms of confidence). Overall, we expect and always plan to deliver positive LFL sales growth each year.

3

France will provide growth for many years to come

In terms of size and wealth, France has a similar population to the UK, where we target over 1,200 stores. Therefore, the UK estate sets a relevant benchmark for the potential scale of the French estate over the long-term. As we begin to accelerate our store opening programme, France will provide many years of profitable, cash generating growth.

We have transformed France in recent years and all stores operate under the B&M fascia. We continue to grow our FMCG ranges which helps drive sales densities and provides a "halo effect" for our General Merchandise offer. Pricing is highly competitive, and profitability is good, with a strong underlying profit margin. We will continue to evolve the offer and expect sales densities and our EBITDA margin to improve over the long-term.

4

Heron offers growth and other benefits to the core business

Heron is our discount convenience store operation, based primarily in the North of England and the Midlands in neighbourhood locations. Average size of our stores stands at 3,000 sq. ft. which means the majority are classified as convenience stores and can trade for more than six hours on a Sunday. Over recent years, the offer has been refined to include more Ambient, Fresh and General Merchandise products and this has resulted in a step change in total sales and sales by broad category. Space for the enhanced ranges was created by merchandising the traditional frozen food offer more intensely, which allowed us to remove freezers, reduce operating costs and reduce the capital cost of new stores. By merchandising more intensely, we were able to maintain frozen sales volumes while adding substantial sales in new areas.

Heron offers long-term potential through the store roll out and we continue to open new stores in a controlled and highly disciplined way.

1. One-year LFL revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 week vs. 52 week or 13 week vs. 13 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY24. This 14-month approach has been adopted as it excludes the two-month halo period which new stores experience following opening.

A disruptive, agile and low-cost business model capable of responding to changing conditions

Our business model is to directly source a targeted limited range of best-selling FMCG and General Merchandise products at the best prices we can. We pride ourselves on being an Everyday Low Price ("EDLP") retailer with a relentless focus on maintaining excellence in operational standards and an Everyday Low Cost ("EDLC") operating model.

Differentiated operating model

Our business model is underpinned by:

Corporate social responsibility

See **CSR report** on **page 30** for more information

Risk management

See **Principal risks** on **page 22** for more information

Financial performance

See **Financial review** on **page 16** for more information

Business strengths

Scale & convenience

Our network of over 1,250 stores across the UK and France are found in convenient locations in modern retail parks, popular town centres and on high streets. They are located in places close to where people live and work, making them easily accessible for customers.

Well-invested infrastructure

We have a modern and scalable infrastructure to support the operations and growth of the business. B&M UK has five distribution centres in total as well as a new import centre in Ellesmere Port that opens in FY26. The new centre will provide 675,000 sq ft of space which will accommodate all inbound containers from China and therefore optimise existing distribution centre network capacity levels. In addition, Heron Foods has their own dedicated distribution centre whilst B&M France are extending their current distribution centre which will increase capacity by 40%, meaning the Group is well positioned to continue our store rollout programme across all fascias and territories.

Strong brand reputation

The B&M and Heron Foods names are established brands in the UK, having a strong reputation for delivering consistently great value on the products people regularly buy for their homes and families. In a recent external customer survey, B&M is currently ranked 10th most popular retail brand in the UK[1] and has a strong social media presence with over 1.5 million Instagram followers that allows the business to reach a vast amount of people with targeted price and product messages – affirming the B&M brand as one of the leading UK retailers in the market. In France, there is growing awareness of the B&M brand as it is now in the top three most attractive discounters in the country[2] and the customer response to recent product changes has been very positive. With discount shopping continuing to become more socially accepted, there are opportunities to attract new customers whilst retaining the loyalty of existing customers in the years ahead.

Skilled colleagues

Developing products and ranges to provide great value whilst being fresh and on-trend takes skill, experience and discipline. We have colleagues with many years of experience in their respective product markets, many of whom have worked previously as buyers and merchandisers with category specialist competitors. By working collaboratively across different teams and with an entrepreneurial flair in keeping with the B&M culture, we are able to provide customers with the products they want at value prices all year round.

Strong supplier relationships

Maintaining our competitive value-led price model is also about developing strong long-term supplier relationships, who we regard very much as partners. Many of our suppliers have grown alongside us over several years and they value our simple, transparent pricing and efficient way of working. With our focus on only stocking the best-selling products and constant newness an important feature of the proposition, this creates opportunities to welcome new suppliers in to our business.

Governance & risk management

Our corporate governance and risk management approach is geared toward ensuring we have effective, robust structures and processes in place. Our Non-Executive Directors have many years of experience in retail and consumer product businesses. They provide constructive challenge to our management team to help ensure we operate our businesses and manage risk appropriately and in the interests of all stakeholders.

Stakeholder outputs

Value to customers

Our purpose is about delivering great value to customers so they keep returning to our stores time and time again. Helping customers to spend less on the things they buy regularly for their homes and families all year round is what our business model is designed to constantly deliver. Given the current cost-of-living crisis showing no signs of easing and the ongoing macroeconomic uncertainty, value for money is likely to become increasingly important for many consumers in the years ahead, making the B&M proposition highly relevant.

Colleague progression

Our colleagues are crucial to the ongoing success of the business, be that in our central support teams, those working in our logistics network or store colleagues providing great customer service every day. In keeping with our values, we take pride in being an innovative and exciting place for colleagues to work, grow and develop to their full potential. Our continued growth creates new job opportunities in the communities where we trade and there are always progression opportunities for colleagues throughout the business to build long-term, successful careers.

Suppliers as partners

The continued growth of B&M also benefits our suppliers. We have long-standing trading relationships with a number of the leading household brands across food and FMCG. We have several exclusive brands and other branded General Merchandise product ranges. We are proud to partner with these brand names for the mutual success of our respective businesses. We are always interested in adding new brands to our ranges and our continued growth gives potential for suppliers to grow alongside us, further strengthening these relationships.

Investment in communities

Our store opening programmes target areas where we are under-represented or not represented at all, using our flexible store formats to suit the relevant locality. Each time we open a new store, we create new jobs in the local community whilst at the same time providing convenient access to our value-for-money offer.

Returns for investors

Our characteristics of low capital-intensity and high-returning cash-generative growth is a relatively rare and powerful combination in bricks and mortar retailing. These characteristics contribute to the sustainability of our business model, which enhances our ability to provide continued growth and attractive returns to investors.

Underpinned by our ESG strategy

1. YouGov | Savant Most Loved Retail Brands Report.
2. Ipsos iSay Survey on 2,943 consumers re price, offer and shopping experience.

"

Continued strong profits and cash returns for our shareholders."

Tiffany Hall
Chair

I am pleased to present my first statement to shareholders as Chair following my appointment at the AGM in July 2024.

I would like to thank Peter Bamford for the significant contribution he made to the business as Chair during his six year tenure, overseeing a strong period of growth and successfully navigating the challenges of COVID.

Strategic progress

As Chair, I am committed to continuing the focus on a simple, disruptive commercial model and an entrepreneurial culture so we can deliver great products and everyday low prices for our customers and profitable, cash generating growth for our shareholders.

This has been a challenging year for B&M with a tough macroeconomic backdrop and many of our customers continue to face cost of living pressures. UK LFL performance has not met our expectations this year in both B&M UK and in Heron Foods. However, the performance of new stores in both the UK and France continues to be encouraging and driving overall sales growth for the Group. Gross margin was robust and costs managed with discipline resulting in a Group adjusted EBITDA (pre-IFRS 16) of £620m, slightly ahead of last year. Cash generation continued to be strong with free cash flow of £311m. This was lower than last year due to increased stock holding and higher finance costs.

We have continued to expand our footprint with the opening of new stores across the Group. The performance of the new stores we have opened is strong and there is significant potential for further expansion of our store footprint so we are investing in our distribution capability in the UK and France to support this future growth. Our new UK import centre in Ellesmere Port will be operational this summer. In France a new Warehouse Management System (WMS) has been successfully implemented and we are extending the French distribution centre.

Our plans are well underway to redomicile in order to simplify administrative processes and enable greater flexibility in returning capital to shareholders, including through share buybacks, and we expect to complete the process by the end of the calendar year.

Chief Executive succession

Alex Russo retired from his role as Chief Executive Officer at the end of April. I would like to thank Alex for his commitment, energy, dedication and hard work since joining the business in 2020 and, in particular, since becoming CEO in September 2022. Alex has driven a relentless focus on high operational standards and low cost and re-energised the store roll out programme. We wish him well for the future.

After Alex Russo' departure, Mike Schmidt took on the role of interim CEO in addition to his CFO role and I am delighted that Tjeerd Jegen will be joining the business as CEO in June following an extensive recruitment process. We concluded Tjeerd has the right characteristics and experience to lead the Group through the next phase of its journey, bringing over 25 years of international retail leadership experience across FMCG, General Merchandise and Value sectors. He is a people focussed leader who combines a strategic mindset with a strong track record of delivery and represents a good fit for the B&M culture. I look forward to working with Tjeerd when he joins.

Board and leadership changes

The Board has continued to evolve and develop this year. Following my appointment as Chair, Oliver Tant succeeded me as Senior Independent Director, Hounaïda Lasry succeeded me as Chair of the Remuneration Committee and Paula MacKenzie succeeded me as Designated Non-Executive for Workforce Engagement. Ron McMillan retired at the AGM in July 2024 after 10 years as a Non-Executive Director and we welcomed two new independent Non-Executive Directors during the year, Nadia Shouraboura and Euan Sunderland, who have brought relevant retail experience which complements the rest of the Board.

The management team has also continued to evolve with the promotion and development of internal talent. Bobby Arora retired at the end of the financial year as Group Trading Director and I would like to thank him for the pivotal role he has played in B&M's growth and success over many years. Bobby has been succeeded by Gareth Bilton who has over 25 years experience at B&M and leads a strong and experienced buying and merchandising team.

Looking ahead

The consumer environment remains challenging and uncertain and the business faces cost pressures in the year ahead with a higher minimum wage, increases in National Insurance for employers and the introduction of the Extended Producer Responsibility tax. In this tough external environment, I am confident that our model is even more relevant. By buying well and keeping our business systems and processes simple and efficient, we can provide great products at every-day low prices to help customers make their money go further and the B&M entrepreneurial culture enables us to adapt quickly to changing customer needs. This year will see a focus on improving our UK LFL performance and a number of initiatives are already underway. We will also continue to grow our store footprint in the UK and France.

We remain committed to delivering long term cash generating growth for our shareholders and I would like to thank them for their continuing support.

On behalf of the Board, I would like to thank all our colleagues who work at B&M for their hard work and commitment in delivering for our customers every day.

Tiffany Hall
Chair
3 June 2025

Profitable, cash-generating growth

We seek to leverage our position in the retail market to drive profitable, cash-generating growth for our shareholders. This is achieved by serving our customers well with everyday low prices and relevant best-selling product ranges, by working closely with our partners in our supply chain to achieve mutual success and by providing our employees with a good working environment and the opportunity to progress within our organisation. As an EDLP retailer, we must operate with an Everyday Low Cost ("EDLC") model. We do this in an increasingly competitive market, where costs continue to rise and where economic and geopolitical uncertainty abounds.

General trends

The last financial year has been tough for the retail industry with more corporate failures, more stores closed and more jobs lost. The outlook for the next 12 months is similarly challenging with regulatory cost increases (including increased National Insurance Contributions (NIC) for employers and the introduction of the Extended Producer Responsibility tax) both set to drive high-cost inflation, which many retailers have said they will need to pass on to consumers. Against this backdrop, which has seen pressured sales and falling profits for a number of retailers, while we have seen a decline in our like-for-like sales performance, we have grown our total sales, opening 45 gross (36 net) new B&M stores in the UK, 11 in France and 14 (8 net) Heron stores. We have also defended our financial model of attractive profit margins and good cash generation, seeking to mitigate cost increases in order to maintain or strengthen our price position and we have continued to invest in our stores. This has meant we continue to be recognised by consumers for our value for money credentials, with YouGov BrandIndex value perception scores throughout FY25 continuing to show a material difference in value perception relative to the traditional supermarkets and many General Merchandise and discount retailers. This has been particularly important as the consumer has remained under economic pressure, has seen a decrease in confidence and is increasingly concerned about job losses post the Autumn budget.

We believe that this uncertain economic backdrop favours a low-cost financial and operational model, and the widely observed, long-term structural shift to discounting by consumers continues. Price competition has continued across the FMCG sector with traditional supermarkets investing more in price, through loyalty card programmes and/or through investment in base pricing. But despite these investments, the long-term trend of growth by discounters continues, with the two German Limited Assortment Discounters (LADs) adding more market share at the expense of the traditional supermarkets. As these German LADs have limited ranges, most of their customers also shop elsewhere and we remain highly complementary given they sell many ranges that we do not, including fresh, chilled and frozen, while we sell branded goods which represent only a small proportion of their sales. We find that many customers come to us first to buy their staple tins and packets and then visit the LADs for their fresh, chilled and frozen. It is a symbiotic relationship.

The cost-of-living crisis has not gone away. Consumers are still facing heavy costs and high price increases for many basic household bills, including housing, property taxes, utility costs, etc. Added to this is the increasing fears of job losses as a result of the rise in employers NIC.

But it is not just the lower quintile of earners that are under pressure, it is also the middle classes, who are unlikely to see significant wage increases and who are facing their own high inflation in household bills such as utilities and council tax. The squeezing of the middle classes is an opportunity for B&M. As consumers "trade down" to protect their lifestyle, we will be positioned to protect their aspirations with relevant product ranges and prices. A tough economic environment is one in which our value for money credentials come to the fore and it is one in which we should thrive.

The UK shopper remains focused on in-store experiences

Despite the closure of many stores over recent years, the UK consumer remains predominantly a store-based shopper. As of February 2025, the ONS estimated that 73% of UK retail sales were made through physical stores[1]. Although many high streets are suffering, retail parks and some shopping centres continue to prosper and these are the areas where our new stores are targeted.

Much has been written on the growth and potential threat of retailers that offer home delivery/take orders online, but in some retail sectors the concept remains unproven with low returns on capital or even losses. For some omni-channel retailers, such as supermarkets, home delivery represents a margin dilutive operation that requires higher in-store prices to protect returns. This is to B&M's advantage as we do not operate a home delivery/online service and therefore do not have to

B&M UK in numbers

777
Number of B&M UK stores

1,200
B&M UK stores target

5.5m
UK shoppers every week

cross subsidise our operations. We continue to offer the lowest possible prices in store, without the distraction of home delivery/online operations. There will always be new entrants and companies exiting the market and we welcome all forms of competition. We remain rational and focused on executing our proven value-creating business model, and with a UK market share[2] of only 2% we see significant opportunities within the physical retail market.

Competitive environment

The retail industry remains tough, as evidenced by the plethora of profit warnings and retail failures over the last 12 months. Retailers have been squeezed by high-cost inflation and by subdued demand leading to limited volume growth across the market. In 2024 in the UK, according to ONS retail sales pound data, the value of retail sales increased by 1.4% to £517bn, this increase is below the level of inflation and hence volume sales declined for the industry. Furthermore, the retail industry has been hit hard by wage inflation, with the minimum wage increasing by c.20% over a two-year period, with further increases in the current year alongside a major increase in employment costs due to changes in employers NIC. Outside of costs of goods sold, labour is the biggest single cost for most retailers, so increases in labour costs hit home hard and can have unintended consequences.

In 2024, over 13,000 retail stores closed for good, representing over 28% increase on the previous year[3]. With c.9000 new stores opening[4], the net reduction year-on-year was nearly 4000 stores. There were 10 more closures than openings per day in 2024. The Centre for Retail Research estimates that nearly 170,000 jobs were lost in retailing in 2024[3]. Many more jobs are expected to be lost in 2025, with forecasts expecting 50,000 job losses just due to the NIC changes alone and many more expected due to other reasons.

At B&M, we continue to expand and we continue to deliver volume gains. At B&M UK we have opened 92 gross (70 net) new stores over the last 2 years and have a strong pipeline of 45 gross new stores planned for the current financial year. The resulting substantial increase in our volumes enable us to secure better buying terms and help us to deliver productivity and efficiency gains throughout the company. These volume gains help offset high-cost inflation, such as labour inflation, in a way that is not open to many of our competitors. Of course there are many other productivity gains that result from volume growth, such as improved supplier relations, buying power and pushing more volume through the same infrastructure and logistics network. We are better positioned than most to deal with a challenged retail environment and consequently are set for continued growth at the expense of weaker retailers.

Supermarket industry

FMCG accounts for around half of our sales and our main competitors are the mainstream supermarkets. The supermarket industry continues to be in a state of flux, with the continued growth of limited assortment discounters, two major supermarket operators being under private-equity ownership and with several other food retailers under pressure. The response by some, appears to have been to reduce operating cost spend through reduced staff hours in store, leading to a deterioration of store standards, including product availability.

At B&M, best-in-class standards is a must for our managers. With our EDLP offer and EDLC model, we remain well positioned to take advantage of the competitive situation – that a number of competitors cross subsidise home delivery services with higher prices in store, only adds to our strong strategic position in pricing. There are always winners and losers in the supermarket industry, but price always wins and we will maintain our leading price proposition.

General Merchandise retailing

General Merchandise accounts for the other half of our sales. Key categories include toys, DIY, home furnishings and garden. We currently have 250 stores with garden centres, making us the second largest operator in this market in the UK.

Unlike many retailers in General Merchandise, much of our sales are non-discretionary. Toys at Christmas, essential DIY maintenance and small ticket items like phone charging cables, batteries and storage boxes are non-discretionary home items. Similarly, at any one point in time there are people setting up their home, moving house or going to college, and for these groups of consumers, buying furnishings, bedding and kitchen/dining is essential. It is hard to categorise exactly the split between discretionary and non-discretionary, but non-discretionary is greater than many might think. This reduces the cyclicality of our business and puts us in a strong strategic position. As the economic environment gets tougher, so more consumers will be expected to trade down and many will experience B&M for the first time, either in new stores or in existing stores.

The future for discounting is bright

Discount retailing is a structurally growing market. B&M is well positioned and remains a rollout story with very substantial long-term potential. With a low capex model and rapid growth, we are a substantial cash generator. We have returned over £2bn to shareholders over the last five financial years[5] and will continue to generate cash and distribute it to shareholders going forward.

1. Retail sales index, Office for National Statistics (ONS), February 2025.
2. Figures are based on external market research on the size of the relevant market in 2024. Market share is calculated by reference to UK revenues in FY25, whilst the market size estimate will include spend on categories where B&M and Heron Foods do not participate but is presented here for illustrative purposes.
3. Retail Insight Network – CRR data for store closures 2024.
4. Store openings and closures 2024 – PwC retail and consumer goods insights.
5. Based on ordinary and special dividends paid in FY21 to FY25.

B&M France: Distribution centre upgrades & expansion

Since its acquisition by B&M in October 2018, the French business has undergone a significant transformation. All legacy Babou stores have been converted to be B&M stores, requiring rebranding, remerchandising and layout changes. The product range has evolved – initially broadly aligning General Merchandise to benefit from the economies of scale available from the Group's UK operations before expanding the FMCG selection to better suit French consumer preferences. This strategic evolution has been essential to fully establishing the B&M brand in France.

Since the acquisition, the French store network has also grown by over 40% to 135 stores, accelerating business growth and strengthening brand recognition in key locations. However, rapid expansion has required operational development. While our primary focus has remained on driving optimisation of price, product, and retail standards, we also identified necessary logistics development at our distribution centre (DC) to facilitate long-term growth.

Our existing DC in Cournon-D'Auvergne (565,000 sq ft), along with two smaller satellite warehouses (218,000 sq ft) in the same location, currently services our 135-store estate. However, IT system constraints have led to challenges in handling growing inbound volumes effectively, and these issues were expected to increase as the DC grew in size during FY26.

To support increasing volumes over the next five years, we successfully implemented Blue Yonder, an industry-leading warehouse management system (WMS), replacing the legacy system. This upgrade enhances security, stability, and productivity. As the same WMS used by B&M UK, our French team benefited from Group-wide expertise, ensuring a smooth as possible transition.

To further expand capacity, we initiated the first of two planned DC extensions. The first phase, adding 258,000 sq ft, is set for completion in July 2025, followed by a second phase in March 2026, adding an additional 201,000 sq ft. Once the first extension is operational, the two satellite warehouses will close in July 2025. In total, this expansion will increase throughput capacity by nearly 40% and improve overall efficiency. While successful execution will require careful planning and role refinement within the DC team, the WMS integration was a crucial first step.

Although the cost benefits of the new WMS and DC expansions will only be fully realized from FY26 onwards, this project underscores our commitment to long-term growth, ensuring sufficient capacity to support at least the next five years of expansion.

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Merci à vous!

Resilient profit delivery and continued growth despite headwinds

Overview

In FY25, the Group's sales performance, particularly within the B&M UK business, was below expectations amid challenging market headwinds. However the Group's overall profit delivery and cash generation remained resilient, particularly in comparison to its longer-term history.

Group revenues increased by 3.7% to £5.6bn (on a 52-week comparable basis), primarily driven by the contribution from new stores and positive like-for-like (LFL)[1] performance in France, which offset a negative 3.1% LFL[1] performance in the B&M UK business. Group adjusted EBITDA (pre-IFRS 16)[2] saw a modest increase to £620m (FY24 52 weeks: £616m) which is 81.0% higher than FY20.

The Group's financial model is built on consistent, strong cash generation and disciplined capital investment that supports the continued store expansion and investment in infrastructure. With an adjusted return on capital employed[3] of over 30%, last year the Group returned £300m and over the last five years the Group has driven the return of £2.1bn to shareholders through ordinary and special dividends, while maintaining a conservative leverage ratio[4] of 1.26x.

Continued progress was also made against strategic priorities, positioning the business well for the future, including by driving store standards and availability, maintaining the Group store opening program, and expanding distribution capabilities, all of which are fundamental to better serving our customers and positioning the Group to drive growing returns for shareholders in future.

Operational review and market environment

FY25 saw a challenging UK retail trading environment. While a number of external factors – including a very subdued garden season, heightened consumer caution, limited real wage growth (especially for our core lower-income consumer groups who also faced the end of direct government "Cost of Living" payments), and the timing of Easter – undeniably contributed significantly to B&M UK's 3.1% LFL[1] sales decline, the Group also recognises that its operational execution could have been better and this is being addressed in current trading plans.

Within B&M UK, performance in FMCG categories did not meet our internal expectations, showing negative LFL[1] performance in both sales value and units. While improvement in trading performance is required, the Everyday Low Price (EDLP) strategy remains central. Relative pricing advantages against traditional supermarkets were maintained with very limited inflation across categories sold, and on-shelf availability was good. In Q1 FY26 initiatives focusing on product ranging, in-store merchandising, and space allocation in key categories like cleaning, health & beauty, and food are being implemented to strengthen future LFL performance.

In contrast, performance in General Merchandise was more robust, with LFL volume and total volume gains achieved over the last 12 months which underpinned the Group's overall profit delivery. The business implemented a deflationary pricing strategy passing on improved sourcing terms to drive volume growth, particularly in key categories like homewares, toys, seasonal, and electricals. In the second and third financial quarter, while there was a positive customer response leading to increased volumes sold and good trading margins, the pricing approach depressed sales value growth, and this led to a LFL sales value decline in General Merchandise for the financial year. In Q4, with some range adjustments to include higher selling price products, both B&M UK LFL volumes and values grew. Q4's volume-led but balanced average selling price approach will continue into FY26.

Elsewhere within the Group, the B&M France fascia delivered a solid performance, contributing positively to overall Group growth with a total revenue increase of 7.8% (+2.6% LFL[1]), driven by positive customer transaction numbers and new stores opened during the year performing well and demonstrating the brand's potential across various formats. While investment in the distribution capabilities to enable growth impacted margins, B&M France remains a key growth driver. In the UK convenience sector, Heron Foods faced a more challenging year, with total revenues decreasing by 0.6% against tough prior year comparatives and a difficult market backdrop impacting its core customer base. Notwithstanding this, Heron Foods' revenues in FY25 are 32.8% higher than FY22, demonstrating the progress that has been made in recent years with customers and underpinning the financial returns being generated.

Strategic progress

The Group's long-term strategy remains centred upon profitable LFL[1] sales growth in B&M UK, expanding its UK store base to at least 1,200 B&M stores, and driving growth in its B&M France and Heron fascias.

In FY25, the Group continued its disciplined store expansion, opening 45 gross (36 net) new B&M UK stores. This contributed significantly to revenue growth and brought the total net new B&M UK stores over the last five years to 121, alongside 34 in France and 50 Heron Foods stores. The UK rollout program is progressing towards the long-term target of at least 1,200 B&M UK stores, with a further 45 gross openings planned in FY26.

Investment in distribution capacity also continued, with the new Ellesmere Port import centre in the UK expected to become operational in the summer to support volume growth and network optimisation. Furthermore, we successfully implemented a new warehouse management system in France – the same system as used by B&M UK – a necessary development to replace an old legacy system. The expansion of the French distribution centre is progressing, set to

increase throughput capacity by nearly 40% to support store openings in France. Focus also remains on enhancing store standards and product availability.

Following a comprehensive executive search process, the Group has announced the appointment of Tjeerd Jegen as Chief Executive Officer with effect from 16 June 2025. Tjeerd brings broad international retail experience having worked in leadership roles at Ahold Delhaize, Metro, Tesco, Woolworths, HEMA and Takko Fashion over 25 years.

The Group's future performance will inevitably also depend upon the hard work and skills of the whole B&M team – everyone from the shop floor upwards. The Group continues to work to ensure good colleague engagement, and progress is reflected in reduced store colleague turnover for the third consecutive year.

Summary

Despite operational and market challenges in FY25 the Group remains well-positioned for the future by continuing to offer customers great value on best-selling products. The business model, focused on a disciplined approach to limited-assortment value retailing and cost control, remains robust. Continued store expansion in the UK and France, supported by investments in distribution infrastructure, provides a clear path for growth.

The underlying market trend towards discount retail continues, and the Group's value proposition should resonate with consumers navigating ongoing economic pressures. Initiatives are in place to address the underperformance in FMCG categories and drive average selling prices in General Merchandise.

The Group recognises that FY26 will bring familiar retail sector-wide challenges of increased minimum wage costs, higher employee national insurance and other taxes, and also inflation on input costs. Work continues to reduce the impact of these pressures, through driving productivity improvements and sales volume growth. The impact of these additional costs and mitigations is generally well reflected in the current range and median of analyst consensus operating profit forecasts[5] for FY26.

Notwithstanding this near-term pressure, with a robust model, clear growth pathways, and targeted strategic initiatives, the Group is strongly positioned to capitalise on market opportunities and generate significant long-term value for shareholders through disciplined growth and continued cash generation.

Notes:

1. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 weeks vs. 52 weeks or 13 weeks vs. 13 weeks comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY24.
2. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 2, 3 and 4 of the financial statements for further details.
3. Adjusted return on capital employed (ROCE), is defined as adjusted operating profit (£591m) divided by the closing carrying value of property, plant & equipment (£448m), right-of-use assets (£1,159m) and software (£5m) plus net working capital (£334m). This metric represents the profit generated as a proportion of the total assets that the business has utilised in the period. Management believes that this is a useful measure to assess performance.
4. Leverage ratio (pre and post-IFRS 16) is calculated as net debt divided by adjusted EBITDA. See note 28 of the financial statements for definition and net debt (pre and post-IFRS 16) reconciliation. This is a measure of the Group's ability to meet its payment obligations and is widely used by analysts and credit rating agencies. The leverage ratio shown in the FY24 comparative is for the statutory 53-week reporting year.
5. The Group notes that current analyst consensus for FY26, according to Bloomberg on 2 June 2025, is for Group adjusted EBITDA (pre-IFRS 16) of £621m, with a range of £569m to £646m, and for Group adjusted operating profit of £585m, with a range of £524m to £628m.

The Group remains highly profitable and cash generative despite challenging sales performance

Group financial performance

The current accounting period represents the 52 weeks trading to 29 March 2025 ("FY25") and the comparative period represents the 53 weeks to 30 March 2024. To aid comparability, the headline results and associated commentary is presented on a 52-week comparable basis ("FY24").

£'m	FY25	FY24 52-week basis	FY24 53-week basis	YoY 52-week change
Revenue	5,571	5,372	5,484	3.7%
Adjusted EBITDA (pre-IFRS 16)[1]	**620**	**616**	**629**	**0.6%**
Adjusted EBITDA (pre-IFRS 16)[1] margin	11.1%	11.5%	11.5%	(35) bps
Depreciation and amortisation (pre-IFRS 16)	(92)	(80)	(82)	14.1%
Operating impact of IFRS 16*	63	66	67	(3.5%)
Adjusted operating profit[1]	**591**	**602**	**614**	**(1.8%)**
Adjusting items[1]	(24)	(7)	(7)	245.3%
Statutory profit before interest and tax	**567**	**595**	**607**	**(4.7%)**
Finance costs relating to right-of-use assets	(77)	(68)	(69)	13.3%
Other net finance costs	(59)	(39)	(40)	46.3%
Statutory profit before tax	**431**	**488**	**498**	**(11.4%)**

* includes depreciation on right-of-use assets of £181m (FY24 53-week: £176m) – FY25 total depreciation & amortisation was £273m (FY24 53-week: £258m)

Group revenues in FY25 increased by 3.7% year-on-year, (4.0% on a constant currency basis[2]), driven by revenue growth from new store performance and positive like-for-like ("LFL")[3] sales in France offsetting negative LFL performance in B&M UK and Heron Foods.

As previously disclosed, the 53rd week in FY24 included the Easter weekend. There was therefore no Easter in FY25 and this lowered our total and LFL sales performance.

Group adjusted operating costs on an underlying basis[1,4] increased by 7.2% to £1,463m (FY24: £1,365m). The number of net new stores across the Group increased by 4.6% or 55 net new stores year-on-year, with the remaining cost increases largely coming from UK minimum wage increases that have not been fully offset through productivity gains.

Group adjusted EBITDA (pre-IFRS 16)[1] increased by 0.6% to £620m, representing a margin of 11.1%. This reflects volume growth due to new store openings, offset against the increased cost pressures aforementioned and coupled with a negative LFL performances in B&M UK and Heron Foods.

Group adjusted operating profit[1] decreased by 1.8% to £591m. We have continued to invest in our asset base particularly the store estate, and as such total depreciation and amortisation increased by 8.3%. Group adjusted return on capital employed (ROCE)[5] of 30.4% however demonstrates continued efficient use of capital.

Adjusting items were a net charge of £24m, compared with £7m in the prior year. The net charge primarily relates to the costs for settlement of the Group Trading Director and costs relating to infrastructure projects carried out in the year.

As a result, statutory profit before interest and tax decreased by 4.7% to £567m partly explained above and due to the increase in adjusting items this year. Statutory profit before tax reduced by 11.4% to £431m due to increased borrowing and right-of-use asset finance costs.

Fascia overview

B&M UK

In the B&M UK business[6], total revenues increased by 3.8% to £4,483m, with LFL[3] revenues down 3.1% year-on-year. This was underpinned by total volume and value growth, from our store opening programme as we opened 45 gross (36 net) new stores, and comparatively stronger General Merchandise total volume performance.

During the first half of the year, LFL[3] revenues were down 3.6% due to unseasonal weather at the start of the first quarter which hampered the garden season, and Easter calendar effects, resulting in a Q1 LFL of (5.1)%. LFL performance improved in the second quarter to (1.9)%. H2 LFL performance was (2.6)% overall, split between (2.8)% in Q3 and (1.8)% in Q4 on a 12-week basis, after removing the distorting effect from the Easter weekend falling in the final week of FY24.

B&M UK revenues also included £30m of wholesale (FY24: £29m). The majority of wholesale sales are to our associate Centz Retail Holdings Limited, a chain of 56 variety goods stores in the Republic of Ireland.

£'m	**FY25**	FY24 52-week basis	FY24 53-week basis	YoY 52-week change
Revenue	4,483	4,320	4,410	3.8%
Adjusted EBITDA (pre-IFRS 16)[1]	**545**	**545**	**556**	**0.1%**
Adjusted EBITDA (pre-IFRS 16)[1] margin	12.2%	12.6%	12.6%	(45) bps
Depreciation and amortisation (pre-IFRS 16)	(66)	(58)	(59)	15.3%
Operating impact of IFRS 16*	51	50	51	2.7%
Adjusted operating profit[1]	**530**	**537**	**548**	**(1.3)%**
Statutory profit before interest and tax	**530**	**537**	**548**	**(1.3)%**

* includes depreciation on right-of-use assets of £141m (FY23 53-week: £136m) – FY25 total depreciation & amortisation was £208m (FY24 53-week: £195m)

Our trading gross margin[7] rose 42 bps year-on-year to 36.7% from 36.3%. This increase reflected an increase in General Merchandise sales participation and clean sell-through across both FMCG and General Merchandise, with prices for customers maintained or improved across the General Merchandise range. Statutory gross margin increased 47 bps to 37.4% from 36.9%, benefitting from favourable foreign exchange hedge accounting in the current year.

Adjusted operating costs on an underlying basis[1,6] increased to 25.0% of revenues compared to 24.0%, in FY24; an 8.1% increase on a 52-week basis or 5.9% on a reported basis. This reflected the 10% increase in the national minimum wage rate and scale effects from the 3.1% decline in LFL[3] performance.

Adjusted EBITDA (pre-IFRS 16)[1] remained flat at £545m, with a margin of 12.2% down 45 bps, due to the total volume growth, offset by an increased underlying operating cost base. Adjusted operating profit[1] was £530m with a margin of 11.8% (FY24: 12.4%) due to the above factors. Statutory profit before interest and tax for the year was £530m, down 1.3% due to the factors described above.

We are an everyday low-cost retailer that operates with a low fixed cost base and double-digit adjusted operating profit margins. This operating model allows us to drive operating leverage from volume growth from either new store openings or like-for-like trading and to offset inflationary impacts. We had previously guided to maintaining adjusted EBITDA (pre-IFRS 16) within a 12-13% range, and this was achieved in FY25 despite the LFL declines. However in FY26, our underlying fixed cost base will increase by circa £75m before mitigation as a result of minimum-wage linked cost inflation, National Insurance increases and additional packaging taxes (EPR) coming into effect from April 2025. While we will continue to work to mitigate these pressures through productivity improvements, the impact of these additional costs and mitogations are reflected in the current range and median of analyst consensus operating profit forecasts for the Group in FY26.

B&M France

£'m	FY25	FY24 52-week basis	FY24 53-week basis	YoY 52-week change
Revenue	542	503	514	7.8%
Adjusted EBITDA (pre-IFRS 16)[1]	**48**	**46**	**47**	**3.9%**
Adjusted EBITDA (pre-IFRS 16)[1] margin	8.8%	9.1%	9.1%	(34) bps
Depreciation and amortisation (pre-IFRS 16)	(12)	(10)	(10)	14.0%
Operating impact of IFRS 16*	12	12	12	3.4%
Adjusted operating profit[1]	**48**	**48**	**49**	**1.6%**
Statutory profit before interest and tax	**48**	**48**	**49**	**1.6%**

* includes depreciation on right-of-use assets of £32m (FY24 53-week: £30m) – FY25 total depreciation & amortisation was £43m (FY24 53-week: £40m)

Total revenues increased by 7.8% to £542m with LFL[3] sales up 2.6%. The business continues to benefit from positive total and LFL customer transaction numbers that have offset deflationary pricing particularly in General Merchandise categories.

The business continued its store expansion programme in a controlled manner with 11 gross new store openings. The new stores are performing well and continue to demonstrate the potential for the B&M brand to trade effectively in a wide range of geographies and formats.

Adjusted operating expenses on an underlying basis[1,6] increased by £18m to £195m which reflects the volume growth and the elevated transport and distribution costs that arose from the implementation of the new warehouse management system in the year.

Adjusted EBITDA (pre-IFRS 16)[1] increased 3.9% to £48m representing a margin of 8.8% (FY24: 9.1%). Adjusted operating profit[1] was £48m with a margin of 8.9% (FY24: 9.5%), reflecting the increased costs pressures discussed above.

Statutory profit before interest and tax for the year was £48m broadly flat year-on-year.

Heron Foods

£'m	FY25	FY24 52-week basis	FY24 53-week basis	YoY 52-week change
Revenue	546	549	560	(0.6%)
Adjusted EBITDA (pre-IFRS 16)[1]	**30**	**35**	**36**	**(15.4%)**
Adjusted EBITDA (pre-IFRS 16)[1] margin	5.5%	6.4%	6.4%	(96) bps
Depreciation and amortisation (pre-IFRS 16)	(14)	(12)	(13)	8.7%
Operating impact of IFRS 16*	(0)	4	4	(99.9%)
Adjusted operating profit[1]	**16**	**27**	**27**	**(39.1%)**
Statutory profit before interest and tax	**16**	**27**	**27**	**(39.1%)**

* includes depreciation on right-of-use assets of £10m (FY24 53-week: £11m) - FY25 total depreciation & amortisation was £23m (FY24 53-week: £23m)

Total revenues decreased 0.6% to £546m in what has been a challenging year. In each of the two preceding financial periods, Heron Foods achieved total revenue growth in the mid to high teens and therefore this year's performance must be viewed against exceptionally high comparatives, with revenues 32.8% higher than in FY22. The LFL[3] declines were moderated in part by the 14 gross (8 net) new store openings in the year, although the majority of these openings occurred in the second half of the year.

Gross margin remained broadly flat, reflecting a stable product mix.

Adjusted operating expenses on an underlying basis[1,6] as a % of revenues increased to 26.3% from 25.4% due to inflationary pressures on store wages from the rise in the national minimum wage.

Adjusted EBITDA (pre-IFRS 16)[1] decreased by 15.4% to £30m, with a margin of 5.5%, a result of the decline in revenues and reflects the 10% increase in the national minimum wage rate. Adjusted operating profit[1] was £16m.

Statutory profit before interest and tax for the year was £16m, a decline of 39.1% from the prior year which reflects the scale effects from the decline in revenue and due to the factors mentioned above.

Adjusting items

Adjusting items are excluded from our adjusted EBITDA (pre-IFRS 16)[1] and adjusted operating profit[1] performance by virtue of their size and nature to provide a helpful perspective of the year-on-year performance of the Group. Total adjusting items in statutory profit before interest and tax result in a charge of £24m.

£'m	2025	2024 (52-week)
Profit before interest and tax	**567**	595
Group Trading Director settlement	**12**	–
Significant property transactions	**5**	9
Non-underlying impact of foreign exchange	**3**	(2)
Significant infrastructure projects	**4**	–
Adjusted operating profit[1]	**591**	602

In the current year, there was a £12m charge due to the earlier settlement of arrangements with the Group Trading Director; no further costs will be incurred in FY26 under these arrangements though the Group Trading Director will continue to be available as a consultant in the first half of the financial year as previously disclosed. The costs of this agreement are considered adjusting as they are not representative of normal employment costs for the Group's executive management team. The underlying results for the financial year included the salary and AIP costs for both Trading Directors employed throughout the year.

Significant property transactions relate to the cost of acquiring options from administrators and incremental pre-opening costs during the period of landlord lease negotiations until fit out commencement. These costs were for the remaining ex-Wilko stores (£3m) and for the new ex-Homebase stores acquired this year (£2m). Normal costs of pre-opening have been charged to the underlying profit result.

Significant infrastructure projects includes £1m of pre-operational costs relating to the Ellesmere Port import centre, with a further £3m in relation to disruption costs incurred from building and implementing the technical infrastructure to enable the French distribution centre expansion project to proceed.

We also incurred £1m in costs in FY25 associated with the planned redomicile of the Group from Luxembourg to Jersey or Ireland. Given limited size, in FY25 these have not been treated as adjusting items, however FY26 costs for redomicile are expected to be larger and will therefore be treated as adjusting items.

Further detail on adjusting items can be found in Note 3, starting on page 117 of the financial statements.

Group net finance costs

Adjusted net finance charges[1] for the year, excluding IFRS 16, were £59m, an increase of £20m year-on-year due to annualising higher interest charges on the £250m November 2023 bond at 8.125% and issuing a new £250m bond with an interest rate of 6.500% in November 2024. We expect finance costs in FY26 to increase due to annualising a full year's interest charge on the £250m November 2024 bond which is £94m greater in size and attracts a higher coupon compared to the £156m 3.625% remaining stub of the £400m bond replaced.

Notes:

1. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 2, 3 and 4 of the financial statements for further details.
2. Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
3. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 weeks vs. 52 weeks or 13 weeks vs. 13 weeks comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY24.
4. Adjusted operating expenses on an underlying basis excludes foreign exchange, one-off income, depreciation and amortisation. This adjusted measure is considered a more meaningful metric to the users of the accounts as this is the cost base used by management to commercially monitor performance. Group non-underlying items include B&M UK's foreign exchange losses in relation to derivative adjustments of £9m (FY24: £12m charge). Group adjusted operating costs, excluding depreciation and amortisation, as a % of revenues increased to 26.4% from 25.6%.
5. Group adjusted return on capital employed (ROCE), is defined as adjusted operating profit (£591m) divided by the closing carrying value of property, plant & equipment (£448m), right-of-use assets (£1,159m) and software (£5m) plus net working capital (£334m). This metric represents the profit generated as a proportion of the total assets that the business has utilised in the period. Management believes that this is a useful measure to assess performance.
6. References in this announcement to the B&M UK business include the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
7. Trading gross margin is considered to be a meaningful measure of profitability as it refers to the measure of gross margin used by management to commercially run the business. It differs to the statutory definition for B&M UK, which increased 47 bps from 36.9% to 37.4%, due to technical accounting adjustments in relation to the allocation of gains and losses from derivative accounting, storage costs and commercial income.
8. Net capital expenditure includes the purchase of property, plant and equipment, intangible assets and proceeds from the sale of any of those items. These exclude IFRS 16 lease liabilities. Capex shown in the FY24 comparatives is for the statutory 53-week reporting year.
9. Post-tax free cash flow is an Alternative Performance Measure. Please see note 3 of the financial statements for more details and reconciliation to the consolidated statement of cash flows. Statutory Group cash generated from operations was £784m (FY24 53-week: £862m). This statutory definition excludes payments for leased assets including the leasehold property estate. Post-tax free cash flow shown in the FY24 comparatives is for the statutory 53-week reporting year.
10. Leverage ratio (pre and post-IFRS 16) is calculated as net debt divided by adjusted EBITDA. See note 28 of the financial statements for definition and net debt (pre and post-IFRS 16) reconciliation. This is a measure of the Group's ability to meet its payment obligations and is widely used by analysts and credit rating agencies. The leverage ratio shown in the FY24 comparative is for the statutory 53-week reporting year.
11. Dividends are stated as gross amounts before deduction of Luxembourg withholding tax which is currently 15%.

The interest charge relating to lease liabilities under IFRS 16 was £77m (FY24: £68m) due to the additional leases associated with the store opening programme and higher discount rates in recent years.

Group tax

The tax charge in FY25 was £112m reflecting lower profits year-on-year and is an effective rate of 26%, this is also the effective rate we expect for FY26.

As a Group, we are committed to paying the right tax in the territories in which we operate. The B&M UK business paid taxes totalling £633m in FY25, including £264m relating to those taxes borne directly by the company such as corporation tax, customs duties, business rates, employer's national insurance contributions and stamp duty and land taxes. The balance of £369m are taxes we collect from customers and employees on behalf of the UK Exchequer, which includes value added tax, pay as you earn and employee national insurance contributions.

Profit after tax and earnings per share

Statutory profit after tax was £319m which was £48m lower year-on-year. Statutory diluted earnings per share was 31.8p (FY24: 36.5p), 13.0% lower year-on-year due to increased adjusting items and interest charges and the additional week in the prior period.

Adjusted diluted earnings per share[1] was 33.5p (FY24: 35.9p), 6.7% lower on a 52-week comparable basis due to increased depreciation and a higher interest rate environment. Adjusted profit after tax (pre-IFRS 16)[1], which is also reported to allow investors to better understand the operating performance of the business (see note 3 of the financial statements), was £347m (FY24: £362m), and the adjusted (pre-IFRS 16) fully diluted earnings per share[1] was 34.5p (FY24: 36.0p).

Capital expenditure

Group net capital expenditure[8] totalled £111m this year (FY24: £124m). Investment included £53m spent on 70 gross new stores across the Group's fascias (FY24: £59m on 78 stores) and a net £25m on infrastructure projects to support the continued growth of the business (FY24: £31m). There was also investment of £33m on maintenance works to ensure that our existing store estate and distribution centres are appropriately invested (FY24: £34m).

Post-tax free cash flow[9] and net debt[10]

Post-tax free cash flow[9] of £311m (FY24: £382m), was driven by lower profit before tax. Our total working capital outflow was £64m moderately higher than previously expected, reflecting inventory growth from the two-week longer container shipping times, ensuring good on-shelf availability and increased stock holding from the Group's additional stores. Looking ahead, we expect our stock levels to grow at the rate of the sales growth due to the store rollout programme.

Net debt (pre-IFRS 16)[10], increased to £781m (FY24: £737m) due to the additional £250m bond issued in the year. The net debt (pre-IFRS 16)[10] to adjusted EBITDA (pre-IFRS 16)[1] leverage ratio was 1.26x (FY24: 1.17x). Net debt (including IFRS 16 lease liabilities)[10] was £2,210m (FY24: £2,094m) meaning our net debt to adjusted EBITDA (post-IFRS 16)[1] ratio was 2.56x, an increase on the previous year (FY24: 2.40x).

Dividends

The Group continues to be highly cash generative despite higher working capital and a decline in LFL performance. During the year, the Company declared and paid an interim ordinary dividend of 5.3p[11] per share in addition to a special dividend of 15.0p[11] per share. Subject to approval by shareholders at the AGM on 22 July 2025, a final ordinary dividend of 9.7p[11] per share will be paid on 1 August 2025 to shareholders on the register of the Company at the close of business on 27 June 2025. The ex-dividend date will be 26 June 2025.

The Board has in place an agreed long-term capital allocation policy that provides a framework to help investors understand how the Group will evaluate opportunities to invest and support the growth of the business relative to incremental return of capital to shareholders.

The dividend policy targets an ordinary dividend pay-out ratio of between 40% to 50% of net income on a normalised tax basis. The Group generally aims to pay the interim and final dividends for each financial year in proportions of approximately one-third and two-thirds of the total annual ordinary dividend respectively.

Mike Schmidt
Chief Financial Officer
and Interim Chief Executive Officer
3 June 2025

KPIs

The Board manages the Group's performance by reviewing a number of key performance indicators ("KPIs"). The KPIs are discussed in the Business review and the Financial review.

Financial

Group revenue
£5.6bn
3.7% (2024 52-weeks: £5.4bn)

Why is it important?
The Board considers that this measurement is a key indicator of the Group's growth. Sustainable growth in revenues is important to our business model.

B&M UK LFL growth[1]
-3.1%
(673) bps (2024: 3.7%)[5]

Why is it important?
By monitoring the ongoing LFL trading performance at both store and product level, we are able to track progress and monitor performance of our existing store estate.

Group adjusted EBITDA (pre-IFRS 16)[2]
£620m
0.6% (2024 52-weeks: £616m)

Why is it important?
In addition to growing revenues and opening new stores, we have a clear focus on ensuring that our growth is profitable. We measure profitability by our adjusted EBITDA (pre-IFRS 16) performance. See Notes 2, 3 and 4 of the financial statements for further details.

Group adjusted operating profit[2]
£591m
-1.8% (2024 52-weeks: £602m)

Why is it important?
In addition to growing revenues and opening new stores, we have a clear focus on ensuring that our growth is profitable. We measure profitability through our adjusted operating profit performance which incorporates IFRS 16 adjustments. See Notes 2, 3 and 4 of the financial statements for further details.

Post-tax free cash flow[3]
£311m
-18.5% (2024: £382m)[5]

Why is it important?
The Group is highly cash generative, capable of delivering high returns from a relatively low capital intensity. By monitoring this free cash flow metric, we are able to actively manage our working capital needs, meet our cash commitments and invest in the business and allocate any surplus in line with our capital allocation policy.

Return to shareholders[4]
£300m
-13.6% (2024: £347m)[5]

Why is it important?
Returning cash through ordinary and special dividends is an indicator of the Group's profitability and clearly demonstrates our ability to return cash which is important to our shareholders.

Non-financial

Number of Group gross store openings
70
-10.3% (2024: 78)

Why is it important?
This measure is an indicator of the Group's growth. Store growth is a key strategy and there remains plenty of runway potential ahead in both the UK and France across all fascias.

Total Group average retail selling space sq ft
21,500
5.9% (2024: 20,300)

Why is it important?
This measure is an indicator of the Group's growth. The Group's store growth strategy can sometimes result in the closure of one store, to be replaced by a much larger store in the same catchment area. Therefore this is a key indicator.

1. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 week vs. 52 week or 13 week vs. 13 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY24.
2. Adjusted values are appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 2, 3 and 4 of the financial statements for further details.
3. Post-tax free cash flow is an Alternative Performance Measure. Please see note 3 of the financial statements for more details and reconciliation to the Consolidated Statement of Cash Flows.
4. Based on dividends paid in the Consolidated Statement of Cash Flows.
5. The 2024 comparatives are the statutory full financial year figures as reported on a 53-week basis, unless otherwise stated.

B&M's risk management framework

Appropriate management of business and external risks is an essential part of operating the Group effectively and creating value for stakeholders over the long term. In this section we provide an overview of the Group's approach to risk management alongside an assessment of the Group's principal risks and mitigating controls, highlighting any changes during the period.

The Board has overall responsibility for the management of risk and the identification of principal risks that may affect the Group's operations, financial performance or strategic objectives. The Group's risks and mitigations are monitored and controlled by executive management. The Chief Financial Officer ensures that each principal risk has an executive owner and coordinates the regular review process by the Board, and also the Audit & Risk Committee as part of their oversight of the Group's system of internal controls. Given the relative importance of the Group's UK activities, responsibility for the principal risks is consistently led by UK executive management. Where a risk materially affects French and Heron operations, for example cyber security, then that executive owner will also coordinate with local executive management counterparts, and the Group will adopt a consistent Group-wide risk tolerance.

The Group's Internal Audit function, led by the Head of Internal Audit, also assesses the ongoing business risks of the Group. It reports on the effectiveness of internal control procedures to the Audit & Risk Committee. In assessing risk, it considers the Group's risk mitigating actions and provides recommendations to management to improve business processes and limit their exposure to risk.

The Group's approach to reviewing risk appetite is part of a bi-annual risk management cycle, which is used to drive and inform actions in relation to the principal risks identified by the Board. The executive management risk owners prepare a written update for the Board, which summarises internal and external developments in the risk environment. This update is then discussed at the Board, together with the output of a horizon scanning exercise conducted by Internal Audit. As part of that risk review process, the Group's appetite for risk is also defined with reference to the expectations of the Board for both commercial opportunity and internal control. This is then used by the Board to ensure executive management are mitigating and eliminating risk exposure on a timely basis, in line with Board expectations and for setting the Group's internal audit plan each year. The Audit & Risk Committee is responsible for ensuring any material controls in place as part of the Group's risk mitigation are effective. They are formally reviewed once per year, but will also be addressed through the regular and more frequent Internal Audit review process.

Assessment of risks

The Directors confirm that they have made a robust assessment of the emerging and principal risks and uncertainties facing the Group, including those that would threaten its business model, future performance, or solvency. A summary outcome of that assessment is set out in the heat map overleaf.

The heat map indicates the Board's view of the likely degree of impact of each risk after taking into account the risk mitigations referred to in the principal risks table.

Risk framework

Principal risks table

The table below describes (i) the main risk exposures identified by the Board in relation to our Group businesses, (ii) the mitigating factors which relate to how the Group manages each of the risk exposures, and (iii) the linkage between the business strategy and the relevant risk exposures. The Group summarises (where relevant) key actions arising in the year in relation to how the Group has addressed certain aspects of these risks. The Group has also indicated where there were any changes in the profile of any of the risks, which reflects the Board's view of the current trend in relation to those risks.

The risks set out in the table are not exhaustive but represent the main risks to the Group in relation to the period under review.

Key changes to principal risk disclosures

The Board has conducted a thorough review of all of the principal risk areas as part of its risk management approach. As outlined below, the Board concluded the Group has an increased risk exposure in five areas and a decreased exposure in one area. However, in each of these increased risk areas, the Board continues to view its risk exposure as being within tolerance, based on the mitigations that the Group already currently has in place.

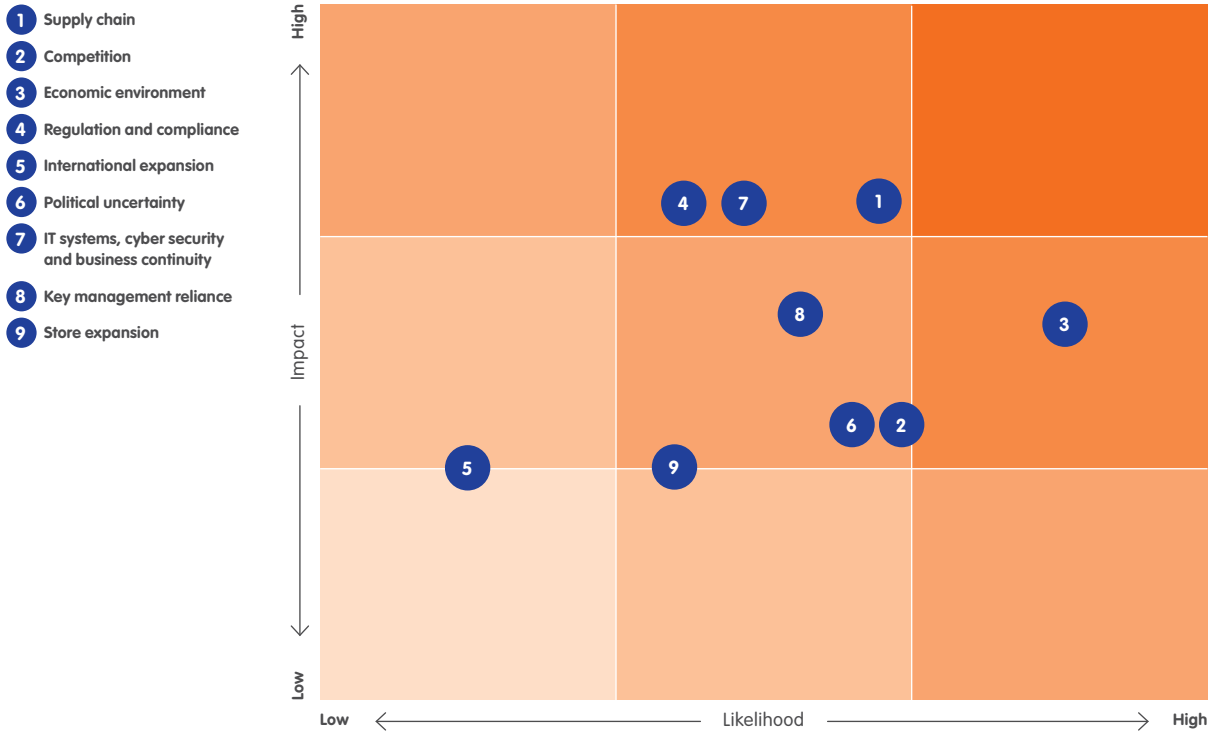
The Board has identified three areas where the Group's risk appetite is different from the current risk exposure. These three areas are:

- Regulation and Compliance where we are working to reduce the likelihood of an issue to being "low";
- IT systems, cyber security and business continuity where we are working to reduce the potential impact from "High" to "Medium" and to reduce likelihood from "Medium" to "Low"; and
- Key management reliance where we are working to reduce the potential impact from "Medium" to "Low".

In all three of these areas, active work plans are in place, monitored by the Board, to reduce the Group's risk exposure over time and the Directors continue to be satisfied that reasonable progress is being made.

Climate change and ESG continue to be significant topics within our risk management discussions. We, however, do not view the subject matter as a distinct area that requires separate executive management and focus, but instead believe that it is important that our executive team embed ESG considerations as part of routine business as usual activities. We coordinate and facilitate all our activity around ESG matters through our in-house sustainability manager and also through the support of specialist external consultants.

Principal risks heat map



Principal risks and uncertainties continued

Link to strategy key

- 1 Existing B&M UK stores
- 2 New B&M UK stores
- 3 France growth
- 4 Heron Foods growth

Risk change key

- ↑ Increased risk
- – No change
- ↓ Decreased risk

1 Supply chain

Description and potential impact

Imported goods from China and other Far East countries represent a very significant proportion of the Group's General Merchandise products, and we have material dependence on the continuing smooth flow of these supply sources.

Any lead time delays in the supply chain could result in lower sales and potential loss of margin through reduced availability and/or higher markdowns if goods arrived out of season. Disruption could arise from a wide range of hard-to-anticipate factors including war, civil unrest, natural disasters, disease pandemics and ethical trading issues.

In particular, the Group notes the rising tensions between China and the United States following the imposition of tariffs that is leading to normal container shipping flows to US ports being disrupted. Any consequential changes or delays to China/Europe shipping routes could impact on-shelf availability. Furthermore a rise in tension or hostilities between China and Taiwan could cause disruption to our Chinese sourcing channels and require a material proportion of our General Merchandise ranges to be switched to potentially less efficient manufacturers in different regions.

Strategic priority: 1 2 3 4

Change: ↑

Risk mitigations

- The Group has an experienced buying team which is responsible for maintaining an efficient and effective supply chain.
- A range of alternative supply sources are maintained across the product categories, we have explored alternative countries of sourcing, and (subject to a general reliance on China-based merchandise manufacturers) we are not reliant on any one single manufacturer.
- The Group has anti-bribery and corruption and anti-modern slavery and human trafficking policies in place in relation to its supply chain.
- A combination of individual buyers and sourcing agent employees conduct supplier factory visits.
- Our import supply chain management system includes a multi-carrier option, enabling us to utilise multiple shipping line options across all trade lanes, where necessary.

Key actions in 2024/25

- Stock cover in the B&M business on General Merchandise imported goods ensures levels of inventory are adequate to meet periods of supplier delay. This cover was increased in the first half of the 2025 financial year.
- Continued review of supplier social compliance processes by our sustainability manager to monitor transparency in the supply chain.
- Working with suppliers and freight forwarders to forecast and remain vigilant in relation to challenges regarding the transportation of goods:
  - Ongoing development of an enhanced forecasting system to predict the volume of product sales and improve ordering accuracy.
  - Development of new processes and enhanced systems to provide better visibility of the flow of stock through our system.

2 Competition

Description and potential impact

The Group operates in highly competitive retail markets in the UK and France which could materially impact the Group's profitability, share price and limit growth opportunities.

During FY25 the Group has seen LFL declines in UK revenues in FMCG while the market has seen revenue growth overall. The Group is working to address this trend and if it continues it will impact the Group's profits and profit margins.

Strategic priority: 1 2 3 4

Change: ↑

Risk mitigations

- Continuous monitoring of competitor pricing, store formats and product offering.
- Development of new product ranges within the product categories to identify new market opportunities and target new customers.

Key actions in 2024/25

- The Group has continued to operate its price benchmarking approach to ensure ranges are priced competitively and in line with historical levels of discounts compared to competitors.
- To improve benchmarking of the Group's performance relative to the broader market, the Group has begun to monitor credit card transaction data, and other market data reference points. This should allow the Group to identify and respond faster to changing market dynamics.
- Around half of the Group's revenues in the period continues to come from, typically essential, food and FMCG goods. This has allowed the Group to remain insulated from any downturn in consumer spending and resilient against our competitors whilst continuing to meet our customers' needs.

3 Economic environment

Description and potential impact

A reduction in consumer spending, as a result of either consumer confidence levels or prevailing macroeconomic conditions, could impact upon revenue and profitability. In FY25 decline in confidence has been particularly visible in the lower income customer groups that the Group performs particularly well with.

Inflation manifesting itself though increases in raw material, fuel and wage costs could adversely affect the profitability of the business.

Strategic priority: 1 2 3 4

Change: ↑

Risk mitigations

- We have a dynamic forecasting process that enables operating actions to be rapidly implemented reflecting economic conditions.
- We offer a range of products and price points for consumers which allows them to trade up and down.
- We maintain a low-cost business model that allows us to maintain our selling prices as low as possible and our pricing gap to key competitors.

Key actions in 2024/25

- Management has continued to proactively respond to changing sales patterns throughout the year, adapting its cost base, product ranging and promotion in stores.

4 Regulation and compliance

Description and potential impact

Strategic priority: 1 2 3 4

Change: ↑

The Group is subject to a range of regulatory and legislative requirements, including those relating to the importation of goods, pricing, anti-bribery and corruption, anti-modern slavery, anti-tax avoidance and evasion, health and safety, employment law, general data protection regulation ("GDPR"), control of pollution and contamination to the environment, the Listing Rules, Transparency laws and regulations and the Groceries Supply Code of Practice (the "Groceries Code"). The requirements that the Group is subject to continue to grow, in particular in relation to environmental legislation, worker rights and also the UK and EU's customs approach following Brexit. The impact of failure to comply with laws and regulations could lead to financial penalties and significant reputational damage.

Risk mitigations

- The Group has a number of policies and codes, including a code of conduct which incorporates an anti-bribery and corruption policy, which outlines the mandatory requirements we apply to our business. Our codes and policies are communicated to staff along with our employee handbook which is made available to everyone joining the business.
- We actively seek to identify and manage compliance with all applicable new legislation and regulations which apply to us in Luxembourg, the UK and France. Reports on new regulatory developments are provided by the General Counsel and management directly to the Board as well as its Committees. The Internal Audit function of the Group includes assurance testing and auditing of the Group's implementation of new areas of regulatory compliance.
- We have a whistleblowing procedure and policy which allows colleagues to confidentially report any concerns or inappropriate behaviour within our business.
- In relation to anti-modern slavery and other standards relating to human rights within our supply chain, the buying teams are charged with ensuring that every supplier adheres to our Workplace Policy standards.
- The Company has a Group-wide GDPR policy and all associated materials are reviewed to ensure they are GDPR compliant.
- Our Groceries Code compliance programme includes guidance and training for colleagues, monitoring of compliance, reporting of potential non-compliance issues, dispute resolution procedures and a Code Compliance Officer who oversees compliance and the resolution of code-related issues with suppliers. Oversight of our compliance with the Grocery Code is carried out by management and reviewed by the Audit & Risk Committee as a standing agenda item at each of the meetings of that Committee throughout each year.

Key actions in 2024/25

- The Group has reviewed all its compliance policies and procedures to maximise effectiveness and ensure they are fully up to date with applicable regulations.
- Mandatory training for all management and support centre colleagues using an e-learning portal has continued throughout the year.
- Our Groceries Code Compliance Officer and Group Internal Audit team have actively engaged during the year with the Groceries Code Adjudicator ("GCA") in relation to our action plans and follow-up work during the year.
- The Group has continued reporting in line with the Task Force on Climate-related Financial Disclosures ("TCFD"), and has commenced preparations for upcoming changes in UK and EU reporting legislation.

5 International expansion

Description and potential impact

Strategic priority: 3

Change: ↓

Developing our businesses in new market territories, in particular France, is important to the Group's strategic plans. This expansion into France creates additional challenges and risks which could impact the overall performance of the Group, its growth and profitability. The Group operates in a highly competitive retail market in France which could materially impact the Group's profitability, share price and limit future growth opportunities.

Risk mitigations

- The Group has international retail experience on the Board.
- Continued reinforcement and development of the experienced senior leadership teams in France in key operational areas.
- Given insight, relationships and sourcing scale, UK support is provided for product range development and selection by local buying teams.
- The Group continues to invest in both the infrastructure and technology of our French business.
- Given differences in local laws and regulations, external legal support, with strong local relevant experience, is retained in place.

Key actions in 2024/25

- We continued to strengthen the senior leadership team in France and continued the involvement of management from the UK to transfer operational knowledge to colleagues in France.
- We have continued to open additional stores, increasing the scale and presence from which we operate.
- A Board visit was organised to the French business, including presentations by the executive team, to ensure that Directors understand first hand the trading environment and management perspectives.

The French business continue to trade profitably and has made progress with its infrastructure development through the upgrade of its warehouse management system ahead of planned distribution centre expansions next year.

6 Political uncertainty

Description and potential impact

Upcoming elections across the world create an increased likelihood for governments to adopt different regulatory approaches, political stances and fiscal policies. Imposition of trade tariffs by the US has increased political tension and could trigger a broader "trade war". There is also a growing risk of further armed conflict in Eastern Europe and rising tension between China and Taiwan, and more recently between India and Pakistan. This could impact consumer certainty and thus our revenue growth as well as our supply chain and operating costs, thereby affecting the profitability and cash generation of our operations.

Strategic priority: 1 3 4

Change: –

Risk mitigations

- Changes in the operating environment are likely to affect all participants in the retail industry.
- The Group's business model has been proven to trade well through all economic environments, and has tended to outperform other industry participants in weak market environments.
- Operating costs are tightly managed, and the Group maintains dynamic monitoring of its trading, in order to respond to the market environment.

Key actions in 2024/25

- Executive management and the Board regularly review market commentary to understand the changing political landscape.
- Regular Board discussions on the political and regulatory environment.

7 IT systems, cyber security and business continuity

Description and potential impact

The Group is reliant upon key IT systems, and disruption to such systems would adversely affect business operations including those at the distribution centres and stores. The potential impact of a failure to protect and maintain our data and systems could lead to significant business disruption, reputational damage and in the case of a loss of personal data, potential prosecution. This also applies to any failure to protect the Group's IT systems and data from viruses, cyber invasive threats, corruption or sabotage.

Strategic priority: 1 2 3 4

Change: –

Risk mitigations

- All critical business systems have third-party maintenance contracts in place and those systems are industry standard retail business systems.
- IT investments and budgets are reviewed and approved at Board level. IT security is monitored at Board level and includes third-party penetration testing and up-to-date security software.
- The Group has a disaster recovery strategy and plan in place for all of our key systems.
- Significant decisions for the business are made by the Group or operational boards with robust IT controls and segregation of duties enforced.

Key actions in 2024/25

- Review of cyber security approach in light of high profile attacks on UK retailers.
- Continued tightening of the Group's cyber posture with introduction of common Group-wide security standards and security platform.
- Ongoing investment in the Group's technology replacement cycle ensuring hardware and software remains within support.
- Disaster recovery approach continues to be enhanced with upgrades to back-up, network and testing implemented during the year.

Principal risks and uncertainties continued

8 Key management reliance

Description and potential impact

The Group is reliant on the high quality and ethos of the executive team as well as strong management and operational teams. There is a risk that a lack of succession planning for senior colleagues could impact the overall performance of the business. This risk has been assessed to increase given the retirement in FY26 of the Group's Chief Executive Officer and also the Group Buying Director.

Strategic priority: 1 2 3 4

Change: ↑

Risk mitigations

- Key senior and operational management are appropriately incentivised through bonus and share option arrangements to retain talent.
- The composition of the executive team is kept under constant review to ensure that it has the necessary resources and skills to deliver the Group's plans.
- The Nomination Committee reviews succession plans for the Board of Directors and key senior operational management resourcing positions as well as the wider senior management resourcing needs of the Group.

Key actions in 2024/25

- Succession planning has been regularly reviewed by the Nomination Committee throughout the year ensuring succession plans for key senior management through to executive positions.
- The Group has continued to develop the senior management teams of its businesses. This has included ensuring that senior leaders have exposure at the Board and supporting key executives with external leadership training.
- Succession plans have been enacted in light of the retirement of both the Chief Executive Officer and the Group Buying Director.

9 Store expansion

Description and potential impact

The ability to identify suitably profitable new store locations is key to delivering our growth plans. Failure to identify suitable locations in areas targeted for new stores could impact upon store expansion plans and reduce the rate of growth in the business.

Strategic priority: 2 3 4

Change: –

Risk mitigations

- Our senior management actively monitor the availability of retail space with the support of internal and external property acquisition consultants.
- The flexibility of the trading format allows us to take advantage of a range of store sizes and locations.
- Each new store opening is approved at CEO level ensuring that property risks are minimised and that lease lengths are appropriate.
- Where new locations may impact on existing locations, the cannibalisation effects are estimated and then monitored and measured to ensure that there is an overall benefit to the Group.

Key actions in 2024/25

- The Group has continued to proactively screen the market for new location opportunities and to also respond swiftly to enquiries. The market is also monitored for opportunities arising from retailer corporate actions (e.g. insolvencies such as that of Homebase).
- Sales densities are measured routinely across all three businesses to ensure that new store space sales densities are accretive to the overall Group. The Group continues to review new store opening opportunities in current store locations, to replace older generation stores with better quality sites and premises, and via acquisition of adjacent space to expand stores and optimise performance.

Viability Statement

In accordance with the UK Corporate Governance Code, the Directors have assessed the viability of the Group. This assessment has been based upon the Group's three-year strategic plan (the "plan") and has taken into account the current position of the Group, the principal risks and uncertainties as detailed on pages 22 to 29 of the strategic report and the Group's prospects.

We set out our strategic plan on a three-year cycle, which is common practice in the retail sector. We believe this is appropriate as we operate in a competitive retail environment and need to be able to react to changes in retail markets and consumer trends. Given the fast-moving nature of the retail industry and macro-economic environment, and the lack of long-term contracts and typically rapid investment cycles, the board believe that forecasting beyond a three-year period is an unproductive exercise, and note that this is consistent with the approach of many of our analysts.

In making their assessment the Directors considered:

- the Group's current balance sheet, its strong track record of generating operational cash flows and returns to shareholders and stress testing of the key trading assumptions within the Group's plan;
- the Group's published strategy for growth, that encompasses driving UK like-for-like performance, UK new store roll-out and the continued growth of Heron Foods and B&M France;
- the potential impact on the Group's business model, future trading expectations and liquidity of one or more of the principal risks set out on pages 27 to 32 occurring in the period;
- the likely degree and effectiveness of possible mitigating actions in relation to the principal risks; and
- the Group's debt facilities of £450m in relation to the term loan and revolving credit facility which matures in March 2030, the redemption of the £156m high yield bond outstanding which matures in July 2025 and the three long-dated high yield bonds of £250m each maturing in November 2028, 2030 and 2031 respectively.

The stress testing undertaken included the flexing of a number of key assumptions within the three year plan, namely future revenue growth, including both like-for-like revenues and revenues from the new store openings, gross margins, operating costs, the impact of interest rates and working capital management, which may be impacted by one or more of the principal risks to the Group.

A number of other severe but plausible scenarios were considered by the Board. They included:

- a decline of 10% of like-for-like annual sales and a 50% reduction in planned store openings in the Group's main UK trading business, B&M UK, as a result of competition increasing;
- a significant decline in the gross margin of the Group's main UK trading business due to higher costs of imported goods arising from commodity price increases, increases in import duties and adverse currency exchange movements; and
- a range of other severe scenarios which could have a material impact on the Group's main UK trading business, including for example, a major fire at one of its distribution centres, cyber threats and significant cost inflation.

The Board considered the mitigating steps which they would take to protect the Group in the event of any of those scenarios arising, and determined that the following measures would be necessary to protect its cash flow and liquidity:

- the temporary suspension of dividend payments;
- limiting capital expenditure to essential maintenance only; and
- suspension of new store opening programmes.

The Board has also considered reverse stress-testing to determine the extent to which cashflows would need to deteriorate before fully utilising the Group's funding headroom.

Each of the above scenarios exceed the impacts of principal risks which the Group has encountered in its trading experience to date. Based on the assessment, stress testing and mitigating actions referred to above, the Directors confirm they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next three years to 25 March 2028.

Corporate social responsibility

Our Environment, Social and Governance (ESG) strategy is based around the four pillars of Environment, Colleagues, Communities and Supply Chain. We continue to make progress in delivering against the targets that underpin our strategy across our UK and France operations.

Table 1: Our key ESG objectives, targets and progress made in FY25

Objective	Target(s)	FY25 Progress
Environment		
Reduce absolute Scope 1 and 2 carbon emissions by 25% by 2030 against a FY21 baseline	• Install light-emitting diode ("LED") lighting in all B&M UK stores by FY27. • Maintain building energy management systems (BEMS) penetration in B&M UK stores.	• Our Scope 1 & 2 emissions increased by 2.1% since FY21 (baseline). An annual average reduction of 4.9% is required to meet the scope 1 & 2, 25% reduction by 2030 target. • BEMS were installed in 144 B&M UK stores. As part of the AI installation in FY25, 88 stores are in the process of being fitted with Light Emitting Diode ("LED") lighting (see page 32 for more information).
Reduce Scope 3 emissions through working with our suppliers	• Engage with 67% of suppliers, by spend, to set science-based targets by FY27.	• Identified 60 additional suppliers to be engaged with in Q1 FY26. We have already engaged with 100 suppliers (61% of spend).
Net zero by 2040 against a FY21 baseline	• Minimum 90% reduction in absolute Scope 1 & 2 emissions by 2040, from a FY21 baseline. • Reduce absolute Scope 3 emissions by 90% in the same time period.	• Scope 1 & 2 emissions have increased by 2.1% since our FY21 baseline, and by 3.1% since FY24. Scope 3 emissions have increased by 6.2%, since our FY21 baseline, and by 17.87% since FY24. Annual reductions of 4.9% for Scope 1 & 2 and 6.0% for Scope 3 are required FY26 onwards to meet our targets.
Maintain a high level of packaging recycling and reduce use of plastic packaging	• Maintain or improve recycling rate annually.	• Continued to develop innovative ways to reduce plastic packaging. In FY25, our packaging recycling rate was 78.4%.
Colleagues		
Provide colleague development and promotion opportunities through a range of training programmes	• Maintain >90 "Step Up" promotions per annum.	• We redesigned our career development programme and launched "Pathway", supporting 1,156 colleagues with succession and personal progression (see page 33).
Maintain high levels of colleague engagement across the Group	• Maintain engagement rates annually.	• In FY25, 94% of B&M UK colleagues were invited to respond to the employee survey, with a 40% response rate, representing a 25% year-on-year increase in responses.
Develop a diverse and inclusive workforce	• To maintain a female representation, at the Board and Exco, level above 40%. • To increase ethnic diversity in senior management (defined as Heads of Department) to at least 10% by the end of FY27.	• 42% of our senior management, reporting either directly to the Board or the Executive Committee were female. 9% of Exco were female. • 55% of all colleagues across the Group were female.
Reward strong business performance through payment of discretionary bonuses to Store, Distribution and Support Centre Managers communities	• Continue our annual bonus scheme which equates to a % of an employee's salary and paid annually. • Maintain our Golden Quarter bonus scheme, rewarding both individual excellence and team performance. Bonuses are awarded based on increased sales during the designated period, with a particular focus on growth in best-selling products.	• B&M continued to provide performance-based bonuses for managers and provide rewards for team members.
Maintain safe and clean working environments in stores, distribution centres, and transport operations. Provide access to resources supporting colleague well-being	• Maintain.	• The Group continued to maintain safe and clean working environments for stores, distribution centres and transport operations (see page 34) • B&M continue to provide all relevant training to all new recruits and conduct relevant reviews every six months for all other colleagues (see page 33)
Communities		
Committed to a target of at least 1,200 B&M stores in the UK	• Reach at least 1,200 stores in the UK. In FY25, the Group had 1,120 stores in the UK and 135 stores in France.	• Heron Foods opened 14 gross new stores in FY25. • B&M UK opened 45 gross new stores in FY25. • B&M France opened 11 gross new stores in FY25.
Contribute to the regeneration of local communities through the creation of new jobs	• Creation of new jobs is linked to new store openings.	• In FY25, approximately 1,933 new UK retail jobs were created. 1,764 job offers were made following local Jobcentre recruitment for new store openings.
Provide value-for-money products and services to our customers	• Maintain always.	• Continue to offer grocery and general merchandise at materially better value than mainstream supermarkets and specialist general merchandise retailers.
Support local and national charitable initiatives	• Maintain the Group's ongoing charitable initiatives.	• B&M UK donated £22,500 to Cash for Kids, plus 181 pallets of stock to various charities. • Heron Foods raised £77,318 for Cash for Kids and other causes. • B&M France contributed €367,292 worth of goods to local associations.
Supply chain		
Committed to ensuring ethical business practices and the fair treatment of workers in our supply chain	• Maintain engagement with suppliers to ensure ethical practices. Our supplier engagement target is to have 67% of suppliers (based on spend) to set science-based targets, which has been validated by the Science Based Targets initiative (SBTi), by FY27.	• In FY25, the Group engaged with its largest suppliers on ethical conduct, including modern slavery and anti-corruption policies, and Heron Foods communicates the same policies to all new and existing suppliers annually. • Introduced an ESG supplier questionnaire to assess GHG emissions and sustainability practices.
Build long-standing, fair relationships with suppliers. Pay suppliers promptly and treat them respectfully. Maintain a zero-tolerance stance on bribery and corruption	• Maintain B&M UK trade creditor days of <35.	• B&M UK trade creditor days: 16.
Ensure products sourced are safe, compliant with regulations, and fit for purpose. Utilise sustainable or recycled materials in own-brand products where feasible	• Maintain.	• Continue to provide safe, sustainable and compliant products with checks from our in-house QA team and factory product specification checks by our Hong Kong buying agent Multi Lines.

We structure our CSR activities and measure our impact across four key pillars:

Environment: Minimising our environmental footprint and promoting sustainable practices.

Colleagues: Providing a fair, safe, inclusive, and rewarding workplace.

Communities: Making a positive contribution to the local communities where we operate.

Supply Chain: Ensuring ethical and responsible practices throughout our supply chain.

B&M is committed to annually improving the Group ESG strategy, which has been integrated into the Group governance structure (table 1). During FY25, our Board continued to monitor and receive updates at every Board meeting scheduled on ESG topics, including on the identification and management of climate-related risks (see page 42).

We are committed to evolving and refining our strategy to continue to develop sustainably. To ensure continued progress on the Group ESG strategy, including climate analysis and net zero, B&M works closely with a specialist third-party consultancy, Inspired ESG. The Board is committed to monitoring progress against our ESG strategy, making further developments where necessary. The governance and decision-making processes regarding stakeholder interests are outlined in the Stakeholders and Section 172 statement on page 54.

Environment

Our environmental commitment is to:

grow our business sustainably, minimise our environmental impact, and operate an efficient infrastructure.

Outlined below are the impacts of our environmental policy, and how we have progressed in FY25 to reduce the Group's environmental impact. Additional information regarding the Group's approach to climate change is outlined in the TCFD section of this annual report (page 40).

Transport and distribution

B&M is actively working to reduce the environmental impact of the Group transport fleet, where possible. We are committed to continuously improving our processes and researching opportunities to reduce our direct emissions. Our UK transport fleet is fitted with Euro 6 engines, which is the latest standard for emission compliance. As of FY25, B&M's heavy goods vehicle (HGV) fleet is on average less than 3 years old, improving efficiency by using newer technology. Heron Foods has continued to convert their company car fleet to electric vehicles, resulting in 15% of the fleet being fully electric at the end of FY25.

B&M HGV drivers are provided training, where required, on how to drive fuel-efficiently, with driver performance monitored for both B&M UK and Heron Foods. In addition, B&M UK are using Paragon transport planning software system, to identify the most efficient and safe transport routes that minimise the number and distance of trips from distribution centres and

stores. B&M are currently looking into ways to expand the use of Paragon to create further savings.

As part of our ongoing commitment to improving operational efficiency within our supply chain network and reducing our environmental impact, we have invested in Microlise, an advanced route planning software for B&M UK store deliveries which will be fully operational in May 2026.

By optimising our delivery routes, Microlise helps to minimise mileage and hours spend on the road, reduce emissions and lower overall fuel consumption through improved MPG. This investment, along with our investment into new fleet kit to reduce our fleet age, supports our wider sustainability goals while enhancing service reliability and cost-effectiveness across our logistics network.

Waste and recycling

We aim to reduce the waste from the business where possible, including collaborating with our suppliers to review and identify opportunities to reduce the amount of product packaging. We continue to focus significantly on recycling and waste management, maintaining our average packaging recyclability rate of 78.4% for FY25. All cardboard waste for Heron Foods is bailed and recycled, with no plastic waste being returned to the support centre.

Energy consumption

B&M invests in energy-saving technology annually; for example, all new UK stores have LED lighting installed, which uses up to 70% less energy than a typical light bulb. We also aim to install LED lighting in our existing stores when refurbishing sites. As of the end of FY25, 777 of our B&M UK stores (all of our B&M UK estate) had LED lighting installed, and all B&M France stores are fitted with LED lighting.

In FY25, BEMS were installed in 700+ stores in the UK included in the long-term strategy, and they are now a standard feature for all new sites. Additionally, since early 2023, BEMS have been retrofitted to upgrade the controls in existing stores. BEMS provide an understanding of the operational efficiency in stores, allowing control of heating, cooling and light systems. This information is now provided in more detail by installing Energy AI systems in all new and 100 existing stores. Energy AI automatically learns the characteristics of an individual store and generates reporting and automated processes to improve efficiency for the specific store, and therefore our portfolio overall. The initial trial site deployment has achieved >36% electric and >40% gas usage reduction, with a return on investment (ROI) of less than one year.

B&M France have also conducted a study to optimise BEMS, which has been installed in all stores. The results of the study highlighted the value of improving existing systems by integrating more energy sub-metering and a hypervisor system. This system offers the possibility of supervising and managing the energy consumption of the entire portfolio from one platform and generates alerts where systems such as heating, ventilation and air condition (HVAC) require attention. A pilot site at a B&M France store was also tested with Sensinov (a company specialising in BEMS with Hypervisor) in April 2024. Although this site already implemented a BEMS, its optimisation has resulted in a saving of more than 61 MWh over 2024 and a 20% reduction in energy consumption between April and December compared to the previous year. The objective is to deploy this system to all existing stores as well as any additions to the portfolio. The rollout has begun and will continue throughout 2025. This approach aims to significantly reduce the energy consumption of the stores while guaranteeing an optimal level of comfort for employees and customers. It also provides better visibility into the health of HVAC equipment, which is critical for technical and maintenance teams.

The installation of chiller doors continues to be rolled out across our stores to reduce the need for the additional cooling of produce. These doors are installed at all new sites. We have also developed a programme to replace all old chillers with new energy efficient alternatives when they reach the end of their lifecycle.

We are continuously reviewing our estate to identify potential energy reduction opportunities, including onsite renewable power generation. Our new Ellesmere Port import centre, opening in summer 2025 will manage inbound containers from China and therefore optimising the capacity of our five existing B&M UK distribution centres which are handling ever-growing volumes. This will support both our short and long-term growth plans, including our target to reach at least 1,200 B&M UK stores. The import centre has been designed with energy-efficient features including solar panels, rainwater harvesting systems and the use of recycled materials. In addition, the facility is strategically located near the transport links of the Manchester Ship Canal, the Port of Liverpool and major motorways to optimise transportation routes. This new site will also support the local economy, providing over one hundred job opportunities. Furthermore, in FY24, Heron Foods have conducted a pilot project for solar panel installation in its warehouse, all tenders have been received in FY25, with a commencement date for the project to be in FY26. We will use this project to inform decision-making and share best practices across the rest of the Group.

Colleagues

Our commitment in relation to our people is to:

provide a fair, safe, inclusive, and engaging work environment where colleagues are treated with dignity and respect and have opportunities for development.

Throughout the Group, we aim to ensure a safe, enjoyable and supportive working environment for all colleagues. We recognise that our colleagues are integral to the success of our business and are committed to ensuring they feel valued, recognised and are rewarded. We have numerous policies detailing our terms and conditions of employment and safeguarding practices for all colleagues that is compliant with relevant legislation. With 39,548 employees across the Group, fostering a positive working culture is important for the growth of the business. In FY25, we created 1,933 new retail jobs in the UK, driven by our store rollout programme. We continue to positively impact the local communities in which we operate, offering employment and giving back where possible.

Colleague progression

We aim to support and provide opportunities for our talented colleagues to develop and progress in their careers. In FY25 we redesigned our career development programme and launched "Pathway", supporting 1,156 colleagues with succession and personal progress, primarily for our junior managers, deputy and store managers. Our internal Pathway to area manager programme was also available during FY25.

Heron Foods provided training and progression opportunities for colleagues in FY25. For example, the Leadership Elevation Aspire Programme (L.E.A.P), allows colleagues to participate in courses such as e-learning on communication, sales and IT skills. This was supplemented by a learning and development team catalogue detailing additional courses available to colleagues, including both Excel training for beginners and leadership and conflict resolution. Using an Ignite programme, Heron Foods warehouse colleagues were also provided training bespoke to their role, such as health and safety and how to load goods correctly. Furthermore, B&M France set up management and recruitment training on how to deal with certain customer interactions.

Colleague engagement

Paula MacKenzie became the Group's designated Non-Executive Director for Workforce Engagement from 23 July 2024, and ensures that colleague engagement is conducted effectively, and feedback is actioned. Ensuring colleagues have an outlet to provide feedback is imperative. Paula has taken an active role in Workforce Engagement, attending various listening groups with Group Compliance (GC) and the Head of Internal Communications and Engagement. These listening groups were in person and took place across all functions of the business, including Retail, Supply Chain and the Support Centre. Paula shares key updates on colleague engagement with the rest of the Board at least twice a year. This is supplemented by reports provided by the GC each year on colleague engagement and salaries to the Remuneration Committee, ensuring they remain informed.

One of our key colleague engagement initiatives is the annual feedback survey for B&M UK colleagues; for the first time in FY25, we have been able to distribute a survey to our colleagues. A total of 30,680 colleagues were invited to complete the survey, representing 94% of the total B&M UK colleagues. The overall completion rate from colleagues was 40%, which represents a 25% increase in responses year on year. We aim to act upon the feedback provided, where possible, to benefit our colleagues.

Heron Foods plan to conduct an employee engagement survey in FY26, however in FY25 roadshows with store managers, field management and all colleagues were held at the Store Support Centre. This provided colleagues with an opportunity to provide feedback in person.

B&M aim to ensure colleagues remain informed with business updates. In FY25, B&M UK rebranded the "B&M Benefits" online platform to "The Tannoy", which was also launched as an app. The bulletin section is in use on The Tannoy, with regular blogs and company updates accessible to colleagues. In FY25 we continued our online HUB, which provides additional communications to store colleagues, with an app version for our managers in retail. Furthermore, the "Comms Zones" introduced in FY24 are still in place for all distribution centres and transport hubs for employees.

Colleague wellbeing

The wellbeing of all colleagues is a priority for the Group, and therefore we provided a range of initiatives to support this in FY25. B&M UK and Heron both launched online Employee Assistance Programmes (EAP). The EAP provide a comprehensive telephone helpline available 24 hours a day, 7 days a week, 365 days per year to provide every colleague in need with immediate telephone support, including but not limited to, domestic abuse, retirement, work-related issues, and personal legal information. This service can help reduce absenteeism and improve the productivity of colleagues in the workplace. In addition, Mental Health First Aiders were still available around the business in FY25, with these colleagues' names and contact information available to employees on the colleague app and website.

Heron Foods participated in a range of additional wellbeing activities in FY25, such as Mental Wellbeing Month in May 2024, sharing information and useful resources to support colleagues, such as podcasts and exercises, as well as implementing a dedicated wellbeing section on our Intranet. First aid training and mental health first aider training was also provided.

Colleague reward and recognition

Ensuring colleagues are recognised for their hard work is important to the Group. In FY25 B&M UK continued to provide colleagues with "double discount" weekends on General Merchandise products on eight occasions, of which five included FMCG products. Double discount is a key way to show appreciation for colleagues' hard work, as well as recognising the current cost-of-living strains. In our Retail Department, area managers, store managers and departments are rewarded through an annual bonus scheme which equates to a percentage of their salary and paid annually in April. B&M always offer additional bonus incentive competitions, where colleagues can win bonuses for the store team. These are based on increase in sales over a period and increase in best sellers. In our distribution centres, we offer all managers (team managers and above) the opportunity for an annual performance related bonus as well.

Diversity and equality

B&M value employees of all ages, with the youngest team member at 16 and the oldest at 84. We actively support older workers and have provided opportunities to individuals impacted by changes within the sector helping them to navigate the job market. As a proud Disability Confident employer, B&M are passionate about offering opportunities to candidates with health conditions. The approach includes a commitment to mentoring and making reasonable adjustments to ensure no candidate is negatively impacted by their condition. In addition, Heron Foods continue to attract a diverse workforce, reviewing adverts to attract people of different ethnicities, race and genders. B&M France also have a strong non-discrimination approach to hiring.

Our diversity policy in relation to the Board and senior management is:

- To ensure that the Group maintains the necessary skills, experience and independence of character and judgement of its Board members and senior management team, for the Group to be managed effectively for its long-term success.
- While making appointments based on merit so the best candidates are appointed, the Group recognises the value which a diverse Board and senior management team brings to the business and it embraces diversity in relation to gender, race, age, educational and professional backgrounds.
- Together with the above criteria, the Group also recognises that diversity in relation to international experience, recent senior management roles within retail and/or supply chain sectors, and previous experience regarding membership and leadership of Board committees are also relevant factors.

In relation to diversity the B&M Board had a 50% female representation at the year-end, with four females out of the eight Board members. In accordance with Listing Rules targets, the Board has one female Board member in a senior position, and one Board member is from an ethnic minority background. In June 2024, we announced that Tiffany Hall would replace Peter Bamford as Chair of the Board.

The percentage of female representation within the senior management of the Group, reporting either directly to the Board or the Executive Committee, was 36% in FY25 (FY24: 42%). In relation to all employees of the Group, the percentage of female colleagues was 55%, (FY24: 57%).

The percentage of ethnic minority representation within the senior management of the Group reporting either directly to the Board or the Executive Committee was 1.5% at the end of FY25. With reference to the Company's voluntary commitments following the Parker Review, the Company has reviewed its policies and procedures to help enable delivery of its voluntary ethnicity target of 10% ethnic minority representation within the senior management team by the end of FY27.

The Group now collects data in respect of diversity from its new starters. Colleagues are encouraged to provide their ethnic origin, sexual orientation, religion, any disability and gender in accordance with government guidelines. Data collection is performed based on self-reporting by the individual.

Gender pay gap reporting

In accordance with the Equality Act (Gender Pay Gap Information) Regulations, we have published our data online in relation to each of our B&M UK and Heron Foods businesses as of 5 April 2024. The mean hourly pay rate of B&M UK colleagues was 8.8% higher for males than for females. This was equal when measured as a median average. For Heron Foods, the mean hourly rate for males was 18.8% higher than females and the median hourly rate for males was 2.5% higher than for females. In relation to bonuses of B&M UK colleagues, 8.4% of females and 20.8% of males were paid a bonus. The mean average bonus amounts were 11.3% lower for male colleagues. When considering the median average, male bonuses were 92.1% lower than the female median bonus. For Heron Foods, 4.0% of females and 24.9% of males were paid a bonus. The mean bonus pay for females was 42.3% lower than males and the median bonus pay for females was 55.6% lower than males. Colleagues of the Group in France and Luxembourg are not included in this data. Full details of the reports are available on our website.

B&M France have also negotiated a gender equality agreement with their trade unions, which stipulates that B&M guarantees equality when employees return from family leave, that we regularly raise awareness of this issue among our managers and that we have decided to maintain health cover for employees on parental leave (who are often women) for one year.

Communities

Our commitment in relation to our communities is to:

be a positive presence in the communities we serve, contributing to local economies and supporting relevant charitable initiatives.

B&M is committed to supporting the communities in which we operate by providing jobs, mentoring and discounted products. This financial year, we opened 45 B&M UK gross new stores, 14 in Heron and 11 B&M France new stores. B&M continued to donate £250 for every store opening, refit and relocation event, of which there were 53 in FY25, totalling to a donation of £13,250 for charities. B&M France provided a €300 voucher to two charities recommended by local town halls, for each new store opening. These charities are then supported with one-off events when requested, such as telethons.

B&M launched five work experience programmes which were in place across all UK stores during FY25. As part of this, over 3,000 candidates were referred for the programme, 2,600 completed the in store four-week programmes and 1,800 secured paid employment. In FY25, for the new stores opened, B&M UK attended local Jobcentres to talk to candidates, with all 3,600 attendees being offered an interview. This has led to 3,500 requesting an interview and 1,764 being offered paid roles in new stores. This demonstrates B&M's strong approach to supporting local communities through employment. For example, B&M have signed the Armed Forces Covenant, committing to offer opportunities for current and former service members, as well as their families. Key initiatives include a guaranteed interview for any service member leaving the forces or any spouse relocating due to redeployment and discount days for all active service members to show appreciation for their sacrifices. B&M also participated in Sector-based Work Academy Programmes (SWAPs) in FY25, where our colleagues regularly step in to pick up SWAPs when other employers withdraw, ensuring candidates are not let down. This includes offering a "day in the life of a B&M colleague" and providing an interview opportunity to participants.

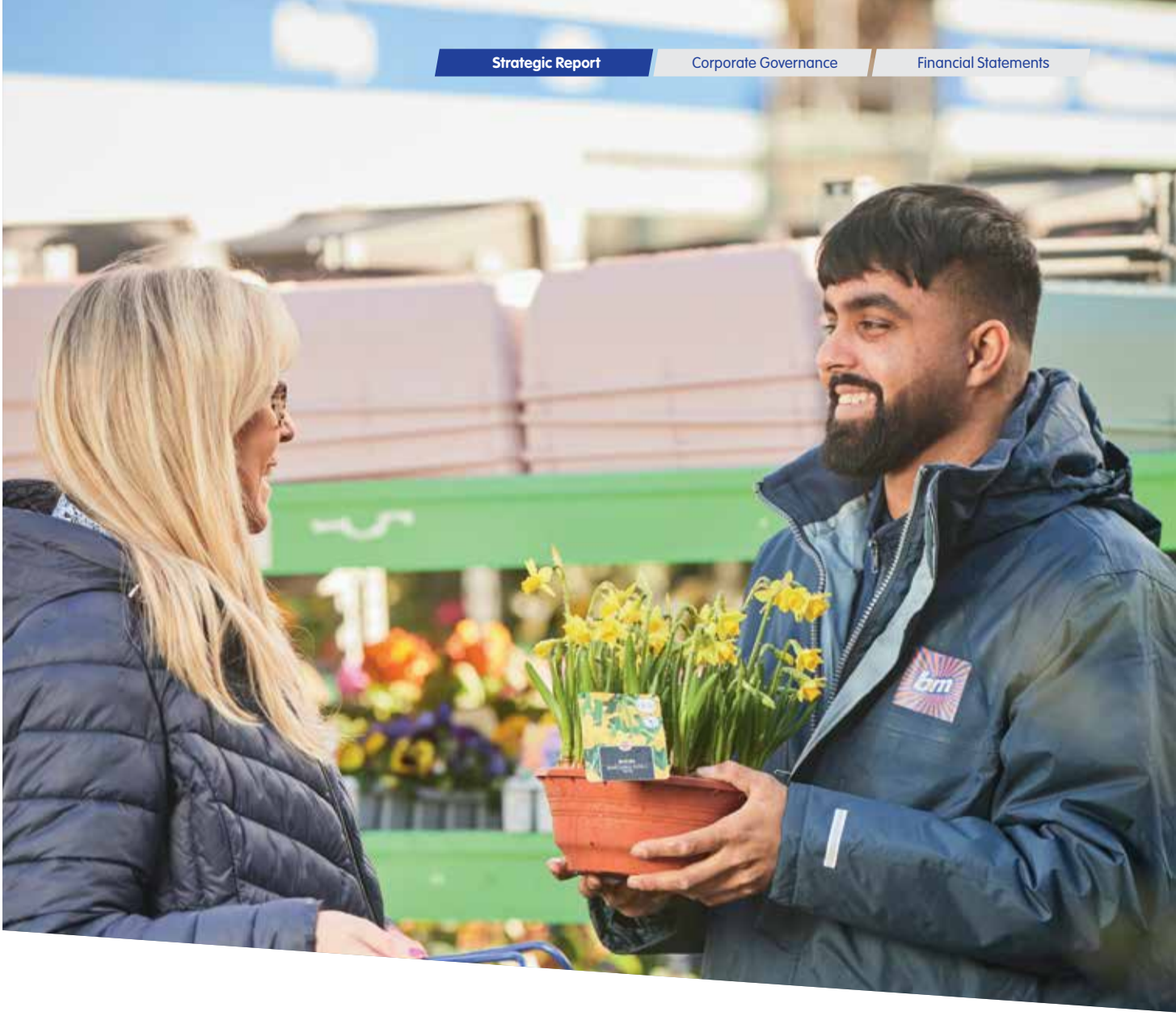
In FY25, Heron Foods colleagues continued to visit schools to provide mentoring, apprenticeship services and advice, as well as attending careers events. Heron also continued to participate in the "Too Good To Go" scheme, which allows local communities to buy discounted food from shops, which would otherwise go to waste.

Charitable initiatives

As a large business in the UK and France, B&M annually contributes to charities, giving back to those in need. In FY25, B&M UK contributed to support Cash for Kids, a charity dedicated to improving the lives of disadvantaged children and young people across the UK up to and including the age of 18. Fifteen of our UK operating areas donated a total of £22,500 the charity. An additional £2,297 was raised through a colleague Christmas jumper day and charity raffle. Through third-party partnerships, £10,334,347 was donated to Cash for Kids as part of their Mission for Christmas campaign, helping 216,409 children. B&M UK donated 181 pallets of stock to charities during the financial year. Through various other colleague initiatives, such as a MacMillan coffee morning, an additional £4,053 was raised.

In FY25, Heron Foods also supported Cash for Kids. A total of £77,318 was raised during the financial year. Furthermore, Heron Foods also supported MacMillan Cancer Support charity, raising £2,451. Both donations will make a difference to the lives of people across the UK. Heron Foods also made multiple donations in FY25 to local food banks, such as Help the Homeless, a grant-giving trust to help homeless people to live healthy and independent lives.

B&M France also contributed to charities in FY25, including a colleague run, to raise money for breast cancer. Pink toys were sold to raise money, a part of which was donated to The Pink Ribbon Association, supporting those



with breast cancer. B&M France also donated goods, such as food and furniture to a charity fighting poverty and discrimination. Food was donated to a charity which distributes the goods to those in need. In total, B&M France donated €367,292 worth of goods to associations. In addition, in conjunction with the Etablissement Français du Sang program, B&M France colleagues participated in blood donations.

Health and safety

During FY25, the Board continued to have overall responsibility ensuring a high standard and effective approach to health and safety is maintained across the Group. Therefore, on a bi-monthly basis, the Board and executive management team monitor key performance indicators in relation to health and safety trends across the business. This includes reviewing reports on the number of accidents. A dedicated health and safety team of qualified professionals ensure compliance with current statutory requirements and that all colleagues are informed on the Group's health and safety policies.

Our approach to health and safety is one of education and continuous improvement, ensuring that additional measures will be implemented where required for the safety of colleagues and customers. Our store management teams are trained as responsible persons under our health and safety policy for stores; a responsible person is in store at all times. As part of their induction, new recruits are provided health and safety training. Reviews (and refreshers as required) also occur during the 12 weeks following their induction training. To ensure that store managers remain informed on health and safety matters, fire safety and health and safety refresher training is provided every six months, with recycling training every 12 months. At Heron Foods, refresher training for warehouse colleagues is provided every three years, which is tailored to their role, and covers key aspects of health and safety.

Over the course of the last five years, up to 6,990 store colleagues have been trained as a responsible person, demonstrating our commitment to the safety of colleagues. In FY25, there were 93 reported accidents (0.12 per store) reportable to the Health and Safety Executive relating to the B&M business in the UK (FY24: 69 reported accidents and 0.09 per store). This increase in reported accidents is partly due to changes in legislation around 7-day absences. This is in the context of over 280 million shopper visits over the course of the year.

B&M France have also set up regular safety inspections of sites and are conducting an investigation with the members of the health and safety committee to define an action plan to avoid repeating the same accidents. Progress on this will be reported in our FY26 statement.

Supply chain

Our commitment in relation to our supply chain is to:

work with suppliers who share our commitment to ethical business practices, fair treatment of workers, and environmental responsibility.

Establishing and maintaining long standing close relationships with our suppliers is crucial to B&M. Many of our suppliers have been with the Group for many years, sharing in our growth and success throughout. They value the simple, transparent pricing model that we adopt, minimising the use of rebates and retrospective discounts. This year, we identified additional suppliers to engage with in Q1 FY26. We have already engaged with our 100 largest suppliers, selected based on financial spend, in FY24 and FY23. Our ESG supplier questionnaire will help us to obtain information regarding their GHG emission measurement processes, reduction efforts of our suppliers and their wider ESG ambitions. This programme forms part of our supplier engagement target to have 67% of suppliers based on spend to set science-based targets, which has been validated by the Science Based Targets initiatives (STBi).

Ethical trading and our supply chain

As key stakeholders in our business, our suppliers are essential to our success. We set high standards and clearly communicate our policies to ensure they meet the same ethical expectations that define B&M. Our commitment to transparency, fairness, and responsible business practices fosters strong, ethical partnerships that align with our core values.

Maintaining an ethical, resilient supply chain is essential to delivering safe, high-quality products to our customers. To uphold this, we enforce strict compliance with local laws and regulations and hold our suppliers to robust internal standards. Our key policies include:

- Anti-bribery & corruption – A zero-tolerance policy ensuring integrity in all business interactions.
- Workplace standards – Mandatory adherence to human rights protections, anti-modern slavery commitments and the provision of safe and fair working conditions.
- Whistleblowing – A secure, confidential process for reporting unethical conduct, ensuring accountability across the supply chain.

We continuously refine our approach to compliance, communication and ethical business practices, strengthening our supply chain while delivering value to our suppliers, customers and communities.

Anti-bribery and corruption

We uphold a zero-tolerance policy on bribery and corruption across all our businesses. Every colleague understands the critical importance of immediately reporting any offer of inducements from third parties to the appropriate line manager and compliance team. All colleagues are trained on anti-bribery and corruption annually, with new e-learning introduced in FY25 by B&M UK, alongside the revised whistleblowing policy. Colleagues now have access to an internal webpage to view the anti-bribery and corruption policy, frequently asked questions, and training. The compliance team are also available to offer colleague advice. B&M UK, B&M France and Heron Foods maintain robust whistleblowing procedures, ensuring transparency and accountability at every level. In FY25, our due diligence and annual review of the UK and France buying teams identified no instances of bribery or corruption.

Additionally, Heron Foods now communicates its anti-corruption policy to all new and existing suppliers, alongside the modern slavery policy. This ensures consistent supplier compliance and awareness, with both policies formally issued annually and included in Heron Foods' appendix one of their terms and conditions.

Anti-modern slavery

B&M maintains a strict zero-tolerance stance on modern slavery, forced labour, and human trafficking across all aspects of our business and supply chain. We expect our suppliers to uphold the highest ethical standards and comply with our workplace policy, which

guarantees worker welfare rights and protections. At the end of FY25 B&M France began updating this policy and the new version will be distributed to suppliers and colleagues once complete.

In FY25, we continued reinforcing these expectations by directly engaging with suppliers to ensure alignment with our ethical standards. Our procurement terms mandate compliance with these principles, embedding responsible labour practices into every supplier relationship. We actively monitor our supply chain through audits and ongoing due diligence to uphold these commitments. This year, no instances of modern slavery, forced labour, or human rights abuses were reported within our operations or supply chain. Our anti-slavery statement and workplace policy remain publicly accessible at www.bmstores.co.uk, www.bandmretail.com, and www.heronfoods.com, reinforcing our commitment to transparency and accountability.

Approach to risk management and due diligence in our supply chain

We take a proactive and rigorous approach to managing risk and ensuring compliance throughout our supply chain. For leading household brand suppliers, we rely on their robust, independently verified risk management frameworks. For all other suppliers, particularly those based overseas or providing General Merchandise, we implement thorough verification processes to ensure compliance with local laws and our ethical standards.

Every overseas supplier must submit a social compliance report, assessing their adherence to legal, environmental, and labour standards. These reports are independently reviewed by our trusted partner, Multi-Lines International Company Ltd (Multi Lines), an expert sourcing agent based in Hong Kong with a dedicated, locally embedded team. Multi Lines conducts comprehensive audits, ensuring suppliers meet our high standards for social and environmental responsibility.

Additionally, our buying teams conduct on-site visits to verify new suppliers, ensuring alignment with our values and standards. Through these combined efforts, third-party audits, direct supplier engagement and regular oversight, we maintain a rigorous due diligence process, mitigation risk and ensuring that our supply chain operates with integrity and transparency.

Quality assurance

In FY25, we continue to apply a comprehensive quality assurance process to all General Merchandise products. We perform rigorous pre and post-production testing, supported by in-house inspections and certified external testing partners. Our team collaborates with trusted global certification bodies to ensure compliance with international standards. Multi Lines conducts detailed on-site factory inspections prior to shipment, ensuring that each product adheres to our exacting specifications and meets our high standards of quality and safety.

Task Force on Climate-related Financial Disclosures

Introduction

B&M (the "Group") acknowledges that climate change is an increasing threat to businesses, and as a responsible company, we understand that we have a duty to reduce our impact. The Task Force on Climate-Related Financial Disclosures (TCFD) offers a framework for businesses to identify, assess and manage climate-related risks and opportunities. This framework is structured around four key areas: Governance, Strategy, Risk Management, and Metrics & Targets. In FY25, B&M complied with the requirements of the Listing Rule UK LR6.6.6R(8) by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures. We also consider our disclosure to be consistent with Section C of the 2021 TCFD Annex entitled "Guidance for all sectors and Section E of the TCFD Annex entitled "Supplemental Guidance for Non-financial Groups". We have complied with 11 of 11 TCFD recommendations.

We are pleased to have aligned with the TCFD recommendations for four years, outlining our progress in responding to climate change challenges and embedding the guidance into our business operations. B&M is a partner of the wider industry and national commitments, including the British Retail Consortium's (BRC), adhering to the Climate Action Roadmap and target to be net zero by 2040. Net zero is defined as a 90% absolute reduction in scope 1, 2 and 3 emissions by 2040, offsetting the remaining 10%.

Governance

Board oversight

The Board holds overall responsibility for climate and ESG matters. However, the Group's "at-one approach" embeds responsibility throughout the business and encourages constant communication and collaboration across multiple management levels, ensuring clear action toward climate change mitigation is taken. The Board delegates key responsibilities to Exco, supported by the sustainability manager, including the responsibility for identifying, assessing and managing climate-related risks. However, to ensure all Board members remain appropriately informed, the sustainability manager reports to the Chief Financial Officer (CFO) on climate-related matters prior to all Board meetings. Climate change is a standing agenda item at all Board meetings, and therefore, the CFO shared the key updates during all six scheduled Board meetings in FY25. Key topics of discussion during Board meetings in FY25 were Corporate Sustainability Reporting Directive (CSRD) preparation, the implementation of energy efficiency measures and the data collection process for emissions calculations. The Board implements effective internal controls to ensure that climate-related risks and opportunities are effectively identified, assessed, and managed. For example, the Group works closely with an external ESG consultancy, Inspired ESG, to appropriately identify climate-related risks annually.

The Board also considers climate matters when making strategic or operational decisions. Forecasting of climate-related expenses in the short, medium and long term is used to understand potential impacts on revenue or the requirement of additional capital costs. Carbon-related investments are aligned with the Group's climate ambition to be net zero by 2040. This is supported by B&M's Exco and finance team and refined through our partnership with Inspired ESG. The Group ensures funds are made available where required to implement climate change mitigation measures, for example, to achieve compliance with CSRD.

Inspired ESG also supports the Board and Exco by facilitating climate risk management workshops annually. These serve as a platform for climate capacity-building, best practice sharing, mitigation review, and assessment of climate-related risks and opportunities. These workshops also guide financial planning as

Table 1: B&M's Environmental, Social, and Governance (ESG) and climate governance structure.

B&M's Board			
The Board of Directors of B&M has eight members comprising the Chair, the Chief Executive Officer, the Chief Financial Officer, the Senior Independent Non-Executive Director and four Independent Non-Executive Directors. The Board holds ultimate responsibility for climate change.			
Audit & Risk Committee	**Nomination Committee**	**Remuneration Committee**	**Workforce Engagement Non-executive Director (NED)**
This Committee is made up of one Senior Independent Non-Executive Director and two Independent Non-Executive Directors. The committee conducts annual reviews of the Group's principal risks.	This Committee is made up of the Chair, one Senior Independent Non-Executive Director and three Independent Non-Executive Directors.	This Committee is made up of one Senior Independent Non-Executive Director and two Independent Non-Executive Directors.	Paula MacKenzie is the Designated Non-Executive Director for Workforce Engagement.
Exco			
The Group's Exco are responsible for the day-to-day operational and strategic matters in relation to each of the businesses of the Group, which includes B&M UK, B&M France and Heron Foods. Members of the broader senior management team hold regular monthly meetings led by the sustainability manager to review progress and agree actions, including on achieving net zero.			

mitigations are developed where needed. The Board, therefore, do not currently require a separate ESG Committee as responsibility for assessing and managing climate change is shared between Board members and Exco. To demonstrate our commitment, Executive Directors' remuneration has been linked to the Group's achievement of metrics relevant to our ESG strategy, including those of climate-related matters.

Management's role

The Board delegates responsibility for the annual identification, assessment, evaluation, and management of climate risks and opportunities to Exco, who meets once a week. Exco are supported by the sustainability manager, who updates the director of health and safety, on climate-related matters on an ad hoc basis when required. Exco identifies and assesses climate risks at least annually with Inspired ESG through the climate risk workshops. The workshops serve as a mechanism for Exco members to fulfil their delegated responsibility and expand their knowledge of climate risks and their associated impacts.

The sustainability manager provides Inspired ESG with the climate data required to identify climate-related risks and opportunities for the Group annually. These are presented at a climate risk management workshop attended by multiple internal stakeholders annually (see page 71). The sustainability manager works across the business, interacting with several departments through our flat management structure, initially assessing the potential impact and likelihood of climate-related risks and opportunities. Department heads raise any concerns regarding climate matters to the sustainability manager, and identified items are then presented to Exco or their team members, including the General Counsel, internal audit, investor relations, operations, and finance teams, for their review. The sustainability manager informs the Board of climate-related matters prior to all Board meetings, promoting climate discussions at each meeting. For example, on the water limpet rollout and progress to meet emission reduction targets. These updates are then shared with the Exco after each meeting, who work to implement necessary climate mitigation measures.

Decisions on how to manage the Group's climate-related risks and opportunities are taken by Exco, who, alongside the sustainability manager, meet regularly with Inspired to discuss key ESG topics, such as the rollout of LED lighting, Building and Energy Management Systems (BEMS) and water limpet readers.

Strategy

B&M is committed to acting in the best interest of our shareholders and customers, embedding climate strategy throughout the Group and minimising the impact of climate change. Climate-related risks include both physical and transitional risks. Physical risks relate to the impacts from climate change that encompass acute (event-driven) events such as flooding or wildfire, or chronic (longer-term shifts in the climate patterns) changes such as rising mean temperatures. Transition risks relate to a shift to a low-carbon economy and follow themes of policy and legal, technology, market and reputation. Following the TCFD recommendations, climate scenario analysis has been conducted to identify the potential climate-related risks and opportunities the Group could encounter across the short- (2024-2026), medium- (2027-2032), and long-term (2033-2050). As the Group prepares for its reporting cycle under CSRD disclosure for FY26, the time horizons have been updated to align with the CSRD definitions of short-, medium- and long-term (Table 2).

Table 2: Previous time horizons and updated time horizons.

Time-horizon	Previous time horizons	Updated time horizons	Explanation of change
Short-term (2024-2026)	Reporting year + 5 years	Reporting year + 2 years	To align with the CSRD's definition of short-term. This timeframe provides insight into the immediate impacts of climate change.
Medium-term (2027-2032)	End of short-term + 10 years	End of short-term + 5 years	To align with the CSRD's definition of medium-term. This timeframe also aligns with B&M's scope 3 target to engage with 67% of suppliers (by spend) by 2027 (see metrics and targets for more information, page 47).
Long-term (2033-2050)	End of medium-term + 15 years	End of medium-term to 2050	To align with the CSRD's definition of long-term and to ensure B&M aligns with the UK and France net zero target of 2050. This target also aligns with B&M's net zero target of 2040 (see metrics and targets for more information, page 47).

Scenario analysis is a strategic planning tool that serves as a guide for understanding climate-related risks and opportunities and evaluating the potential impacts of different future events or situations. Scenarios challenge the "business-as-usual" mindset to present a plausible interpretation of potential future climate-related conditions, including the increase in frequency and severity of physical impacts or the potential transitional risks to support a shift to a low-carbon economy.

By employing multiple scenarios, we can gather useful insights into the diverse outcomes related to the strategic or financial implications of climate-related risks or opportunities. In January and February 2025, the Group analysed three distinct warming pathways (table 3). In February 2025, the findings were presented to the sustainability manager, head of financial performance, director of health and safety, and additional departmental representatives by Inspired ESG. Transition risks were identified at the Group level, and physical risks focused on the subsidiary site level based on sales performance in the first half of the financial year. To build on our climate resilience, we expanded the scope of our assessment to include selected suppliers. Each scenario was chosen to show a range of high or low-risk outcomes and promote opportunities to build resilience across the Group. Climate resilience refers to the Group's capacity to respond to climate change, effectively manage associated risks, and capitalise on identified opportunities. The Group's resilience under each scenario is also outlined in table 3. The climate models used in this analysis draw on data from the Intergovernmental Panel on Climate Change's (IPCC) Representative Concentration Pathways (RCP), the International Agency's (IEA), World Energy Model (WEM), the Network for Greening the Financial System (NGFS), and other established models. The utilised models are in alignment with ISO 14091 Adaptation to Climate Change standards. While they provide valuable insights, it is important to acknowledge their inherent limitations. These include potential inaccuracies in both real and projected outcomes and the possibility of over or underestimating data. Scenario analysis serves as a critical tool for understanding climate-related risk and opportunities, despite these limitations.

Table 3: Warming pathways used in the climate scenario analysis.

Scenario	Description and resilience strategy
<2°C *Proactive scenario*	In this scenario, organisations align with the Paris Agreement and set net zero targets by 2050. Governments introduce policies in a structured manner, with companies investing in low-emission technology. The Group has set ambitious medium and long-term targets, exceeding the UK net zero target and the Paris Agreement. B&M take a proactive approach to decarbonising the business, with funds available to invest in lower emissions technology such as Energy AI (see page 32). Therefore, the financial impact of climate change under this scenario has been considered and factored into the business strategy, increasing resilience.
2-3°C *Reactive scenario*	In the reactive scenario, physical risks will begin to intensify, which will begin to disrupt supply chains, and governments will reactively seek to implement solutions in a staggered approach, such as uncoordinated policies, providing companies with insufficient time to comply. Climate action funding remains stalled, and businesses lack incentives to reduce emissions. Consequently, some climate tipping points are reached, resulting in an unpredictable climate with severe physical risks. B&M's annual engagement with Inspired ESG tracks progress against the Group's near-term and net zero targets and facilitates annual reviews of climate-related risks to evaluate the effectiveness of mitigations. B&M has invested in annually assessing the impact of physical climate risks, such as flooding, and has allocated funds to conduct flood risk assessments in 2024 to understand which sites are at risk, to implement mitigation measures where required. This increases the financial and operational resilience of the Group to such risks.
<3°C *Inactive scenario*	Both industry and government maintain a "business as usual" approach, with very few companies setting net zero targets, leading to rising emissions. Low-emissions technology remains largely untested due to high capital costs, and many climate tipping points are reached, creating a volatile atmosphere. Consequently, businesses are forced to adapt to physical climate risks without green financing, resulting in the collapse of supply chains as some regions become inhospitable. The Group have the funds available to continually invest in low-emission technology, conducting regular reviews to evaluate the effectiveness. In addition, B&M annually report progress under the TCFD to promote accountability with net zero targets. B&M do not rely on green financing as the budget for implementing climate mitigation measures and decarbonisation is annually available. B&M has assessed the resilience of the business strategy against this scenario and considers it to be operationally and financially resilient.

Climate risk assessment results

Our climate scenarios included an analysis at the group level and the subsidiary level, including B&M UK, B&M France and Heron Foods, focusing primarily on our retail sites. The analysis identified nineteen climate-related risks and six opportunities. Of these risks, thirteen were related to a transition to a low-carbon economy and six were related to the physical environment. In FY25, we further expanded the scope of our assessment to include climate-related risks across four key product categories, analysing how the Group's supply chain could be affected. These products were clothing, soft drinks, confectionery and food supply. Specific vulnerabilities highlighted included extreme heat and increased rainfall affecting cotton supply and costs, rising temperatures impacting sugarcane yields, and reduced cocoa production driving up prices. In FY24, we included 12 sites from each subsidiary in our analysis. This year, we expanded to include 15 sites from each subsidiary in our analysis, which were identified based on the highest sales volume in H1.

Climate risks were assessed to determine the likelihood of the risk occurring in B&M's operations and the impact should the risk materialise. To understand where the Group should focus its resources, each risk was assigned a score using our risk matrix. Climate change is deemed to be an emerging risk for FY25 (see risk management section for our risk classification and rationale). B&M have assessed the resilience of the Group's business model and strategy against the three varying climate scenarios (table 3). B&M analysed the potential impact on the business model and strategy (tables 4 and 5) and found that the Group is resilient to the three climate scenarios.

Transition risks

Although fully considered, no transition risks were deemed material to the Group for FY25. This outcome reflects our proactive approach to enhancing our climate risk management processes, underpinned by our ongoing support from Inspired ESG. In our FY24 disclosure, we had identified seven material climate-related risks. However, during FY25, we have worked to ensure our mitigating measures for all identified climate-related risks are effective and efficient. The reviews of our current mitigation measures indicated where we should focus our resources to increase efficiency. Therefore, due to the strengthening of our mitigation measures and proactive response to climate risk, we have identified only one material climate-related risk in FY25. Transition risks will be reassessed annually to maintain resilience and preparedness in an ever-changing regulatory and market landscape. An estimated carbon price for the Group under the three timeframes and warming pathways (table 3) was calculated in FY25 and assessed. However, the impact of the carbon price was not deemed to be material.

Physical risks

The Group identified one material physical risk to the business in FY25, which was rising mean temperatures (table 4). This risk has both short and long-term implications including increased operational costs, workforce productivity challenges such as heat stress and absenteeism and potential revenue losses from temperature-sensitive goods like confectioneries. In FY25, the Group experienced stock losses equalling approximately £10,000, resulting from rising mean temperatures melting confectionery. Given the increasing likelihood of extreme weather events, the Group will continue to monitor physical risks annually. Overall, physical risks are not perceived to have a high financial impact on the Group and its assets. metrics and targets section of this report.

Opportunities

Beyond mitigating risks, our climate-related risk analysis has highlighted six key opportunities that can drive long-term business value. These opportunities focus on resource efficiency, energy source, products and services, markets, resilience, and reputation. By adopting energy-efficient technologies and investing in low-emission energy solutions, the Group can reduce operational costs, improve productivity, and mitigate risks associated with energy market volatility. Additionally, exploring new low-emission products, diversifying into emerging markets, and enhancing climate resilience through adaptive measures will create growth potential and ensure long-term business stability. As climate-related expectations evolve, aligning with these trends offers reputational benefits and the potential to attract new investors and customers. For more details on each opportunity, please refer to table 5.

The climate-related metrics that are used to measure and manage our climate-related risks and opportunities can be found in the metrics and targets section of this report.

Table 4: Climate-related physical risks that could have a greater potential impact on the Group than other climate risks, and the mitigations.

Climate related risk	Time horizon (years)	Warming scenario	Financial impact	Overall risk score[1]	Impact description	Mitigations	Target
Rising mean temperatures	Short – Long term (2024 – 2050)	Proactive <2°C, Reactive 2–3°C and Inactive >3°C	Reduced revenue and higher costs from impacts on workforce, such as absenteeism. Increased capital expenditure on low-emission cooling technology and spend on pest control due to warmer winters. Potential loss of revenue as goods are impacted by heat.	B	**Potential impact:** 15 sites of each subsidiary: B&M UK, Heron Foods and B&M France will likely experience the most significant rising mean temperatures in the long term of the inactive scenario. Labour productivity could decrease by 2.2% by 2030 (depending on temperature rise). As a result, projects may take longer to complete presenting a risk of increased labour costs. Electrical technology is also less efficient at higher temperatures due to increased thermal resistance, potentially resulting in increased energy costs and emissions. Furthermore, long term exposure to heat can cause building materials to expand. B&M have increased spend on pest control due to warmer temperatures. Insufficient temperature control has resulted in stock losses equalling approximately £10,000 from rising mean temperatures melting confectionery FY25.	An AI enabled latest generation BEMS system is being trialled to detect chiller failures early, preventing stock loss, while balancing heating, cooling, and lighting for overall efficiency. This has been rolled out in all new stores, with retrofits for 100 stores set for completion mid-April 2025. Air conditioning is prioritised for new locations.	Continue to implement low emission technology that improves the resilience of the Group to rising temperatures annually where possible. **Related metrics and targets:** Scope 1, 2 and 3 emissions.

1. For classification systems, see page 46.

Table 5: Key opportunities identified and how B&M will capitalise on them.

Opportunity area	Description	Time horizon (years)	Warming scenario	Financial impact	Description of opportunity response	Target
Resource efficiency	Use of energy-efficient technology, more efficient modes of transport, distribution processes, and increased use of recycling. Potential to move to more efficient buildings if needed, and reduced water usage and consumption.	Short – Medium term (2024-2032)	<2°C	Reduction in operating expenses because of increased efficiency. Increased production capacity, resulting in increased revenues. Also, an increase in the value of fixed assets such as highly rated energy-efficient buildings. Benefits to workforce management and planning, such as improved health and safety, resulting in lower costs (see page 32 for our energy efficiency information).	B&M has initiated its net zero journey by partnering with a third-party specialist to set achievable carbon targets aligned with the BRC 2040 climate action roadmap. B&M have already invested in low-emission technology, which has a short payback period (see page 32). Reduced energy use may help B&M mitigate exposure to volatile energy markets. B&M have been rolling out limpet readers in FY25 to provide a better understanding of water consumption, allowing for leak detection and potential reductions where possible. Therefore, increasing energy and resource efficiency can create reduced operational spending or increased production capacity, having positive impacts on revenue.	Continue to improve resource efficiency for technology and water consumption annually, where possible. **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Energy source	Installation and use of low-emissions energy technology and shifts toward decentralised energy generation.	Short – Medium term (2024-2032)	2-3°C	Reduction in operating expenses and exposure to future fossil fuel price increases. Decreased sensitivity to carbon costs due to reduced Greenhouse Gas (GHG) emissions. Returns on investments in low-emission technology and increased capital availability as an increasing number of investors favour lower-emission producers. Enhanced reputation driving higher demand for goods and services (See page 32 for our energy efficiency information).	The TCFD and the International Energy Agency agree that a growing proportion of energy generation must come from low-emission alternatives to reach carbon targets. This provides an opportunity for B&M to establish itself as a leader in low-emission products, which can also have reputational benefits. Various financing schemes could subsidise upfront costs, while onsite generation would lower energy expenses, cutting annual operational spending. Additionally, installing or using low-emission energy sources can reduce direct emissions, mitigating carbon price risks. Carbon pricing is reviewed annually with Inspired ESG. See page 32 for B&M's energy efficiency progress.	Continue to assess the possibility of increasing renewable energy sources for stores annually (see page 32 for our energy efficiency progress). **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Products and services	New low-emissions products and service lines, the ability to diversify business activities and shift consumer preferences.	Short – Medium term (2024-2032)	<2°C 2-3°C	Increased revenue through demand for low-emission products and a better competitive position to reflect shifting consumer preferences.	Developing low-emission products and services can strengthen B&M's competitive edge and tap into evolving market preferences. Consumer goods increasingly emphasise carbon footprint in marketing and labelling. This presents an opportunity for B&M to establish itself in new markets and increase revenue through low-emission products. In FY25, B&M has increasingly sourced climate and environmentally friendly products such as bamboo toothbrushes.	Monitor competitor and customer preferences annually to assess the need for low-emission products. **Related metrics and targets:** Scope 1, 2 and 3 emissions.

Opportunity area	Description	Time horizon (years)	Warming scenario	Financial impact	Description of opportunity response	Target
Markets	New emerging low-emission markets.	Short – Medium term (2024-2032)	<2°C 2-3°C	Increased revenue streams through access to new and emerging markets and diversification of financial assets, such as green bonds.	Organisations developing low-emission products and services can diversify and strengthen their position in a lower-carbon economy. Capitalising on this would allow B&M to increase revenue streams and diversify assets, further increasing resilience. New opportunities can also be captured through green investment in low-emission technologies and infrastructure. As B&M publishes an annual TCFD report and discloses its emissions and net zero reduction strategies, there is a higher potential to attract investment from green finance.	Engage with our third-party consultancy annually to remain informed on market changes, such as low-emission technology advancements. **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Resilience	The business is well-adapted and positioned to deal with climate change.	Short – Medium term (2024-2032)	<2°C 2-3°C	Increased market valuation through resilience planning and increased ability to operate under various conditions. Increased revenue through new products and services related to ensuring resiliency.	Climate resilience refers to organisations building adaptive capacity to manage climate risks and leverage opportunities, addressing both transition and physical risks. This is particularly important for organisations with long-lived assets, extensive supply/distribution networks, or those reliant on utility, infrastructure, or natural resources, as well as those needing long-term financing and investment. B&M builds resilience to climate-related risks through the TCFD, and this presents further opportunities to increase and diversify market streams with product alternatives.	Annually assess the impact of climate change on the business and implement additional mitigation measures where required. **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Reputation	Increased reputational profile and investment opportunities	Short – Medium term (2024-2032)	<2°C 2-3°C	New revenue streams and increased market share.	Complying with all policies and standards, such as TCFD, and ensuring the business strategy considers climate change can have reputational benefits. Increased disclosure and communication of climate reporting to stakeholders can increase investment. This could put B&M in a competitive position relative to other companies in the industry, allowing B&M to gain a greater market share in a highly competitive industry. In FY25, B&M have complied with the TCFD and have developed a comprehensive ESG report, using Inspired ESG in the development of these reports. This allows for B&M to identify, assess and manage climate-related risks and opportunities, address the Group's governance structure, risk management process and update the Group's strategy accordingly and to monitor progress against any metrics and targets set.	Annually produce climate-related disclosures to ensure stakeholders are informed. **Related metrics and targets:** Scope 1, 2 and 3 emissions.

Risk management

The Group maintains a robust process for the annual identification, evaluation, and management of climate-related risks. A review of the Group's climate risk management process is also conducted at least annually, with any significant changes being approved by the Board.

Step 1: Identification of risks

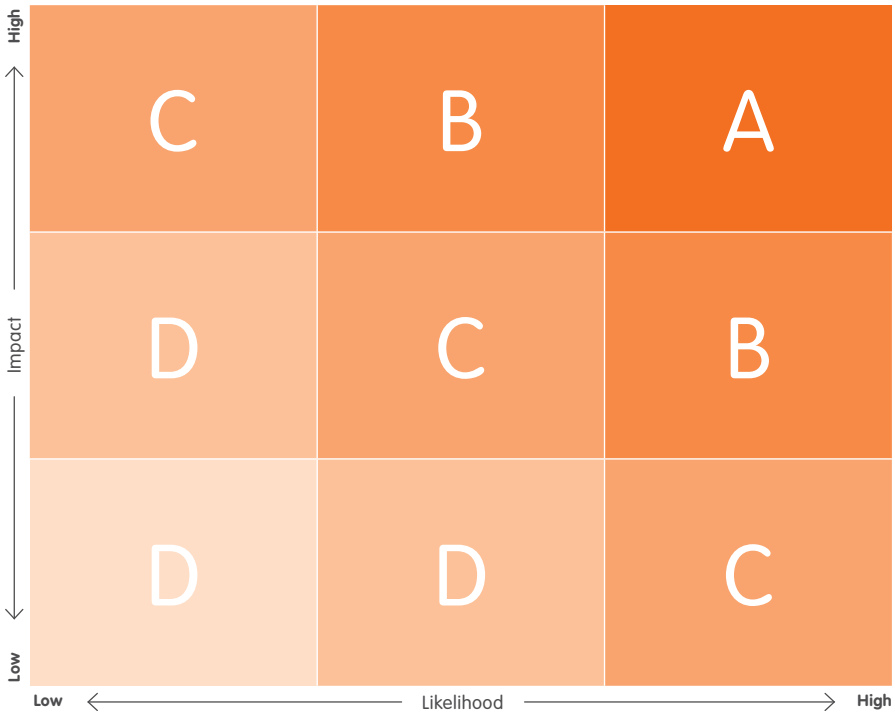
The Group integrates the identification of climate-related risks and opportunities into our bottom-up risk management approach, with the possibility of integrating climate change into our Group risk register being reviewed in FY26. Inspired ESG used the climate data provided to identify new and emerging climate-related risks and opportunities for the Group in FY25; this climate scenario analysis was conducted in January and February 2025. In collaboration with Inspired ESG, we held a climate risk workshop in February 2025 to assess the likelihood and impact of climate-related risks creating challenges for future business operations, strategy, or planning. The workshop covered two risk categories; transition risks (risks associated with a shift to a low-carbon economy), which were identified at the Group level, and physical risks (risks relating to the physical impacts of climate change), identified at a site level. The identified risks followed the transitional themes of policy and legal, market, technology, and reputation, and physical themes of acute (event-driven) and chronic (longer-term shifts in the Earth's atmosphere and processes). The potential impact of emerging and existing regulations were considered under transition risks. We identified a total of 19 climate-related risks and six opportunities. The climate scenario analysis will be completed annually. In FY25, we also analysed the impact of climate change on key product categories, such as clothes, confectionery and soft drinks.

Step 2: Evaluation of risks

Each identified climate-related risk was evaluated based on its likelihood (the probability of the event occurring) and impact (the effect should it occur). The impact of risks was assessed based on direct or indirect impacts, intended or unintended consequences, and actual and potential developments. Existing mitigation measures were considered when evaluating risks (net risk). Climate risk management workshop attendees assessed the identified risks across distinct global warming scenarios and three timeframes (see tables 2 and 3 for more information).

Figure 1 shows our risk matrix. We set a materiality threshold for risks labelled with either an "A" or "B," which indicated that the risk was significant to the Group and, therefore, material. A risk classified as "A" represents an immediate risk, and a risk management plan is required. Alternatively, a "B" risk classification indicates that action and contingency plans should be considered. The financial impact of each risk is mainly considered using qualitative information, however, where available, quantitative data is used. The Group is currently evaluating how best to undertake further quantitative analysis going forward. After selecting the ratings for the climate risks, "A" risks are prioritised initially, with "B" risks receiving attention subsequently. Risks deemed not material (C and D) will also be reevaluated in FY26. One material risk and six material opportunities were identified (tables 4 and 5). The climate risk register was signed off by the sustainability manager, head of financial performance, and the director of health and safety. The Group CFO also reviewed the Group's material risks.

Figure 1: The Group risk assessment scoring matrix



Step 3: Management of risks

We drive engagement and management of climate-related risks through the collaboration of relevant stakeholders and internal teams in our bottom-up approach. Through this approach, we ensure that climate considerations are integrated at every level of the Group and within all departments. Exco and the sustainability manager are responsible for identifying, assessing, monitoring and managing identified climate-related risks, including guiding progress against goals and targets on climate-related matters. However, heads of departments across the business are regularly engaged, particularly when ensuring mitigations are effective and appropriate. This includes annually reviewing the effectiveness and appropriateness of existing mitigation measures for each climate risk. See page 32 for the Group's energy efficiency progress, which will support in mitigating the risks in table 4.

B&M has a climate risk register which is managed by Exco and the sustainability manager and annually updated. However, this has not yet been integrated into B&M's business risk register. Instead, the Group has assessed corporate risks through a climate-focused lens. The Group will review the possibility of incorporating its climate risk register with its business risk register in FY26.

The Audit and Risk Committee conduct annual reviews of principal risks to business operations. Based on the analysis conducted in FY25, climate change is not currently classified as a principal risk, as it is not expected to have a significant impact on business planning, strategy or operations in the short term. In March 2025, the Audit and Risk Committee deemed climate change to be an emerging risk. This decision was made following the climate risk workshops as one climate-related risk was deemed material in FY25, recognising that climate change may pose financial impacts in the future but does not currently significantly impact the Group. This classification will be reviewed annually and emerging risks will be continually monitored.

Metrics & targets

As we progress toward a sustainable future, decarbonising our operations remains central to our strategy. Achieving net zero emissions is a fundamental shift in how we operate, create value, and contribute to a more resilient global economy. This transformation is crucial for the long-term sustainability of our business, mitigating climate-related risks, and positioning ourselves as a leader in the low-carbon transition.

Aligned with the BRC's Climate Action Roadmap, we remain committed to achieving net zero scope 1, 2, and 3 emissions by 2040 from an FY21 baseline. This target is reliant on substantial decarbonisation across our operations and supply chain, which entails reducing absolute greenhouse gas (GHG) emissions by 90% and neutralising a maximum of 10% residual emissions through verified offset projects. Our pathway includes a 25% absolute reduction in scope 1 and scope 2 (location-based) emissions by 2030, validated by the Science Based Targets initiative (SBTi). While we initially aligned with the well-below-2°C scenario, the SBTi's shift to a 1.5°C trajectory in 2022 means we will adjust our targets accordingly by 2027. Additionally, we aim to engage 67% of suppliers (by spend) in setting science-based targets by 2027. Our scope 1 and 2 target differs from our overall net zero target as reducing scope 3 emissions associated with our value chain is beyond our operational control.

To meet these targets, we are implementing transformative changes across our operations and value chain. Progress is tracked through key performance indicators (KPIs), allowing us to refine our strategy as needed. In FY25, we prioritised scope 1 and 2 (location-based) reductions through energy efficiency and technological improvements while intensifying efforts to address scope 3 emissions. Supplier collaboration remains crucial, particularly with those contributing the largest share of our carbon footprint. Our targets directly mitigate the risk outlined in table 4, with corresponding strategies embedded in our metrics and targets framework.

Table 6: Group FY25 emissions, reduction performance and targets

	Gross emissions (tCO_2e)					
Emissions scope	FY25	FY24*	FY21*	Percentage change from FY21 (baseline) (+/-)	Reduction target	Progress to meet target
Scope 1	58,756	56,923 (56,861)	49,210	+19.4%	25% absolute reduction in Scope 1 and Scope 2 (location-based) emissions by 2030 (from FY21 baseline), validated by SBTi.	Scope 1 and 2 (location-based) emissions increased by 2.1% since FY21. An average annual reduction of 4.9% is required to meet the target. **Related climate risk:** Rising mean temperatures.
Scope 2 (location-based)	44,652	43,417 (43,123)	52,125 (52,124)	-14.3%		
Scope 3	1,955,763	1,659,321 (1,259,295)	1,836,901 (1,598,050)	+6.5%	Engage 67% of suppliers (by spend) in setting science-based targets by 2027.	Identified 60 additional suppliers to be engaged with in Q1 FY26. We have already engaged with 100 suppliers (61% of spend). **Related climate risk:** Rising mean temperatures.
Total all scopes (location-based)	**2,059,172**	**1,759,662 (1,359,378)**	**1,938,235 (1,699,684)**	**+6.2%**	Net zero 90% absolute reduction in scope 1, scope 2 (location-based) and scope 3 by 2040 (from FY21 baseline).	Scope 1, scope 2 (location-based), and scope 3 emissions increased by 6.2% since FY21. An average annual reduction of 6.0% is required to meet this target. **Related climate risk:** Rising mean temperatures.

* All historical scope 3 figures have been updated due to the Department for Environment, Food and Rural Affairs (DEFRA) revision of historical emission factors. Historically reported figures are indicated with parenthesis.

Tracking our emissions

Understanding and managing our environmental impact is a key priority, and we measure our climate footprint using metrics such as total GHG emissions, energy consumption, and transport efficiency. Our baseline year for emissions reduction is set at FY21, providing a reference point to track progress against our targets. To ensure accuracy and transparency in our reporting, we collaborate with Inspired ESG, who calculate our emissions footprint. No formal assurance has been provided on these calculations.

Greenhouse gas emissions

Our emissions are categorised into three scopes as defined by the GHG protocol. Scope 1 covers direct emissions from our operations, including natural gas consumption, fleet fuel use, and refrigerants. Scope 2 consists of indirect emissions from purchased electricity used across our facilities. Scope 3 encompasses all other indirect emissions, including those from our supply chain, transportation, and the lifecycle of our products.

In FY25, scope 1 emissions for B&M increased by 3.2% compared to FY24, rising from 56,923 tCO_2e to 58,756 tCO_2e (table 6). This was primarily driven by a 15.9% increase in transport-related emissions across the Group, most of which came from B&M UK and B&M France.

At the subsidiary level, B&M UK's scope 1 emissions increased by 4.4%, largely due to a 20.7% rise in transport emissions following an increase in the volume of products shipped and sold, while emissions from natural gas declined by 28.3% following the removal of gas supplies from 130 sites as part of the net zero journey. Refrigerant-related emissions also decreased by 10.6%, due to improved leak detection and maintenance practices. These reductions were supported by ongoing energy efficiency initiatives, such as LED lighting upgrades, energy-efficient building modifications, and a continued shift towards a younger, more efficient heavy goods vehicle (HGV) fleet. Heron Foods reduced its scope 1 emissions by 3.5%, driven by operational efficiencies. In contrast, B&M France recorded a 10.2% increase in Scope 1 emissions, attributed to higher transport activity in line with expanding operations in the region.

Scope 2 (location-based) emissions for the Group increased by 2.8%, from 43,417 tCO_2e in FY24 to 44,652 tCO_2e in FY25 (table 6). This was primarily driven by B&M UK, where scope 2 (location-based) emissions increased by 2.3%, and a temporary rise in electricity use related to the rollout of building energy management systems (BEMS) and heating, ventilation, and air conditioning (HVAC) monitoring technology. These systems are expected to improve efficiency in the longer term by enabling real-time energy optimisation.

Recognising that scope 3 accounts for the largest share of our carbon footprint, we conducted a comprehensive review to assess the applicability of the 15 GHG protocol categories to our business. This assessment identified 11 of the 15 relevant categories. The categories that were not relevant were 8, 9, 10 and 14. Category 8 (upstream leased assets) is excluded as the Group does not have any leased assets that were not included in scope 1 and 2. Category 9 (downstream transportation and distribution) is excluded as all postage is paid for by B&M. No products sold by the Group are in their final stage of production, excluding category 10 (processing of sold products), and the Group has no franchises (category 14). We are actively working with suppliers to enhance data accuracy and implement targeted initiatives to reduce emissions, particularly in high-impact areas.

Emissions performance

The Group's total greenhouse gas emissions for FY25 amounted to 2,059,172 tCO_2e. Our carbon balance sheet indicates that scope 1 and scope 2 (location-based) emissions accounted for 5.0% of our total emissions, with scope 3 representing the remaining 95.0%. Compared to our FY21 baseline, scope 1 and 2 (location-based) emissions increased by 2.1%. Although our total emissions have increased from the baseline year by 6.2%, the Group aims to meet its interim targets, as our new energy efficiency actions, such as BEMS, are expected to rapidly improve leak detection and contribute to a steady decline in emissions over the next few years. For more information on our energy efficiency projects, please see the "energy efficiency narrative" (page 32).

From FY24 to FY25, our scope 3 emissions increased, reflecting a combination of operational growth and changes in supplier spend. The most significant increases were observed in product procurement and distribution categories. Emissions from purchased goods and services (category 1), specifically for resold products, increased due to higher stock purchasing across the Group, from £2.3 billion to £2.5 billion in B&M UK and from €242 million to €269 million in B&M France. Increased emissions were also recorded under capital goods (category 2) and upstream transportation and distribution (category 4), driven by higher capital investment at Heron Foods and increased reported emissions from major logistics partners.

In contrast, we experienced reductions in other scope 3 categories. Business travel (category 6) emissions decreased due to reduced air travel and low fleet mileage in B&M UK. For employee commuting (category 7), we applied updated national commuting distance data, replacing our internal survey due to limited participation, ensuring more representative and consistent assumptions year to year. Emissions from downstream leased assets (category 13) also declined, reflecting the vacating of six sublet sites during FY25.

Approximately 67.3% of our GHG emissions came from Purchased Goods and Services (Category 1), prompting us to take targeted action. As part of our commitment to reducing emissions in this category, we aim to work with 67% of our suppliers (by spend) to set science-based targets by 2027. This collaboration will help our suppliers implement more sustainable practices, reducing the carbon footprint of the products and services we purchase. By engaging suppliers in emissions reductions and refining our reporting, we aim to identify additional opportunities for reducing emissions across our value chain, ensuring continuous progress toward our sustainability goals.

Table 7: The Group's FY25 carbon balance sheet, B&M UK, B&M France and Heron Foods

Emissions scope and scope 3 category	Gross emissions (tCO_2e)*				Percentage of total emissions (Group)**
	Group	B&M UK	B&M France	Heron Foods	
Scope 1	**59,481**	**48,605**	**1,110**	**9,766**	**2.9%**
Natural gas	9,151	9,100	51	0	0.4%
Transportation (excluding grey fleet)	45,556	35,691	824	9,041	2.2%
Other fuels & refrigerants	4,775	3,814	235	725	0.2%
Scope 2 (location-based)	**44,652**	**31,789**	**2,534**	**10,329**	**2.2%**
Scope 3	**1,955,763**	**1,525,901**	**197,221**	**232,641**	**95.0%**
1. Purchased goods and services	1,384,912	1,015,886	162,656	206,371	67.3%
1a. Resold products	1,355,129	1,000,157	149,684	205,288	–
1b. Goods and services	29,783	15,729	12,972	1,082	–
2. Capital goods	40,393	32,671	4,021	3,701	1.9%
3. Fuel and energy-related emissions	27,127	20,688	1,012	5,428	1.3%
4. Upstream transportation and distribution	95,065	64,276	21,458	9,331	4.6%
5. Waste generated in operations	844	388	414	42	0.1%
6. Business travel	514	240	203	72	0.1%
7. Employee commuting	63,755	54,417	1,642	7,697	3.1%
8. Use of sold products	332,778	327,718	5,060	0	16.2%
9. End-of-life treatment of sold products	6,960	6,205	755	0	0.3%
10. Downstream leased assets	1,815	1,815	–	–	0.1%
11. Investments	1,598	1,598	–	–	0.1%
Total all scopes (location-based)	**2,059,172**	**1,606,295**	**200,865**	**252,011**	**100.00%**
All scopes tCO_2e per £m turnover of division	**369.62**	**358.31**	**370.60**	**461.56**	**–**

* Emissions data has been rounded to the nearest whole number.
** Numbers have been rounded to 1 decimal place.

Streamlined Energy and Carbon Reporting ("SECR")

In this section, we provide an overview of FY25 and FY24 energy consumption, emissions, energy efficiency measures, and overall energy performance in alignment with SECR guidelines. We outline key metrics in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. For more detailed energy efficiency measures, refer to page 32 of this report.

Table 8: B&M UK, B&M France, and Heron Foods total energy consumption (kWh) SECR (Scope 1, scope 2 (location-based) and scope 3 grey fleet)

	B&M UK**	
	FY25 consumption kWh	FY24 consumption kWh*
Utility and scope	Total (UK)	Total (UK)
Scope 1 Total	**199,481,054**	**193,141,957 (193,268,392)**
Natural gas and other fuels (scope 1)	49,755,217	69,388,545
Transportation (scope 1)	149,725,837	123,753,412 (123,897,847)
Scope 2 total	**153,533,302**	**150,059,130 (150,057,845)**
Grid-supplied electricity (scope 2)	153,516,540	150,057,845
Transportation (scope 2)	16,762	1,285 (0)
Scope 3 total	**311,541**	**347,508**
Transportation (scope 3)	311,541	347,508
Total	**353,325,897**	**343,548,595 (343,675,030)**

	B&M France**	
	FY25 consumption kWh	FY24 consumption kWh*
Utility and scope	Total (France)	Total (France)
Scope 1 Total	**3,730,733**	**3,254,572**
Natural gas and other fuels (scope 1)	278,823	214,073
Transportation (scope 1)	3,451,910	3,040,499
Scope 2 total	**35,916,126**	**34,993,880 (28,464,542)**
Grid-supplied electricity (scope 2)	35,916,126	34,993,880 (28,464,542)
Transportation (scope 2)	0	0
Scope 3 total	**279,398**	**384,594**
Transportation (scope 3)	279,398	384,594
Total	**39,926,257**	**38,633,046 (32,103,708)**

	Heron Foods**	
	FY25 consumption kWh	FY24 consumption kWh*
Utility and scope	Total (UK)	Total (UK)
Scope 1 Total	**34,849,650**	**35,095,461 (34,699,232)**
Natural gas and other fuels (scope 1)	0	0
Transportation (scope 1)	34,849,650	35,095,461 (34,699,232)
Scope 2 total	**49,888,367**	**51,994,031**
Grid-supplied electricity (scope 2)	49,857,413	51,994,031
Transportation (scope 2)	30,953	0
Scope 3 total	**174,381**	**555,651**
Transportation (scope 3)	174,381	555,651
Total	**84,912,398**	**87,645,143 (87,219,005)**

Table 8 continued: **B&M UK, B&M France, and Heron Foods total energy consumption (kWh) SECR (Scope 1, scope 2 (location-based) and scope 3 grey fleet)**

	Group**			
	FY25 consumption kWh		FY24 consumption kWh*	
Utility and scope	Total (UK)	Total (Global inc. UK)	Total (UK)	Total (Global inc. UK)
Scope 1 Total	**234,330,703**	**238,061,436**	**228,237,418 (227,955,715)**	**231,491,990 (231,210,287)**
Natural gas and other fuels (scope 1)	49,755,217	50,034,039	69,388,545	69,602,618
Transportation (scope 1)	184,575,487	188,027,397	158,848,873 (158,567,170)	161,889,372 (161,607,669)
Scope 2 total	**203,421,669**	**239,337,795**	**202,053,161 (202,051,876)**	**237,047,041 (230,516,418)**
Grid-supplied electricity (scope 2)	203,373,954	239,290,079	202,051,876	237,045,756 (230,516,418
Transportation (scope 2)	47,715	47,715	1,285	1,285
Scope 3 total	**485,922**	**765,320**	**903,159**	**1,287,753**
Transportation (scope 3)	485,922	765,320	903,159	1,287,753
Total	**438,238,295**	**478,164,551**	**431,193,738 (430,910,750)**	**469,826,784 (463,014,458)**

* FY24 figures have been restated to update historical data to ensure accurate reporting. Figures reported in FY24 disclosures are indicated by parentheses.
** Emissions data has been rounded to 1 decimal place.

Table 9: B&M UK, B&M France and Heron Foods total location-based SECR emissions (tCO_2e) scope 1, scope 2 (location-based) and scope 3 grey fleet)

	B&M UK*	
	FY25 emissions tCO_2e	FY24 emissions tCO_2e**
Utility and scope	Total (UK)	Total (UK)
Scope 1 total	**48,605**	**46,543 (46,575)**
Natural gas and other fuels (scope 1)	9,100	12,693
Refrigerants (scope 1)	3,814	4,268
Transportation (scope 1)	35,691	29,582 (29,614)
Scope 2 total	**31,789**	**31,073**
Grid-supplied electricity (scope 2)	31,786	31,073
Transportation (scope 2)	4	0
Scope 3 total	**69**	**78**
Transportation (scope 3)	69	78
Total	**80,464**	**77,695 (77,726)**

Table 9 continued: **B&M UK, B&M France and Heron Foods total location-based SECR emissions (tCO_2e) scope 1, scope 2 (location-based) and scope 3 grey fleet)**

	B&M France*	
	FY25 emissions tCO_2e	FY24 emissions tCO_2e**
Utility and scope	**Total (France)**	**Total (France)**
Scope 1 total	**1,110**	**1,008**
Natural gas and other fuels (scope 1)	51	39
Refrigerants (scope 1)	235	242
Transportation (scope 1)	824	727
Scope 2 total	**2,534**	**1,577 (1,283)**
Grid-supplied electricity (scope 2)	2,534	1,577 (1,283)
Transportation (scope 2)	0	0
Scope 3 total	**63**	**87**
Transportation (scope 3)	63	87
Total	**3,707**	**2,672 (2,377)**

	Heron Foods*	
	FY25 consumption tCO_2e	FY24 consumption tCO_2e
Utility and scope	**Total (UK)**	**Total (UK)**
Scope 1 total	**9,041**	**9,373 (9,278)**
Natural gas and other fuels (scope 1)	0	0
Refrigerants (scope 1)	725	989
Transportation (scope 1)	8,316	8,383 (8,289)
Scope 2 total	**10,329**	**10,767**
Grid-supplied electricity (scope 2)	10,323	10,767
Transportation (scope 2)	6	0
Scope 3 total	**39**	**125**
Transportation (scope 3)	39	125
Total	**19,409**	**20,264 (20,170)**

	Group*			
	FY25 emissions tCO_2e		FY24 emissions tCO_2e**	
Utility and Scope	**Total (UK)**	**Total (Global inc. UK)**	**Total (UK)**	**Total (Global inc. UK)**
Scope 1 total	**57,646**	**58,756**	**55,916 (55,853)**	**56,923 (56,861)**
Natural gas and other fuels (scope 1)	9,100	9,151	12,693 (17,950)***	12,732 (18,232)***
Refrigerants (scope 1)	4,540	4,775	5,257	5,499
Transportation (scope 1)	44,006	44,831	37,965 (37,902)	38,692 (38,629)
Scope 2 total	**42,119**	**44,652**	**41,840**	**43,417 (43,123)**

Grid-supplied electricity (scope 2)	42,109	44,643	41,840	43,417 (43,123)
Transportation (scope 2)	10	10	0.3	0.3
Scope 3 total	**108**	**171**	**203**	**290**
Transportation (scope 3)	108	171	203	290
Total	**99,873**	**103,580**	**97,959 (97,896)**	**100,630 (100,273)**

* Emissions have been rounded to the nearest whole number.
** FY24 figures have been restated to update historical data to ensure accurate reporting. Figures reported in FY24 disclosures are indicated by parentheses.
*** This number is inclusive of refrigerants which has been spilt out in FY25.

Table 10: FY25 SECR location-based intensity metrics for B&M UK, B&M France and Heron Foods

	FY25				FY24*				% Change*
	B&M UK	B&M France	Heron Foods	Group	B&M UK	B&M France	Heron Foods	Group	Group
Revenue (£m)	4,483	542	546	5,571	4,410	514	560	5,484	+1.6%
Total emissions	**80,464**	**3,707**	**19,409**	**103,580**	**77,695**	**2,672**	**20,264**	**100,630**	**+2.8%**
Intensity metric (tCO_2e per £m revenue)	17.95	6.84	35.55	18.59	17.62	5.20	36.19	18.35	+1.2%

* FY24 figures have been restated to update historical data to ensure accurate reporting.

Reducing our emissions

Managing both transitional and physical climate risks remains a priority as we expand, particularly through store growth. We understand that reducing our emissions is the best way to manage climate-related risks. Therefore, we are committed to an average annual reduction of 4.9% in scope 1 and scope 2 (location-based) emissions, ensuring alignment with our long-term net zero commitment.

Energy efficiency narrative

In FY25, we undertook significant energy efficiency initiatives, including the installation of LED lighting, energy-efficient building modifications, and the removal of gas supplies from appropriate sites, contributing to measurable emission reductions. We are leveraging Energy AI within our BEMS systems to analyse energy consumption and automate efficiency improvements.

We are also exploring emerging technologies to reduce refrigerant emissions and advancing the electrification of our fleet. B&M have continued to increase the efficiency of its HGV fleet, with all vehicles now being less than three years old and transitioning away from specific HGV models. B&M use the Paragon transport software system to optimise fleet routes, reducing the distance and number of trips between stores and distribution centres. Further, we have intensified supplier engagement to collect emissions data and identify reduction opportunities in high-impact areas such as purchased goods and services. We also actively engage with our drivers to train them on driving efficiencies, further reducing energy consumption.

Water management initiatives

In FY25, the Group began rolling out limpet readers across its UK operations to improve understanding of water consumption. A total of 435 limpet readers were successfully installed during the year, with plans to expand the implementation in FY26. This initiative aims to provide more accurate and real-time data on water usage, supporting the Group's ongoing efforts to improve sustainability. During the year, the readers identified 18 sites with excess consumption, preventing potential waste of 16,709m³ annually, equating to £75,600 in cost avoidance. Once sufficient data is collected from these devices, B&M will assess the feasibility of setting water reduction targets in FY26, further driving its commitment to environmental responsibility.

Emissions calculation methodology

Our methodology follows the GHG Protocol, ensuring accuracy and compliance with UK SECR requirements. We have reported emissions across all scopes using the latest emission factors and engaged with Inspired ESG, as we have in the previous year. Our reporting boundaries follow the operational control approach, covering B&M UK, Heron Foods, and B&M France, where we maintain full operational oversight.

Scope 3 emissions were calculated in accordance with the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, using spend-based, activity-based, hybrid, and average-data approaches depending on category and data availability.

We remain focused on decarbonising every aspect of our operations and supply chain. Regular updates will keep our stakeholders informed of our progress, and we are committed to transparency as we drive toward a sustainable future.

We remain focused on decarbonising every aspect of our operations and supply chain. Regular updates will keep our stakeholders informed of our progress, and we are committed to transparency as we drive toward a sustainable future.

Our stakeholders' interests

This report describes how the Directors have had regard to sections 172(1) (a) to (f) of the Companies Act 2006 in relation to their decision making.

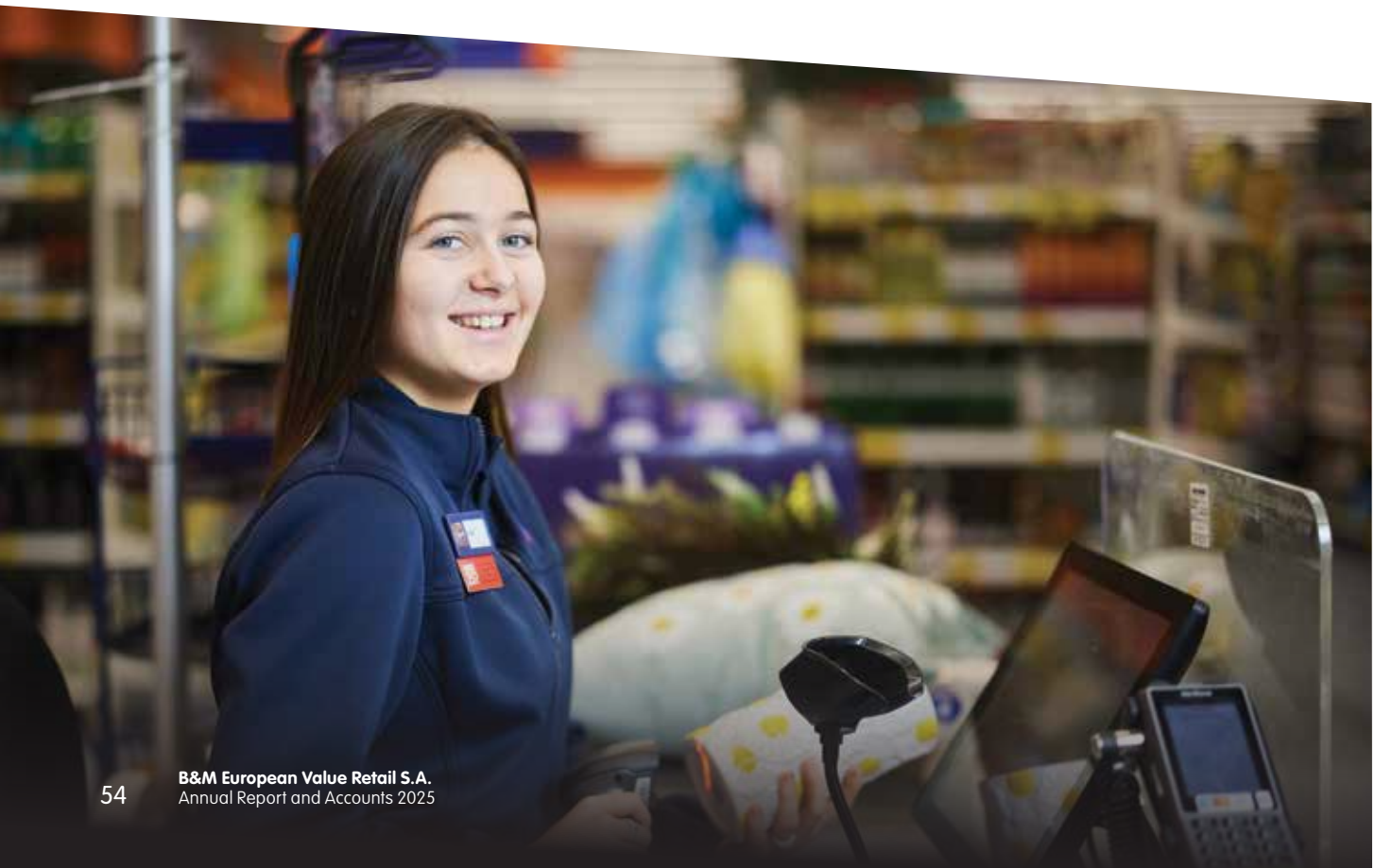
The Company is a Luxembourg registered company and is not subject to the Companies Act 2006 or to the Companies (Miscellaneous Reporting) Regulations 2018 (together, the "Regulations"). It is however subject to the UK Corporate Governance Code 2018 (the "Code"). The Board considers the Regulations to be reflective of best practice. Accordingly, it has followed that practice where practical, while maintaining its status as a Luxembourg registered company.

Stakeholders

Achieving our vision and fulfilling our purpose (as set out opposite) means that evaluating and considering the interests of our stakeholders in our decision making are key to the Group's success. The Group's key stakeholders include its customers, shareholders, employees, suppliers, and the environment and communities supporting our business and stores.

The Board uses a number of mechanisms through which it is able to determine and appraise the interests of stakeholders to inform discussion by the Board and its decision making. This includes a range of activities from regular management reports through to other forms of direct engagement by members of the Board.

We describe on the following pages how we have engaged with the particular key stakeholder groups and considered their interests in the last year. We have also provided further details of our engagement with colleagues in the colleagues section of our corporate social responsibility report on page 30.



Customers

Why we engage	We engage with our customers across multiple touchpoints – including surveys, dedicated customer research, and through ongoing conversations on our social channels. This continuous feedback loop has been invaluable in helping us better understand their needs, behaviours, and expectations. It ensures we stay aligned with what truly matters to them and helps us shape our offer to deliver more of what they want. Providing great value to our customers is our core purpose as a business. We monitor and respond to our customers preferences and needs to ensure we maintain a compelling product offering and price proposition at our stores.
How we engage, measure and monitor	Holding in-store promotional themed events to measure customer response and reaction to extra value propositions in different product areas. Social media engagement.
Examples of actions in FY25	The Board reviews LFL sales data every month in the Group's management account reports. This is analysed across each business fascia, the Grocery and General Merchandise product split and for each main product line within those categories. The company took decisive action in driving its store availability and standards, to improve customer experience and to encourage repeat visits (whilst also ensuring that shareholder's cash is not tied up in excess stock). The Company expanded ranges to meet customer demand in previously unexplored categories, such as baby.
Examples of outcomes in FY25	B&M's social media following has increased on the following platforms in the following percentages year on year: Facebook 3.5%; Instagram 2.6%; Tiktok 18.1%
Links and more information	**See the Financial review on page 16.**

Colleagues

Why we engage	Our business is successful by and through the work of all of our colleagues, in stores, warehouses, transport and central support centres.
How we engage, measure and monitor	Regular engagement programmes including colleague listening groups, new store and distribution centre colleague surveys and bi-annual business updates from management. Our largest ever colleague survey for retail, distribution and central support colleagues in the UK and in France. Twice yearly updates to the Board on colleague engagement supported by Paula Mackenzie, the Board's designated director for workforce engagement. Reward strong business performance through payment of discretionary bonuses to store, distribution and support centre managers.
Examples of actions in FY25	The business increased the intensity and frequency of listening groups across its Retail, Supply Chain and Support Centre colleague base and strengthened mechanisms that encouraged colleague feedback. Listening groups were frequently attended by members of the Executive Committee and Paula Mackenzie as designated director for workforce engagement. B&M UK completed its largest ever colleague survey, with over 30,000 colleagues invited to participate. The survey invited colleagues to answer key questions: (i) I am proud to work hard for our customers (ii) I am proud to contribute to B&M's success (iii) At B&M, we have high retail standards (iv) At B&M, we work fast, as a team, to solve problems (v) I am well supported by my team (vi) I would recommend B&M as a good place to work. The results of the survey were as follows: • 91% of colleagues shared they were proud to work hard for our customers; • 84% of colleagues were proud to contribute to B&M's success; • 77% of colleagues recognised that B&M has high retail standards; • 74% of colleagues felt they worked fast, as a team, to solve problems; • 72% of colleagues felt well supported by their team; and • 57% of colleagues recommended B&M as a good place to work. One of the key concerns shared by retail colleagues concerned safety in stores from incidents of aggressive shoplifting.

Colleagues continued

Examples of actions in FY25 continued

We sent out another B&M France colleague survey in the year, broadening the number of respondents across the business. This will continue into FY26.

Our development programmes continued to offer pathways for career progression for colleagues looking to apply for Retail Management, Distribution Centre Manager and first time manager roles in our Support Centre.

Targets set to increase ethnic diversity in senior management to 10% by 2027. To maintain target of female representation at Board and senior management level of at least 40%.

In FY25, we revitalised our new store recruitment approach by engaging directly with local communities. We hosted face-to-face events in 45 locations to promote the benefits of working at B&M and potential career development opportunities. These events drew in 3,884 attendees, and 3,800 participated in interviews on the day. As a result, 1,933 individuals were successfully hired into roles within our new store operations.

FY25 marked the launch of our newly designed internal training initiative: *The Pathway Programme*. This programme was structured across three development stages:

- Pathway to Department Manager which targets future Junior Managers offering training events focused on operational excellence and personal development.
- Pathway to Retail Leaders aimed at current and aspiring Deputy and Store Managers, which includes three face-to-face training sessions over three months. The curriculum covered operational, technical, and personal development topics, alongside training in equality, diversity, and inclusion.
- Pathway to Area Manager supports internal candidates aspiring to become Area Managers offering participants structured development and training.

Overall, 974 colleagues successfully completed one of the Pathway programmes, further strengthening our leadership pipeline and commitment to colleague growth.

Examples of outcomes in FY25

Work was undertaken to ensure the survey operated on an anonymous basis, to ensure colleagues felt comfortable to voice their opinions. Over half of B&M UK colleagues engaged in our employee survey. We adopted a more streamlined procedure and survey methodology to enable a more data driven analysis of employee feedback and will carry this approach into FY26.

In response to safety concerns expressed by retail colleagues in our stores, B&M has increased security guarding in all high risk stores, partnered with local police and engaged sophisticated third party security service providers to strengthen safety in our stores increase enforcement against aggressive shoplifters.

974 colleagues participated in our development Pathway programmes, designed to help colleagues progress to department managers, deputy managers and store managers.

Discretionary Golden Quarter bonus awarded to high-performing leaders in stores. Discretionary bonuses awarded to high-performing colleagues in distribution and support centre roles.

At the end of the financial year, female representation at senior manager level was 36%.

As at the end of FY25, ethnic diversity in senior management was 1.52%.

Links and more information

See the **Colleagues** section in the **Corporate social responsibility report** on **pages 33 to 35.**

Communities

Why we engage

The relationships we have with the communities where we operate our stores and distribution centres are key to the sustainable development and growth of our business. We want to serve customers locally with what they want and at great value. We also want to support the communities where we operate by providing jobs and career opportunities locally.

How we engage, measure and monitor

Evaluating real estate opportunities for opening new stores in catchments where we are either under-represented or not represented at all. This provides jobs and access to our value-led proposition to more communities every time we open new stores.

Providing support for the community at local and national levels where we can contribute to society more generally. Each time we open a new store in the UK we try to find a local charity to perform the ribbon-cutting ceremony to promote the good work they do in the community and generate some publicity with the local media. We actively encourage our store managers to maintain those relationships in the future and give continued support.

Communities continued

Examples of actions in FY25

The Board continued to support the new store openings programme of its B&M and Heron Foods businesses in the UK. That also includes the relocation of stores in existing areas where better real estate opportunities exist, and capital and maintenance expenditure on stores earmarked for refurbishment within the existing estate.

The opening of new stores and relocations of stores (often to larger premises) create new jobs and promotion opportunities at those stores and also in our distribution centres, while our business continues to grow.

The addition of new Homebase and Wilko stores means the store pipeline for the next two years remains strong and the long-term potential is now not less than 1,200 stores. Importantly, the new stores are performing very well.

In FY25, for every new store we opened B&M donated £250 to a local charity and invited them as the VIP to open the new store.

In collaboration with the Department for Work and Pensions, we launched a four-week work experience programme aimed at providing jobseekers with first-hand exposure to the retail sector. Those successfully placed were paired with an experienced B&M colleague who acted as their buddy throughout the programme.

During the four weeks, participants received tailored training, development, and the opportunity to build transferable skills to support their ongoing job search. Upon completion, every participant was guaranteed an interview with B&M. Where vacancies existed at their placement store, candidates were considered for either permanent or temporary roles. If no immediate vacancy was available, but the individual showed promise, they were talent banked, with local stores retaining their details for future opportunities. Participants not suited to retail were awarded a certificate of completion and offered a reference upon request.

In FY25, 2,600 individuals completed the programme, with 70% (1,820 people) subsequently offered employment with us on either a permanent or temporary basis.

Additionally, we partnered with the Department for Communities (DFC) in Northern Ireland to support their JobStart initiative. This government-funded programme aims to help young people aged 16–24 into employment. B&M was granted 200 JobStart placements, offering structured six and nine month work placements.

B&M UK also created a national work experience programme in partnership with the Department for Work and Pensions and Department for Communities in Northern Ireland. These programmes have helped the long term unemployed get back to work, providing valuable work experience in a retail environment, with supportive mentors, and a guaranteed interview at the end of the placement. Over 2,600 colleagues completed the 4-week programme and 1,820 were offered perm/temp employment.

In FY25, Heron Foods colleagues visited schools to provide mentoring, apprenticeship services and advice, as well as attending careers events.

Heron Foods also participated in the "Too Good To Go" scheme, which allows local communities to buy discounted food from shops which would otherwise go to waste.

In July 2025, we proudly signed the Armed Forces Covenant and committed to the following:

Guaranteed Interviews for Ex-Service Personnel: We created a dedicated web link to ensure ex-military applicants could apply with ease and be guaranteed an interview for roles at B&M.

Support for Military Spouses and Partners: For spouses and partners of serving personnel employed at B&M, we committed to offering continued employment in another location should they need to relocate due to military requirements – even if the role differs from their original post.

Engagement with the Cadet Community: We reached out to Reserve Centres to deliver employability programmes designed to help cadets consider careers in retail or supply chain, should they choose not to pursue a military path.

In recognition of Remembrance Weekend 2025, on 7th November we invited all serving personnel to visit our stores and, upon presenting a MOD90 card, received a special discount as a thank-you gesture.

Since signing the Armed Forces Covenant, we have been awarded the Bronze Award for our support of the Armed Forces.

In FY25, B&M UK, B&M France and Heron Foods continued to support multiple charities. For example, B&M chose to continue to support Cash for Kids. There is also now an option for colleagues to donate cashback to Fashion and Textile Children's Trust.

Heron Foods have celebrated their top 10 fundraising stores for Cash for Kids. Certificates are proudly displayed framed in each store. Heron Foods also held a summer of giving incentive, where every store that raised more than £300 over the summer, provided their Area Manager with a ticket into a prize draw.

Communities continued

Examples of outcomes in FY25	We opened 45 (gross) B&M UK stores, 11 (gross) B&M France stores and 14 (gross) Heron Foods stores (including relocations) in the financial year under review. Within this number we opened 9 B&M UK relocations stores (6 of which were ex-Wilko stores), where older, smaller legacy stores were replaced with newer B&M state-of-the-art stores. Typically, relocated stores are at least twice the size of the stores they replace and improve our trading location. This constitutes an important part of our estate. With the rising cost of living, our value-for-money proposition plays an important role in helping a large number of customers afford their everyday essentials. Our total charitable donations in FY25 were £10,385,466 (in kind and cash). Total additional stock donated in FY25 came to 181 pallets. Examples of our charitable activities in FY25 include: • £7,146 for numerous charities through colleague fund-raising activities including sample sales, Wear it Pink, Christmas Jumper Day and the poppy appeal; • Over £4,053 for MacMillan, through coffee mornings held amongst our Supply Chain and Support Centre employees; • Over £17,420 in gift voucher donations for our new store openings and customer service charitable donations; • £22,500 in product donations to the Mission Christmas "Cash for Kids" campaign; and • Over £10 million in total for Mission Christmas "Cash for Kids" product donations through customers and colleagues. This helped 216,409 kids at Christmas.
Links and more information	See the **Communities** section in the **Corporate social responsibility report** on **pages 36 and 37.**

Suppliers

Why we engage	We regard our suppliers as key business partners. Many of them have worked with us for a number of years. We like to build long term relationships with suppliers to support our business. Our continued growth gives our suppliers the potential to grow with us, which also further strengthens those relationships.
How we engage, measure and monitor	There is regular engagement with the Group's suppliers led by the Group's Trading Director, Grocery Controller, senior members of the Group's buying and merchandising teams and our Hong Kong based sourcing agents. This includes a range of supplier visits, meetings and presentations, factory visits and trade fair meetings in China, the UK, the US, and the EU with both existing and new suppliers.
Examples of actions in FY25	There has been a continuous rolling programme of ensuring suppliers meet appropriate levels of external audit social compliance checks. This is important to the welfare of the employees of our suppliers, and the maintenance of their ongoing trading relationships with our Group. This year, we engaged with the top 120 suppliers (in addition to the 30 largest suppliers already engaged with) selected based on financial spend, compared to FY24. The ESG supplier questionnaire will help us to obtain information regarding their carbon measurement processes and reduction efforts, as well as wider ESG ambitions. This programme forms part of our supplier engagement target which has been validated by the SBTi. As referred above, the B&M and Heron Foods UK businesses have continued with their new store openings and existing store refurbishment programmes during the year. This is important to our main building services contractors, many of whom have worked on stores with us for several years.
Examples of outcomes in FY25	The Company has continued to outsource the audit checking processes to Multi-Lines International Company Limited ("Multi-Lines") in relation to the Group's own direct/non-Multi-Lines sourced suppliers. This has enabled the Group to apply a consistent and established methodology and utilise Multi-Lines expertise and connections across Asia on our behalf. The B&M UK business has continued to use its main store fit-out contractors where available to carry out new store opening and existing store estate refurbishment works during the year. That has provided them with a level of ongoing workstreams.
Links and more information	See the **Supply Chain** section on **pages 38 and 39** and the **Corporate social responsibility report** on **page 30.**

Investors

Why we engage	Our investors include shareholders, bondholders and banks. They have a direct financial interest in the performance of our business and our continued success.
How we engage, measure and monitor	The management team have roadshow presentations and one-to-one meetings with investor groups each year on the announcements of our half-year and full-year results. Presentations and conference calls with question and answer sessions are also held on the announcement of the Q1 and Q3 trading updates announcements. One-to-one conference calls and meetings are also held during the year with both existing and potential new institutional investors. The Board reviews investor relations reports and market updates as a standing agenda item at each of its meetings throughout the year. It also has an investor relations agenda item with its corporate brokers at its strategy day meetings each year. In order to receive valuable feedback, as required, the Chair of the Board engages with investors and shareholders. In particular our Annual General Meeting allows opportunity for shareholders to meet with the Board and Committee chairs.
Examples of actions in FY25	Regular investor briefings help with our substantial number of overseas shareholders, including regular updates with such shareholders in America and Australia. In November 2024, the Group issued £250m of high yield bond notes, maturing in November 2031 with an interest rate of 6.5%. £150m of cash received from these high yield bond notes has been ring-fenced for the purpose of repaying the remaining £156m of high yield bond notes (2020) in July 2025. Transaction fees of £3m were capitalised and are included in the carrying value of these bonds. The Group continued to generate strong results against pre-pandemic levels in the financial year under review. The Board considered within the context of its capital allocation policy, the opportunity to make further returns to shareholders in addition to its ordinary dividend policy.
Examples of outcomes in FY25	The company declared the following dividends in FY25: • a special dividend of 15.0p per share in January 2025 • an interim dividend of 5.3p per share paid in December 2024 • subject to approval from shareholders a final dividend of 9.7p in June 2025
Links and more information	See the **Viability Statement** on **page 29** and also the **Financial review** on **page 16.**

Armed Forces Covenant Testimonial

I served in the RAF Regiment for 16 years. Joining the military felt like a natural path for me – my whole family had served, so I followed in their footsteps with pride. During my time in the forces, I was deployed to places like Basra, Afghanistan (twice), and Kuwait. Basra stands out the most, especially when we took over the airport – it was one of the most challenging experiences of my life.

In the military, I was second in command of a team of eight. I had real responsibility and was proud to lead. However, transitioning back to civilian life was incredibly difficult. People were different, and I struggled a lot with adapting to a world that no longer felt familiar. I was in a dark place, dealing with PTSD, and unsure of where I fit in anymore.

That's when a friend told me B&M was hiring for Christmas temps. I applied and started on a 16-hour Christmas temp contract. I was then kept on as a permanent colleague, worked my way up to replenishment manager, and now I'm proud to be a store manager.

What made B&M stand out to me was the team spirit. From day one, it felt like a family – supportive, close-knit, and encouraging. That sense of belonging was something I'd been missing.

The skills I gained in the forces – leadership, adaptability, decision-making, and understanding how to bring the best out in people – have all been hugely valuable in my role here. More than that, having the focus and structure of the job helped me heal. It gave me something to channel my energy into and helped take my mind off the things I'd been through. I still have moments, but I've come a long way.

What made me very proud is the trust B&M gave me to run my own brand-new store – something not often given to new managers. That store went on to win **Store of the Year** and became **Perfect Day Winners** for B&M, which was an incredible achievement.

B&M didn't just give me a job – it gave me purpose again. And for that, I'll always be grateful.

I'm super proud to be working for a company that offers guaranteed interviews for ex-forces, supports cadet reserves, and offers discount days for personnel. I'm proud to be part of that.

Andy Day
B&M Store Manager

Chair's introduction to Corporate Governance & The Board of Directors of B&M European Value Retail S.A.

Continuing our strong foundation of corporate governance in line with the UK Corporate Governance Code.

Dear Shareholder,

This report sets out the main elements of the Company's corporate governance structure and how it complies with the UK Corporate Governance Code. It also includes information required by the Listing Rules and the UK Financial Conduct Authority ("FCA") Disclosure and Transparency Rules ("DTRs"). This year we have continued to develop under the UK Corporate Governance Code 2018 (the "Code") and other UK regulations in relation to corporate governance objectives and practices, within our own governance framework and Board agenda programme. The main elements arising from this during the year, and also other important corporate governance developments of the Group are summarised below.

We have applied our principles and consider the interests of all stakeholders in developing our governance framework and in our ongoing decision making. In my Chair's statement on pages 8 to 9, I have highlighted a number of topics which indicate how our approach to governance has continued to evolve with the growth of our Company and constantly developing framework of reporting requirements. We continue to make good progress in implementing our ESG strategy. Changes made to our Board recognise the continuing importance of diversity. A strong foundation of corporate governance continues to provide a firm basis for the growth and success of B&M.

Meet our Board

Tiffany Hall
Non-Executive Chair of the Board and Chair of the Nomination Committee

Appointment: September 2018

Non-Executive Chair of the Board and Chair of the Nomination Committee.

Tiffany joined the Board of B&M in 2018 and has held various roles, including Chair of the Remuneration Committee and Designated Non-Executive for Workforce Engagement. Tiffany succeeded Ron McMillan as Senior Independent Director in July 2023 and became Independent Non-Executive Chair of the Board on conclusion of the Annual General Meeting on 23 July 2024.

She previously served as Chief Executive Officer of BUPA Home Healthcare, Marketing Director at BUPA, Head of Marketing at British Airways and also Chair of Airmiles and BA Holidays. Prior to that, she held various other senior positions at British Airways including Head of UK Sales and Marketing.

External appointments:
Tiffany is a Non-Executive Director of Symington Family Estates SA and chair of John E Fells & Sons Ltd.

Committee membership:

NOM

Mike Schmidt
Chief Financial Officer and Interim Chief Executive Officer[1]

Appointment: November 2022

Mike joined the B&M Group on 17 October 2022 and the Board as the Group's Chief Financial Officer on 1 November 2022.

Prior to joining B&M, Mike spent over eight years at publicly listed home furniture retailer DFS Furniture plc, where he was appointed Group Chief Financial Officer in 2019. During his time at DFS, Mike additionally held executive responsibility for property, strategic development, legal & compliance, and financial services activities, and was Non-Executive Chair of DFS's trading subsidiaries Dwell and Sofa Workshop.

Mike began his career in corporate finance, and gained 13 years' experience of working for top tier investment banks including Citi and UBS, across equity, debt and M&A advisory for various large cap international corporations. Mike has an MA in Economics and Management from Cambridge University.

Committee membership:

Nil

1. Following Alex Russo's retirement as Chief Executive Officer from the Board on 30 April 2024, Mike Schmidt was appointed to act as interim CEO alongside his role as CFO, until Tjeerd Jegen joins the business as CEO on 16 June 2025.

Oliver Tant
Senior Independent Non-Executive Director and Chair of the Audit & Risk Committee

Appointment: November 2022

Oliver has over 40 years' experience as a finance professional most recently as Chief Financial Officer of Imperial Brands plc the FTSE 30 listed consumer brands company and prior to that for 30 years at KPMG. At Imperial Brands plc, Oliver held responsibility for Finance but also IT, Procurement, Legal and Corporate Development. At KPMG he was a Vice Chair and during 20 years as a partner he served a wide variety of listed and privately-owned clients and also ran KPMG's UK Audit and Global Financial Advisory Services businesses.

Oliver became Chair of the Audit & Risk Committee after the Annual General Meeting in July 2023. In July 2024, Oliver became Senior Independent Non-Executive Director of the Board.

External appointments:
Oliver is an Independent Non-Executive Director and Chair of Mazars LLP Audit Board.

Committee membership:

A&R NOM REM

Paula MacKenzie
Independent Non-Executive Director

Appointment: November 2021

Paula has a strong background in general management and finance. Paula is Chief Executive Officer of Pizza Express and her experience is in transforming Food & Drinks businesses, having worked for some of the world's most recognised companies including KFC, Diageo, GSK and innocent. Paula led the KFC business (part of Yum! Brands) in the UK and Ireland as Managing Director, and in her 11 years at Yum! had a range of senior executive roles including Chief Finance Officer, Chief Development Officer and Chief Marketing Officer. Paula became Designated Non-Executive Director for Workforce Engagement in July 2024.

External appointments:
Paula is an Advisory Board member for Pennies, the micro-donation charity.

Paula is Chief Executive Officer of Pizza Express

Committee membership:

A&R NOM

Committee membership key

- A&R Audit & Risk
- REM Remuneration
- NOM Nomination
- Chair

Outgoing Members

Alex Russo
Chief Executive Officer

Retirement: April 2025

Alex served as Chief Executive Officer of the B&M Group from 26 September 2022 until his retirement from the Board on 30 April 2025. Prior to becoming Chief Executive Officer, Alex was the Chief Financial Officer for the B&M Group from 16 November 2020.

Peter Bamford
Non-Executive Chair of the Board

Retirement: July 2024

Peter served as Chairman from March 2018 until his retirement at the AGM on 23 July 2024.

Ron McMillan
Independent Non-Executive Director

Retirement: July 2024

Ron served as Independent Non-Executive Director from May 2014 until his retirement at the AGM on 23 July 2024.

Hounaïda Lasry
Independent Non-Executive Director and Chair of Remuneration Committee

Appointment: September 2023

Hounaïda has international experience in general management and marketing. She previously spent almost 30 years at Procter & Gamble across various sectors and geographies. In her final role, she had responsibility for a portfolio of Skin & Personal Care brands across Europe. Hounaïda was also a Non-Executive Director at Britvic plc and on the Advisory Board of the Geneva School of Economics and Management. Hounaïda became Chair of the Remuneration Committee in July 2024.

External appointments:
–

Committee membership:
REM NOM

Nadia Shouraboura
Independent Non-Executive Director

Appointment: May 2024

Nadia has a very broad range of experience which includes public company roles and leading entrepreneurial ventures in retail and other sectors. An entrepreneur and former senior Amazon executive she played a key role in building out the company's technology and supply chain capability during a period of unprecedented growth in the 2000s and early 2010s.

External appointments:
Nadia is currently serving as a Non-Executive Director at MTS Group/Mobile Telesystems PJSC, and Ocado Group plc. Nadia also served as a Non-Executive Director for 8 years at Ferguson plc from February 2017 until January 2025.

Alongside her three public board roles, Nadia has several private and advisory roles including New Mountain private equity, Formlabs Inc. and Tosca Limited.

Committee membership:
REM NOM A&R

Euan Sutherland
Independent Non-Executive Director

Appointment: January 2025

Euan has a wealth of retail and consumer goods experience, having led major consumer- facing businesses both in the UK and internationally. He is currently CEO of AG Barr PLC and has held CEO positions for over 20 years across some of the UK's largest retail brands including Superdrug & Savers, B&Q, Superdry and the Co-op Group. He was also Group COO of Kingfisher plc and led store operations and marketing at Matalan. Euan also has a background in global FMCG brands, including Mars and Coca-Cola, plus eight years on the board of Britvic plc as a Non-Executive Director. A graduate of Aston Business School, Euan also holds an Honorary Doctorate in Business Management.

External appointments:
Euan is currently serving as a CEO of AG Barr PLC.

Committee membership:
REM NOM

Tjeerd Jegen
CEO Designate

Appointment: June 2025

Tjeerd joins the Group as Chief Executive Officer and will be appointed to the Board on 16 June 2025.

Prior to joining B&M, he was CEO of Dutch retailer HEMA and held senior leadership roles at Ahold Delhaize, Tesco, Metro Group, Woolworths and Takko Fashion across Europe, Asia and Australia. A Dutch national, he brings 30 years of experience in value-driven, customer-centric retail and has led businesses across a range of formats, including supermarkets, department stores and discount retail. Tjeerd holds a Master's degree in Business Administration and has lived and worked in nine countries.

External appointments:
Tjeerd is currently senior advisor and incoming chairman of the supervisory board of Accell Group BV.

Committee membership:
Nil

This report sets out the main elements of the Company's corporate governance structure and how it complies with the UK Corporate Governance Code. It also includes information required by the Listing Rules and the UK FCA DTRs.

Code compliance

The Board is committed to high standards of corporate governance. Except where referred to on page 79, (workforce engagement on executive pay) and as described on page 65 (gender diversity), the Company has complied throughout the year under review with the provisions of the Listing Rules, the Code published in 2018 and the DTRs. At the date of this report the Company is fully compliant with gender and diversity targets required by the Listing Rules. A copy of the Code is available on the UK Financial Reporting Council's ("FRC") website at www.frc.org.uk.

Management responsibilities

The Executive Directors of the Group and of its three main businesses are responsible for the day-to-day operational and strategic matters in relation to each of the businesses, which includes B&M UK, Heron Foods and B&M France. Members of the broader senior executive team hold regular weekly meetings led by the CEO to review progress and management activities of the Group.

Schedule of matters reserved to the Board

The following matters are reserved to the Board for its approval:

Approve

- approving the long-term strategy and objectives of the Group and reviewing the Group's performance and management controls;
- approving any changes to the capital structure of the Group;
- approving the financial reporting, budgets, dividend policy and any significant changes in accounting policies and practices of the Group;
- approving any major capital projects of the Group;
- approving the structure, size and composition of the Board and remuneration of the Non-Executive Directors; and
- approving and supervising any material litigation, insurance levels of the Group and the appointment of the Group's professional advisors.

Ensure

- ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives; and
- ensuring the maintenance of a sound system of internal controls and risk management.

Review

- reviewing the Company's overall corporate governance and approving the division of responsibilities of members of the Board.

Board and Committee attendance at scheduled meetings during FY25:

Directors	Board 6 Attended	Audit & Risk Committee 4 Attended	Nomination Committee 5 Attended	Remuneration Committee 4 Attended
Tiffany Hall – Chair	6	–	5	4
Alex Russo[3]	6	–	–	–
Mike Schmidt	6	–	–	–
Paula MacKenzie	6	4	5	–
Oliver Tant	6	4	5	4
Hounaïda Lasry	6	–	5	4
Nadia Shouraboura	6	4	5	4
Euan Sutherland[2]	1	–	1	–
Directors who retired from the Board during FY25[1]				2

1. Peter Bamford and Ron McMillan both retired from the Board during FY25. Peter Bamford and Ron McMillan had a full attendance record up to their resignation from the Board following the conclusion of the AGM on 23 July 2024.
2. Euan Sutherland has a full attendance record from his appointment as a Non-Executive Director on 20 January 2025.
3. Alex Russo has a full attendance record up until his retirement from the Board on 30 April 2025.

How we govern

The Board and Committee structure of the Company is as follows

B&M's Board

The Board of Directors of B&M as at the date of this report has seven members comprising the Chair, one Executive Director and five Independent Non-Executive Directors.

See **pages 60** and **61** for more information

Audit & Risk Committee

This Committee is made up of three Independent Non-Executive Directors

The main responsibilities of the Committee are:

- reviewing and monitoring the integrity of the financial statements and price sensitive financial releases of the Company;
- monitoring the quality, effectiveness and independence of the external auditors and approving their appointment fees;
- monitoring the independence and activities of the Internal Audit function;
- assisting the Board with the risk management strategy, policies and current risk exposures;
- reviewing the adequacy and effectiveness of the Group's internal financial controls and control and risk management systems; and
- maintaining effective oversight of compliance by our UK businesses with the Groceries Code.

See **page 69** for a copy of the Committee's report

Nomination Committee

This Committee is made up of the Chair and five Independent Non-Executive Directors

The main responsibilities of the Committee are:

- reviewing the structure, size, diversity and composition of the Board, including the balance of Executive and Non-Executive Directors;
- putting in place plans for the orderly succession of appointments to the Board and to senior management;
- identifying and nominating candidates, for approval by the Board, to fill Board vacancies as and when they arise;
- ensuring, in conjunction with the Chair of the Company, that new Directors receive a full, formal and tailored induction; and
- keeping under review the leadership and senior management needs of the Group including Executive and Non-Executive Directors and the wider senior management team, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace.

See **page 74** for a copy of the Committee's report

Remuneration Committee

This Committee is made up of four Independent Non-Executive Directors

The main responsibilities of the Committee are:

- setting the policy for the Group on executive remuneration;
- determining the level of remuneration of the Chair, the Executive Directors of the Company, the Group's General Counsel and the first layer of senior management of the Group below the Board;
- preparing an annual Directors' remuneration report for approval by shareholders at the Annual General Meeting of the Company;
- designing share schemes for approval by the Board for employees and approving awards to Executive Directors and certain other senior management of the Group; and
- reviewing pay and conditions across the Group's wider workforce.

See **page 77** for a copy of the Committee's report

Workforce Engagement NED

Paula MacKenzie is the designated Non-Executive Director for Workforce Engagement

The main responsibilities of this role are the governance and oversight of the following matters:

- to consider with the Board the mechanisms required from time to time by the Group in relation to Workforce Engagement to enable the Board to be appropriately appraised on colleague engagement;
- to coordinate such direct engagement between the Non-Executive Directors and the workforce as is considered appropriate;
- to ensure the workforce engagement mechanisms which are approved by the Board are put in place and are effective;
- to report on the outputs from those mechanisms to the Board at least twice a year, and make any recommendations arising from those reports to the Board; and
- the holder of this office is also supported by members of the senior executive team of the Group who are responsible for the day-to-day implementation of the Workforce Engagement mechanisms by the Group.

See **page 33** on Workforce Engagement

Terms of reference of each of the Committees are available on B&M's website at **www.bandmretail.com**

Executive management

The Executive Directors of the Group and of its three main businesses are responsible for the day-to-day operational and strategic matters in relation to each of the businesses of the Group, which includes B&M UK, B&M France and Heron Foods. Members of the broader senior executive team hold regular weekly meetings led by the CEO to review progress and management activities of the Group.

Board responsibilities

The Board is collectively responsible for the strategy and long-term success of the Group, and for ensuring there is an effective system of internal controls within the Group for the assessment and management of key risks.

The Board has delegated certain responsibilities to three main Committees to assist in discharging its duties and the implementation of matters approved by it (see the table on page 63). The reports of each of the Committees for the year under review are set out on pages 69, 74 and 77.

A presentation of each of the B&M UK, Heron Foods and B&M France businesses and their up-to-date trading performance is provided by the CEO at each Board meeting, together with comprehensive financial reports and analysis presented by the CFO. During those months that fall outside the regular cycle of Board meetings, the CEO and CFO also provide reports and management accounts packs updating the Board on the current trading performance of each of the Group's businesses.

Members of the broader senior management teams of B&M UK, Heron Foods and B&M France participate at certain meetings of the Board and store tours with the Board during the course of the year. The senior executive team participates in the annual strategy day of the Group.

The implementation of the Board-approved strategy, policies and decisions is delegated to the Executive Directors of the Company to execute them in relation to the day-to-day operational management of the Group's main businesses. The Executive Directors are also supported by senior management teams in each of the B&M UK, Heron Foods and B&M France businesses of the Group. The leadership teams of those businesses regularly have business update and trading review meetings with the Group CEO and CFO.

In addition to the regular scheduled meetings, the Board and Committees have passed a series of written resolutions during the year in relation to the formal decisions taken by them. Meetings between the Non-Executive Directors and Chair have taken place and the Non-Executive Directors have met without the Chair being present.

The Chair has also had one-to-one meetings in the year under review with each of the Independent Non-Executive Directors.

The Company held three general meetings of shareholders in the year under review, being the Annual General Meeting on 23 July 2024 and two Ordinary General Meeting's on 29 May 2024 to appoint Nadia Shouraboura and 20 January 2025 to appoint Euan Sutherland, as Independent Non-Executive Directors.

Board composition

During the financial year, the Group announced the retirement of Alex Russo, as Chief Executive Officer, with effect from 30 April 2025. On 15 May 2025 it was announced that Tjeerd Jegen would be appointed CEO with effect from 16 June 2025.

Following Alex's retirement, Mike Schmidt was appointed Interim Chief Executive Officer, alongside his current role of Chief Financial Officer, whilst a permanent successor was found.

Peter Bamford retired from the Board in July 2024 and Tiffany Hall was appointed on 4 June 2024 as Chair of the Board of Directors, with her appointment effective from 23 July 2024. Ron McMillan continued as a Non-Executive Director until his retirement at the AGM on 23 July 2024.

Following her appointment as Chair, Tiffany now also Chairs the Nomination Committee.

Oliver Tant succeeded Tiffany Hall in the role of Senior Independent Director and continues his role as Chair of the Audit and Risk Committee. Oliver has the requisite skills and experience for each of these roles, having had a number of years' experience on a variety of public company boards as both Executive and Non-Executive.

Following Tiffany's appointment as Chair, Hounaïda Lasry was appointed Chair of the Remuneration Committee.

Paula MacKenzie succeeded Tiffany as Designated Non-Executive for Workforce Engagement.

As at the date of this report, the Board compromises the Chair, one Executive Director acting as the Interim CEO and CFO, and five Independent Non-Executive Directors.

The Code recommends that at least half of the Board, excluding the Chair, should comprise Independent Non-Executive Directors. The Company met this requirement during the whole of the year under review, with each of Paula MacKenzie, Oliver Tant, Hounaïda Lasry, Nadia Shouraboura and Euan Sutherland being Independent Non-Executive Directors.

Each of the Independent Non-Executive Directors who served during the year under review was and continues to be considered by the Board to be independent in character and judgement. The Code recommends that the Board identifies each Non-Executive Director it considers to be independent and any circumstances which are likely to impair or could appear to impair a Non-Executive Director's independence. All the Non-Executive Directors are free from relationships or circumstances which may affect, or could appear to affect, their judgement as Directors.

Independence is determined by ensuring that the Non-Executive Directors do not have any material business relationships or arrangements (apart from their fees for acting as Non-Executive Directors) with the Group or its Directors, which in the opinion of the Board could affect their independent judgement.

In the year under review, SSA Investments continued to be a related party due to Bobby Arora's continued directorship of B&M Retail Limited. Bobby resigned as a director on 31 March 2025.

All Directors have service agreements or letters of appointment in place and the details of the terms of them are set out in the Directors' remuneration report on pages 77 to 97.

Diversity policy

The diversity policy applied to the Board is based upon the Listing Rules requirements of UKLR 6.6.6R(10). The overall objective of the Company's diversity policy is to ensure that the Company has a well-balanced Board at all times in terms of the necessary skills, experience and independence of character and judgement of its members, for the Group to be managed effectively for its long-term success.

Appointments to the Board are based on merit so that the best candidates are appointed, but within that the Company recognises the value which a diverse Board brings to the business and it embraces diversity in relation to gender, race, age, educational and professional backgrounds. The Board is well placed to meet the Listing Rules requirement in relation to diversity. Along with that criteria, diversity in relation to international experience (in particular in relation to the Group's chosen markets), recent senior management or professional experience in retail and/or supply chain sectors and functional experiences in relation to membership and Chair of Board committees are also relevant criteria of the Company.

Details of the Company's ethnic and gender diversity in relation to the Board and executive management of the Group are included in the Corporate social responsibility report on page 30.

During the year under review the Board was fully compliant with UKLR 6.6.6 (9) (a) (iii) with respect to diversity with Hounaïda Lasry being a Non-Executive Director from an ethnic minority background.

In the year under review, the Executive Committee, being the first level of senior management below the Board, had one ethnic minority member out of a total of ten members, being the Group Trading Director. The senior management team which comprises the Executive Committee and the level of management below has 1.52% ethnic minority representation.

As recommended by the Parker Review, the Company has voluntarily set targets for 10% ethnic minority representation within the senior management by the end of FY27. Senior management is defined as the Executive Committee and their direct reports.

During the first two months of the financial year under review the Board's gender diversity failed to comply with the requirement of UK 6.6.6 (9) (a) (i) to have 40% of the Board as female. As at April 2024 the Board had 37.5% female representation (three female Board members out of the total eight members). With the appointment of Nadia Shouraboura in May 2024, the percentage increased to 44%. The retirement of two male Non-Executive Directors in July 2024 brought the percentage to 57% female representation directly following the 2024 AGM on 23 July 2024. With the appointment of Euan Sutherland in January 2025 the percentage of female Directors was 50% at the FY25 year end.

In accordance with UKLR 6.6.6 (9) (a) (ii), for the year under review, one of the female Board members continued to occupy a senior position, with Tiffany Hall acting as Senior Independent Director until July 2024 and then subsequently Chair of the Board of Directors.

The Executive Committee, the first level of senior management below the Board, has one female member out of a total of ten members, being the Group IT Director. The senior management team which comprises the Executive Committee and the level of management below has 36% female representation. The Company has a target for 40% female representation within the senior management by the end of FY27.

In FY25 the Company collected data in respect of diversity from its new starters. Colleagues are encouraged to give their ethnic origin, sexual orientation, religion, any disability and gender in accordance with government guidelines. Data collection is performed on the basis of self reporting by the individual concerned.

Details on the diversity of the individuals of the Board and executive management are set out on page 68.

Conflict of interests

For the year under review, Bobby Arora continued to own shares in SSA Investments S.à r.l., which holds 4.19% of the ordinary share capital and voting rights in the Company either directly or indirectly as the beneficial owner.

Bobby Arora, Ropley Properties Ltd, Rani investments, TJL UK Limited and Triple Jersey Ltd are all landlords of certain properties leased by the Group. Ropley Properties Ltd and Triple Jersey Ltd are owned by Arora family trusts.

Except as referred to above there are no potential conflicts of interest between any of the Directors or senior management with the Group and their private interests.

There is an established process of the Board for regularly reviewing actual or potential conflicts of interest. In particular, there is a process for reviewing property lease transactions proposed to be entered into by related parties of Directors with any entities in the Group, including the provision of professional advice and consideration of it by a Related Party Transactions Committee of the Board (which includes the Chair of the Board, Chair of the Audit & Risk Committee and the General Counsel of the Group) and also by the Company's Sponsor in providing its opinion on the application of the Listing Rules and the applicability and appropriateness of any exemptions in respect of any transactions in the ordinary course of business. Each of the transactions are also reported to general meetings of shareholders in accordance with Luxembourg Law. The above processes include:

- reports by the property estates team of B&M on the relevant subject store's suitability and location and details of the principal terms of the proposed lease;
- reports from the external Property Consultants of B&M who are retained to advise on new store acquisitions, store suitability and location strategy;
- reports from external independent Property Consultants on the principal commercial terms of the proposed lease and site location of the proposed new store;
- each of the Chair and General Counsel, and also independently of them, the Company's Sponsor, discuss where necessary, the reports of the external independent Property Consultants with them as part of the process of the review by the Related Party Transactions Committee of the Board;
- the Company's Sponsor provides a written opinion to the Company in advance of the Related Party Transactions Committee's consideration of the relevant proposed transactions;
- copies of all the reports referred to above and the Sponsor's Opinion are reviewed by the Related Party Transactions Committee on behalf of the Board, and, in its updates to the Board the Committee provides copies of all the above reports and opinions to the Board; and the Related Party Transactions Committee of the Board considers the appropriateness of the relevant transactions independently of Arora Family interests.

The same process above applies to the purchase of freehold store premises by the Group from those related parties.

In addition to the above processes, the Chair of the Audit & Risk Committee monitors on behalf of the Board a rolling report produced to the Related Party Transactions Committee, the Board and the Sponsor, which is updated throughout the year, on the number of related party leases and rents as a proportion of the overall property estate and rents of the Group.

See page 95 in relation to details of related party transactions entered into in the financial year 2025, also set out in Note 27 on pages 144 to 146 of the financial statements.

Audit & Risk Committee

Oliver Tant was appointed as Chair of the Audit & Risk Committee on conclusion of the AGM in July 2023. Oliver has the requisite recent and relevant financial experience for the role. Details of Oliver's experience is detailed in his biography on page 60.

As at the date of this report, the Audit & Risk Committee consists of three Independent Non-Executive Directors and the Chair of the Committee has recent and relevant financial experience.

The members of the Committee during the year under review were Oliver Tant (Chair), Paula MacKenzie, Ron McMillan (until his retirement in July 2024) and Nadia Shouraboura who joined the Committee following the approval of her appointment by shareholders at the OGM on 29 May 2024. The Committee as a whole has competence relevant to the retail sector. See further the biographies of each of the members of the Committee on pages 60 and 61.

The duties of the Committee as delegated by the Board are contained in the terms of reference available on the Group's corporate website (as referred to above) and are also summarised in the table on page 63.

All meetings of the Committee are attended by the CFO. The Chair of the Board and the CEO are also invited to attend. The Group's Internal Audit function, the B&M Finance Director and the Luxembourg and UK audit partners of the Group's external auditors also attend.

The Audit & Risk Committee report on pages 69 to 73 sets out details of the role and activities of the Committee in the last financial year.

Remuneration Committee

The Remuneration Committee consists of four Independent Non-Executive Directors. The members of the Remuneration Committee during the year under review were Tiffany Hall (until her appointment as Chair of the Board of Directors following conclusion of the AGM on 23 July 2024, Ron McMillan (until his retirement in July 2024), Oliver Tant, Hounaïda Lasry (Chair), Oliver Tant and Euan Sutherland (following his appointment on 20 January 2025).

The terms of reference of the Remuneration Committee are available on the Group's corporate website (as referred to above) and are also summarised in the table on page 63.

The Chair of the Board, the CEO and General Counsel regularly attend meetings of the Committee, at the invitation of the Chair of the Committee. The Committee retains external advisors who attend and participate at all meetings at the request of the Chair of the Committee.

The Directors' remuneration report on pages 77 to 92 sets out details of the role and activities of the Remuneration Committee in the last financial year.

Nomination Committee

As at the date of this report, the Nomination Committee consists of six Directors, being the Chair of the Board (who chairs the Nomination Committee), and each of the five Independent Non-Executive Directors of the Company. The members of the Nomination Committee during the year under review were Peter Bamford (until his retirement on 23 July 2024) Ron McMillan (until his retirement on 23 July 2024), Tiffany Hall (Chair), Paula MacKenzie, Oliver Tant, Hounaïda Lasry, Nadia Shouraboura (following her appointment on 29 May 2024) and Euan Sutherland (following his appointment on 20 January 2025).

The duties of the Nomination Committee as delegated to it by the Board are contained in the terms of reference available on the Company's corporate website (as referred to above) and are also summarised in the table on page 63.

The Nomination Committee report on pages 74 to 76 sets out details of the role and activities of the Committee in the last financial year.

Board and Committees effectiveness review

An internal review of the effectiveness of the Board and its three main standing Committees will be conducted next year to allow the recent changes to the Board to be reflected upon in the review.

A report on the feedback will be provided to the Board to discuss the main themes and points arising from the review.

The Chair has discussions with Executive Directors on a one-to-one basis, the Non-Executive Directors on a one-to-one basis and together as a group to discuss matters relating to the Board, its balance and monitoring of the exercise of powers of the Executive Directors.

In relation to other Code matters regarding the effectiveness of the Board and its members, where Directors have external appointments, the Committee and the Board are satisfied that they do not impact on the time the Director needs to devote to the Company.

Approach to ESG governance

The Board held discussions on ESG at every Board meeting throughout FY25 as the management team continued to develop their ESG strategy and progressed with a number of different workstreams. Good progress was made in executing the ESG programme in accordance with the Board's ESG strategy. The Board is also committed to keeping ESG as a standing agenda item for the coming year as it looks to maintain momentum in this area.

The Board considered whether to create a separate ESG Committee but decided to continue to keep the review of the ESG strategy at Board level.

Appointments, induction and development

Where any new Director is appointed by the Board, the Nomination Committee leads the process and evaluates the balance of skills, experience, independence, and knowledge and diversity on the Board. In light of that process, it approves a description of the role and capabilities required and identifies candidates for the Board to consider using external search consultants.

All new Directors receive a full, formal and tailored induction programme and briefing with members of senior management. They are also required to meet major shareholders where requested.

A manual of documents is available for new Directors containing information about the Group, Directors' duties and liabilities under Luxembourg Law and obligations under the Listing Rules, DTRs and the EU and UK Market Abuse Regulations, together with governance policies and the UK Corporate Governance Code.

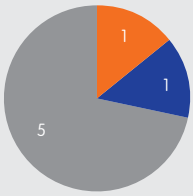
The induction of Nadia Shouraboura and Euan Sutherland as new Non-Executive Directors took place this year with a series of structured meetings with the Executive Directors and other members of the broader senior management team of B&M.

The Directors update their knowledge and familiarity with the businesses of the Group throughout each year with a mix of central operations and store tours in the UK and France along with members of the senior management. They also participate in senior management briefings and presentations in relation to each of the B&M UK, Heron Foods and B&M France businesses.

The Nomination Committee considers the training and development needs of the Executive Directors. The Directors also receive regular updates at Board and Committee meetings on law, regulatory and governance matters and future developments from the Group's General Counsel.

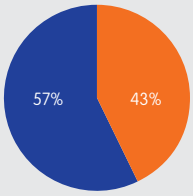
There is a procedure for Directors to have access to independent professional advice, at the Company's expense, in relation to their duties should they require it at any time.

Board composition at 3 June 2025



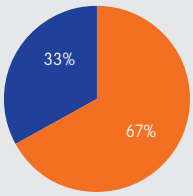
Balance of the Board

Chair	
Executive Director	
Independent Non-Executive Directors	



Board diversity by gender

Male	**43%**
Female	**57%**



Non-Executive Directors' tenure

Less than 3 years	**67%**
3+ years	**33%**

Division of responsibilities

There is a clear division of the roles and responsibilities between the Chair and the CEO and no individual has unrestricted powers of decision making.

Chair's key responsibilities:

Tiffany Hall, as the Chair of the Board, is responsible for leading the Board and ensuring its effectiveness, setting its agenda and high standards of corporate governance. The Chair facilitates the contribution of the Non-Executive Directors and constructive relations between them and the Executive Directors.

Chief Executive's key responsibilities:

At the date of this report, Mike Schmidt, Interim CEO and CFO, is responsible for the day-to-day management of the Group and implementation of strategy approved by the Board and other Board decisions. His role is supported by the senior executive management teams in each of the Group's businesses.

Re-election of Directors

The Nomination Committee has recommended that each of the Directors be re-elected to the Board.

The Board and the Chair consider that all the members of the Board standing for re-election at the AGM continue to be effective and demonstrate commitment to their roles, and are able to devote sufficient time to their Board and Committee appointments, responsibilities and duties.

Risk management and internal control

The Board has overall responsibility for ensuring that the Group maintains a strong system of internal controls.

The system of internal controls, supported by the Internal Audit function, is designed to identify, manage and evaluate, rather than eliminate, the risk of failing to achieve business objectives. It can therefore provide reasonable but not absolute assurance against material misstatement, loss or failure to meet objectives of the business, due to the inherent limitations of any such system.

The Board carried out a review of the key risks to the Group's businesses at its annual strategy day in the year under review.

The Board is satisfied that those risks and relevant mitigating actions are acceptable for a business of the type, size and complexity as that operated by the Group. The key elements of the Group's system of internal controls are as follows:

Financial reporting: monthly management accounts are provided to the members of the Board that contain current financial and operational reports. Reporting includes an analysis of actual versus budgeted performance and overviews of reasons for significant differences in outcomes. The annual budget is reviewed and approved by the Board. The Company reports half yearly and publishes trading updates in line with market practice;

Risk management: the creation and maintenance of a risk register, which is continuously updated and monitored, with full reviews occurring on a bi-annual basis, facilitated by the Internal Audit function of the Group. Each risk identified on the risk register is allocated an owner, at least at the level of a senior manager within the business, and the action required, or acceptance of the risk is also recorded. The risk registers are provided to the Audit & Risk Committee and the Committee reports key risks and mitigating actions to the Board for monitoring as appropriate;

Monitoring of controls: the Audit & Risk Committee receive regular reports from the Internal Audit function as well as those from the external auditors. There are formal policies and procedures in place to ensure the integrity and accuracy of the accounting records of the Group and to safeguard its assets;

Staff policies: there are formal policies of the Group in place in relation to anti-bribery and corruption, anti-slavery and whistleblowing policies in relation to reporting of any suspected wrongdoing or malpractice. Those policies are reviewed and updated by the Group as required from time to time. The Board and the Audit & Risk Committee have carried out a review of the effectiveness of the system of internal controls during the year ended 29 March 2025 and for the period up to the date of approving the Annual Report and financial statements.

Information on the key risks and uncertainties of the Group are set out on pages 22 to 28.

Regulatory framework

Shares in the Company are dematerialised and held through an EU member state central securities depositary.

The Articles of Association of the Company require continued adherence to the UK City Code on Takeovers and Mergers (the "City Code") and the Luxembourg Law of 19 May 2006 on takeovers which contain squeeze-out and sell-out rights of minority shareholders.

Shareholder relations

The Board recognises that good communication is key to maintaining shareholder relations. The Company has a senior investor relations professional to act as the first point of contact with shareholders. Meetings and calls are regularly held with institutional investors and analysts in order to provide the best quality information to the market.

The formal reporting of our full year results will be a combination of webcasts, in-person presentations, one-to-one virtual meetings and conference calls. The Board members, including the Chair, the Senior Independent Director and each of the other Non-Executive Directors, are available to meet with major shareholders where they wish to raise issues outside of the above environments.

The Company will also communicate with its shareholders through the AGM on 22 July 2025, at which an account of the progress of our businesses over the past year will be given with the opportunity for shareholders to raise any questions.

The Company holds conference calls and one-to-one virtual meetings where practical in accordance with market practice generally during the course of each financial year with bondholders.

The Company's corporate website at www.bandmretail.com is regularly updated with our releases to the market and other information and includes a copy of this Annual Report and financial statements.

Other disclosures

Where information is applicable under Listing Rule 6.6 in relation to the Group, the independence statement can be found on page 95 of this report.

Disclosures under DTR 7.2.6R with regard to share capital are set out in the sections headed "Share capital", "Shareholders" and "Section (a) Share capital structure", in the Directors' report and business review on pages 93 to 97.

Tiffany Hall
Chair
3 June 2025

Reporting on gender identity or sex as at 31 March 2025

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and chair)	Number in executive management	Percentage of executive management
Men	4	50%	3	9	90%
Women	4	50%	1	1	10%
Not specified/prefer not to say	–	–	–	–	–

Reporting on ethnic background as at 31 March 2025

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	7	87.5%	4	9	90%
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	–	–	–	1	10%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	1	12.5%	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Audit & Risk Committee report

The Committee has oversight of the external financial reporting of the Group, risk management and mitigation processes, the internal control framework and the effectiveness of internal and external audit.

Oliver Tant
Chair of the Audit & Risk Committee

Dear Shareholder,

During the financial year, the Audit & Risk Committee (the "**Committee**") has continued to carry out a key role within the Group's governance framework, supporting the Board in risk management, internal control and financial reporting.

The Committee exercises oversight of the Group's financial policies and reporting. It monitors the integrity of the financial statements and reviews and considers significant financial and accounting estimates and judgements. The Committee satisfies itself that the disclosures in the financial statements about these estimates and judgements are appropriate and obtains from the external auditor an independent view of the key disclosure issues and financial statement risks. In relation to risks and controls, the Committee ensures that these have been identified and that appropriate responsibilities and accountabilities have been set.

A key responsibility of the Committee is to review the scope of work undertaken by the internal and external auditors and to consider their effectiveness.

The Committee has also considered the narrative in the Strategic Report and believes that sufficient information has been provided to give shareholders a fair, balanced and understandable account of the Group's business.

During the year, the Committee again oversaw the process used by the Board to assess the viability of the Group, the stress testing of key trading assumptions and the preparation of the Viability Statement, which is set out on page 29, in the Principal risks and uncertainties section of the Strategic Report.

The Committee has continued to monitor related party transactions and has monitored the Group's compliance with the Groceries Supply Code of Practice ("Groceries Code"). In addition, the Committee has implemented work to identify and assess any mitigating risks related to Criminal Corporate Offence including a structured approach taken to ensure that all Associated Persons are adequately trained and that robust risk management practices are in place.

The UK Corporate Governance Code project aims to enhance corporate governance practices within our organisation in alignment with the latest regulatory requirements and industry best practices. The project focuses on assessing our current governance framework, identifying areas for improvement, and implementing changes to ensure compliance with the UK Corporate Governance Code.

Further information on the Committee's responsibilities and the manner in which they have been discharged is set out below.

Going forward, I shall ensure that the Committee continues its focus on assessing the resilience of the risk management and internal control processes. In addition, to acknowledge and embrace the Committee's role of protecting the interests of shareholders as regards the integrity of published financial information and the effectiveness of audit.

The Committee continues to monitor the outcome of the consultations on the UK Government's proposals to restore trust in audit and corporate governance.

I am available to speak with shareholders at any time and will also be available at the AGM on 22 July 2025 to answer any questions you may have on this report.

I would like to thank my colleagues on the Committee for their continued help and support during the year.

Oliver Tant
Chair of the Audit & Risk Committee
3 June 2025

Committee composition

Throughout FY25 the Committee comprised three members, each of whom is an Independent Non-Executive Director of the Company. Two members constitutes a quorum. The Committee must include one financially qualified member with recent and relevant financial experience. Each of the Committee Chair and Paula MacKenzie fulfil that requirement. All members are expected to understand financial reporting, the Group's internal control environment, relevant corporate legislation, the roles and functions of internal and external audit and the regulatory framework of the business. As reflected in the biographical summaries on pages 60 and 61, all members of the Committee have significant experience of working in or with companies in the retail and consumer goods sectors and, as such, the Audit & Risk Committee as a whole has competence relevant to the retail sector.

During FY25, the members of the Committee were Oliver Tant, Paula MacKenzie and Nadia Shouraboura[1]. Details of Committee meetings and attendance are set out on page 62 of the Corporate Governance report. The timing of Committee meetings is set to accommodate the dates of release of financial information and the approval of the scope and reviews of outputs from work programmes executed by the internal and external auditors. In addition to scheduled meetings, the Chair of the Committee has had many discussions with the CFO and the internal and external auditors during the course of the year.

Although not members of the Committee, Mike Schmidt in his capacity as CFO, Alex Simpson (General Counsel), Peter Waterhouse (B&M Finance Director) and representatives from the internal and external auditors attended Committee meetings. The Chair of the Board and the CEO have also attended all Committee meetings upon the invitation of the Chair of the Committee.

Responsibilities

The responsibilities of the Committee, as delegated by the Board, are set out in its terms of reference which are available on the Group's corporate website. They include the following:

- reviewing the integrity of the financial statements, price sensitive financial releases of the Group and the significant financial judgements and estimates relating thereto;
- monitoring the scope of work, quality, effectiveness and independence of the external auditors and approving their appointment, reappointment and fees;
- monitoring and reviewing the independence and activities of the Internal Audit function;
- assisting the Board with the development and execution of a risk management strategy, risk policies and current risk exposures, including the maintenance of the Group's risk register;
- keeping under review the adequacy and effectiveness of the Group's internal financial controls and internal control and risk management systems;
- making recommendations to the Board in relation to the appointment of the external auditor; and
- maintaining effective oversight of compliance by our UK businesses with the Groceries Code.

Committee activities in FY25

In discharging its oversight of the matters referred to in the introductory letter to this report and as set out below, the Committee was assisted by management, the Group's General Counsel and the internal and external auditors.

The recurring work of the Committee

The Committee considered the following matters during the year:

- consideration of the Annual Report and Financial Statements of the Group;
- consideration of the interim results report and non-statutory financial statements of the Group for the half year;
- consideration of regulatory news service announcements by the Company;
- consideration of significant areas of accounting estimation or judgement;
- consideration of the significant risks included in the Annual Report and of the risk management processes applied including satisfying itself that those processes are rigorous and that the risks emerging are appropriately disclosed;
- consideration of fraud risks and the controls in place to detect any occurrences;
- approval of the external auditors terms of engagement, audit plan and fees;
- review of the effectiveness and independence of the external auditors;
- review of the going concern and viability statements;
- approval of the internal audit plan; and
- reports of the UK businesses of the Group regarding compliance with the Groceries Code and the annual compliance report to be filed with regulatory bodies.

Accounting matters

The Committee considered the following accounting matters during the year:

- the methodology and assumptions applied by the Group to the value of inventory;
- the relative of prominence of IFRS figures and other financial metrics;
- accounting practices in relation to warehouse dilapidations liabilities;
- goodwill impairment in relation to each of the companies in the Group;
- hedge accounting; and
- preparations for upcoming changes to UK Corporate Governance legislation.

The Group's performance measures continue to include some measures which are not defined or specified under IFRS. The Committee has considered presentation of these additional measures in the context of the Guidance issued by the European Securities and Markets Authority and the Financial Reporting Council in relation to the use of Alternative Performance Measures ("APMs"), challenge from the external auditor, and the requirement that such measures provide meaningful insight for shareholders into the results and financial position of the Group and that the APMs support understanding of the financial statements. These APMs are described in Note 1 of the financial statements and a reconciliation of the APMs to the equivalent IFRS measures is provided in Note 3.

In considering the accounting matters referred to above the Committee had regard to papers and reports prepared by the Group's finance department and the external auditors and the explanations and disclosures made in the Group's consolidated statements. The Committee also considered the significance of these accounting matters in the context of the Group's consolidated financial statements and their impact on the Group's consolidated statement of comprehensive income and the consolidated statement of financial position.

1. On 29 May 2024, Nadia Shouraboura joined the Committee bringing membership to a total of four members. Following the retirement of Ron McMillan, on 23 July 2024, the membership of the Committee reverted to three members.

The meetings at which the following matters were considered are set out below:

	September 2024	November 2024	January 2025	March 2025	May 2025
External Audit					
Audit reports on preliminary results and Annual Report FY25					•
Audit report on the Group's interim results FY25					•
External audit plan and strategy			•	•	
External auditor's effectiveness/independence and quality of audit					•
Non-audit services provided by the external auditor					•
Audit tender process	•	•	•		
Accounting matters					
Selection and presentation of Alternative Performance Measures		•		•	•
Relative prominence of non-IFRS measures		•			•
Specific consideration of hedge accounting risk			•		•
Goodwill impairment testing				•	•
Preparations for upcoming changes to UK Corporate Governance legislation			•		
Management response to control matters raised	•	•	•		
Specific accounting treatment of Director Settlement Agreement		•			•
Other matters					
Review of the internal controls framework to prevent fraud				•	
Review of the corporate risk register and risks included in the Annual Report					•
Review of related party transactions (associated companies)		•			•
Year-end final review of related party transactions (store leases)					•
Review of Groceries Code compliance and complaints	•	•	•		•
Review of going concern and viability for FY25 and FY26		•			•
Overseeing preparation for EU ESG Directives					•
Review of Compliance policies and procedures			•		
Internal Audit					
Internal Audit annual evaluation					•
Internal Audit work plans, reports and updates	•	•	•	•	•
B&M UK					
Accounts payable invoice payment process (goods for resale)					•
Colleague discount			•		
Colleague expense claims & concur authorisation				•	
Company cars, pool cars & personal mileage		•			
Company credit cards				•	
Corporate criminal offence	•				
Distribution centre fire safety	•				
Distribution centre fire safety follow-up			•		
Fixed asset register				•	
FMCG de-lists follow-up			•		
Improper company car disposal			•		
Major incidents	•				
Product recalls					•
Refunds at stores		•			
Risk register mitigations					•
Store rates	•				
Store rent	•				
Store service charges		•			
Supplier income					•
Supply chain (Multi-Lines)			•		
Third party website – employment reviews		•			
Heron Foods					
Colleague discount	•				
Expenses			•		
Store stock count attendance				•	
Warehouse picking	•				
B&M France					
Payroll			•		
Profit protection					•
Store standards assessment process					•
Store stock count attendance				•	

IT systems and business continuity

The success of the business relies on the development and operation of IT systems which are efficient and effective. In addition, the integrity and security of the IT systems are vital from a commercial standpoint. IT systems, cyber security and business continuity are acknowledged as being significant risks and the risk mitigations and key actions in FY25 are set out in the principal risk and uncertainties section of this Annual Report on pages 22 to 28. Significant investment in new IT systems has strengthened our IT Infrastructure making it more resilient and effective.

Regulation

The Group operates within a fast-moving and increasingly regulated marketplace and is challenged by regulatory requirements across the board, including those controlling bribery and corruption, the importation of goods, data protection and health and safety. This creates risk to the organisation as non-compliance can lead to financial penalties and reputational damage in respect of customers, employees, suppliers and stakeholders.

The Committee has received regular updates on the work of the Compliance Team including establishing a comprehensive regulatory compliance framework defining roles and responsibilities, creating an inventory of laws, and developing processes for monitoring compliance. In addition, the launch of a centralised platform accessible to all B&M Group employees, providing access to company policies, procedures, forms, training materials, and upcoming laws and regulations for B&M UK, Heron Foods and B&M France. The team drafted, reviewed, and signed off all Group corporate policies, focusing on privacy, product lifecycle, import/export, product safety and pricing making these easily accessible to all employees and simplifying numerous documents to 15 corporate policy documents and 17 supporting procedures and FAQs. Interactive training solutions to ensure all colleagues receive and complete mandatory compliance training for Anti Bribery and Corruption, Privacy, Data Access requests and Dawn Raids were implemented and a Compliance Risk Register enabling strategic planning and implementation of risk management actions.

As a standing agenda item at each of its meetings, the Committee considered and reviewed B&M and Heron Foods' compliance with the Groceries Code. The Chair of the Committee also meets the Groceries Code Adjudicator each year and reviews feedback on the Company's Compliance with the Groceries Code. After the year end the Committee also reviewed the annual compliance report of B&M and Heron Foods in relation to the Groceries Code and approved it for submission to the regulatory bodies in accordance with The Groceries (Supply Chain Practices) Market Investigation Order 2009.

Related party transactions

There is an established process for the consideration and review of related party store lease and freehold acquisition transactions of the Group with the Arora Family. Details of that process are set out on pages 64 and 65 of the Corporate Governance report.

The Committee reviews and monitors for the Board the overall total number of related party store leases and rents of the Group with those related parties during the course of the year, with a view to assessing any potentially material increases in the proportion of those store leases or rents compared with the overall store estate and rent roll.

Internal control and risk management

The Board has overall responsibility for ensuring that the Group maintains a sound system of internal controls. There are inherent limitations in any system of internal controls and no system can provide absolute assurance against material misstatements, loss or failure. Equally, no system can guarantee elimination of the risk of failure to meet the objectives of the business. Against that background, the Committee has helped the Board develop and maintain an approach to risk management which incorporates the framework within which risk is managed and the responsibilities and procedures pertaining to the application of the policy.

The Group is proactive in ensuring that corporate and operational risks are identified and managed. A corporate risk register is maintained which details:

1. the risks and the impact they may have;
2. actions to mitigate risks;
3. risk scores to highlight the implications of occurrence;
4. ownership of risks; and
5. target dates for actions to mitigate risks.

A description of the principal risks and uncertainties is set out on pages 22 to 29.

The Board has confirmed that it has carried out a robust assessment of the principal risks and uncertainties facing the Group, including emerging risks and those which threaten its business model, future performance, solvency or liquidity.

The Committee recommends to the Board that the processes undertaken by the Committee are appropriately robust and effective and in compliance with the guidelines issued by the FRC. During the year, the Board has not been advised by the Committee nor has it identified itself, any failings, frauds, or weaknesses in internal control which it has determined to be material in the context of the financial statements.

The Committee continues to believe that appropriate controls are in place throughout the Group, and that the Group has a well-defined organisational structure with clear lines of responsibility and a comprehensive financial reporting system. The Committee also believes that the Company complies with the FRC guidance on Risk Management, Internal Control and related Financial Business Reporting.

Furthermore, the Internal Audit function has carried out an assessment of the effectiveness of actions taken by management to mitigate significant risks and this has been reviewed by the Committee.

Reviewing the draft interim and annual reports

The Committee considered in particular the following:

- the accounting principles, policies and practices adopted and the adequacy of related disclosures in the reports;
- the significant accounting issues, estimates and judgements of management in relation to financial reporting;
- whether any significant adjustments were required as a result of the audit;
- compliance with statutory tax obligations and the Group's tax policy;
- whether the information set out in the Strategic Report was balanced, comprehensive, clear and concise and covered both positive and negative aspects of performance; and
- whether the use of alternative performance measures obscured IFRS measures.

Going concern and financial viability

The Committee reviewed the appropriateness of adopting the going concern basis of accounting in preparing the financial statements and assessed whether the business was viable in accordance with the Code. The assessment included a review of the principal risks including emerging risks facing the Group, their financial impact, how they are managed, the availability of finance and the appropriate period for assessment. The Committee also ensured that the assumptions underpinning forecasts were stress tested.

During the year, in November 2024, the Group issued new corporate bonds of £250m maturing in November 2031. These bonds were issued to raise funds to cover the repayment of the remaining £156m of outstanding bonds which mature in July 2025 and to cover the continued growth of the business. The £156m will be repaid in full in July 2025, with the funds required for this now ring-fenced in a high interest earning account until that date. In March 2025, The Group also enacted the final one-year extension to our Group term loan and revolving credit facility, until March 2030.

As a result, the Committee is satisfied that the going concern basis of accounting is appropriate and the Group is viable over its assessment period. Further information is included within the Group's Viability Statement on page 29.

Fair, balanced and understandable

The Committee considered whether the 2025 Annual Report is fair, balanced and understandable

and whether it provides the necessary information to shareholders to assess the Group's position, performance, business model and strategy. The Committee considered management's assessment of items included in the financial statements and the prominence given to them. The Committee and subsequently the Board were satisfied that, taken as a whole, the 2025 Annual Report and Accounts are fair, balanced and understandable.

External auditors

KPMG Audit S.à r.l. ("KPMG") have been the Group's external auditors for 10 years and, as indicated in the Annual Report and Accounts for 2024, a formal tender process was carried out in the current year to appoint new auditors. Three firms were invited to tender and following a thorough process, the Board has recommended the re-appointment of KPMG as external auditors. The re-appointment of KPMG as the Group's Independent Auditors for FY26 will be put to shareholders at the AGM on 22 July 2025.

Audit independence

The Committee sought and was provided with assurance from the Audit Engagement partners that they and all members of KPMG's staff engaged in the audit had confirmed that they and their dependents were independent and that KPMG as a firm was independent.

Audit quality

The Committee assessed the quality of KPMG's audit in a number of ways and was the main criteria against which those audit firms tendering for appointment as external auditor were assessed. As part of the audit tender process the Committee were able to assess against principal alternatives, noting the standards available from other leading audit firms. The tender review concluded that KPMG were operating at a level equal to or in excess of the standards offered by alternative audit providers with a suitable approach to audit activity that reflected their deep understanding of the business.

1. the Committee met with the senior members of the KPMG audit team during the year and discussed the planning, execution and reporting of audit work and findings. All senior members of the KPMG team contributed to these meetings;
2. in conjunction with the CFO and senior members of the finance team, the Committee discussed and assessed KPMG's approach to the execution of and reporting of their audit and related findings; and
3. the Committee considered the matters set out in KPMG's 2024 Transparency Report, dealing with audit quality monitoring and remediation. It considered the results of internal and external engagement reviews and the steps being taken by KPMG to address findings. Within KPMG, audit quality is monitored at a global level and at an engagement level with all engagement partners being reviewed at least once in a three-year cycle.

In reviewing KPMG Luxembourg's 2024 Transparency Report, the Committee noted the firm's commitment to delivering the right standards of governance, culture, quality and risk management. The Committee also discussed with the auditors the KPMG UK 2024 Transparency Report which is available online.

The Committee recognised that the majority of the audits inspected continue to not require more than limited improvements and that over a three year period KPMG's results remained in line with their peers whilst they continue to invest with no complacency in regards to their audit quality.

In relation to the Group's audit, the Committee has reviewed the performance of KPMG with input from management, the Group's Finance and Internal Audit functions and the General Counsel. The conclusions reached were that KPMG has continued to perform the external audit in a very professional and efficient manner and it is, therefore, the Committee's recommendation that the reappointment of KPMG be put to shareholders at the AGM on 22 July 2025.

The Committee reviewed the reports prepared by KPMG on key audit findings as well as the recommendations made by KPMG to improve processes and controls together with management's responses to those recommendations. Management has committed to making appropriate changes in controls in the areas highlighted by KPMG.

The Committee considered in detail KPMG's audit planning documentation and satisfied itself that the audit work to be carried out by KPMG covered all significant aspects of the Annual Report and Accounts. There were no areas which the Audit & Risk Committee asked KPMG to look at specifically. KPMG's report to the Audit & Risk Committee at the conclusion of the audit confirmed that the audit had been carried out as set out in the planning documentation and the Audit & Risk Committee considered the findings of KPMG as reflected in their audit opinion and their year end report to the Board. KPMG's audit opinion sets out the key matters that, in their professional judgement, were of most significance in their audit. These are consistent with the key matters considered and agreed with the Audit & Risk Committee when the audit was planned. KPMG's opinion describes how these matters were addressed in the audit and the scope and nature of their work reflects the thoroughness of their approach and the degree of scepticism applied.

Non-audit work

The Board's policy in relation to the auditors undertaking non-audit services is that they are subject to tender processes with the allocation of work being done on the basis of competence, cost effectiveness, regulatory requirements, potential conflicts of interests and knowledge of the Group's business. Fees for new audit work must be approved by the Committee in advance.

KPMG were paid £1,383,000 during the year in relation to audit work and £126,000 in relation to work associated with audit-related assurance services. Fees for other services provided by KPMG were £129,000 which principally related to other assurance services.

The Committee is mindful of the attitude investors have to the auditors performing non-audit services. The Committee monitors the appointment of the auditors for non-audit services with a view to ensuring that non-audit services do not compromise the objectivity and independence of the auditors. The Committee will continue to ensure that fees for non-audit services will not exceed 70% of aggregate audit fees measured over a three-year period.

Critical judgements

Critical judgements and key sources of estimation uncertainty are set out on page 118 of the Annual Report. These relate to investments in associates and hedge accounting.

Internal audit

The Group Internal Audit function has a direct reporting line to the Committee and they were represented at all Committee meeting discussions throughout the year. During the year, the Group Internal Audit team undertook a programme of work which was discussed with and agreed by both management and the Committee, and which was designed to address both risk management and areas of potential financial loss.

During the year, the Committee received reports from the Internal Audit function as set out on page 71.

In relation to each of the areas covered, Internal Audit made recommendations for improvements, all of which were agreed by management and either have been or are being implemented. Where areas requiring improvement have been identified, the Committee has satisfied itself that processes are in place to ensure that the necessary action is taken and that progress is monitored.

The Committee has evaluated the performance of Internal Audit and has concluded that it provides constructive challenge to management and demonstrates a constructive and commercial view of the business.

Committee performance

The performance of the Committee will be reviewed during the year as part of a broader Board effectiveness review conducted internally and led by the Chair of the Board, as described on page 66.

Oliver Tant
Chair of the Audit & Risk Committee
3 June 2025

Nomination Committee report

The Nomination Committee has responsibility for regularly reviewing the structure, size and composition, and diversity of the Board. It also reviews the leadership and senior management needs of the Group, with the aim of ensuring the continued ability of the Group to compete effectively in the marketplace.

Tiffany Hall
Chair of the Nomination Committee
3 June 2025

Dear Shareholder,

The Nomination Committee's report for the year ended 31 March 2025 is set out below.

Committee composition, responsibilities and effectiveness

The members of the Committee during the year were Peter Bamford (Chair of the Committee until 23 July 2024), Tiffany Hall (Chair of the Committee on conclusion of the AGM on 23 July 2024, and each of the five Non-Executive Directors being Ron McMillan (until his retirement from the Board on 23 July 2024), Paula MacKenzie, Oliver Tant, Hounaïda Lasry, Nadia Shouraboura (following her appointment on 29 May 2024) and Euan Sutherland (following his appointment on 20 January 2025). Although not a member of the Committee, the General Counsel also attended each of the Committee's meetings during the year.

Details of Committee meetings, and attendance, are set out on page 62 of the Corporate Governance report.

The Committee has responsibility for reviewing the structure, size and composition of the Board, including the skills, knowledge, experience and diversity of the Board. To support the Committee's considerations in this regard, in FY25 the Committee arranged a voluntary skills audit to be carried out by all Board members. The results of that skills audit are published on page 76, and this detail will help inform future Board appointments and potential training needs. Further details of the responsibilities of the Committee are set out on page 63 of the Corporate Governance report.

The Committee's terms of reference are also available on the Company's website at www.bandmretail.com.

Given recent changes to the composition of the Board, it was considered appropriate to delay the review of the effectiveness of the Committee until next year as part of a broader Board performance review to be conducted internally and led by the Chair of the Board.

Committee activities

During the year the Committee was primarily focused on succession planning for certain key roles on the Board. Wider executive development, retention, diversity and conflicts of interest were also considered, each of which are described in further detail below.

Board succession

In the period under review, the Committee, led by the Chair, oversaw the process of identifying and recommending the appointment of two new Non-Executive Directors. The searches were carried out by Russell Reynolds Associates, who carried out preliminary interviews to create a short list of candidates to be considered by the Nomination Committee. As a result of the process, Nadia Shouraboura joined the Board on 29 May 2024 and Euan Sutherland joined the Board on 20 January 2025 both as an Independent Non-Executive Directors bringing relevant retail experience which complements the rest of the Board.

The Committee ensures that a comprehensive induction process is carried out with all new Directors on their appointment to the Board. The details of the induction process carried out with Nadia and Euan are set out on page 66.

Peter Bamford retired at the AGM in July 2024 and, acting in my capacity as Senior Independent Director, I was appointed by the Nomination Committee to lead the recruitment process. Executive search firm, Russell Reynolds Associates was appointed who created a shortlist of external candidates for interview in consultation with the Nomination Committee. In addition to the external candidates, I was approached for consideration and confirmed my willingness to be considered for the role of Chair. Following my confirmation of interest in the role of Chair, the Chair recruitment process was led by Ron McMillan. Following careful consideration of all the candidates, the Nomination Committee recommended my appointment to the role of Chair which was subsequently approved by the Board.

Oliver Tant succeeded me as Senior Independent Director following my appointment as Chair. Oliver has served on the Board for almost three years and as Chair of the Audit and Risk Committee since July 2023. Oliver has a wealth of public company board experience including formerly Redrow plc and current Chair of the Audit Board at Mazars LLP. Hounaïda Lasry succeeded me as Chair of the Remuneration Committee and Paula MacKenzie succeeded me as Designated Non-Executive for Workforce Engagement.

Alex Russo retired as Chief Executive Officer at the end of April 2025 and the Committee, led by the Chair has overseen the process of identifying and recommending a new Chief Executive Officer. A thorough search was conducted by Russell Reynolds Associates and the MBS Group and resulted in Tjeerd Jegen's

appointment as Chief Executive Officer in early FY26. Tjeerd was the standout candidate in this process bringing over 25 years of international retail leadership experience across FMCG, general merchandise and value sectors.

Board diversity

Throughout the year, the Committee has continued to develop its succession planning in relation to both executive and non-executive roles. In particular, the Committee has continued to review the Group's diversity in relation to the Board and at other levels of senior management in the business to ensure the right mix of skills and experience for the Group to be managed effectively for its long-term success. To support consideration of the mix of skills and diversity on the Board, a voluntary skills audit was completed earlier in the year. A copy of the results of that skills audit are set out on page 76. As referred to on pages 64 and 65, the Group's recruitment processes and diversity policy, recognise the value which a diverse board brings to its business.

The Committee is aware that the Listing Rules require UK listed companies to report information and disclose against targets on the representation of women and ethnic minorities on their boards, with the intention of making it easier for investors to see the diversity of their senior leadership teams. The rules apply to premium listed companies and the period under review in this report requires reporting against the Listing Rules requirement.

We are proud that at the date of this report the proportion of female Directors on the Board now stands at 57% exceeding the Listing Rules target of 40%.

As set out above, the Board appointed me to the position of Chair from July 2024. This satisfies the target that at least one of the senior Board positions, Chair, CEO, CFO or Senior Independent Director should be a woman.

The Company has had continual ethnic minority representation on its Board during the period under review. Hounaïda Lasry meets the Listing Rules requirement of at least one member of the Board being from an ethnic minority background. Hounaïda's appointment means the Board is compliant with this requirement.

Page 68 sets out numerical information on the diversity of the Board and executive management by gender and ethnicity.

Further details of the Group's ethnic and gender diversity policies are set out on pages 64 and 65.

The total size of the Senior Management Team ("SMT"), being senior management reporting directly to the Board or the Executive Committee, was almost unchanged over the year (comprising 64 members as at 30 March 2024 and 66 members by 29 March 2025). The Company hiring policy continues to set a high bar for performance and potential for new joiners, and it is normal that the composition of the SMT, both from a gender and ethnic diversity basis, may change from time to time. There has been no change in Company recruitment policies, which continue to encourage applications from high performing candidates, regardless of their ethnicity or gender.

The percentage of female representation within the SMT was 36.4% at the end of FY25 and slightly below the Company's target of 40%.

The percentage of ethnic minority representation within the SMT was 1.52% at the end of FY25. With reference to the Company's voluntary commitments following the Parker Review, the Company has reviewed its policies and procedures to help enable delivery of its voluntary ethnicity target of 10% ethnic minority representation within the SMT by the end of FY27.

In FY25 the Company collected data in respect of diversity from its new starters. Colleagues are encouraged to give their ethnic origin, sexual orientation, religion, any disability and gender in accordance with government guidelines.

Data collection is performed on the basis of voluntary self- reporting by the individual concerned.

Wider executive team developments

The Committee has a role in reviewing the senior management requirements of the Group to ensure a strong management team to support the growth and complexity of the Group. Bobby Arora retired at the end of the financial year after making an immense contribution to B&M's growth and success over many years. Bobby has been succeeded by Gareth Bilton who has over 25 years experience at B&M and leads a strong and experienced buying and merchandising team. James Kew who has over 11 years experience leading store operations in the business was promoted to Director of Retail Operations and Vianney Deregnaucourt was promoted to B&M France Trading Director. Peter Waterhouse (B&M Finance Director) was promoted to membership of the Executive Committee.

The Committee received updates from both the CEO and Group's General Counsel in relation to progress with planned recruitments to the broader executive team throughout the past year.

Retention of senior management

Senior executives are appropriately incentivised through bonus and share option arrangements and a package of market competitive benefits.

Conflict of interests

The Committee requires any proposed appointee to the Board to disclose any other business interests that may result in a conflict of interest, and to report any future business interests that could result in a conflict of interest.

The Committee carried out the above process on behalf of the Board in considering any conflicts of interest of Non-Executive Directors where they disclosed their intention to take up other additional external appointments during the year. The Committee is assisted by the Group's General Counsel who maintains a register of external appointments of the Company's Board members and sectors within which companies they are appointed to operate.

Tiffany Hall
Chair of the Nomination Committee
3 June 2025

Nomination Committee report continued

Priority Legend
Deep experience ✔✔ Some experience ✔ No experience –

	Tiffany Hall	Oliver Tant	Paula MacKenzie	Hounaïda Lasry	Nadia Shouraboura	Euan Sutherland	Mike Schmidt
Date joined Board	Sep-2018	Nov-2022	Nov-2021	Sep-2023	May-2024	Jan-2025	Nov-2022
Skills & Experience							
Retail	✔	✔	✔	✔	✔✔	✔✔	✔✔
Other multi site business	✔	✔	✔✔	✔	✔	✔	✔
Other consumer business	✔✔	✔✔	✔✔	✔✔	✔✔	✔✔	✔
Logistics	✔	✔	✔	✔	✔✔	✔	✔
Buying and Merchandising	–	–	✔	✔	✔✔	✔	–
Property/Real Estate	–	✔	✔✔	–	–	✔	✔✔
Technology/IT	✔	✔	✔	✔	✔✔	✔	✔✔
Finance & Accounting	✔	✔✔	✔✔	✔	✔	✔	✔✔
Human Resources	✔✔	✔	✔	✔	–	✔	–
Strategic Planning	✔✔	✔✔	✔✔	✔✔	✔✔	✔✔	✔✔
Legal, Compliance & Risk management	✔	✔✔	✔	✔	–	✔	✔
Government & Corporate Affairs	✔	✔	–	✔	–	✔	✔
Sustainability	✔	✔	–	✔✔	✔	✔	✔✔
Customer Insight	✔✔	–	✔✔	✔✔	✔✔	✔	✔
Marketing/PR/Advertising	✔✔	–	✔✔	✔✔	✔	✔✔	–
Leadership	✔✔	✔✔	✔✔	✔✔	✔✔	✔✔	✔✔
NED experience	✔✔	✔✔	✔	✔	✔✔	✔✔	✔
France experience	✔	✔	–	✔✔	✔	✔	✔
Other international experience	USA, Europe	USA, Canada, Australia, Russia, Middle East, Morocco, Cuba, Japan, Korea, China, India	USA, Middle East	Middle East, Asia, Central and Eastern Europe, Western Europe	USA, Australia, Europe, Japan, China	USA, Europe, Asia	Netherlands, Ireland (Europe)
Non-B&M Committee Membership							
Audit	✔	✔	✔	✔	✔	✔	✔
Remuneration	✔	✔		✔	✔	✔	
Other		Nomination				Nomination	
Demographic Background							
Gender							
Male	–	✔	–	–	–	✔	✔
Female	✔	–	✔	✔	✔	–	–
Non-Binary	–	–	–	–	–	–	–
Ethnicity							
African/Caribbean/Black British	–	–	–	–	–	–	–
Asian/Asian British	–	–	–	–	–	–	–
Mixed	–	–	–	–	–	–	–
White	✔	✔	✔		✔	✔	✔
Other	–	–	–	Arab	–	–	–

Annual statement by the Chair of the Remuneration Committee

Dear Shareholder,

I am pleased to present the Company's remuneration report for 2024/25, which is my first report since appointment as Chair of the Remuneration Committee with effect from the 2024 AGM. I would like to thank my predecessor, Tiffany Hall, on behalf of the Committee, for her contribution as Senior Independent Director and Chair of the Remuneration Committee prior to her appointment as Non-Executive Chair on 23 July 2024.

This report contains:

- The Company's Annual Report on Remuneration on pages 80 to 92, which details the remuneration paid to the Directors in the 2024/25 financial year, and which is subject to a shareholder advisory vote at our 2025 AGM.
- A summary of the key elements of the Directors' Remuneration Policy on pages 90 to 92, as approved at the 2024 AGM.

The Committee was delighted to see strong support at the 2024 AGM for our executive remuneration arrangements, with the new Directors' Remuneration Policy and the 2023/24 Annual Report on Remuneration, approved with over 96% of votes in favour of them respectively.

Market overview and performance

This has been a challenging year for B&M in a tough economic environment with many of our customers continuing to face cost of living pressures. UK LFL performance has been below expectations this year in both B&M UK and in Heron Foods. However, the new stores in both the UK and France continue to perform well driving overall sales of £5.6bn for the Group, 3.7% growth versus last year. Gross margin was robust and costs managed with discipline resulted in a Group adjusted EBITDA (pre-IFRS 16) of £620m, 0.6% above last year on a 52-week comparable basis. Cash generation was strong but free cash flow of £311m was 18.9% lower than last year due to increased stock holding and higher finance costs. We declared £300m as ordinary and special dividends during the year (£348m in FY24).

Good progress was made against B&M strategic priorities with investment in distribution infrastructure in both the UK and France to support future growth and the store opening programme in UK and France is on track. We have opened 45 B&M UK gross new stores which are performing in line with expectations and generating strong returns. Continued progress is being made in France with 11 gross new stores and Heron with 14 gross new stores opened during the year. Gross margin was robust in B&M UK. Progress is also being made on the redomicile process in line with our plans, which will simplify administrative processes and enable greater flexibility in returning capital to shareholders.

Incentive outcomes for 2024/25

In determining the AIP and LTIP target ranges the Committee took into the Board approved budget, prior year achievement and the wider economic environment. We sought to ensure that the targets set were appropriately stretching and aligned with overall shareholder expectations balanced with the need to ensure that the targets set are 'fair' to participants from an incentivisation and motivational perspective. The performance target range was set on a realistic basis but requires exceptional outperformance to achieve the maximum. The targets were considered stretching in the context of the high current operating margins, and for the EPS element of the LTIP, increased financing costs and the Group's policy of returning cash to shareholders through ordinary and special dividends rather than share buybacks. At the end of the performance period, one year for the annual bonus and three years for the LTIP, we assess the formulaic outcome of each performance measure on a standalone basis. The Committee then considers whether the formulaic outcomes are fair in the context of the Group's performance and the wider stakeholder experience.

The outcomes for the personal objectives element of the AIP were 45% for Alex Russo and 70% for Mike Schmidt with performance and assessment detailed on pages 81 and 82. The formulaic outcome for the EBITDA element of the Annual Incentive Plan ("AIP") as a percentage of the maximum for that element was 41.7%. The Committee has discretion to adjust the level of vesting of incentives if it determines this to be appropriate. After careful consideration and detailed discussions on the appropriate level of bonus award, taking into account the achievements of the management team in the context of a challenging environment and the broader shareholder experience, the Committee exercised downwards discretion to adjust the EBITDA element of the AIP to 35% of maximum, to take into account the broader shareholder experience during the year.

The resulting AIP outcome as a percentage of maximum was 37.5% for Alex Russo and 43.8% for Mike Schmidt for the 2024/25 performance year. 50% of the bonus earned is paid in cash and 50% is deferred into shares for three years which provides alignment with shareholder interests. The Committee considered this to be a fair result for the year, which effectively balances all stakeholder interests.

The three-year performance period for the 2022-2025 Long-Term Incentive Plan ("LTIP") awards ended on 31 March 2025. The award was subject to two performance conditions: 50% adjusted earnings per share ("EPS"); and 50% relative total shareholder return ("TSR") against FTSE 350 retailers. B&M's TSR performance was below median resulting in 0% vesting of the TSR element. B&M's adjusted EPS was 34.5p relative to a threshold target of 42p and resulted in 0% vesting of the EPS element. As a result, the 2022-2025 LTIP awards lapsed in full.

Changes to Directors

As announced on 24 February 2025, Alex Russo retired as Group CEO and a Director of the Company on 30 April 2025. Following an extensive executive search process, Tjeerd Jegen has been chosen by the Board as our Group CEO. It is anticipated Tjeerd will be appointed with effect from 16 June 2025. In the intervening period, the Board has appointed Mike Schmidt to act as interim CEO, alongside his role as CFO.

Retirement Terms for Alex Russo

As Alex Russo served as Group CEO and as a Director for the entirety of the 2024/25, the remuneration he earned for 2024/25 is disclosed in the single figure table on page 80. Details of the remuneration payments made or to be made to Alex Russo in connection with his retirement are detailed on page 83. These terms and his treatment as a good leaver under the Company's incentive plans were the subject of careful consideration by the Remuneration Committee and are in line with his service agreement and the Company's Directors' Remuneration Policy, which was approved by shareholders at the 2024 AGM.

Alex will receive a payment in lieu of his notice entitlement relating to salary and contractual benefits. In line with best practice, payments will be made monthly in instalments and subject to mitigation. Alex is not eligible for an annual bonus or LTIP in respect of 2025/26. His outstanding deferred bonus awards were retained and will vest on their usual vesting dates with no acceleration. His outstanding LTIP awards will vest on their usual vesting dates, pro-rated for the period to the end of his employment and tested for performance in the usual way. The two-year holding period will continue to apply to his LTIP awards. Full details are provided on pages 82 and 83.

Appointment terms for Tjeerd Jegen

We are delighted Tjeerd Jegen will join the Board as Group CEO. Tjeerd is a highly talented international business leader with in-depth retail experience gained in Europe, Asia and Australasia across grocery, general merchandise and discount sectors. The selection process made clear that his strategic insight, customer-centric approach, and strong track record of driving growth and transformation make him the ideal person to drive forward the Group's success through great products, operational excellence, and a strong customer focus. The remuneration package for Tjeerd has been set in accordance with the terms of the Company's Remuneration Policy. The Committee took into account his skills and track record of success, market reference data for an individual of his experience as well as the importance of securing the right person for the role. Details of his remuneration package for 2024/25 are set out in the table below.

Implementation of remuneration policy for 2025/26

During the year the Committee reviewed the base salary and remuneration package for Mike Schmidt (CFO) in the context of market positioning and his performance in role since his appointment as CFO in October 2022. Prior to joining B&M, Mike spent eight years at DFS, the last three years of which were as CFO. Mike joined B&M as CFO in October 2022 on a relatively modest salary of £450,000. In November 2023, his salary was increased by 4% to £468,000. Then in April 2024, it was increased by 3% to his current salary of £482,040 in line with increases for salaried employees and below the real living wage increase of 9.8%, which the majority of our employees received in April 2024.

After two and a half years in role, Mike is now at a stage where he has increased experience and contribution in the CFO role. The Committee was also mindful that following the Group CEO succession, it is critical and aligned with shareholder interests to retain Mike to ensure stability and to support the transition to a new Group CEO. After careful consideration the Committee agreed to increase Mike's salary for 2025/2026 to £515,000 and to increase his maximum annual bonus opportunity from 150% of salary to 175% of salary. These increases position Mike's salary

The resulting operation of policy for 2025/26 will be as follows:

Element	Implementation for 2024/25
Base salary	• Alex Russo (CEO until 30 April 2025): £910,000 (No change given retirement on 30 April 2025). • Mike Schmidt (CFO): Increase from £482,040 to £515,000 (+6.8%). As set out above Mike will also receive a role-based allowance of £10,000 per month to remunerate him fairly and commensurate with his additional responsibilities as interim CEO alongside his role as CFO. • Tjeerd Jegen (incoming CEO): £928,200 (pro-rated from 16 June 2025) (+2% on Alex Russo's base salary in line with the wider workforce).
Pension	• 3% of salary less employer's National Insurance contributions ("NICs"), in line with the wider workforce.
AIP	• Alex Russo (CEO): Not eligible for 2025/26. • Mike Schmidt (CFO): Maximum opportunity increased from 150% of salary to 175% of salary. • Tjeerd Jegen (incoming CEO): 250% of salary (pro-rated from 16th June 2025). • 75% based on Group adjusted EBITDA and 25% based on strategic/personal objectives for Mike Schmidt. Weighting of annual bonus metrics for incoming CEO expected to be 50% based on Group adjusted EBITDA and 50% based on strategic/personal objectives for 2024/25, to appropriately reflect areas in which the Board would like him to particularly focus in his first year. For future years, it is anticipated that the weighting of measures would be 75% financial and 25% strategic/personal. • 50% of any bonus earned will be deferred into shares for three years (subject to interaction with shareholding guidelines).
LTIP	• Alex Russo (CEO): Not eligible for 2025 LTIP award. • Mike Schmidt (CFO): 175% of salary. • Tjeerd Jegen (incoming CEO): 250% of salary. • 50% based on adjusted EPS and 50% based on relative TSR vs FTSE 350 retailers.
International relocation support	• Tjeerd Jegen (incoming CEO): Will be entitled to other benefits and international relocation support in line with the B&M Remuneration Policy including:- – a one-time relocation allowance of £300,000 (subject to tax and National Insurance) repayable on a pro-rata basis in the event of termination (or serving notice) due to resignation or dismissal for cause within two years of commencing employment. – for first three years of employment £50,000 per annum travel / disturbance allowance (subject to tax and National Insurance).

as CFO just below median and his maximum annual bonus and LTIP opportunities around median compared to companies with a market capitalisation of £2bn to £5bn.

For the period that Mike is acting as interim CEO alongside his role as CFO, the Committee determined that a role-based allowance of £10,000 per month should be paid to Mike to remunerate him fairly and commensurate with his additional responsibilities as interim CEO, as well as running the finance team. This allowance is fixed and is not pensionable, nor does it attract any bonus or LTIP opportunity. The Committee has also agreed to reimburse the costs of a driver and accommodation in Liverpool to support with the extra workload.

The Committee is cognisant of the need to evaluate whether the grant level of LTIP awards is appropriate given the Company's financial and share price performance and investor expectations to prevent excessive rewards from windfall gains. The share price when the 2024 LTIP awards were granted was £4.55 compared to a share price as at end of April 2025 of circa £3.40. We also recognise the importance of retaining and motivating our management team to deliver our strategy and compensating them appropriately relative to our retail peers. We feel strongly that growing the share price will require significant performance and effort from management to successfully drive improvements in operational performance and to transform the organisation, which should be rewarded. In the context of the CEO succession, the Committee believes that it is not in the best interests of shareholders to reduce the size of the LTIP grants. The Committee retains discretion to review the level of payout award at the end of the vesting period, and to scale back vesting if, at that time, we consider that the outcome does not align with the shareholder and wider stakeholder experience during the period. This includes if we consider in retrospect that management benefited from a windfall gain.

Conclusion

I hope that you find the information in this report helpful and informative, and that you can support the decisions made this year in relation to the implementation of our remuneration policy for 2024/25 and how we intend to operate our policy for 2025/26.

The Committee is keen to hear any feedback on the information set out in this report. If any questions or comments do arise then please contact me, or alternatively I will be available at the AGM to take any questions.

Hounaïda Lasry
Chair of the Remuneration Committee
3 June 2025

Role of the Remuneration Committee

The Committee has responsibility for determining the Company's policy on remuneration of the Executive Directors and the Chair, the first layer of senior management of the Group below the Board and the Group's General Counsel. Its terms of reference are reviewed annually, with changes made to take account of corporate governance developments and best practice.

Provision 41 (bullet 6) of the UK Corporate Governance Code 2018, provides for the Remuneration Committee to describe what engagement with the workforce has taken place to explain how executive remuneration aligns with wider Company policy.

The Committee does not consult directly with employees when reviewing levels of Executive Directors' remuneration but it takes account of pay policies for the broader salaried workforce when undertaking annual salary reviews for the Executive Directors, as well as reviewing policy and practices for employees when determining remuneration policy for Executive Directors.

The Committee's terms of reference are available on the Company's website at www.bandmretail.com.

Corporate Governance Code

The Committee is conscious of the Code's references to remuneration arrangements being clear, simple, predictable, proportionate and to take adequate account of risk while being aligned to culture. These factors have been considered and are felt to be satisfied through:

- **Clarity** – the Company's remuneration policy and implementation of policy are clearly disclosed each year in this report. The Committee proactively engages with shareholders and their representative bodies as part of the triennial policy renewal process and is available to discuss matters at any other time;
- **Simplicity** – the Company operates a simple pay model which encourages superior performance, and only rewarding sustained success achieved in a manner consistent with the Board's overall objectives to deliver superior returns for our shareholders. This is set by the operation of a mix of absolute profit targets and relative TSR assessed alongside stretching personal objectives which recognise delivery against defined goals. We will continue with this approach for 2025/26 in line with the approach for 2024/25;
- **Risk** – the overall policy offers reward subject to the operation of suitably stretching targets, which is consistent with our business model as a value retailer. We have again set stretching targets for variable pay in 2025/26 in the context of the business plan. Payments of variable pay are subject to the Committee being satisfied that the outcome is appropriate, and all our variable pay plans include the ability to operate malus and clawback where necessary;
- **Predictability** – the Directors' Remuneration Policy includes a scenario chart showing potential pay levels on various assumptions and all awards are subject to maximum grant levels as set out in the policy;
- **Proportionality** – the out-turn in respect of variable pay is clearly set out in this report and payments are contingent on the strategic pillars of EBITDA, EPS, relative TSR and personal objectives pre-set by the Board. As indicated under "Risk" above, the out-turn can be reduced as appropriate; and
- **Alignment to culture** – the variable pay plans are consistent with our focus on performance and incentivisation down to store and deputy store manager levels.

Luxembourg Law

The Luxembourg Law of 24 May 2011 on certain rights of shareholders at general meetings of listed companies (as amended by the Law of 1 August 2019) which adopts the EU Shareholders' Directive 2017/828 on directors' remuneration requires that the remuneration policy of the Company be put to shareholders to vote at least once every four years. However, in accordance with the Company's voluntary policy since the IPO of putting the remuneration policy to shareholders for voting on every three-years, that practice will continue to be followed, which will comply with the Luxembourg Law.

The Annual Report on Remuneration has been prepared to comply with the reporting requirements of the Luxembourg Law on directors' remuneration referred to above. The Company, as a Luxembourg registered company, is not subject to the regulations adopted in the UK in 2013 (and as amended) for the reporting of executive remuneration. However, in addition to the Luxembourg Law reporting requirements, the Committee considers the UK regulations to also be reflective of best practice and helpful to shareholders to maintain consistency with the Company's reporting in previous years while also complying with the requirements of the Luxembourg Law. The report has therefore been prepared by the Company to follow the practice (as in previous years) of also voluntarily adopting the UK reporting regime where practical.

Annual Report on Remuneration

Implementation of remuneration policy

The Committee has operated the remuneration policy in accordance with the Directors' Remuneration Policy which was approved by shareholders at the Company's AGM on 23 July 2024.

This section of the report sets out how the policy has been applied in the financial year 2024/25 and how the Policy will be applied in the financial year 2025/26.

Single figure table of total remuneration of Executive Directors

The audited table below shows the aggregate remuneration of the Executive Directors of the Company during the financial year 2024/25.

Executive Directors	Year[1]	Salary £	Benefits[2] £	Pension[3] £	Bonus[4] £	Long-term incentives[5] £	Total £	Total fixed pay £	Total variable pay £
Alex Russo (CEO)	2023/24	832,000	43,743	21,695	1,643,200	562,206	3,102,844	897,438	2,205,406
	2024/25	**908,500**	**64,864**	**24,228**	**853,125**	**–**	**1,850,717**	**997,592**	**853,125**
Mike Schmidt (CFO)	2023/24	468,000	40,209	12,203	675,675	–	1,196,087	520,412	675,675
	2024/25	**481,770**	**19,252**	**12,844**	**316,339**	**–**	**830,205**	**513,866**	**316,339**

1. The 2023/24 year is for the 53 weeks ended 30 March 2024 and the 2024/25 year is for the 52 weeks ended 29 March 2025.
2. Benefits include company car/car allowance cash equivalent as a benefit in kind, fuel and running costs, critical illness insurance, healthcare insurance and life assurance. For Alex Russo this also includes a £30,000 per annum accommodation allowance in recognition of the need for him to maintain a base in London and a base in the north of England due to his focus on frequent store visits across the network.
3. Pensions include auto-enrolment pension employer contributions and a cash equivalent allowance to pension contribution entitlement less employer's' NICs.
4. 50% of the annual bonuses of the Executive Directors for 2024/25 being £426,562 for Alex Russo and £158,169 for Mike Schmidt, are payable in shares which are to be deferred for a period of three-years from the date of grant.
5. For 2023/24 LTIP figures, the value has been trued up from the estimate provided in last year's report to reflect the value after three years from grant (at which point it is no longer subject to continued service) based on a share price of £4.544 on 3 August 2024 (three-month average share price to the year end of £5.328 used previously). As noted on page 82 the relative TSR and EPS performance conditions for the awards granted in 2022/23 were not met. Therefore, no LTIP awards vested in respect of the three-year performance period ending in 2024/25.

The remuneration of the Executive Directors is paid by B&M Retail Limited, other than their long-term incentives. The reported figures include all such amounts.

Base salaries

Alex Russo and Mike Schmidt's salaries effective from 31 March 2024 were £910,000 and £482,040 respectively.

Pension

The pension amounts paid in the year represent amounts contributed to pension plans and cash supplements, adjusted for the cost of employer's NICs to the extent that provision is made as a cash supplement.

The pension benefits of the Executive Directors for 2024/25 were paid as salary supplements and were 3% of base salary (less employer's NICs), which is in line with the pension provision for UK salaried employees of the Group.

AIP outcomes

Executive Directors' bonus payments for 2024/25 are in line with the policy and the terms of the AIP.

75% of the maximum AIP opportunity related to the achievement of financial targets for 2024/25. The targets were based on Group adjusted EBITDA performance as follows:

	Group adjusted EBITDA target*	% maximum overall bonus opportunity
Threshold	£577.1m	18.75%
Target	£641.2m	37.5%
Maximum	£673.3m	75.0%
Actual	£619.8m	41.7%
		Outturn capped at 35% of maximum for EBITDA element

* There is a straight-line payout for achievement between threshold, target and maximum levels.

The remaining 25% of the AIP related to personal objectives. These objectives focused on a number of KPIs ranging from strategic, operational and investor relations matters. The Committee assessed each objective against those criteria as explained below.

Alex Russo

Objectives	Performance
1. Financial performance (30%) – Meet or exceed LFL and Operating Cashflow targets	Not achieved – Below target LFL for B&M UK and Heron Foods. Cash generation was strong but free cash flow was below last year.
2. New store openings (25%) – 25% if exceeds targets on financial year openings for the 3 businesses	Partially achieved – On target for B&M UK, below target for Heron Foods, above target for B&M France.
3. Team and personal development (40%) – Executive Committee succession plan in place, successful onboarding of the new Chairman and continued improvement on employee engagement	Partially achieved.
4. ESG (5%) – Continue to implement strategy and deliver planned objectives	Fully achieved.
Total outcome for this element: 45% out of 100% (11.3% out of 25%)	

Mike Schmidt

Objectives	Performance
1. Financial performance (40%) – Leverage ratio, EBITDA, Operating Cash Flow, effective year end statutory audit and Annual Report preparation	Partially achieved – The CFO ensured the Group closed with a leverage position on target and led an effective year end reporting process. However, the Group's EBITDA performance was below budget and lower operating cashflow than targeted reflected increased working capital levels to support stock availability.
2. Operational performance (40%) – Cost and Capex controls on IT plan, execution of Cyber Security plan, execution of ESG plan	Partially achieved – Although the CFO oversaw delivery of effective IT, cybersecurity and ESG plans, delivery of some initiatives remains underway.
3. Leadership Team Development (20%) – Effective working relationship with CEO direct reports and Board members, leadership further development in place for Group Financial Controller	Fully achieved.
Total outcome for this element: 70% out of 100% (17.5% out of 25%)	

The table below sets out the resulting bonuses earned, including the amounts deferred into shares for a three-year period:

Executive Director	Bonus maximum as % salary	Bonus earned as % maximum	Bonus earned £	Of which paid in cash £ (50%)	Of which deferred in shares £ (50%)
Alex Russo	250%	37.5%	£853,125	£426,563	£426,562
Mike Schmidt	150%	43.8%	£316,339	£158,170	£158,169

As discussed in the Annual Statement by the Chair of the Remuneration Committee, after careful consideration and detailed discussions on the appropriate level of bonus award, taking into account the achievements of the management team in the context of a challenging environment and the broader shareholder experience, the Committee exercised downwards discretion to adjust the EBITDA element of the AIP to 35% of maximum, to take into account the broader shareholder experience during the year. The Committee considered this to be a fair result for the year, which effectively balances all stakeholder interests.

Long-term incentive outcome

The LTIP awards granted to Alex Russo and Mike Schmidt on 17 November 2022 had a combination of adjusted EPS and relative TSR conditions with equal weighting. The performance period ended on 31 March 2025 and the outcomes are provided below.

Performance condition	Weighting	Performance for threshold vesting (25%)	Performance for maximum vesting	Actual performance	Vesting
Adjusted EPS	50%	42p	50p	34.5p	0%
Relative TSR vs FTSE 350 retailers[1]	50%	Median	Upper quartile	Below median	0%
Total					**0%**

1. Comparator group consists of the constituents of the FTSE General Retailers Index and the FTSE Food and Drug Retailers Index with some limited exclusions due to business fit.

LTIP awards granted during the financial year

LTIP awards in the form of nil-cost options were granted to Alex Russo and Mike Schmidt on 25 July 2024 as follows:

Executive Director	Award size	Number of awards granted[1]	Face value of awards £
Alex Russo	250%	499,890	2,274,631
Mike Schmidt	175%	185,359	843,569

1. The number of awards granted was based on a share price of £4.551, being the share price prior to the date of grant.

Awards vest after five years from grant following the expiry of a two-year holding period. Dividends accrue in respect of the awards over the period from grant to vesting.

The performance conditions are measured over the three-year period to the end of 2026/27, and the targets were determined in the following way:

- We have set the adjusted post-IFRS 16 diluted EPS targets for 2026/27 taking into account management's three-year plan, macro-economic conditions and the impact of other relevant factors. Targets in previous years were pre-IFRS 16 so are not comparable. The targets are considered stretching in the context of the high current operating margins, increased financing costs and the Group's policy of returning cash to shareholders through ordinary and special dividends rather than share buybacks. In addition, the increase in the rate of store openings depresses EPS over the next 2 to 3 years due to increased depreciation and the accounting treatment of rents under IFRS 16.
- The relative TSR condition follows a market-standard approach, with no vesting below median performance and with maximum vesting for upper quartile performance or above. This approach is consistent with the approach used for previous awards.

The resulting performance conditions and targets are as follows:

Performance condition	Weighting	Performance for threshold vesting (25%)	Performance for maximum vesting
Adjusted EPS[1]	50%	38.3p	47.4p
Relative TSR vs FTSE 350 retailers[2]	50%	Median	Upper quartile

1. There is scaled vesting between threshold and maximum, with an intermediate point. There is straight-line vesting between these three points. The intermediate point is considered commercially sensitive at this time and will be disclosed at vesting in the relevant Directors' remuneration report.
2. Consists of the selected constituents of the FTSE 350 General Retailers Index and the FTSE 350 Food and Drug Retailers Index.

A one-month average applies prior to the beginning and at the end of the performance period for the TSR condition and straight-line vesting occurs between threshold and maximum levels of performance.

Deferred bonus awards granted during the financial year

A proportion of bonus earned by Executive Directors in respect of performance during 2023/24 was deferred into shares for a period of three-years on 17 June 2024 as follows:

Executive Director	Value of deferred bonus £	Number of awards granted[1]
Alex Russo	£803,722	173,590
Mike Schmidt	£330,485	71,379

1. The number of awards granted was based on a share price of £4.63, being the share price prior to the date of grant.

The awards are subject to continued service only.

Payments for loss of office

As announced on 24 February 2025, Alex Russo retired as Group Chief Executive and a Director of the Company on 30 April 2025. The remuneration he received for 2024/25 is disclosed in the single figure table. Details of the remuneration payments made or to be made to Alex Russo in connection with his retirement are set out below. These terms and his treatment as a good leaver under the Company's incentive plans were the subject of careful consideration by the Remuneration Committee and are in line with his service agreement and the Company's Directors' Remuneration Policy, which was approved by shareholders at the 2024 AGM.

Salary and benefits: Salary, pension and benefits continued to be paid to Alex until 30 April 2025. He will receive a payment in lieu of his notice entitlement relating to salary and contractual benefits. Payments will be made monthly in instalments and subject to mitigation should he find alternative paid employment.

Annual bonus: Details of the 2024/25 bonus earned by Alex are set out on page 82. This bonus is payable 50% in cash and 50% deferred into shares for a three-year period. Alex is not eligible for an annual bonus for 2025/26.

Deferred Bonus: His outstanding deferred bonus awards were retained and will vest on their usual vesting dates with no acceleration.

LTIP awards: His outstanding LTIP awards, granted in 2023 and 2024, will vest on their usual vesting dates, pro-rated for the period to 30 April 2025 and tested for performance in the usual way. As set out on page 82, the performance targets for the LTIP award granted in 2022 were not met. The 2022 LTIP award therefore lapsed in full. The two-year holding period will continue to apply to his 2023 and 2024 LTIP awards.

Post-employment shareholding guideline: The Committee exercised discretion to vary the post-employment shareholding guideline in respect of the 2021, 2022 and 2023 deferred bonus awards such that the awards will be released (and Alex Russo shall be allowed to sell) on the later of: (i) the normal vesting date under the deferred bonus plan (i.e. three years from the date of grant) (ii) 30 April 2026; or (iii) following the announcement of the Company's full year results for the financial year ending 31 March 2026,provided (in the case of any of (i) to (iii)) Alex has not commenced or agreed to commence an executive role prior to the release date The two year post-employment shareholding guideline will continue to apply to all other shares acquired under the deferred bonus plan and LTIP.

Professional Costs: Alex Russo received a contribution of up to £15,000 (excluding VAT) towards legal fees incurred in connection with his departure.

He received no other remuneration payments or payments for loss of office as a consequence of stepping down from the Board.

No payments for loss of office were made during 2024/25.

Payments to past Directors

As disclosed the 2022/23 remuneration report, Simon Arora's share awards will continue to subsist under the agreed leaver treatment, with vesting at the usual time and subject to applicable performance pro-rating and time pro-rating.

Remuneration of the Chair and Non-Executive Directors

The fees of the Chair are set by the Remuneration Committee. The fees of each of the Non-Executive Directors are set by the Board and take account of Chairship of Board Committees and the time and responsibility of the roles of each of them. Non-Executive Directors are paid an annual fee only.

The fees paid for 2024/25 to the Chairman of the Board and each of the Non-Executive Directors were as follows:

Director	**2024/25 Fee £**	2023/24 Fee £
Peter Bamford (retired on 23 July 2024)	**99,450**	393,056
Tiffany Hall	**325,664**	103,538
Ron McMillan (retired on 23 July 2024)	**21,533**	79,641
Paula MacKenzie	**73,222**	67,486
Oliver Tant	**101,988**	80,373
Hounaïda Lasry	**82,500**	35,577
Nadia Shouraboura (appointed 29 May 2024)	**58,555**	–
Euan Sutherland (appointed on 20 January 2025)	**13,411**	–

The annual rates of fees paid during the year with effect from 31 March 2024 were as follows:

Role	Fee £
Chair of the Board	419,268
Non-Executive Director base fee	69,511
Additional fee for chairing Audit & Risk Committee	18,746
Additional fee for chairing Remuneration Committee	18,746
Additional fee for Senior Independent Director	19,817
Additional fee for Director responsible for Workforce Engagement	5,356

Directors' shareholding and share interests

Under the remuneration policy which operated during the year, the shareholding guideline for the Chief Executive Officer and Chief Financial Officer is for a shareholding to be built up and maintained of 200% and 175% of base salary respectively. Where an Executive Director does not meet the shareholding guideline, they are expected to retain 50% of all shares which vest under the deferred bonus and LTIP after allowing for tax.

The Committee reviews share ownership levels annually. Alex Russo joined the Board during the year 2020/21 and Mike Schmidt joined during the year 2022/23. The Executive Directors are working towards their shareholding requirements.

The table below sets out the number of shares held or potentially held by Directors (including their connected persons or related parties where relevant) as at the financial year ended 2024/25 (or the date of their stepping down from the Board if earlier).

Director	Shares held beneficially[1]	Unvested options with performance conditions[2]	Unvested options not subject to performance[3]	Vested but unexercised awards
Peter Bamford[4]	5,000	–	–	–
Tiffany Hall	73,103	–	–	–
Alex Russo	9,653	914,521	488,458	–
Mike Schmidt	43,266	616,279	95,283	–
Ron McMillan[4]	37,037	–	–	–
Paula MacKenzie	–	–	–	–
Oliver Tant	30,000	–	–	–
Hounaïda Lasry	7,000	–	–	–
Nadia Shouraboura	–	–	–	–
Euan Sutherland	–	–	–	–

1. Includes any shares held by connected persons or related parties.
2. LTIP awards in the form of nil cost options.
3. Deferred bonus awards, LTIP awards no longer subject to performance and buy-out awards in the form of nil cost options.
4. Figures shown for Peter Bamford and Ron McMillan are shown to the date of their stepping down from the Board, being 23 July 2024.

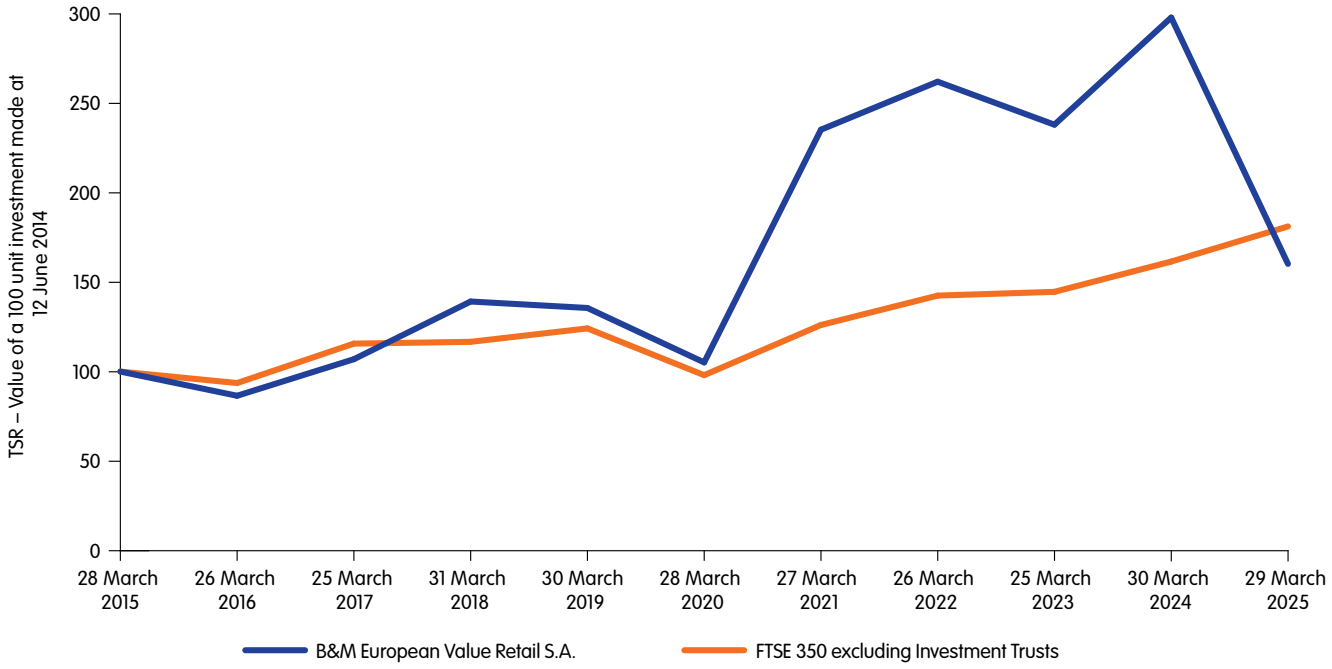
There have been no changes in the Directors' interests in shares in the Company between the end of the 2024/25 financial year and the date of this report.

Performance graph and pay table

The chart below illustrates the Company's TSR performance against the performance of the FTSE 350 Index (excluding Investment Trusts) of which the Company is a constituent over a ten-year period to 29 March 2025, based on an initial investment of £100.

Total shareholder return (rebased)

Source: Datastream



Remuneration of the CEO

The table below shows the remuneration of the CEO for each of the last ten financial years.

	Total remuneration	Bonus as a % of max	LTIP as a % of max
2015/16 – Simon Arora	601,638	0%	N/A
2016/17 – Simon Arora	1,403,731	76.8%	N/A
2017/18 – Simon Arora	1,376,482	68.6%	N/A
2018/19 – Simon Arora	1,204,983	46.0%	N/A
2019/20 – Simon Arora	1,213,194	42.6%	N/A
2020/21 – Simon Arora	3,710,905	98.8%	89.5%
2021/22 – Simon Arora	4,368,809	95.6%	100%
2022/23 – Simon Arora (to 26 September 2022)	2,659,356	56.9%	100%
2022/23 – Alex Russo (from 26 September 2022)	875,677	56.9%	N/A
2023/24 – Alex Russo	3,199,845	98.8%	68.2%
2024/25 – Alex Russo	**1,850,717**	**37.5%**	**0%**

Change in remuneration of the Directors

Luxembourg Law imposes an obligation relating to the reporting of changes in total remuneration of the Company's employees (but not its subsidiaries), the TSR and total remuneration of each of the individual Directors of the Company. As the law only refers to the Company's employees and not those in other companies in the Group, consequently the changes reported for employees are restricted to a nominal number of staff, being just two in 2024/25.

The relevant data, as determined under the provisions of the Luxembourg remuneration reporting law, are as follows:

	TSR performance				
	FY21	FY22	FY23	FY24	**FY25**
TSR (year-on-year)	123.7%	11.4%	-9.2%	22.0%	**-46.2%**
3-year TSR ranking[1]	7th out of 15	2nd out of 14	2nd out of 15	7th out of 15	**13th out of 15**

	Percentage change in total remuneration in the year stated compared with the prior financial year[2]				
	FY21	FY22	FY23	FY24	**FY25**
Company only (excluding all of the other Group subsidiaries in the UK and France) on full-time equivalent basis (average)	-8.44%	2.73%[3]	3.96%	6.16%	**5.59%**
Executive Directors:					
Alex Russo	N/A	128.01%	30.06%	98.79%	**-41.16%**
Mike Schmidt	N/A	N/A	–[4]	-22.81%	**-30.59%**
Non-Executive Directors:					
Tiffany Hall[5]	5.17%	8.53%	3.00%	24.87%	**–**
Paula MacKenzie	N/A	N/A	3.00%	4.00%	**8.50%**
Oliver Tant (appointed 1 November 2022)	N/A	N/A	–[4]	24.13%	**26.89%**
Hounaïda Lasry (appointed 22 September 2023)	N/A	N/A	N/A	–[6]	**12.49%**
Nadia Shouraboura (appointed 29 May 2024)	N/A	N/A	N/A	N/A	**-**[7]
Euan Sutherland (appointed 20 January 2025)	N/A	N/A	N/A	N/A	**-**[7]

1. The TSR figures are based on (i) a spot to spot absolute measurement for the Company over the financial year and (ii) a relative spot to spot measurement over three years compared with the current TSR comparator group (FTSE 350 retail sector and food retailers and wholesalers subsector as at the beginning of the financial year). For the 2022/23 figures the companies used are Currys, Dunelm, Frasers Group, Greggs, Howden Joinery, JD Sports Fashion, Kingfisher, Marks & Spencer, Next, Ocado, Pets At Home, Sainsbury J, Tesco and WH Smith.
2. The pay of each Director has been calculated using the single figure totals. The average pay of staff is calculated on a full-time equivalent basis for each year (excluding overtime hours) and compares the average for each year with that for the prior year. Joining and departing employees and Directors have been grossed-up to a 12-month equivalent.
3. The figure has been restated as part of this year's calculations of changes in total remuneration.
4. Mike Schmidt and Oliver Tant were appointed to the Board during FY23.
5. Change in remuneration for Tiffany Hall between FY24 and FY25 not comparable given appointment as non-Executive Chair of the Board on 23 July 2024.
6. Hounaïda Lasry was appointed to the Board on 22 September 2023 and was appointed as Chair of the Remuneration Committee from 23 July 2024.
7. Nadia Shouraboura and Euan Sutherland were appointed to the Board during FY25.

Relative importance of the spend on pay

The table below shows the movement in spend on pay for all employees compared with distributions to shareholders for the financial years to 30 March 2024 and 29 March 2025.

£'000	2023/24	**2024/25**	% change
Total pay for employees	713,584	**754,092**	5.7%
Distributions to shareholders[1]	347,877	**299,884**	-13.8%

1. There have not been any buybacks of shares during either year.

CEO pay ratio

In line with new UK reporting requirements which the Company has adopted on a voluntary basis, set out below are ratios which compare the total remuneration of the CEO (as included in the single total figure of remuneration table) to the remuneration of the 25th, 50th and 75th percentile of the Group's UK employees. The disclosure will build up over time to cover a rolling ten-year period.

Year	Method	25th percentile pay ratio	50th percentile (median) pay ratio	75th percentile pay ratio
2019/20	Option A	72:1	72:1	69:1
2020/21	Option A	207:1	196:1	191:1
2021/22	Option A	270:1	270:1	257:1
2022/23	Option A	178:1	178:1	164:1
2023/24	Option A	147:1	147:1	136:1
2024/25	**Option A**	**77:1**	**77:1**	**72:1**

We have used Option A as this is the statistically most accurate method and the preferred approach of most institutional shareholders.

The base salary and total remuneration received during the financial year by the indicative employees on a full-time equivalent basis used in the above analysis are set out below:

	25th percentile pay ratio	50th percentile (median) pay ratio	75th percentile pay ratio
Base salary	23,200	23,200	24,960
Total remuneration	23,896	24,082	25,794

The ratios disclosed above are affected by the following factors of our UK workforce. The vast majority of this population work in our retail stores and warehouses where, in line with the retail sector more generally, rates of pay are lower than those for management grades and those employees based at our head offices in more technical roles. The three employees used in the calculations are warehouse and retail sales colleagues and consequently the ratios for each are not significantly different. In addition, while warehouse and retail sales colleagues are eligible to participate in Group-wide share plans and annual opportunities to share in success and recognise outperformance, the CEO's higher bonus and LTIP opportunities are comparable with those which reflect the nature and complexity of his role as well as the remuneration levels in retail businesses of similar size. In this context, the Committee is satisfied that the ratios are appropriate and fair.

There has been a reduction in the ratios for 2024/25, which is driven primarily by the Alex Russo's 2022/23 LTIP award lapsing in full. It is to be expected that the ratio will vary from year to year, primarily as the CEO's package consists of a much higher level of variable pay that is dependent on performance, whereas the warehouse and retail sales colleagues' remuneration is predominantly fixed in nature, which is normal practice for these roles.

Malus and clawback

The AIP and LTIP rules include provision for clawback (and malus during any holding period under the LTIP) within a three-year period following payment or vesting if the Committee concludes that there has been material misstatement of financial results, or there are circumstances which would have warranted summary dismissal of the participant, or there are circumstances having an impact on the reputation of the Company or the Group which justify clawback being operated, or where the Committee discovers information from which it concludes that a bonus or award was paid or vested to a greater extent than it should have been.

In addition, all variable pay plans include discretion to reduce the indicative formulaic out-turn in appropriate cases.

Service contracts

The service contract for the CEO, Alex Russo and CFO, Mike Schmidt is terminable by either the Company or the relevant executive on 12 months' notice. The service contracts are effective from 26 September 2022 in relation to the CEO and 17 October 2022 in relation to the CFO. Both contracts are rolling contracts with no fixed termination date.

All the Non-Executive Directors have letters of appointment with the Company for three-years subject to three months' notice of termination by either side and at any time and subject to annual reappointment as a Director by the shareholders. Paula MacKenzie's, Oliver Tant's, Hounaïda Lasry's, Nadia Shouraboura's and Euan Sutherland's letters of appointment are effective from 9 November 2021, 1 November 2022, 20 June 2023, 5 March 2024 and 20 January 2025 respectively, and the other Non-Executive Directors' letters of appointment are effective from 1 June 2021. The appointment letters provide that no other compensation is payable on termination.

Fees for Chair and Non-Executive Directors in 2025/26

The fee for the Chair and the base fee for the Non-Executive Directors were increased by 2% with effect from 30 March 2025 in line with the average all-employee increase.

Role	Fee from 31 March 2024 £	**Fee from 30 March 2025 £**
Chair of the Board	419,268	**427,653**
Non-Executive Director base fee	69,511	**70,901**
Additional fee for chairing Audit & Risk Committee	18,746	**18,746**
Additional fee for chairing Remuneration Committee	18,746	**18,746**
Additional fee for Senior Independent Director	19,817	**19,817**
Additional fee for Director responsible for Workforce Engagement	5,356	**5,356**

All fees are subject to the aggregate fee cap for Directors in the Articles of Association of the Company, which is currently at £1,000,000 per annum.

The Committee has responsibility for determining fees paid to the Chair of the Board.

The Chair and the Non-Executive Directors are entitled to reimbursement of all expenses reasonably incurred by them in the performance of their duties. The Chair and the Non-Executive Directors do not participate in any bonus or share plans of the Company.

Executive Directors remuneration for 2025/26

Base salary

As described in the Chair's statement, the base salary for Mike Schmidt was reviewed during the year. Alex Russo was not awarded a salary increase for 2025/26. The resulting rates of salary are as follows:

Executive Director	Base salary from 31 March 2024 £	**Base salary from 30 March 2025 £**
Alex Russo (until 30 April 2025)	910,000	**910,000**
Mike Schmidt	482,040	**515,000**

Tjeerd Jegen was appointed as Group CEO with effect from 16 June 2025, his base salary will be set at £928,200 (pro-rated from date of appointment).

For the period that Mike Schmidt is acting as interim CEO alongside his role as CFO, the Committee determined that a role-based allowance of £10,000 per month should be paid to Mike Schmidt to remunerate him fairly and commensurate with his additional responsibilities as interim CEO, as well as running the finance team. This allowance is fixed and is not pensionable, nor does it attract any bonus or LTIP opportunity.

Benefits and pension

Alex Russo (until 30 April 2025), Mike Schmidt and Tjeerd Jegen (from the date of appointment) will receive pension provision equal to 3% of salary, less employer's NICs (to the extent that it is paid as a salary supplement).

For the period that Mike Schmidt is acting as interim CEO the Committee has agreed to reimburse the costs of a driver and accommodation in Liverpool to support with the extra workload.

Tjeerd Jegen will be entitled to other benefits and international relocation support in line with the B&M Remuneration Policy including:-

- a one-time relocation allowance of £300,000 (subject to tax and National Insurance) repayable on a pro-rata basis in the event of termination (or serving notice) due to resignation or dismissal for cause within two years of commencing employment.
- for first three years of employment £50,000 per annum travel / disturbance allowance (subject to tax and National Insurance).

There are no other planned changes to the provision of benefits for 2025/26.

Annual bonus

The maximum bonus opportunity for Mike Schmidt will be 175% of base salary. The maximum bonus opportunity for Tjeerd Jegen will be 250% of base salary (pro-rated from 16 June 2025). Alex Russo is not eligible for an annual bonus for 2025/26.

Under the awards for 2025/26, 75% of the maximum bonus opportunity is based on Group adjusted EBITDA and 25% based on strategic/personal objectives for Mike Schmidt. Weighting of annual bonus metrics for Tjeerd Jegen are expected to be 50% based on Group adjusted EBITDA and 50% based on strategic/personal objectives for 2024/25, to appropriately reflect areas in which the Board would like him to particularly focus in his first year. For future years, it is anticipated that the weighting of measures would be 75% financial and 25% strategic/personal. In relation to each award, one-half of any bonus achieved will be deferred into shares for three-years. The awards will also be subject to malus and clawback provisions.

The Committee does not disclose adjusted EBITDA or personal targets in advance as they are commercially sensitive. Suitable disclosure of the targets together with details of achievement against them will again be included in next year's Directors' remuneration report.

LTIP

The Committee proposes that LTIP awards will be made to Executive Directors during 2025/26, subject to stretching financial performance conditions over a three-year period, with vesting after the completion of a further two-year holding period.

The 2025/26 award for Mike Schmidt will be 175% of salary while an award of 250% of salary will be granted to Tjeerd Jegen. Alex Russo is not eligible for an LTIP award in 2025/26.

- We have set the adjusted post-IFRS 16 diluted EPS targets for 2027/28 taking into account management's three-year plan, macro-economic conditions and the impact of other relevant factors.
- The relative TSR condition follows a market-standard approach, with no vesting below median performance and with maximum vesting for upper quartile performance or above. This approach is consistent with the approach used for previous awards.

The resulting performance conditions and the targets for the awards are as follows:

Performance condition	Weighting	Performance for threshold vesting (25%)	Performance for maximum vesting
Adjusted EPS[1]	50%	34.9p	41.9p
Relative TSR vs FTSE 350 retailers[2]	50%	Median	Upper quartile

1. There is straight line vesting between threshold and maximum.
2. Consists of selected constituents of the FTSE 350 General Retailers Index and the FTSE 350 Food and Drug Retailers Index.

Remuneration Committee composition and meetings in 2024/25

The members of the Committee during the year consisted solely of Independent Non-Executive Directors being Hounaïda Lasry (Committee Chair from 23 July 2024), Tiffany Hall (until she stepped down as Committee Chair on conclusion of the AGM on 23 July 2024), Ron McMillan (until he stepped down from the Board in July 2024), Oliver Tant, Nadia Shouraboura (from 3 September 2024) and Euan Sutherland (from 20 January 2025).

The responsibilities of the Committee are set out in the Corporate Governance section of the Annual Report on page 63.

The Committee invites Tiffany Hall as the Chairman of the Board and Alex Russo as the CEO, as and when the Committee considers it appropriate, to attend meetings and assist the Committee in its deliberations. No person is present during any deliberations relating to their own remuneration or is involved in determining their own remuneration.

Details of Committee meetings and attendances during the year were as follows:

Director	Role	Meetings attended
Hounaïda Lasry	Committee Chair (from 23 July 2024)	6 out of 6
Tiffany Hall	Committee Chair (until 23 July 2024)	1 out of 1
Ron McMillan	Committee Member	1 out of 1
Oliver Tant	Committee Member	6 out of 6
Nadia Shouraboura	Committee Member	5 out of 5
Euan Sutherland	Committee Member	3 out of 3

Activity (meeting unless noted otherwise)	Description
May 2024	• Approve AIP and LTIP outcomes for FY24 • Approval of Directors' remuneration report • Approve metrics and targets for AIP and LTIP for FY25
September 2024	• Ratify FY25 AIP objectives for Executive Committee
January 2025	• Review of CFO Remuneration • Update on wider workforce remuneration
February 2025[1]	• Separate meetings to review and approve leaver arrangements for Alex Russo
March 2025	• Review of Committee terms of reference • Review Chair fee for FY25

1. There were the 4 scheduled meetings of the Committee in the year under review and 2 additional meetings to consider leaver arrangements.

Shareholder voting

The resolution to approve the Directors' Remuneration Policy at the 2021 AGM and resolution to approve the Annual Report on Remuneration at the 2023 AGM were passed as follows:

Resolution	Votes for	% for	Votes against	% against	Total votes cast	% of shares on register	Votes withheld
To approve the Directors' Remuneration Policy (2024)	806,554,352	96.33	30,744,822	3.67	837,299,174	83.50	10,206,013
To approve the Annual Report on Remuneration (2024)	812,346,487	96.60	28,632,958	3.40	840,979,445	83.86	6,525,742

Advisors to the Committee

The advisors to the Committee during the year were Deloitte LLP ("Deloitte").

Deloitte is a member of the Remuneration Consultants Group and subscribe to its Code of Conduct which requires that its advice must be objective and impartial.

During the year, Deloitte's total fees excluding VAT in respect of advice to the Remuneration Committee were £87,000 excluding VAT.

Fees are generally determined on a time and materials basis. For some items, fees were determined under a fixed fee agreement.

From time to time, the Group engages Deloitte for other advice and services not related to executive remuneration, including valuation and taxation. The Committee will continue to monitor such engagements with Deloitte in order to continue to be satisfied that they do not affect Deloitte's independence as an advisor to the Committee.

This report has been approved by the Board of Directors of the Company and signed on behalf of the Board by:

Hounaïda Lasry
Chair of the Remuneration Committee

Policy table (from the Directors' Remuneration Policy approved at the 2024 AGM)

The table below describes the elements of remuneration paid to the Executive Directors:

Element and purpose	Policy and opportunity	Operation and performance conditions
Base salary This is the basic pay and reflects the individual's role, responsibility and contribution to the Group.	Base salaries are normally reviewed annually. Changes typically take effect from the beginning of the relevant financial year. On review, consideration is given by the Committee to a range of factors including the Group's overall performance, market conditions and individual performance of executives and the level of salary increase given to employees across the Group. Base salaries are targeted at market levels, with reference to companies with a comparable market capitalisation. Salary increases will typically not exceed the general level of increase awarded to other salaried staff. However, higher increases may be awarded in appropriate circumstances, including in the event of a change the roles and responsibilities of an Executive Director or when there are changes to the size and/or complexity of the business.	Base salary is typically paid monthly in cash.
Benefits To provide benefits that are valued by the individual	Provide market competitive benefits. The Group may periodically review benefits available to employees. Executives will generally be eligible to receive those benefits on similar terms to other senior employees. Where the Committee considers it appropriate to do so, additional relocation expenses for a limited period and/or tax equalisation payments may be provided.	Executives may be entitled to a wide range of benefits, dependent on their circumstances including: accommodation allowance; car allowance or a company car; car insurance and other running costs and fuel for business use; death in service life assurance, permanent disability and critical illness insurance; medical insurance; travel; and any other Group-wide benefits including a B&M stores discount card with a discount level aligned with that available to other qualifying employees (currently 10%). Any benefits provided in the normal course of business (e.g. travel and hospitality) are authorised by the Committee on a standalone basis. If these are deemed to be taxable benefits, they will be disclosed as such in the single figure table and the benefits provided may include a payment in respect of the tax liability.
Pension To provide an appropriate level of contribution to retirement planning.	Pension contributions for existing and future Executive Directors are and will be aligned with the wider workforce contribution rate, which is currently 3% of salary.	Executives may take pension benefits as contributions to defined contribution personal pension plans, or elect to receive cash in lieu of all or part of that benefit (this is not taken into account as salary for calculating bonus, LTIP or other benefit awards).

Annual bonus To incentivise and reward individuals for the delivery of annual performance targets.	The maximum annual bonus opportunity is 250% of base salary for the CEO and 200% of base salary for other Executive Directors. For financial measures, up to 25% of the bonus will be earned for threshold performance increasing to up to 50% for on-target performance and 100% for maximum performance. For non-financial measures, the amount of bonus earned will be determined by the Committee between 0% and 100% by reference to its assessment of the extent to which the relevant metric or objective has been met. For Executive Directors who have not met the shareholding guidelines, 50% of the bonus is paid in shares and the balance of the bonus paid in cash. For Executive Directors who have met at least half of the shareholder guidelines, 25% of the bonus is paid in shares and the balance of the bonus paid in cash. For Executive Directors who have met the shareholding guidelines, the entire award is paid in cash. The bonus amount paid in shares is normally contingent on employment for a further three-years. Such deferred shares will be entitled to a further benefit calculated by reference to dividends paid during such period as the Committee determines, ending no later than the vesting date. This benefit may assume the reinvestment of dividends into B&M shares on such basis as the Committee determines. Clawback and malus provisions may apply to awards made under the annual bonus and are described below this table.	The performance measures are reviewed at least annually by the Committee in line with the Company's strategy. The performance measures applied may be financial (with at least a 75% weighting on such measures) and/or operational and corporate, divisional and/or individual. The Committee has the ability to make adjustments to performance targets during any performance period where it considers it would be appropriate to do so (for example to reflect any events arising which were unforeseen when the performance conditions were originally set by the Committee, or to reflect a change in strategy or a material acquisition or divestment). The Committee has discretion to adjust the formulaic outcomes of the annual bonus upwards or downwards (including to nil) to reflect any fact or circumstance which the Committee considers to be relevant. Any adjustments will be disclosed in the relevant Annual Report on Remuneration.
Long-term incentives To incentivise the delivery of strategic objectives over the longer term, the Group operates the LTIP.	Awards of shares can be made with a maximum face value on grant (as determined by the Committee) in respect of any year for the CEO of 250% of base salary and for other Executive Directors of 200% of base salary, save for exceptional circumstances such as recruitment where the grant may be in excess of this limit in order to grant buy-out awards on recruitment. Awards will be subject to a two-year holding period post the end of the performance period. Clawback and malus provisions may apply to awards made under the LTIP and are described below this table. Shares which vest under LTIP awards will be entitled to a further benefit calculated by reference to dividends from the grant to the end of the holding period. This benefit may assume the reinvestment of dividends into B&M shares on such basis as the Committee determines.	Awards may be made annually of nil cost options on (or equivalent forms of award) vesting subject to the satisfaction of performance conditions, ordinarily assessed over a period of three financial years. The Committee may set performance conditions based on financial and/or operational and corporate, divisional and/or individual criteria as it considers appropriate. The Committee has discretion to make adjustments to targets during any performance period in cases where it considers it would be appropriate to do so (for example to reflect any events arising which were unforeseen when the performance conditions were originally set by the Committee, such as a change in strategy or a material acquisition or divestment). The Committee has discretion to adjust the formulaic outcomes of the LTIP upwards or downwards (including to nil) to reflect any fact or circumstance which the Committee considers to be relevant. Any adjustments will be disclosed in the relevant Annual Report on Remuneration. No more than 25% of an award can be earned for threshold performance.

In-employment shareholding requirement To encourage share ownership and create alignment of interests of Executive Directors and shareholders.	Executive Directors who have not yet met the shareholding guidelines, are expected to retain at least 50% of all shares which vest under the deferred bonus and LTIP (or any other plans which may be adopted in the future) on a net of tax basis until they hold shares of a specified value.	The required level of shareholding is equal to the Executive Directors' normal annual LTIP award levels. Deferred shares from annual bonus awards and LTIP shares which are in a holding period count towards the required level of shareholding, in each case on a net of assumed tax basis. Executive Directors are expected to maintain their minimum shareholding levels once they have obtained those shareholding levels. The Committee will review shareholding guidelines during the period of the policy but without making guidelines any less onerous overall. The Committee retains discretion to disapply or vary this requirement in exceptional circumstances.
Post-employment shareholding requirement	Shares are subject to this requirement only if they are acquired from share awards (other than awards granted under all employee share plans) from FY21 onwards. For two years post-employment (or, if the Committee so determines, for two years after the Executive Director has stepped down from the Board) the Executive Director must retain such of their relevant shares as have a value equal to 100% of the in-employment shareholding requirement (or all of those shares if lower). Shares completing their performance period during this two-year period will remain subject to the two-year holding period. Shares purchased by the Executive Director (including those from all employee share plans), will not be included in this requirement.	It is possible for shares counting towards this requirement to not be released during the period in which the post-employment shareholding requirement applies, to support enforceability. The Committee retains discretion to disapply or vary this requirement in exceptional circumstances.
All-employee share plans To encourage share ownership by employees and participate in the long-term success of the Group, the Group operates an all-employee share incentive plan ("SIP") for B&M UK employees which was adopted prior to Admission.	Executive Directors can participate in the all-employee SIP on the same terms as other employees of B&M in the UK.	Under the rules of the SIP employees can purchase shares up to a maximum limit (currently £1,800) per annum from their pre-tax and pre-National Insurance salary through a UK resident SIP Trust. The rules also permit an award of free shares worth up to a maximum limit (currently £3,600) per year and for purchased shares to be matched on up to a 2:1 basis although these elements have not been operated to date. These limits can be changed in line with UK legislation governing these plans.

Directors' report and business review

In accordance with Luxembourg law and DTR 4.1.5R, the Directors present their report (the "Management Report") together with the Company's annual accounts and the Group's consolidated annual accounts and financial statements for the accounting periods ended in March 2025.

As permitted under Luxembourg Law, the Directors have elected to prepare a single Management Report covering both the Company's and the Group's financial year. The Strategic Report, Corporate Governance report and Directors' remuneration report on pages 1 to 59, 60 to 98 and 77 to 92 respectively, form part of this report and are incorporated into this Directors' report by reference. Also, the following information, in particular within those reports can be found as follows:

- future developments in the business – page 11;
- workforce engagement – pages 33 to 35;
- viability statement – page 29;
- energy and carbon reporting – pages 30 to 32;
- directors' service contracts and appointment letters – page 87;
- directors' interests in the Company's shares – page 84;
- conflicts of interest – page 65; and
- stakeholders and section 172 statement – pages 54 to 59.

Company status
B&M European Value Retail S.A. (the "Company") is the parent company of the Group. It was incorporated on 19 May 2014 as a public limited liability company (*Société Anonyme*) under the laws of the Grand-Duchy of Luxembourg and it has its registered office in the Grand-Duchy of Luxembourg. The Company's shares are listed on the main market of the London Stock Exchange.

Branches
The Group has no branches and had none during the reporting period.

Research and development
The Company has no research and development activities.

Principal activity
The principal activity of the Group is variety retailing in the UK and in France. The Company has a corporate office in Luxembourg.

Business review
This report together with the Strategic Report on pages 1 to 59, which is incorporated by reference in this report, sets out the review of the Group's business during the financial year ended March 2025, including factors likely to affect the future development and performance of the business and a description of the principal risks and uncertainties the Group faces.

Results and dividend
The Group's profit after tax for the financial year ended 29 March 2025 of £319m is reported in the consolidated statement of comprehensive income on page 102.

The Board is recommending a final dividend of 9.7p per ordinary share, which together with the interim dividend of 5.3p per ordinary share paid in December 2024 (but not including the special dividend of 15.0p per share paid in February 2025) is a total ordinary dividend for the year of 15.0p, within the Company's dividend policy of paying 40% to 50% of post-IFRS16 Adjusted Earnings.

Post balance sheet events
There have been no post balance sheet events that either require adjustment to the financial statements or are important in the understanding of the Group's current position.

Corporate social responsibility
Our CSR activity is set out in the Corporate Social Responsibility report on pages 30 to 39.

Employee engagement and involvement
The Group is committed to employee involvement, consultation and participation. At key points throughout the year, colleagues are kept informed about the performance and strategy of the Group through internal business update meetings, conference calls, company newsletters and CEO email bulletins. They include information on the financial and trading performance of the Group. Further details of workforce engagement, feedback and actions during the year are also set out on page 33, which is incorporated in this report by reference.

B&M has a share incentive plan which is open to all B&M UK employees after 12 months service. Certain employees in the Group are also eligible to participate in other share incentive schemes of the Company.

Equal opportunities
The Group is an equal opportunity employer. It is the Group's policy not to discriminate on the basis of gender, race, colour, religion, disability or sexual orientation, in its recruitment, training and promotion programmes.

Disabled persons
The Group seeks to ensure that disabled people, whether applying for a vacancy or already in employment, receive equal opportunities in respect of job vacancies which they are able to fulfil. They are not discriminated against on the grounds of their disability and are given full and fair consideration of applications, continuing training while employed and equal opportunity for career development and promotion. Where existing colleagues suffer a disability, it is our policy to retain them in the workforce where that is practicable.

Directors
The Directors' interests in shares and share awards made to them as at 31 March 2025 are shown on page 84.

During the year under review, two new Non-Executive Directors have been appointed and since the year-end on 31 March 2025 and as at the date of this report, a new Chief Executive Officer has been appointed by the Board, in replacement of Alex Russo whose retirement was announced on 24 February 2025 and effective from 30 April 2025. Details on Directors' CVs and profiles can be found on pages 60 and 61.

The new CEO, Tjeerd Jegen, will start on 16 June 2025 and his appointment will be submitted to shareholders for ratification at the Company's annual general meeting on 22 July 2025 ("AGM"). All the Directors holding office immediately prior to the AGM will stand for re-election at the AGM.

Directors' indemnities
The articles of association of the Company (the "**Articles**" or "**Articles of Association**") permit to indemnify Directors in certain circumstances, as well as to provide insurance for their benefit. The Company has Directors' and Officers' insurance in place in respect of all the Directors. The insurance does not provide cover where a Director has acted fraudulently or dishonestly.

Political donations
No political donations were made during the financial year under review.

Financial instruments
Details of the Group's objectives and policies on financial risk management, and details of

the financial instruments currently in use, are set out in note 1 to the consolidated annual accounts on pages 111 to 112 and page 137, which forms part of this report.

Share capital

The Company's share capital and changes brought to it in the financial year ended 31 March 2025, are set out on page 95 below and under note 23 to the consolidated annual accounts and financial statements on page 140 which forms part of this report.

In common with other Luxembourg registered companies, the Articles allow the Board to increase the issued share capital of the Company within the limits of the authorised share capital (set under article 5.2 of the Articles), including by the issue of new shares and, under certain conditions, by limiting or cancelling pre-emption rights of existing shareholders.

Under Luxembourg Company Law such an authority can only be granted for periods of up to five years and the authority currently in place for B&M Board will expire on 25 July 2028.

The conditions and limits under which this authority can be exercised are provided for under article 5.2 of the Articles.

The Directors intend to comply with the Pre-Emption Group's Statement of Principles, in relation to any issue of shares of the Company to the extent practical as a Luxembourg registered company.

The Board intends to seek an authorisation of shareholders at the annual general meeting on 22 July 2025 that the Company may purchase, acquire or receive its own shares. This resolution is requested at each annual general meeting. No shares of the Company have been repurchased and no contract to repurchase shares has been entered into at any time since the incorporation of the Company.

Each ordinary share in the Company entitles the holder to vote at general meetings of the Company in person or by proxy. Unless otherwise provided by Luxembourg Company Law and/or the Articles, all decisions by an annual or ordinary shareholders' meeting are taken by a simple majority of votes cast regardless of the proportion of the issued share capital represented at that meeting. The notice of AGM specifies deadlines for exercising voting rights, conditions to attend the meeting in person, and appointing a proxy to vote.

Holders of ordinary shares may receive dividends and, on liquidation of the company, a share in the assets of the Company.

Subject to meeting certain thresholds, holders of ordinary shares may requisition a general meeting of the Company or the proposal of resolutions at general meetings. The rights (including full details relating to voting), obligations and any restrictions on transfers relating to the Company's ordinary shares, as well as the powers of the Directors, are set out in the Articles of Association.

The Company is not aware of any agreements between shareholders that restrict the transfer of shares or voting rights attached to the shares.

Amendment to the Articles of Association

The Articles of Association may only be amended at an extraordinary general meeting of shareholders where at least one half of the issued share capital is represented (or if that condition is not satisfied, at a second meeting regardless of the proportion of the issued share capital represented at that second meeting) and when adopted by a resolution passed by at least two-thirds of the votes cast.

Shareholders

The following shareholders have notified the Company of their interests of five percent (5%) or more in the Company's issued ordinary shares (including interests in shares held through financial instruments):

Shareholder	Number of ordinary shares	% issued share Capital
The Capital Group Companies Inc.	102,724,530	10.23
Fidelity Management Research	73,537,597	7.64

Change of control

The Company has a senior facilities agreement (the "SFA") in relation to a £225m term loan and a £225m revolving credit facility. During the year under review these facilities were extended until March 2030. The SFA provides that on a change of control of the Company, each lender has the right to require early repayment of their loans and to cancel all their commitments under the SFA on not less than 10 business days' notice to the Company.

During the financial year under review, the Group issued new senior secured notes for £250m maturing in November 2031. The proceeds were used to cover the repayment of the remaining £156m of outstanding 3.625% senior secured bonds which mature in July 2025. The £156m will be repaid in full in July 2025. The Company also has in issue £250m 4% senior secured notes due 2028, GBP £250m 8.125% senior secured notes due 2030. On a change of control of the Company, each bondholder has the option to require the Company to repurchase all or part of the notes of such holder at a redemption purchase price expressed as a percentage of the principal amount as at redemption date, plus accrued interest up to the date of repurchase.

The Group's credit and loan facilities with its banks and fleet finance agreements for HGVs contain customary cancellation and repayment provisions upon a change of control.

Employee share incentive schemes also have customary change of control provisions triggering vesting and exercise on performance conditions being met or (in the discretion of the Company) being waived.

Annual General Meeting

This year, the Company's AGM will be held on 22 July 2025.

Corporate governance

Compliance by the Company with the UK Corporate Governance Code and the requirements of the Luxembourg law are set out in the Principal Risks and Uncertainties on pages 22 to 28, the Corporate Governance report on pages 60 to 98 and the Directors' remuneration report on pages 77 to 92, each of which form part of this report.

The Statement of Directors' Responsibilities in relation to the consolidated annual accounts and financial statements of the Group and the standalone annual accounts and financial statements of the Company appears on page 98, which forms part of this report.

Independent auditor

KPMG Audit S.à r.l. is the independent auditor (*"réviseur d'entreprises agréé"*) of the Company. Following a tender of audit service led by the Audit & Risk Committee of the Company, the Board unanimously proposes to shareholders KPMG's reappointment as the Company's auditor and seeks shareholders' authority to fix their remuneration.

Information on forward-looking statements

The Annual Report and financial statements include forward-looking statements that reflect the Company's or, as appropriate, the Directors' current views with respect to, among other things, the intentions, beliefs and current expectations of the Company or the Directors concerning, amongst other things, the results of operations, the financial condition, prospects, growth, strategies and dividend policy of the Company and the industry in which it operates. Statements that include the words "expects", "intends", "plans", "believes", "projects", "forecasts", "predicts", "assumes", "anticipates", "will", "targets", "aims", "may", "should", "shall", "would", "could", "continue", "risk" and similar statements of a future or forward-looking nature can be used to identify forward-looking statements.

All forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Undue reliance should not be placed on such forward-looking statements because they involve known and unknown risks and uncertainties.

Independence Compliance Statement

Simon Arora, Bobby Arora, Robin Arora and SSA Investments S.à.r.l. ("SSA Holdco") (together the "Arora Family") entered into a relationship agreement with the Company (the "Relationship Agreement") at the time of and with effect from the admission of the Company to trading on the London Stock Exchange in June 2014 ("Admission"). The purpose of the Relationship Agreement was to regulate the ongoing relationships between the Company and the Arora Family and to ensure that the business operated independently of the Arora Family (and their associates) and that transactions and relationships between the Group and the Arora Family (and their associates) were at arm's length and on normal commercial terms. The Relationship Agreement applied for so long as the Arora Family together with their associates held five per cent (5%) or more of the issued ordinary shares of the Company. The Arora Family (and their associates) shareholding fell below 5% of the issued ordinary shares of the Company in December 2023, and therefore the Relationship Agreement has lapsed and ceased to have any effect from that date.

Under the UK Listing Rules, each of Simon Arora, Bobby Arora, Robin Arora and any other close family members and associates will be considered to be a related party for the purposes of the related party transaction rules in Chapter 11 of the Listing rules until 12 months after any member of the family, ceases to be a director or shadow director or ceases to exercise significant influence over B&M European Value Retail S.A. or any subsidiaries of the Group. Simon ceased to be a director of the Company on 21 April 2023 and Robin Arora left the Company on 30 March 2022. Bobby Arora continued to be an employee of the Group and a director of several subsidiaries of the Group during the year under review. Bobby ceased to be an employee and director on 31 March 2025.

A summary of the corporate governance and Listing Rules processes and assessments undertaken by the Group and the Board together with reports of advisors and the opinion of the Sponsor, in relation to related party leases, is included on page 65 of the Corporate Governance Report.

In the financial year 2025 there has been one new store lease in the UK with Arora Family related parties as landlords of those stores.

The total number of leases of UK stores and rents of the Group with Arora Family related parties as at the end of the period under review were 64 store leases, representing 8% of a total number of 777 UK B&M stores of the Group with all landlords, and 10% of the overall rent roll of all UK B&M stores as at the year end.

In March 2025, B&M entered into an agreement with Bobby Arora permitting him to purchase a company vehicle belonging to the Company's subsidiary, B&M Retail Limited. The agreement took effect upon Bobby leaving his employment. The sum involved was independently valued at the proper market value of the cars given age and condition. This transaction is to be regarded as immaterial both under the UK Listing rules (being far below 0.25% under the relevant class test prescribed by Chapter 11) and under the Luxembourg law provisions on related party transactions. By reference to Luxembourg regulation on conflict of interests as provided for under article 441-7 of the Luxembourg Company Law (reproduced in article 13.10 of the Articles), it also falls within the ordinary course of business exemption.

Details of other related party transactions entered with associated companies of the Group are set out in note 27 to the consolidated annual accounts on pages 144 and 146 which forms part of this report.

Those transactions relate to the following matters:

i. product sourcing and supplies to the Group from Multi-lines International Company Limited ("Multi-lines"); and
ii. wholesale supplies of products by the Group to Centz Retail Holdings Limited.

The Board confirms that during the financial year 2024/25 the Company has acted independently of the Arora Family and their associates.

The Board confirms that this statement is supported by each of the independent Directors of the Company and there have been no instances where any of them declined to support this statement.

Article 11 report

The following disclosures are made voluntarily on the basis of article 11 of the Luxembourg Law on Takeovers of 19 May 2006 as amended ("Luxembourg Takeovers Law") and form part of this Directors' report.

Following the UK's exit from the EU, the shares of B&M European Value Retail S.A. (the "Company") being listed solely on the London Stock Exchange market are no longer admitted to trading on an EU Member State regulated market and the Company is therefore outside of the scope of Luxembourg Takeovers Law.

The Board of Directors however deems it best practice for a Luxembourg incorporated company and in the best interest of shareholders to continue to provide those disclosures within the Directors' report.

Section (a) – Share capital structure

B&M European Value Retail S.A. has issued one class of shares which is admitted to trading on the London Stock Exchange. No other shares have been issued by the Company. Its issued share capital as at 31 March 2025 amounts to £103,821,871.60 represented by 1,003,821,721 shares with a nominal value of £0.10 each.

As at the date of this report, all shares are in dematerialised form.

In addition to the issued share capital, the Company has also an authorised but unissued share capital amounting to £296,840,035.10.

All shares issued by the Company entitle to equal rights as set out in the Articles.

Section (b) – Transfer restrictions
All the shares are freely transferable subject to the conditions set out in article 6.5.1 of the Articles.

Section (c) – Major shareholdings
Details of shareholders holding more than five percent (5%) of the total voting rights of the Company as notified to B&M European Value Retail S.A. in accordance with DTR 5.1 and in accordance with article 8.1 of the Articles which reproduces the relevant provisions of the Luxembourg Law on Transparency requirements for issuers of securities dated 11 January 2011 as amended ("Luxembourg Transparency Law") are set out on page 94.

Section (d) – Special control rights
All the issued and outstanding shares of the Company have equal voting rights and there are no special control rights attached to its shares.

Section (e) – Control system on employee share scheme
B&M European Value Retail S.A. is not aware of any matters regarding section (e) of article 11 of the Luxembourg Takeovers Law.

Section (f) – Voting rights
Each share issued and outstanding in B&M European Value Retail S.A. represents one vote. The Articles do not provide for any voting restrictions.

In accordance with the Articles of Association, shareholders may be represented at general meetings and proxies shall be received by the Company a certain time before the date of the relevant general meeting. The Board of Directors may determine such other conditions that must be fulfilled by shareholders attending in person or by proxy. Additional provisions may apply under Luxembourg Law. Thus, Luxembourg legislation requires shareholders to register their intention to participate in general meetings at least 14 days before the date of the meeting (the "Record Date"). In accordance with the same legislation and article 24.6.11 of the Articles, and except when voting rights are suspended, the right of a shareholder to participate in a general meeting and to exercise the voting rights attached to its shares and the number of voting rights it may exercise are determined by reference to the number of shares held by such shareholder as at midnight on the Record Date.

As provided for under article 6.3.4 of the Articles, the voting rights attached to any shares which had not been dematerialised by the Compulsory Dematerialisation Date (as defined thereunder) were to be automatically suspended. That deadline was on 8 March 2023 and as at the date of this report, 8,261 shares in aggregate which had not been dematerialised by their respective owners by the Compulsory Dematerialisation Date are held in a securities account open in the name of the Company. The suspension of the voting rights attached to those shares will cease when the owner provides the details of a securities account in his or her name where the shares can be transferred and held in dematerialised form.

In accordance with article 8.1.5 of the Articles which transposes article 8 of the Luxembourg Transparency Law, as long as the notice of crossing a major shareholding in the Company has not been notified to the Company in the manner prescribed, the exercise of the voting rights relating to those shares which exceed the threshold that should have been notified is suspended. The suspension of the voting rights is lifted when the shareholder makes the notification provided for under article 8.1.1 of the Articles.

Section (g) – Shareholders' agreements with transfer restrictions
B&M European Value Retail S.A. has no information about any agreements between shareholders which may result in restrictions on the transfer of securities or voting rights.

Section (h) – Appointment of Board members, amendment of Articles of Association
The appointment and replacement of Board members and the amendment of the Articles are governed by Luxembourg Law, mainly the law on Commercial Companies dated 10 August 1915 as amended ("Luxembourg Law on Commercial Companies"), and the Articles (article 10 and article 24.6.3 respectively).

Directors are appointed by the shareholders. Without prejudice to shareholder's powers, in the event of a vacancy and only in such case, the Board may appoint a Director to fill in such vacancy, subject to that appointment being ratified by the next general meeting of the shareholders.

The Articles are published under the Investors section on the Company's corporate website at www.bandmretail.com.

They may only be amended (i) by decision of an extraordinary general meeting of shareholders with at least half the issued share capital of the Company present or represented (and if that condition is not satisfied, a second extraordinary general meeting convened with the same agenda regardless of the proportion of the issued share capital represented) and (ii) when changes proposed are approved by a majority of two-thirds of the votes cast.

Section (i) – Powers of the Board of Directors
The Board of Directors is vested with the broadest powers to take any action necessary or useful to realise the purposes of the Company, with the exception of the powers reserved to the general meeting of shareholders by the Luxembourg Law on Commercial Companies and by the Articles.

In common with the articles of association of other Luxembourg public limited liability companies, article 5.2 of the Articles gives authority to the Board of Directors to issue shares on a non-pre-emptive basis under certain conditions.

The Articles authorise the Board of Directors to dis-apply pre-emption rights:
a. for the issue for cash of shares representing up to ten percent (10%) of the issued share capital of the Company in any one year;
b. for the issue for cash of shares representing up to a further ten per cent (10%) of the issued share capital to deal with financing (or refinancing provided that the authority given is to be used within twelve (12) months as from the original transaction) an acquisition or other investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights published by the Pre-emption Group of the Financial Reporting Council (the "Statement of Principles");
c. to deal with treasury shares or fractional entitlements on otherwise pre-emptive issues of shares; and
d. in connection with employee share option schemes.

The Board as a matter of policy and to the extent practicable for a Luxembourg company, intends to follow the guidelines provided for under the Statement of Principles.

The AGM of the shareholders of the Company held on 23 July 2024 authorised the Board to, in the name and on behalf of the Company, purchase, acquire or receive the Company's own shares representing up to ten percent (10%) of its issued share capital from time to time, on such terms as the Board may decide in accordance with the law.

Subject to shareholder approval, this authorisation will be renewed at the AGM to be held on 22 July 2025. The renewal of this authorisation is and will be requested at each AGM.

No shares of the Company have been purchased by the Company and to purchase the Company's shares contract has been entered into at any time since the incorporation of the Company and up to the date of this report.

Section (j) – Significant agreements or essential business contracts

The Board of Directors is not aware of any significant agreements to which B&M European Value Retail S.A. is a party and which take effect, alter or terminate upon a change of control of the Company following a takeover bid other than:

a. the Company has Senior Facilities Agreements ("SFA") in relation to a £225m term loan agreement and a £225m revolving credit facility. The SFA provides that on a change of control of the Company, each lender has the right to require early repayment of their loans and to cancel all their commitments under the SFA on not less than ten (10) business days' notice to the Company;
b. in relation to the Senior Secured Notes issued by the Company, on a change of control of the Company, each bondholder has the option to require the Company to repurchase all or part of the notes held by such bondholder at the applicable redemption purchase price (set as percentage of the then outstanding principal amount) plus interest accrued up to the date of the repurchase and additional amounts if any;
c. the Group's credit and loan facilities with its banks and fleet finance agreements for HGVs which contain customary cancellation and repayment provisions upon a change of control; and
d. employee share incentives schemes in relation to shares in the Company include customary change of control provisions triggering vesting and exercise on performance conditions being met or (in the discretion of the Company), being waived.

Section (k) – Agreements with Directors and employees

No agreements exist between B&M European Value Retail S.A. and its Directors or employees which provide for compensation if Directors or employees resign or are dismissed without valid reason, or if their employment ceases because of a takeover bid other than as disclosed in the Directors' remuneration report on pages 77 to 92.

Approved on behalf of the Board.

Tiffany Hall
Chair
3 June 2025

Michael Schmidt
Chief Financial Officer

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Company annual accounts and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare, for each financial year, annual accounts and financial statements of the Company, on a standalone basis in accordance with Luxembourg legal and regulatory requirements regarding the preparation of annual accounts ("Lux GAAP") and consolidated annual accounts and financial statements at Group level in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and applicable law. Under the UK Disclosure Guidance and Transparency Rules, Group financial statements are also to be prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRS as adopted by the EU").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of their profit or loss for the relevant period. In preparing each of the Group and Company's annual accounts and financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present the financial statements and policies in a manner that provides relevant, reliable, comparable and understandable information;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- assess the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operation, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with company law. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' report, Directors' remuneration report and Corporate Governance Statement that comply with the provisions of that law and those regulations.

The financial statements are published on the Company's website. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in Luxembourg governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We confirm that, to the best of our knowledge:

- the consolidated annual accounts and financial statements of B&M European Value Retail S.A. (the "Company") presented in this Annual Report and established in conformity with IFRS as adopted by the EU give a true and fair view of the assets, liabilities, financial position, cash flows and profits of the Company and the undertakings included within the consolidation taken as a whole;
- the annual accounts of the Company presented in this Annual Report established in conformity with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts give a true and fair view of the assets, liabilities, financial position and profits of the Company; and
- the Strategic Report forming part of the Annual Management Report for the financial year ended March 2025 includes a fair review of the development and performance of the business and position of the Company and the undertakings included within the consolidation taken as a whole, together with a description of the principal risks and uncertainties it faces.

We consider this Annual Report (including the annual accounts and financial statements), taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Approved on behalf of the Board.

Tiffany Hall
Chair
3 June 2025

Michael Schmidt
Chief Financial Officer

Independent Auditor's Report

To the Shareholders of B&M European Value Retail S.A.

3, rue Gabriel Lippmann L-5365 Munsbach Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE
Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of B&M European Value Retail S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 29 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in Shareholder's equity and consolidated statement of cash flows for the 52 weeks period then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 29 March 2025, and its consolidated financial performance and its consolidated cash flows for the 52 weeks period then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the consolidated financial statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for foreign currency hedges

Why the matter was considered to be one of the most significant in our audit of the financial statements of the current period	How the matter was addressed in our audit
The Group's hedging reserve amounts to £11 million and reported a net change of fair value of £8 million per the Consolidated statement of changes in shareholders' equity. Per the Financial Instruments policy in note 1, the Group adopts hedge accounting for a high proportion of its foreign currency inventory purchases. The recognition of foreign exchange gains on foreign currency forward contracts, through either other comprehensive income or the income statement is determined by effectiveness testing. In order to apply hedge accounting, it is necessary to demonstrate hedge effectiveness which requires, amongst other things, matching the hedging instrument to the hedged item and ensuring that the appropriate exchange rate is applied to each hedged item included in the inventory balance. Given that the gross value of the hedges is significant, and that hedge accounting is an inherently complex area of accounting, particularly in times of volatile exchange rates, we have identified accounting for foreign currency hedges as a key audit matter.	Our procedures over hedge accounting included, but were not limited to: • Obtaining a detailed understanding and evaluating the design and implementation of key controls that the Group has surrounding hedge accounting by inquiries with the relevant process owners and performing a walkthrough of the process which includes observing the control and inspecting supporting evidence for the various controls. • Reviewing the Group's hedging strategy. • Involving our treasury specialists to assist us in our assessment as to whether hedge accounting can be applied. • Inspecting management's hedge effectiveness testing. • For a sample of foreign currency hedges: – Assessing the related hedge accounting documentation is appropriately prepared in accordance with IFRS 9. – Vouching the details of the forward contract to third party confirmation. – For forward contracts that have matured: recalculating the gain or loss realized on the forward contract. – For forward contracts that have not yet matured: comparing a sample of the year end derivative valuations to third party confirmations. – Reviewing management's calculations to adjust the valuation of inventories based on hedged effectiveness to assess whether the valuation has been appropriately adjusted

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated management report but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Board of Directors and Those Charged with Governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is 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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Luxembourg, 3 June 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Fabien Hedouin

Consolidated Statement of Comprehensive Income

Period ended	Note	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Revenue	2	**5,571**	5,484
Cost of sales		**(3,479)**	(3,449)
Gross profit		**2,092**	2,035
Administrative expenses		**(1,526)**	(1,427)
Operating profit	5	**566**	608
Share of profits/(losses) in associates	12	**1**	(1)
Profit on ordinary activities before net finance costs and tax		**567**	607
Finance costs on lease liabilities	6	**(77)**	(69)
Other finance costs	6	**(66)**	(50)
Finance income	6	**7**	10
Profit on ordinary activities before tax		**431**	498
Income tax expense	10	**(112)**	(131)
Profit for the period	2	**319**	367
Other comprehensive income for the period			
Items which may be reclassified to profit and loss:			
Exchange differences on retranslation of subsidiary and associate investments		**(2)**	(3)
Fair value movement as recorded in the hedging reserve		**(10)**	(22)
Tax effect of other comprehensive income	10	**(1)**	1
Total other comprehensive income		**(13)**	(24)
Total comprehensive income for the period		**306**	343
Earnings per share			
Basic earnings per share attributable to ordinary equity holders (pence)	11	**31.8**	36.6
Diluted earnings per share attributable to ordinary equity holders (pence)	11	**31.8**	36.5

All profit and other comprehensive income is attributable to the owners of the parent.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at	Note	29 March 2025 £'m	30 March 2024 £'m
Non-current assets			
Goodwill	13	**920**	921
Intangible assets	13	**120**	121
Property, plant and equipment	14	**448**	421
Right-of-use assets	15	**1,159**	1,101
Investments in associates	12	**6**	5
Other receivables	17	**6**	5
Other financial assets	20	**–**	1
Deferred tax asset	10	**5**	4
		2,664	2,579
Current assets			
Cash at bank and in hand	18	**217**	182
Inventories	16	**883**	776
Trade and other receivables	17	**79**	76
Income tax receivable		**11**	8
Other financial assets	20	**153**	4
		1,343	1,046
Total assets		**4,007**	3,625
Equity			
Share capital	23	**(100)**	(100)
Share premium		**(2,484)**	(2,481)
Retained earnings		**(143)**	(125)
Hedging reserve		**11**	10
Legal reserve		**(10)**	(10)
Merger reserve		**1,979**	1,979
Foreign exchange reserve		**(5)**	(7)
		(752)	(734)
Non-current liabilities			
Interest-bearing loans and borrowings	21	**(977)**	(881)
Lease liabilities	15	**(1,242)**	(1,187)
Deferred tax liabilities	10	**(35)**	(25)
Other financial liabilities	20	**(0)**	(0)
Provisions	22	**(4)**	(4)
		(2,258)	(2,097)
Current liabilities			
Interest-bearing loans and borrowings	21	**(160)**	(29)
Trade and other payables	19	**(618)**	(572)
Lease liabilities	15	**(188)**	(170)
Other financial liabilities	20	**(13)**	(10)
Income tax payable		**(6)**	(7)
Provisions	22	**(12)**	(6)
		(997)	(794)
Total liabilities		**(3,255)**	(2,891)
Total equity and liabilities		**(4,007)**	(3,625)

The accompanying accounting policies and notes form an integral part of these consolidated financial statements. This consolidated statement of financial position was approved by the Board of Directors and authorised for issue on 3 June 2025 and signed on their behalf by:

Mike Schmidt
Chief Financial Officer.

Consolidated Statement of Changes in Shareholders' Equity

	Share capital £'m	Share premium £'m	Retained earnings £'m	Hedging reserve £'m	Legal reserve £'m	Merger reserve £'m	Foreign exchange reserve £'m	Total equity £'m
Balance at 25 March 2023	100	2,478	104	(3)	10	(1,979)	10	720
Ordinary dividends declared	–	–	(147)	–	–	–	–	(147)
Special dividends declared	–	–	(201)	–	–	–	–	(201)
Effect of share options	0	3	1	–	–	–	–	4
Total transactions with owners	0	3	(347)	–	–	–	–	(344)
Profit for the period	–	–	367	–	–	–	–	367
Other comprehensive income	–	–	1	(22)	–	–	(3)	(24)
Total comprehensive income for the period	–	–	368	(22)	–	–	(3)	343
Hedging gains & losses reclassified as inventory	–	–	–	15	–	–	–	15
Hedging gains & losses reclassified as finance costs	–	–	–	0	–	–	–	0
Balance at 30 March 2024	100	2,481	125	(10)	10	(1,979)	7	734
Ordinary dividends declared	**–**	**–**	**(149)**	**–**	**–**	**–**	**–**	**(149)**
Special dividends declared	**–**	**–**	**(151)**	**–**	**–**	**–**	**–**	**(151)**
Effect of share options	**0**	**3**	**0**	**–**	**–**	**–**	**–**	**3**
Total transactions with owners	**0**	**3**	**(300)**	**–**	**–**	**–**	**–**	**(297)**
Profit for the period	**–**	**–**	**319**	**–**	**–**	**–**	**–**	**319**
Other comprehensive income	**–**	**–**	**(1)**	**(10)**	**–**	**–**	**(2)**	**(13)**
Total comprehensive income for the period	**–**	**–**	**318**	**(10)**	**–**	**–**	**(2)**	**306**
Hedging gains & losses reclassified as inventory	**–**	**–**	**–**	**8**	**–**	**–**	**–**	**8**
Hedging gains & losses reclassified as finance costs	**–**	**–**	**–**	**1**	**–**	**–**	**–**	**1**
Balance at 29 March 2025	**100**	**2,484**	**143**	**(11)**	**10**	**(1,979)**	**5**	**752**

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Period ended	Note	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Cash flows from operating activities			
Cash generated from operations	24	**784**	862
Income tax paid		**(109)**	(116)
Net cash flows from operating activities		**675**	746
Cash flows from investing activities			
Purchase of property, plant and equipment	14	**(131)**	(123)
Purchase of intangible assets	13	**(2)**	(3)
Proceeds from sale of property, plant and equipment		**22**	2
Deposits into short-term money market investments	20	**(150)**	–
Finance income received	6	**7**	5
Dividend income from associates	12	**–**	1
Net cash flows from investing activities		**(254)**	(118)
Cash flows from financing activities			
Net (repayment)/receipt of Group revolving credit facilities	21	**(25)**	25
Repayment of old bank loan facilities	21	**–**	(300)
Receipt of new bank loan facilities	21	**–**	225
Repayment of corporate bonds	21	**–**	(239)
Receipt due to newly issued corporate bonds	21	**250**	250
Receipt of loan facilities held in France	21	**9**	3
Repayment of loan facilities held in France	21	**(5)**	–
Repayment of the principal in relation to lease liabilities	15	**(176)**	(171)
Payment of interest in relation to right-of-use assets	15	**(77)**	(69)
Fees on refinancing	21	**(4)**	(15)
Other finance costs paid	6	**(56)**	(41)
Dividends paid to owners of the parent	30	**(300)**	(348)
Net cash flows from financing activities		**(384)**	(680)
Effects of exchange rate changes on cash and cash equivalents		**(2)**	(3)
Net increase/(decrease) in cash and cash equivalents		**35**	(55)
Cash and cash equivalents at the beginning of the period		**182**	237
Cash and cash equivalents at the end of the period		**217**	182
Cash and cash equivalents comprise:			
Cash at bank and in hand	18	**217**	182
		217	182

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

1 General information and basis of preparation

The consolidated financial statements have been prepared in accordance with EU IFRS.

The Group's trade is general retail, with continuing trading taking place in the UK and France. The Group has been listed on the London Stock Exchange since June 2014.

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The measurement basis and principal accounting policies of the Group are set out below and have been applied consistently throughout the consolidated financial statements.

The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest million (£'m), except when otherwise indicated.

The consolidated financial statements cover the 52-week period from 31 March 2024 to 29 March 2025 which is a different period to the parent company standalone accounts (from 1 April 2024 to 31 March 2025). This exception is permitted under article 1712-12 of the Luxembourg company law of 10 August 1915, as amended, because the Directors believe that;

- the consolidated financial statements are more informative when they cover the same period as used by the main operating entity, B&M Retail Ltd; and
- it would be unduly onerous to rephase the year end in that subsidiary to match that of the parent company.

The year end for B&M Retail Ltd, in any year, will not be more than six days prior to the parent company year end. The next accounting period for the Group will be a 52-week period, from 30 March 2025 to 28 March 2026.

B&M European Value Retail S.A. (the "Company") is at the head of the Group and there is no consolidation that takes place above the level of this company.

The principal accounting policies of the Group are set out below.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings, together with the Group's share of the net assets and results of associated undertakings, for the period from 31 March 2024 to 29 March 2025. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting. The results of companies acquired are included in the consolidated statement of comprehensive income from the acquisition date.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangements with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary, excluding the situations as outlined in the basis of preparation.

Going concern

As a value retailer, the Group is well placed to withstand volatility within the economic environment. The Group's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the Group will trade within its current banking facilities.

In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities including the Group's principal risks and uncertainties. The Board also considered the Group's current cash position, the repayment profile of its obligations, its financial covenants and the resilience of its 12-month cash flow forecasts to a series of severe but plausible downside scenarios. Having considered these factors the Board is satisfied the Group has adequate resources to continue its successful growth. The scenarios considered as part of the going concern assessment are consistent with those used in the longer-term viability statement in the "Principal risks and uncertainties" section of this Annual Report. There have been no significant post balance sheet changes to liquidity.

On 19 November 2024, the Group issued £250m of high yield bond notes, maturing in November 2031 with an interest rate of 6.5%. £150m of cash received from these high yield bond notes was placed on money market deposit and has been ring-fenced for the purpose of repaying the remaining £156m of high yield bond notes (2020) in July 2025.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Revenue

Under IFRS 15 Revenue is recognised when all the following criteria are met:

- the parties to the contract have approved the contract;
- the Group can identify each parties rights regarding the goods to be transferred;
- the Group can identify the payment terms;
- the contract has commercial substance; and
- it is probable that the Group will collect the consideration we are entitled to in respect to the goods to be transferred.

In the vast majority of cases the Group's sales are made through stores and the control of goods is immediately transferred at the same time as the consideration is received via our tills. Therefore, revenue is recognised at this point.

The Group sells a small quantity of gift vouchers for use in the future and, as such, a small amount of deferred revenue is recognised. At the period end, the value held on the balance sheet was <£1m (2024: <£1m).

The Group operates a small wholesale function which recognises revenue when an invoice is raised. The revenue is considered collectable as the Group's wholesale customers are usually related parties to the Group (such as our associates) or are subject to credit checks before trade takes place. See note 2 for the split of wholesale sales to store sales.

Revenue is the total amount receivable by the Group for goods supplied, in the ordinary course of business, excluding VAT and trade discounts, and after deducting returns and relevant vouchers and offers.

Administrative expenses

Administrative expenses include all running costs of the business, except those relating to inventory (which are expensed through cost of sales), tax, interest and other comprehensive income. Transport and warehouse costs are included in this caption.

Elements which are unusual and significant may be separated as a line item.

Goodwill

Goodwill is initially measured at cost, being the excess of the fair value of consideration transferred over the fair value of the net identifiable assets acquired and liabilities assumed at the date of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the relevant cash-generating units (CGUs) that are expected to benefit from the combination.

The CGUs are individual stores and the groups of CGUs are the store portfolios in each operational segment.

Goodwill is tested for impairment at least once per year and specifically at any time where there is any indication that it may be impaired. Internally generated goodwill is not recognised as an asset.

Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Executive Directors of the Group. The Executive Directors are responsible for assessing the performance of the business for the purpose of making decisions about resources to be allocated.

Alternative performance measures

The Group reports a selection of alternative performance measures (APMs) as detailed below and in note 3, as the Directors believe that these measures provide additional information that is useful to the users of our accounts.

The APMs we report in these accounts are:

- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Adjusted EBITDA
- Adjusted operating profit
- Adjusted profit
- Adjusted earnings per share (EPS)
- Post-tax free cash flow

To aide comparability with the figures presented in previous periods, and as they are the measures used in respect of internal reporting, pre-IFRS 16 versions of these APMs have also been calculated, where appropriate.

1 General information and basis of preparation continued

Interest, tax, depreciation and amortisation are as defined statutorily whilst the items we adjust for are those we consider not to be reflective of the underlying performance of the business as detailed in note 3. These adjustments include the non-underlying impact of foreign exchange (which chiefly comprises the fair value and foreign exchange impact of derivatives that have not been designated as part of a hedge accounting relationship and which are yet to mature), and costs incurred in relation to significant projects, where such costs are considered to have had a meaningful impact in the presented period, which are non-recurring and do not relate to underlying trading.

Underlying performance has been determined so as to align with how the Group financial performance is monitored on an ongoing basis by management. In particular, this reflects certain adjustments being made to consider an adjusted operating profit measure of performance.

Adjusted finance costs reflect the ongoing charges associated with our debt structure and exclude one-off effects of refinancing.

The Directors believe that our adjusted APMs provide users of the account with measures of performance which are appropriate to the retail industry and presented by peers and competitors. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with an additional metric to compare periods of account.

The APMs used are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

Brands

Brands acquired by the business are amortised if the corresponding agreement is specifically time limited, or if the fair valuation exercise (carried out for brands acquired via business combinations) identifies a fair lifespan for the brand. This amortisation is charged to administrative expenses.

Otherwise, brands are considered to have an indefinite life on the basis that they form part of the CGUs within the Group which will continue in operation indefinitely, with no foreseeable limit to the period over which they are expected to generate net cash inflows.

Where brands are considered to have an indefinite life they are reviewed at least annually for impairment or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value-in-use and fair value less costs to sell), the asset is impaired accordingly with the impairment charged to administration expenses.

Intangible assets

Intangible assets acquired separately, including computer software, are measured on initial recognition at cost comprising the purchase price and any directly attributable costs of preparing the asset for use.

Following initial recognition, assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when an asset is available for use and is calculated on a straight-line basis to allocate the cost of the asset over its estimated useful life as follows:

Computer software acquired – 3 or 4 years

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost comprises purchase price and directly attributable costs. Unless significant or incurred as part of a refit programme, subsequent expenditure will usually be treated as repairs or maintenance and expensed to the statement of comprehensive income.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

Freehold land is not depreciated. For all other property, plant and equipment, depreciation is calculated on a straight-line basis to allocate cost, less residual value of the assets, over their estimated useful lives as follows:

Leasehold buildings	–	Life of lease (max 50 years)
Freehold buildings	–	2% – 4% straight line
Plant, fixtures and equipment	–	10% – 33% straight line
Motor vehicles	–	12.5% – 33% straight line

Residual values and useful lives are reviewed annually and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Leases

The Group applies the leasing standard, IFRS 16, to all contracts identified as leases at their inception, unless they are considered a short-term lease (with a term less than a year) or where the asset is of a low underlying value. Assets which may fall into these categorisations include printers, vending machines and security cameras, and the lease expense is within administrative expenses.

The Group has lease contracts in relation to property, equipment, fixtures & fittings and vehicles. A contract is classified as a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a lease contract is recognised, the business assesses the term for which we are reasonably certain to hold that lease, and the minimum lease payments over that term are discounted to give the initial lease liability. The initial right-of-use asset is then recognised at the same value, adjusted for incentives or payments made on the day that the lease was acquired. Any variable lease costs are expensed to administrative costs when incurred.

The date that the lease is brought into the accounts is the date from which the lease has been effectively agreed by both parties as evidenced by the Group's ability to use that property.

The right-of-use asset is subsequently depreciated on a straight-line basis over the term of that lease, or useful life (whichever is shorter) with the charge being made to administrative costs. The lease liability attracts interest which is charged to finance costs, and is measured at amortised cost using the effective interest method.

Right-of-use assets may be impaired if, for instance, a lease becomes onerous. Impairment costs are charged to administrative costs.

Lease modifications are recorded where there is a change in the expected cashflows associated with a lease, such as through a rent review. When a lease modification occurs the lease liability is recalculated and an equivalent adjustment is made to the right-of-use asset, unless that asset would be reduced below zero, in which case the excess is expensed in administrative costs. The recalculation is carried out with an unchanged discount unless the change has affected management's assessment of the term of the lease.

If there is a significant event, such as the lease reaching its expiry date, the likely exercise of a previously unrecognised break clause, or the signing of an extension lease, the lease term is re-assessed by management as to how long we can reasonably stay in that property, and a new lease agreement or modification (if the change is made before the expiry date) is recognised for the re-assessed term, with a recalculated discount rate.

Lease modifications are also recorded where there is a change in the expected cashflows associated with the lease, such as through a rent review. Unless the change affects the term, the discount rate is not recalculated. A lease modification results in a recalculation of the lease liability with a corresponding adjustment made to the right-of-use asset.

The discount rate used is individual to each lease. Where a lease contract includes an implicit interest rate, that rate is used. In the majority of leases this is not the case and the discount rate is taken to be the incremental borrowing rate as related to that specific asset. This is a calculation based upon the external market rate of borrowing for the Group, as well as several factors specific to the asset to be discounted.

The Group separates lease payments between lease and non-lease components (such as service charges on property) at the point at which the lease is recognised. Non-lease components are charged through administrative expenses.

Sale and leaseback transactions

The Group recognises a sale and leaseback transaction when the Group sells an asset that has been previously recognised in property, plant and equipment, and subsequently leases it back as part of the same or a linked transaction.

Management use the provisions of IFRS 15 to assess if a sale has taken place, and the provisions of IFRS 16 to recognise the resulting lease, with the liability and discount rate calculated in line with our lease policy and the asset subject to an adjustment based upon the net book value of the disposed asset, the opening lease liability, the consideration received and the fair value of the asset on the date it was sold.

Resulting gains or losses are recognised in administrative expenses.

Investments in associates

Associates are those entities over which the Group has significant influence, but which are neither subsidiaries nor interests in joint ventures. Investments in associates are recognised initially at cost and subsequently accounted for using the equity method. However, any goodwill or fair value adjustment attributable to the Group's share of associates is included in the amount recognised as investment in associates.

All subsequent changes to the share of interest in the equity of the associate are recognised in the Group's carrying amount of the investment, including a reduction in the carrying amount equal to any dividend received. Changes resulting from the profit or loss generated by the associate are reported in the 'Share of profits/(losses) of associates' caption in the consolidated statement of comprehensive income and therefore affect net results of the Group. These changes include subsequent depreciation, amortisation and impairment of the fair value adjustments of assets and liabilities.

1 General information and basis of preparation continued

Items that have been recognised directly in the associate's other comprehensive income are recognised in the consolidated other comprehensive income of the Group. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the investor resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the consolidated financial statements of associates have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required (for goodwill or indefinite life assets), the Group estimates the asset's recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's cash-generating units (CGUs) to which the individual assets are allocated. These budgets and forecast calculations are usually prepared in January and cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to the projected future cash flows after the fifth year. The Group's three-year plan is usually approved in March. If due to the passage of time there are significant differences in the key assumptions between the forecast and plan, or if management consider that the forecast has a more sensitive level of headroom, then the impairment test will be additionally sensitised to the plan assumptions.

Indications of impairment might include (for goodwill and the brand assets, for instance) a significant decrease in the like-for-like sales of established stores, sustained negative publicity or a drop off in visits to our website and social media accounts.

An asset's recoverable amount is the higher of an assets or CGUs fair value less costs to sell and its value-in-use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and acquired brands with indefinite lives, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or CGUs recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income, except for impairment of goodwill which is not reversed.

Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items, using the weighted average method.

Stock purchased in foreign currency is booked in at the hedge rate applicable to that stock (if effectively hedged) or the underlying foreign currency rate on the date that the item is brought into stock.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. Transport, warehouse and distribution costs are not included in inventory.

The Group receives supplier rebates which are included in the cost of inventory balance (and which therefore ultimately flow through to cost of sales). These rebates are recognised on an accruals basis according to purchase levels achieved at the end of each period.

Share options

The Group operates several equity-settled share option schemes.

The schemes have been accounted for under the provisions of IFRS 2 and, accordingly, have been fair valued on their inception date using appropriate methodology (the Black Scholes and Monte Carlo models).

A cost is recorded through the statement of comprehensive income in respect of the number of options outstanding and the fair value of those options. A corresponding credit is made to the retained earnings reserve and the effect of this can be seen in the statement of changes in equity. See note 9 for more details.

Taxation

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is highly probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Financial instruments

The Group uses derivative financial instruments such as forward currency contracts to reduce its foreign currency risk, commodity price risk and interest rate risk. Derivative financial instruments are recognised at fair value. The fair value is derived using an internal model and supported by valuation reports from the issuing banks.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the statement of comprehensive income. Effectiveness of the derivatives subject to hedge accounting is assessed prospectively at inception of the derivative, and at each reporting period end date prior to maturity.

Where a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset, such as an item of inventory, the associated gains and losses are recognised in the initial cost of that asset.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is reclassified in the statement of other comprehensive income immediately.

Financial assets

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost, fair value through profit or loss, or fair value though other comprehensive income.

A financial asset is measured at amortised cost using the effective interest rate if it meets both of the following conditions: it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Under IFRS 9 trade receivables, without a significant financing component, are classified and held at amortised cost, being initially measured at the transaction price and subsequently measured at amortised cost less any impairment loss.

1 General information and basis of preparation continued

IFRS 9 includes an "expected loss" model ("ECL") for recognising impairment of financial assets held at amortised cost. The Group has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group performs the calculation of expected credit losses separately for each customer group. The balances involved are immaterial for further disclosure.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise derivative financial instruments entered into by the Group that are designated as hedging instruments in hedge relationships as defined by IFRS 9. Financial assets at fair value through other comprehensive income are carried in the statement of financial position at fair value with changes in fair value recognised in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired and the entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full and either (a) the entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group assesses at each reporting date, on a forward-looking basis the ECLs associated with our financial assets carried at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other financial liabilities. The entity determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial derivatives held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group. Gains or losses on liabilities held-for-trading are recognised in profit and loss.

Other financial liabilities

After initial recognition, interest-bearing loans and borrowings, trade and other payables and other liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to mark-to-market valuations obtained from the relevant bank (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

Refinancing

Where bank borrowings are refinanced, the Group assesses whether the transaction results in new facilities or a modification of the previous facilities.

Where the transaction results in a modification of the facilities, the Group assesses whether that modification is substantial by reference both to whether the present value of the cash flows of the new facilities is more than 10% different to the present value of the cash flows of the previous facilities and by reference to any qualitative differences between the old and new agreements.

Where a modification is substantial, the Group derecognises the original liability and recognises a new liability for the modified facilities with any transaction costs expensed to the income statement. Where the modification is non-substantial, the Group amends the carrying amount of the liability to reflect the updated cash flows and amends the EIR from the modification date.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand, less bank overdrafts to the extent the Group have the right to offset and settle these balances net.

The Group's cash and cash equivalents balance includes £38m (2024: £54m) of credit card receivables due to be received within three working days of the year-end date.

Equity

Equity comprises the following:

- **Share capital** represents the nominal value of equity shares;
- **Share premium** represents the excess of the consideration made for the shares, over and above the nominal valuation of those shares;
- **Retained earnings reserve** represents retained profits;
- **Hedging reserve** representing the fair value of the derivatives held by the Group at the period end that are accounted for under hedge accounting and that represent effective hedges;
- **Legal reserve** representing the statutory reserve required by Luxembourg law as an apportionment of profit within each Luxembourg company;
- **Merger reserve** representing the reserve created during the reorganisation of the Group in 2014; and
- **Foreign exchange reserve** represents the cumulative differences arising in retranslation of the subsidiaries and associate's results.

Foreign currency translation

These consolidated financial statements are presented in pounds sterling.

The following Group companies have a functional currency of pounds sterling:

- B&M European Value Retail S.A.
- B&M European Value Retail 1 S.à r.l. (Lux Holdco)
- B&M European Value Retail Holdco 1 Ltd (UK Holdco 1)
- B&M European Value Retail Holdco 2 Ltd (UK Holdco 2)
- B&M European Value Retail Holdco 3 Ltd (UK Holdco 3)
- B&M European Value Retail Holdco 4 Ltd (UK Holdco 4)
- EV Retail Ltd
- B&M Retail Ltd
- Opus Homewares Ltd
- Heron Food Group Ltd
- Heron Foods Ltd
- Cooltrader Ltd
- Heron Properties (Hull) Ltd
- Centz N.I. Limited

The following Group companies have a functional currency of the Euro:

- B&M European Value Retail 2 S.à r.l. (SBR Europe)
- B&M France SAS
- B&M European Value Retail Germany GmbH (Germany Holdco)

The Group companies whose functional currency is the Euro have been consolidated into the Group via retranslation of their results in line with IAS 21 "Effects of Changes in Foreign Exchange Rates". The assets and liabilities are translated into pounds sterling at the period end exchange rate. The revenues and expenses are translated into pounds sterling at the average monthly exchange rate during the period. Any resulting foreign exchange difference is cumulatively recorded in the foreign exchange reserve with the annual effect being charged or credited to other comprehensive income.

Transactions entered into by the company in a currency other than the currency of the primary economic environment in which it operates (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

Pension costs

The Group operates a defined contribution scheme and contributions are charged to profit or loss in the period in which they are incurred.

Provisions

Provisions are recognised when a present obligation (legal or constructive) exists as a result of a past event and where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are discounted where the time value of money is considered to be material.

1 General information and basis of preparation continued

The property provision contains expected dilapidation costs, which covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, any stores which are planned or at risk of closure and those stores occupied but not under contract. At the period end, 146 stores were provided against (2024: 109). This year-on-year increase is reflective of the rolling number of out of contract leases which increases as the store estate increases, and against each of which we hold a small dilapidations provision.

We do not provide against stores which are under contract and not considered at risk of closure (comprising the majority of the estate) as management consider that such a provision would be minimal as a result of regular store maintenance and limited fixed fit out costs.

We also provide against the terminal dilapidation expense on our major distribution centres, which is built up over the term of the leases held over those distribution centres.

Climate change considerations

In preparing the financial statements, the Group has considered the impact of climate change, particularly in the context of the TCFD disclosures and the Group's ESG strategy included in the Annual Report.

The Group's existing fixed asset replacement programme is phased over several years and therefore any changes in the requirements associated with climate change would not have a material impact in any given year. The costs expected to be incurred in connection with the Group's commitments are included within the Group's budget used to support the going concern and viability assessments and the impairment reviews of non-current assets.

Given the identified risks are expected to be present in the medium to long-term, the impact of climate change on the going concern and viability of the Group over the next three years is not expected to be material and is therefore not currently classified as a key source of estimation of uncertainty.

Critical judgements and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial information was prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Critical judgements

Investments in associates

Multi-lines International Company Ltd (Multi-lines), which is 50% owned by the Group, has been judged by management to be an associate rather than a subsidiary or a joint venture.

Under IFRS 10 control is determined by:

- Power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect the amount of the investor's returns.

Although 50% owned, B&M Group does not have voting rights or substantive rights. Therefore, the level of power over the business is considered to be more in keeping with that of an associate than a joint-venture and, therefore, it has been treated as such within these consolidated financial statements.

Hedge accounting

The Group hedge accounts for stock purchases made in US Dollars.

There is significant management judgement involved in forecasting the level of dollar purchases to be made within the period that the forward hedge has been bought for.

Management takes a cautious view that no more than 80% of the operational hedging in place can be subject to hedge accounting, due to forecast uncertainties, and assesses every forward hedge taken out, on inception, if that figure should be reduced further by considering general purchasing trends, and discussion of specific purchasing decisions.

Estimation uncertainty

There are no areas of estimation uncertainty where management consider that there is a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Standards and interpretations not yet applied by the Group

The following amendments to accounting standards and interpretations, issued by the International Accounting Standards Board (IASB), have not yet been applied by the Group in the period. None of these are expected to have a significant impact on the Group's consolidated results or financial position:

IASB effective for annual periods beginning on or after 1 January 2026

Standard	Summary of changes	EU endorsement status
Amendments to IFRS 9 Recognition of a Financial Asset or Financial Liability	The amendments provide an exception for the derecognition of financial liabilities, allowing companies to derecognise its trade payable before the settlement date, when it uses an electronic payment system that meets all of the exception criteria.	Not yet endorsed.

IASB effective for annual periods beginning on or after 1 January 2027

Standard	Summary of changes	EU endorsement status
IFRS 18 Presentation and Disclosure in Financial Statements	The standard requires the presentation of two new defined subtotals in the income statement – operating profit and profit before financing and income taxes and defined categories (operating, investing and financing). The disclosure of APMs that are not subtotalled in the financial statements must be specified.	Not yet endorsed.

2 Segmental information

IFRS 8 "Operating Segments" requires the Group's segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker to assess performance and allocate resources across each reporting segment.

The chief operating decision maker has been identified as the Executive Directors who monitor the operating results of the retail segments for the purpose of making decisions about resource allocation and performance assessment.

For management purposes, the Group is organised into three operating segments, UK B&M, UK Heron and France B&M segments comprising the three separately operated business units within the Group.

Items that fall into the corporate category, which is not a separate segment but is presented to reconcile the balances to those presented in the main statements, include those related to the Luxembourg or associate entities, Group financing, corporate transactions, any tax adjustments and items we consider to be adjusting (see note 3).

The average Euro rate for translation purposes was €1.1885/£ during the year, with the period-end rate being €1.1955/£ (2024: €1.1587/£ and €1.1694/£ respectively).

2 Segmental information continued

52 week period to 29 March 2025	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Revenue	**4,483**	**546**	**542**	**–**	**5,571**
EBITDA (note 3)	**737**	**39**	**91**	**(27)**	**840**
Depreciation and amortisation	**(207)**	**(23)**	**(43)**	**–**	**(273)**
Profit/(loss) before interest and tax	**530**	**16**	**48**	**(27)**	**567**
Net finance expense	**(51)**	**(2)**	**(16)**	**(67)**	**(136)**
Income tax (charge)/credit	**(123)**	**(3)**	**(8)**	**22**	**(112)**
Segment profit/(loss)	**356**	**11**	**24**	**(72)**	**319**
Total assets	**3,265**	**280**	**436**	**26**	**4,007**
Total liabilities	**(1,601)**	**(120)**	**(321)**	**(1,213)**	**(3,255)**
Capital expenditure*	**(103)**	**(14)**	**(16)**	**–**	**(133)**

53 week period to 30 March 2024	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Revenue	4,410	560	514	–	5,484
EBITDA (note 3)	743	50	89	(17)	865
Depreciation and amortisation	(195)	(23)	(40)	–	(258)
Profit/(loss) before interest and tax	548	27	49	(17)	607
Net finance expense	(48)	(1)	(14)	(46)	(109)
Income tax (charge)/credit	(127)	(6)	(9)	11	(131)
Segment profit/(loss)	373	20	26	(52)	367
Total assets	2,905	284	413	23	3,625
Total liabilities	(1,491)	(119)	(307)	(974)	(2,891)
Capital expenditure*	(97)	(15)	(14)	–	(126)

* Capital expenditure includes both tangible and intangible capital.

Adjusted operating profit by segment is equal to the profit before interest and tax figures given above.

Revenue is disaggregated geographically as follows:

Period to	**52 weeks ended 29 March 2025 £'m**	53 weeks ended 30 March 2024 £'m
Revenue due from UK operations	**5,029**	4,970
Revenue due from French operations	**542**	514
Overall revenue	**5,571**	5,484

Non-current assets (excluding deferred tax and financial instruments) are disaggregated geographically as follows:

As at	**29 March 2025 £'m**	30 March 2024 £'m
UK operations	**2,381**	2,315
French operations	**271**	254
Luxembourg operations	**7**	5
Overall non-current assets	**2,659**	2,574

The Group operates a small wholesale operation, with the relevant disaggregation of revenue as follows:

Period to	**52 weeks ended 29 March 2025 £'m**	53 weeks ended 30 March 2024 £'m
Revenue due to sales made in stores	**5,541**	5,454
Revenue due to wholesale activities	**30**	30
Overall revenue	**5,571**	5,484

3 Reconciliation of non-IFRS measures from the statement of comprehensive income

The Group reports a selection of alternative performance measures as detailed below. The Directors believe that these measures provide additional information that is useful to the users of the accounts.

EBITDA, adjusted EBITDA, adjusted operating profit and adjusted profit are all non-IFRS measures and therefore a reconciliation from the statement of comprehensive income is set out below.

Period to	**52 weeks ended 29 March 2025 £'m**	53 weeks ended 30 March 2024 £'m
Profit on ordinary activities before interest and tax	**567**	607
Add back depreciation and amortisation	**273**	258
EBITDA	**840**	865
Costs in relation to significant property transactions	**5**	9
Costs in relation to significant infrastructure projects	**4**	–
Group trading director settlement	**12**	–
Non-underlying impact of foreign exchange	**3**	(2)
Adjusted EBITDA	**864**	872
Depreciation and amortisation	**(273)**	(258)
Adjusted operating profit	**591**	614
Interest costs related to lease liabilities (note 6)	**(77)**	(69)
Net other finance costs (note 6)	**(59)**	(44)
Adjusted profit before tax	**455**	501
Adjusted tax	**(118)**	(132)
Adjusted profit for the period	**337**	369

On a pre-IFRS 16 basis, the costs in relation to significant infrastructure projects adjusting item was £5m, and the total of the pre-IFRS 16 adjusting items was £25m compared to the £24m above on a post-IFRS 16 basis (2024: no differences).

Adjusted EBITDA (pre-IFRS 16), adjusted operating profit (pre-IFRS 16) and adjusted profit (pre-IFRS 16) are also non-IFRS measures and are reconciled as follows:

Period to	**52 weeks ended 29 March 2025 £'m**	53 weeks ended 30 March 2024 £'m
EBITDA (above)	**840**	865
Remove effects of IFRS 16 on EBITDA	**(245)**	(243)
EBITDA (pre-IFRS 16)	**595**	622
Adjusting items (above)	**25**	7
Adjusted EBITDA (pre-IFRS 16)	**620**	629
Pre-IFRS 16 depreciation and amortisation	**(92)**	(82)
Adjusted operating profit (pre-IFRS 16)	**528**	547
Net other finance costs	**(59)**	(44)
Adjusted profit before tax (pre-IFRS 16)	**469**	503
Adjusted tax	**(122)**	(133)
Adjusted profit (pre-IFRS 16) for the period	**347**	370

The effects of IFRS 16 on EBITDA caption reflects the difference between IAS 17 and IFRS 16 accounting and largely consists of the additional rent expense the Group would have incurred under the IAS 17 standard.

Adjusting items include gains and losses associated with any significant projects and the non-underlying impact of foreign exchange.

In reference to the captions in the tables above;

Costs in relation to significant property transactions includes the expenses associated with the acquisition of options in relation to several ex-Wilko and ex-Homebase stores. These deals are now completed and no further expense is expected in relation to these transactions.

Costs in relation to significant infrastructure projects includes the pre-operational costs of the Ellesmere Port site and disruption costs around building and implementing the technical infrastructure to enable our DC expansion project to proceed in France.

Both projects are significant in nature, with Ellesmere Port representing the largest infrastructure project within the Group since Bedford opened in 2020, and the French project representing a step change in the capacity of that segment.

3 Reconciliation of non-IFRS measures from the statement of comprehensive income continued

In France, the disruption costs experienced have been calculated by reference to increased cost to serve per volume unit, which was driven by increased headcount required over a specific time period within the year. These costs have normalised prior to the year-end date.

The overall French expansion project is scheduled to complete in early FY27 and our Ellesmere Port site is expected to be fully operational in late FY26, with further costs expected to accrue over those time periods.

Group trading director settlement represents the sum payable to the former Group trading director following revised agreements being made with this director in June and December 2024. These agreements included specifying his retirement as director of Group subsidiaries in March 2025, and his entitlement to £5m termination and £6m consultancy payments in relation to the periods in FY25 (after June 2024) and FY26 respectively, with the remainder of the presented adjusting item consisting of employer payroll taxes.

The sums payable are in full and final settlement of the maximum sums payable under the previously announced retention agreement in respect of the same two periods. In entering into the revised agreements it was expected that a degree of involvement as a consultant would be required in FY26 to ensure a smooth transition. However, following the quick and successful transitional period that has already taken place for that role, this is no longer expected and as such the £6m consultancy payment has subsequently been considered to be a provision by Group management and has been recognised in FY25.

The adjusting item does not include the former Group trading director's salary, benefits or annual bonus or the full costs of the newly appointed trading director. It is considered by management to be an adjusting item as it is material and one-off in nature and does not relate to the ongoing trade of the Group.

The settlement in relation to the Group CEO, which includes in FY25 the costs of all payments due in respect of his notice period, has not been included as an adjusting item as this agreement is in-line with usual settlements in relation to directors.

Non-underlying impact of foreign exchange includes the fair value of derivatives which have yet to mature and any gains or losses in relation to foreign exchange on intercompany balances only.

Whilst the business is undergoing a corporate redomicile and has incurred £1m of expenses in relation to this to the year end date, it has not been included as an adjusting item as it has not had a meaningful impact in the presented period. We expect that substantial costs will be incurred in FY26, with the project planned to complete before the end of calendar 2025. We therefore expect to include those costs as an adjusting item in our FY26 set of accounts.

Adjusted tax represents the tax charge per the statement of comprehensive income as adjusted only for the effects of the adjusting items detailed above.

The following table reconciles the statutory figures to the adjusted and adjusted (pre-IFRS 16) figures in the statutory profit and loss format on a line-by-line basis:

52-week period to 29 March 2025	Statutory figures £'m	Adjusting items £'m	Adjusted figures £'m	Impact of IFRS 16 £'m	Adjusted (pre-IFRS 16) £'m
Revenue	**5,571**	**–**	**5,571**	**–**	**5,571**
Cost of sales	**(3,479)**	**–**	**(3,479)**	**–**	**(3,479)**
Gross profit	**2,092**	**–**	**2,092**	**–**	**2,092**
Depreciation and amortisation	**(273)**	**–**	**(273)**	**181**	**(92)**
Other administrative expenses	**(1,253)**	**24**	**(1,229)**	**(244)**	**(1,473)**
Operating profit	**566**	**24**	**590**	**(63)**	**527**
Share of profits in associates	**1**	**–**	**1**	**–**	**1**
Profit before interest and tax	**567**	**24**	**591**	**(63)**	**528**
Finance costs relating to right-of-use assets	**(77)**	**–**	**(77)**	**77**	**–**
Other finance costs	**(66)**	**–**	**(66)**	**(0)**	**(66)**
Finance income	**7**	**–**	**7**	**–**	**7**
Profit before tax	**431**	**24**	**455**	**14**	**469**
Income tax expense	**(112)**	**(6)**	**(118)**	**(4)**	**(122)**
Profit for the period	**319**	**18**	**337**	**10**	**347**

53-week period to 30 March 2024	Statutory figures £'m	Adjusting items £'m	Adjusted figures £'m	Impact of IFRS 16 £'m	Adjusted (pre-IFRS 16) £'m
Revenue	5,484	–	5,484	–	5,484
Cost of sales	(3,449)	–	(3,449)	–	(3,449)
Gross profit	2,035	–	2,035	–	2,035
Depreciation and amortisation	(258)	–	(258)	176	(82)
Other administrative expenses	(1,169)	7	(1,162)	(243)	(1,405)
Operating profit	608	7	615	(67)	548
Share of losses in associates	(1)	–	(1)	–	(1)
Profit before interest and tax	607	7	614	(67)	547
Finance costs relating to right-of-use assets	(69)	–	(69)	69	–
Other finance costs	(50)	1	(49)	–	(49)
Finance income	10	(5)	5	–	5
Profit before tax	498	3	501	2	503
Income tax expense	(131)	(1)	(132)	(1)	(133)
Profit for the period	367	2	369	1	370

The tables below give the reconciliation between the operating profit and adjusted EBITDA (pre-IFRS 16) by segment:

52-week period to 29 March 2025	**UK B&M £'m**	**UK Heron £'m**	**France B&M £'m**	**Corporate £'m**	**Total £'m**
Profit/(loss) before interest and tax	**530**	**16**	**48**	**(27)**	**567**
Adjusting items (above)	**–**	**–**	**–**	**24**	**24**
Adjusted operating profit/(loss)	**530**	**16**	**48**	**(3)**	**591**
Depreciation and amortisation (pre-IFRS 16)	**66**	**14**	**12**	**–**	**92**
Impact of IFRS 16	**(51)**	**(0)**	**(12)**	**0**	**(63)**
Adjusted EBITDA (pre-IFRS 16)	**545**	**30**	**48**	**(3)**	**620**

53-week period to 30 March 2024	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	548	27	49	(17)	607
Adjusting items (above)	–	–	–	7	7
Adjusted operating profit/(loss)	548	27	49	(10)	614
Depreciation and amortisation (pre-IFRS 16)	59	13	10	–	82
Impact of IFRS 16	(51)	(4)	(12)	–	(67)
Adjusted EBITDA (pre-IFRS 16)	556	36	47	(10)	629

The segmental split in EBITDA and adjusted EBITDA reconciles as follows:

52-week period to 29 March 2025	**UK B&M £'m**	**UK Heron £'m**	**France B&M £'m**	**Corporate £'m**	**Total £'m**
Profit/(loss) before interest and tax	**530**	**16**	**48**	**(27)**	**567**
Add back depreciation and amortisation	**207**	**23**	**43**	**–**	**273**
EBITDA	**737**	**39**	**91**	**(27)**	**840**
Adjusting items (above)	**–**	**–**	**–**	**24**	**24**
Adjusted EBITDA	**737**	**39**	**91**	**(3)**	**864**

53-week period to 30 March 2024	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	548	27	49	(17)	607
Add back depreciation and amortisation	195	23	40	–	258
EBITDA	743	50	89	(17)	865
Adjusting items (above)	–	–	–	7	7
Adjusted EBITDA	743	50	89	(10)	872

Adjusted EPS and diluted EPS measures are reconciled in note 11.

Post-tax free cash flow is reconciled to the consolidated statement of cash flows as follows:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Cash flows from operating activities	**784**	862
Income tax paid	**(109)**	(116)
Purchase of property, plant and equipment	**(131)**	(123)
Purchase of intangible assets	**(2)**	(3)
Proceeds from sale of property, plant and equipment	**22**	2
Repayment of the principal in relation to lease liabilities	**(176)**	(171)
Payment of interest in relation to right-of-use assets	**(77)**	(69)
Post-tax free cash flow	**311**	382

Adjusted EBITDA and related measures are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

4 Reconciliation of the 52-week results from the 53-week adjusted results

Our prior year comparatives are on a 53-week basis. Group management consider that presenting an adjusted 52-week result is helpful to the users of this annual report in order to directly compare like-for-like periods.

Therefore, we present a reconciliation to an adjusted 52-week statement of comprehensive income derived from the adjusted 53-week statement of comprehensive income by removing the final week of the previous financial year. The adjusting items are those detailed in note 3.

Adjusted	52 weeks ended 29 March 2025 £'m	52 weeks ended 23 March 2024 £'m	Week 53 £'m	53 weeks ended 30 March 2024 £'m
Revenue	**5,571**	5,372	112	5,484
Cost of sales	**(3,479)**	(3,379)	(70)	(3,449)
Gross profit	**2,092**	1,993	42	2,035
Operating costs	**(1,472)**	(1,377)	(29)	(1,406)
Adjusted EBITDA (pre-IFRS 16)	**620**	616	13	629
Depreciation and amortisation (pre-IFRS 16)	**(92)**	(80)	(2)	(82)
Operating impact of IFRS 16	**63**	66	1	67
Adjusted operating profit	**591**	602	12	614
Adjusting items	**(24)**	(7)	(0)	(7)
Profit before interest and tax	**567**	595	12	607
Finance costs relating to right-of-use assets	**(77)**	(68)	(1)	(69)
Other net finance costs	**(59)**	(39)	(1)	(40)
Profit before tax	**431**	488	10	498

5 Operating profit

The following items have been charged in arriving at operating profit:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Auditor's remuneration	**1**	1
Payments to auditors in respect of non-audit services:		
Other assurance services	**0**	0
Cost of inventories recognised as an expense (included in cost of sales)	**3,479**	3,449
Depreciation of owned property, plant and equipment	**88**	79
Amortisation (included within administration costs)	**2**	2
Depreciation of right-of-use assets	**183**	177
Impairment of right-of-use assets	**3**	5
Operating lease rentals	**4**	3
Sublet income	**(2)**	(2)
Other operational income	**(9)**	(6)
(Profit)/loss on sale of property, plant and equipment	**(0)**	1
Profits on sale and leasebacks	**(0)**	–
Loss on foreign exchange	**1**	7

6 Finance costs and finance income

Finance costs include all interest-related income and expenses. The following amounts have been included in the continuing profit line for each reporting period presented:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Interest on debt and borrowings	**(63)**	(47)
Ongoing amortisation of finance fees	**(2)**	(2)
Interest rate swap derivative	**(1)**	(0)
Total adjusted finance expense	**(66)**	(49)
Release of remaining unamortised fees on previous facilities	**–**	(1)
Total other finance expense	**(66)**	(50)
Finance costs on lease liabilities	**(77)**	(69)
Total finance expense	**(143)**	(119)

The finance expense reconciles to the statement of cash flows as follows:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Cash		
Finance costs paid in relation to debt and borrowings	**56**	41
Finance costs paid in relation to lease liabilities	**77**	69
Fees paid in relation to refinancing	**4**	15
Finance costs paid	**137**	125
Non-cash		
Movement of accruals in relation to debt and borrowings	**7**	6
Capitalisation of paid fees in relation to new facilities	**(4)**	(15)
Release of remaining unamortised fees on previous facilities	**–**	1
Ongoing amortisation of finance fees	**2**	2
Interest rate swap derivative	**1**	(0)
Total finance expense	**143**	119

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Interest income on loans and bank accounts	**7**	4
Interest income on overpaid corporation tax	**–**	1
Total adjusted finance income	**7**	5
Gain on tender of corporate bonds	**–**	5
Total finance income	**7**	10

Total net adjusted finance costs are therefore:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Total adjusted finance expense	**(66)**	(49)
Total adjusted finance income	**7**	5
Total net adjusted finance costs	**(59)**	(44)

7 Employee remuneration

Expense recognised for employee benefits is analysed below:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Wages and salaries	**719**	657
Social security costs	**56**	47
Share-based payment expense	**3**	3
Pensions – defined contribution plans	**12**	10
Total remuneration	**790**	717

There are £2m of defined contribution pension liabilities owed by the Group at the period end (2024: £2m).

B&M France operates a scheme where they must provide a certain amount per employee to pay upon their retirement date. The accrual on this scheme at the period end was <£1m (2024: <£1m).

The average monthly number of persons employed by the Group during the period was:

Period ended	52 weeks ended 29 March 2025	53 weeks ended 30 March 2024
Sales staff	**39,347**	39,928
Administration	**1,294**	1,187
Total staff	**40,641**	41,115

8 Key management remuneration

Key management personnel and Directors' remuneration includes the following:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Directors' remuneration:		
Short-term employee benefits	**4**	4
Termination payments	**1**	–
Benefits accrued under the share option scheme	**0**	1
Pension	**–**	0
Total	**5**	5
Key management expense (includes Directors' remuneration):		
Short-term employee benefits	**13**	14
Termination payments	**7**	–
Benefits accrued under the share option scheme	**1**	1
Pension	**0**	0
Other long-term benefits	**1**	–
Total	**22**	15
Amounts in respect of the highest paid director emoluments:		
Short-term employee benefits	**2**	3
Termination payments	**1**	–
Benefits accrued under the share option scheme	**0**	0
Pension	**–**	0
Total	**3**	3

The emoluments disclosed above are of the Directors and key management personnel who have served as a Director within any of the continuing Group companies.

9 Share options

The Group operates three equity-settled share option schemes which split down to various tranches. Details of these schemes follow.

1) Long-Term Incentive Plan (LTIP) awards

The LTIP was re-adopted by the Board on 23 July 2024. No grant under this scheme can be made more than 10 years after this date. The previous LTIP was adopted by the Board on 29 May 2014 and expired on 29 May 2024.

Eligibility

Employees and Executive Directors of the Group are eligible for the LTIP and the awards are made at the discretion of the remuneration committee.

Limits & pricing

A fixed number of options are offered to each participant, with the pricing set at £nil. The options offered to each individual cannot exceed a total value of 250% of the participants base salary where the value is measured as the market value of the shares on grant multiplied by the number of options awarded, with the whole scheme limited to 10% of the share capital in issue.

Dividend credits

All participants in LTIP awards are entitled to dividend credits, where the notional dividend they would have received on the maximum number of shares available under their award is converted into new share options and added to the award based upon the share price on the date of the dividend. These additional awards have been reflected in the tables below.

Vesting & exercise

The share options are subject to a set of conditions measured over a three-year performance period as follows:

LTIP Executive ("A") awards

- 50% of the awards are subject to a TSR performance condition, where the Group's TSR over the performance period is compared with a comparator group. The awards vest on a sliding scale where the full 50% is awarded if the Group falls in the upper quartile, 12.5% vests if the Group falls exactly at the median, and 0% below that.
- 50% of the awards are subject to a diluted EPS performance target. The awards vest on sliding scales based upon the EPS as follows:

Award	EPS as at	50% paid at	42.5% paid at	12.5% paid at
LTIP 2018A	March-21	28.0p	N/A	23.0p
LTIP 2019A	March-22	33.0p	N/A	27.0p
LTIP 2020A	March-23	30.0p	N/A	25.0p
LTIP 2021A	March-24	45.0p	N/A	37.0p
LTIP 2022A	March-25	50.0p	N/A	42.0p
LTIP 2023A	March-26	43.9p	N/A	37.9p
LTIP 2024A	March-27	47.4p	42.3p	38.3p

Below the 12.5% boundary, no options vest. Diluted EPS is defined as adjusted (pre-IFRS 16) diluted EPS on all schemes until LTIP 2024A where it is adjusted diluted EPS, see note 11.

- The performance period is the three years ending the period end specified in the EPS table above.
- Once the performance period concludes, the calculated number of share options remaining are then subject to a two-year holding period.
- The share options vest at the conclusion of the holding period.

LTIP Restricted ("B") awards

- Group EBITDA must be positive in each year of the LTIP.
- The awards also have an employee performance condition attached.

Vested awards can be exercised up to the tenth anniversary of grant.

Tranches

There have been several awards of the LTIP, with the details as follows.

Note that the LTIP Executive awards have been split into the element subject to the TSR (50%) and the element subject to the EPS (50%) since these were valued separately.

The TSR awards market condition has been included in the fair value calculation for those awards while all non-market conditions have not been included. Expected volatility has been calculated based upon the historic share price volatility of the Group and those of comparable companies.

9 Share options continued

The key information used in the valuation of these tranches is as follows:

Scheme	Date of grant	Original options granted	Fair value of each option	Risk free rate	Expected life (years)	Volatility
2018A-TSR	7 Aug 17	40,610	272p	0.52%	5	32%
2018A-EPS	7 Aug 17	40,610	351p	0.52%	5	32%
2019A-TSR	22 Aug 19	275,640.5	251p	0.37%	5	31%
2019A-EPS	22 Aug 19	275,640.5	361p	0.37%	5	31%
2020A-TSR	30 Jul 20	141,718	409p	-0.11%	5	48%
2020A-EPS	30 Jul 20	141,718	464p	-0.11%	5	48%
2021A-TSR	3 Aug 21	218,861	354p	0.23%	5	37%
2021A-EPS	3 Aug 21	218,861	560p	0.23%	5	37%
2022A-TSR	17 Nov 22	309,342	124p	3.16%	5	31%
2022A-EPS	17 Nov 22	309,342	386p	3.16%	5	31%
2023A-TSR	1 Aug 23	224,422	409p	4.75%	5	32%
2023A-EPS	1 Aug 23	224,422	548p	4.75%	5	32%
2024A-TSR	1 Aug 24	342,624	174p	4.04%	5	31%
2024A-EPS	1 Aug 24	342,625	456p	4.04%	5	31%
2020/B1	30 Jul 20	303,092	463p	-0.12%	3	39%
2021/B1	3 Aug 21	281,950	560p	0.12%	3	42%
2022/B1	3 Aug 22	396,877	437p	1.75%	3	32%
2022/B2	15 Dec 22	3,641	412p	1.75%	3	32%
2023/B1	1 Aug 23	414,833	548p	4.77%	3	31%
2024/B1	1 Aug 24	554,001	455p	3.77%	3	31%

Scheme	Options at 30 Mar 24	Granted	Dividend credit	Forfeited	Exercised	Options at 29 Mar 25
2019A-TSR	**312,583***	**–**	**6,467**	**–**	**(319,050)**	**–**
2019A-EPS	**312,583***	**–**	**6,467**	**–**	**(319,050)**	**–**
2020A-TSR	**197,369***	**–**	**17,023**	**–**	**–**	**214,392***
2020A-EPS	**197,369***	**–**	**17,023**	**–**	**–**	**214,392***
2021A-TSR	**191,790**	**–**	**14,537**	**(23,247)**	**–**	**183,080***
2021A-EPS	**191,790**	**–**	**8,013**	**(98,887)**	**–**	**100,916***
2022A-TSR	**349,537**	**–**	**30,148**	**–**	**–**	**379,685**
2022A-EPS	**349,537**	**–**	**30,148**	**–**	**–**	**379,685**
2023A-TSR	**235,204**	**–**	**20,286**	**(57,073)**	**–**	**198,417**
2023A-EPS	**235,204**	**–**	**20,286**	**(57,072)**	**–**	**198,418**
2024A-TSR	**–**	**342,624**	**22,005**	**(177,332)**	**–**	**187,297**
2024A-EPS	**–**	**342,625**	**22,005**	**(177,332)**	**–**	**187,298**
2021/B1	**251,134**	**–**	**5,031**	**(2,182)**	**(248,414)**	**5,569**
2022/B1	**380,862**	**–**	**32,183**	**(27,299)**	**–**	**385,746**
2022/B2	**4,061**	**–**	**350**	**–**	**–**	**4,411**
2023/B1	**387,478**	**–**	**32,344**	**(59,714)**	**–**	**360,108**
2024/B1	**–**	**554,001**	**35,053**	**(96,397)**	**–**	**492,657**

Scheme	Options at 25 Mar 23	Granted	Dividend credit	Forfeited	Exercised	Options at 30 Mar 24
2018A-TSR	230,321*	–	3,978	–	(234,299)	–
2018A-EPS	297,452*	–	5,138	–	(302,590)	–
2019A-TSR	293,188*	–	19,395	–	–	312,583*
2019A-EPS	293,188*	–	19,395	–	–	312,583*
2020A-TSR	185,124	–	12,245	–	–	197,369*
2020A-EPS	185,124	–	12,245	–	–	197,369*
2021A-TSR	251,037	–	11,899	(71,146)	–	191,790
2021A-EPS	251,037	–	11,899	(71,146)	–	191,790
2022A-TSR	327,851	–	21,686	–	–	349,537
2022A-EPS	327,851	–	21,686	–	–	349,537
2023A-TSR	–	224,422	10,782	–	–	235,204
2023A-EPS	–	224,422	10,782	–	–	235,204
2020/B1	302,339	–	4,789	(2,817)	(304,311)	–
2021/B1	257,138	–	15,921	(21,925)	–	251,134
2022/B1	408,264	–	24,705	(52,107)	–	380,862
2022/B2	3,809	–	252	–	–	4,061
2023/B1	–	414,833	18,058	(45,413)	–	387,478

* These share options are in a two-year holding period.

2) Deferred Bonus Share Plan (DBSP) awards

The DBSP was adopted by the Board on 30 July 2018. No grant under this scheme can be made more than 10 years after this date.

The DBSP differs from the LTIP awards in that there are no vesting conditions.

The scheme has been set up in order to allocate a specified proportion of the Executive Director's annual bonus into £nil price share options which are then placed in holding for three years.

As there are no vesting conditions, these awards have been valued at the amount of the bonus to be converted into share options under the scheme.

There are annual awards of the scheme. The 2025 award will be made after this set of statutory accounts have been published and will therefore be reported in the next Annual Report.

Scheme	**Options at 30 Mar 24**	**Granted**	**Dividend credit**	**Forfeited**	**Exercised**	**Options at 29 Mar 25**
2021 Bonus allocation	**104,359**	**–**	**2,160**	**–**	**(106,519)**	**–**
2022 Bonus allocation	**324,517**	**–**	**27,990**	**–**	**–**	**352,507**
2023 Bonus allocation	**165,640**	**–**	**14,289**	**–**	**–**	**179,929**
2024 Bonus allocation	**–**	**244,969**	**21,127**	**–**	**–**	**266,096**

Scheme	Options at 25 Mar 23	Granted	Dividend credit	Forfeited	Exercised	Options at 30 Mar 24
2020 Bonus allocation	59,673	–	1,031	–	(60,704)	–
2021 Bonus allocation	97,885	–	6,474	–	–	104,359
2022 Bonus allocation	304,382	–	20,135	–	–	324,517
2023 Bonus allocation	–	155,365	10,275	–	–	165,640

The fair values of the presented schemes on inception were £1.2m (2024), £0.8m (2023), £1.1m (2022), £0.5m (2021) and £0.2m (2020).

9 Share options continued

3) Specific LTIP awards

The remuneration committee are able to award specific share schemes under the LTIP framework, where considered appropriate. There were two such schemes, both relating to the buy-out of executive share option schemes held prior to appointment with the business. Both schemes had no vesting conditions but were time limited with details given below.

Scheme	Options at 30 Mar 24	Granted	Dividend credit	Forfeited	Exercised	Options at 29 Mar 25
Buy-out Nov-24	**36,601**	**–**	**1,341**	**–**	**(37,942)**	**–**

Scheme	Options at 25 Mar 23	Granted	Dividend credit	Forfeited	Exercised	Options at 30 Mar 24
Buy-out Nov-23	34,330	–	927	–	(35,257)	–
Buy-out Nov-24	34,330	–	2,271	–	–	36,601

The fair values of the presented schemes on inception were both £0.1m.

The summary period-end position is as follows:

Period ended	29 March 2025	30 March 2024
Share options outstanding at the start of the year	**4,227,618**	4,144,323
Share options granted during the year (including via dividend credit)	**1,870,495**	1,285,010
Share options forfeited or lapsed during the year	**(776,535)**	(264,554)
Share options exercised in the year	**(1,030,975)**	(937,161)
Share options outstanding at the end of the year	**4,290,603**	4,227,618
Of which;		
Share options that are not vested	**2,773,722**	2,576,597
Share options that are in holding	**1,511,312**	1,651,021
Share options that are vested and eligible for exercise	**5,569**	–

All exercised options are satisfied by the issue of new share capital. The weighted average share price on exercise was £4.26 (2024: £5.52).
All outstanding options have a £nil (2024: £nil) exercise price and the weighted average remaining contractual life is 1.9 years (2024: 1.7 years).

In the year, £3m has been charged to the consolidated statement of comprehensive income in respect to the share option schemes (2024: £3m).
At the end of the year the outstanding share options had a carrying value of £8m (2024: £7m).

10 Taxation

The relationship between the expected tax expense based on the standard rate of corporation tax in the UK of 25% in both periods and the tax expense actually recognised in the consolidated statement of comprehensive income can be reconciled as follows:

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Current tax expense	**105**	122
Deferred tax charge	**7**	9
Total tax expense recorded in profit and loss	**112**	131
Current tax credit in other comprehensive income	**(0)**	(1)
Deferred tax charge/(credit) in other comprehensive income	**1**	(0)
Total tax charge/(credit) recorded in other comprehensive income	**1**	(1)
Result for the year before tax	**431**	498
Expected tax charge at the standard tax rate	**108**	124
Effect of:		
Expenses not deductible for tax purposes	**5**	6
Income not taxable	**(0)**	(1)
Lease accounting	**(1)**	(0)
Foreign operations taxed at local rates	**1**	1
Changes in the rate of corporation tax	**–**	0
Adjustment in respect of prior years	**(1)**	0
Hold over gains on fixed assets	**1**	(0)
Relating to share options	**0**	–
Other	**(1)**	1
Actual tax expense	**112**	131

Deferred taxation

Statement of financial position	29 March 2025 £'m	30 March 2024 £'m
Accelerated tax depreciation	**(24)**	(17)
Relating to intangible brand assets	**(27)**	(27)
Fair valuing of assets and liabilities (asset)	**3**	2
Fair valuing of assets and liabilities (liability)	**(2)**	(2)
Temporary differences relating to the tax accounting for leases (asset)	**92**	90
Temporary differences relating to the tax accounting for leases (liability)	**(70)**	(68)
Movement in provision	**0**	1
Relating to share options	**2**	4
Held over gains on fixed assets	**(4)**	(4)
Other temporary differences	**0**	0
Net deferred tax liability	**(30)**	(21)
Analysed as;		
Deferred tax asset	**5**	4
Deferred tax liability	**(35)**	(25)

Statement of comprehensive income	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Accelerated tax depreciation	**(7)**	(7)
Relating to intangible brand assets	**–**	(0)
Fair valuing of assets and liabilities	**1**	(2)
Temporary differences relating to the tax accounting for leases	**0**	(1)
Movement in provision	**(0)**	0
Relating to share options	**(2)**	1
Held over gains on fixed assets	**(0)**	–
Other temporary differences	**0**	(0)
Net deferred tax charge	**(8)**	(9)
Analysed as;		
Total deferred tax charge in profit or loss	**(7)**	(9)
Total deferred tax (charge)/credit in other comprehensive income	**(1)**	0

At the period end there are £1m of unrecognised deferred tax assets within the Group in relation to a corporate interest restriction (2024: £2m) and £20m of unrecognised deferred tax assets in respect of carried forward losses in our Luxembourg entities, which we do not expect to be able to utilise in the future (2024: £19m).

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has performed an assessment of the potential exposure to Pillar Two income taxes under Luxembourg legislation with its external tax specialists. This assessment was based upon our most recent country-by-country reporting and the methodology we intend to use in our future country-by-country and Pillar Two reporting and the most recent financial statements for the constituents of the Group. Based on the assessment, the Pillar Two effective tax rates in all of the jurisdictions in which the Group have trading operations are above 15%, which is expected to continue in future years and other jurisdictions have been analysed to meet other safe harbour tests or are not expected to have significant impact. We therefore intend to apply the transitional safe harbour rules which will exempt the Group from applying the full Pillar Two rules from the first year of their application.

11 Earnings per share

Basic earnings per share (EPS) amounts are calculated by dividing the net profit or loss for the financial period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at each period end.

Diluted EPS amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during each year plus the weighted average number of ordinary shares that would be issued on conversion of any dilutive potential ordinary shares into ordinary shares.

Adjusted (and adjusted (pre-IFRS 16)) basic and diluted EPS are calculated in the same way as above, except using adjusted profit attributable to ordinary equity holders of the parent, as defined in note 3.

There are share option schemes in place (see note 9) which have a dilutive effect on both periods presented.

The following reflects the income and share data used in the EPS computations:

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Profit for the period attributable to owners of the parent	**319**	367
Adjusted profit for the period attributable to owners of the parent	**337**	369
Adjusted (pre-IFRS 16) profit for the period attributable to owners of the parent	**347**	370
	Thousands	Thousands
Weighted average number of ordinary shares for basic earnings per share	**1,003,386**	1,002,392
Dilutive effect of employee share options	**1,869**	2,282
Weighted average number of ordinary shares adjusted for the effect of dilution	**1,005,255**	1,004,674
	Pence	Pence
Basic earnings per share	**31.8**	36.6
Diluted earnings per share	**31.8**	36.5
Adjusted basic earnings per share	**33.6**	36.8
Adjusted diluted earnings per share	**33.5**	36.7
Adjusted (pre-IFRS 16) basic earnings per share	**34.6**	36.9
Adjusted (pre-IFRS 16) diluted earnings per share	**34.5**	36.8

12 Investments in associates

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Net book value		
Carrying value at the start of the period	**5**	8
Dividends received	**–**	(1)
Share of profits/(losses) in associates since the prior year valuation exercise	**1**	(1)
Effect of foreign exchange on translation	**(0)**	(1)
Carrying value at the end of the period	**6**	5

The Group has a 50% interest in Multi-lines International Company Ltd (Multi-lines), a company incorporated in Hong Kong. The principal activity of the company is the purchase and sale of goods and their registered address is 29/F, Tower B, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong.

The Group has a 22.5% holding in Centz Retail Holdings Limited (Centz), a company incorporated in Ireland. The principal activity of the company is retail sales and their registered address is 5 Old Dublin Road, Stillorgan, Co. Dublin.

None of the entities have discontinued operations or other comprehensive income, except that on consolidation both entities have a foreign exchange translation difference.

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Multi-lines		
Non-current assets	**19**	13
Current assets	**56**	76
Non-current liabilities	**–**	–
Current liabilities	**(71)**	(86)
Net assets	**4**	3
Revenue	**301**	242
Profit/(loss)	**1**	(3)

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Centz		
Non-current assets	**9**	11
Current assets	**28**	27
Non-current liabilities	**(6)**	(11)
Current liabilities	**(11)**	(9)
Net assets	**20**	18
Revenue	**65**	64
Profit	**3**	2

The figures for both associates show 12 months to December 2024 (prior year: 12 months to December 2023), being the period used in the valuation of the associate.

13 Intangible assets

	Goodwill £'m	Software £'m	Brands £'m	Other £'m	Total £'m
Cost or valuation					
At 25 March 2023	921	10	114	1	1,046
Additions	–	3	–	–	3
Disposals	–	(0)	–	–	(0)
Remeasure	–	–	0	–	0
Effect of retranslation	(0)	(0)	–	(0)	(0)
At 30 March 2024	**921**	**13**	**114**	**1**	**1,049**
Additions	**–**	**2**	**–**	**–**	**2**
Disposals	**–**	**(0)**	**–**	**–**	**(0)**
Effect of retranslation	**(1)**	**(0)**	**–**	**(0)**	**(1)**
At 29 March 2025	**920**	**15**	**114**	**1**	**1,050**
Accumulated amortisation/impairment					
At 25 March 2023	–	5	0	–	5
Charge for the year	–	2	0	–	2
Disposals	–	(0)	–	–	(0)
Effect of retranslation	–	(0)	–	–	(0)
At 30 March 2024	**–**	**7**	**0**	**–**	**7**
Charge for the year	**–**	**2**	**0**	**–**	**2**
Disposals	**–**	**(0)**	**–**	**–**	**(0)**
Effect of retranslation	**–**	**1**	**–**	**–**	**1**
At 29 March 2025	**–**	**10**	**0**	**–**	**10**
Net book value at 29 March 2025	**920**	**5**	**114**	**1**	**1,040**
Net book value at 30 March 2024	921	6	114	1	1,042

At both period ends, no software was being developed that is not yet in use, and the Group was not committed to the purchase of any intangible assets.

Impairment review of intangible assets held with indefinite life

The Group holds the following assets with indefinite life:

	29 March 2025 Goodwill £'m	29 March 2025 Brand £'m	30 March 2024 Goodwill £'m	30 March 2024 Brand £'m
UK B&M	**807**	**99**	807	99
UK Heron	**88**	**14**	88	14
France B&M	**25**	**–**	26	–

Not all items in the brand classification have an indefinite life as some are time limited. The brand intangible assets that have been identified as having an indefinite life are designated as such as management believe that these assets will hold their value for an indefinite period of time. Specifically, the B&M and Heron brands represent leading brands in their sectors with significant histories and growth prospects.

The B&M France goodwill is held in Euros, with an underlying balance of €30m (2024: €30m).

In each case the goodwill and brand assets have been allocated to one group of CGUs, being the store estate within the specific segment to which those assets relate.

The Group performs impairment tests at each period end. The impairment test involves assessing the net present value of the expected cash flows in relation to the stores within each CGU according to a number of assumptions to calculate the value-in-use for the group of CGUs.

The key assumptions in assessing the value-in-use as at 29 March 2025 were;

The Group's discount rate
This was calculated using an internal CAPM model which includes external estimates of the risk-free rate, cost of debt, equity beta and market risk premium. It is adjusted for which country the segment is in and how large the segment is. The discount rates have increased in the UK and decreased in France during the year, which is reflective of changes in the risk-free rate.

The inflation rate for expenses
This is based upon the consumer price index for the relevant country and official reports from the appropriate central bank.

Like-for-like sales growth
This is an estimate made by management which encompasses the historical sales trends of the entity and management's assessment of how each segment will perform in the context of the current economic environment.

Gross margin
The standing assumption made by management is that forecast gross margin will be similar to that experienced in the prior year, and the result is subsequently sensitised to the gross margin input to demonstrate the robustness of the projection against this assumption.

Terminal growth rate
An estimate made by management based upon the expected position of the business at the end of the five-year forecast period in the context of the macro growth level of the economic environment in which that segment operates.

The assumptions were as follows:

As at	**29 March 2025**	30 March 2024
Discount rate (B&M UK)	**11.3%**	10.2%
Discount rate (Heron)	**13.1%**	11.2%
Discount rate (B&M France)	**10.9%**	12.4%
Inflation rate for costs (B&M UK and Heron)	**2.8%/2.0%***	3.0%/2.0%*
Inflation rate for costs (B&M France)	**1.5%**	3.0%/2.0%*
Like-for-like sales growth (B&M UK)	**2.0%**	1.5%/2.0%*
Like-for-like sales growth (Heron)	**3.0%/2.0%***	4.0%/2.0%*
Like-for-like sales growth (B&M France)	**3.5%**	6.5%/2.0%*
Gross margin (all)	**±0bps**	±0bps
Terminal growth rate (B&M UK)	**1.0%**	1.0%
Terminal growth rate (Heron)	**1.7%**	1.7%
Terminal growth rate (B&M France)	**1.4%**	1.4%

* The first figure reflects the assumption in year one, with the following figure representing the long-term rate.

These assumptions are reflected for five years in the CGU forecasts and beyond this a perpetuity calculation is performed using the assumptions made regarding terminal growth rates.

In each case, the results of the impairment tests on the continuing operations identified that the value-in-use was in excess of the carrying value of assets within each group of CGUs at the period-end dates. The headroom with the base case assumptions in B&M UK was £3,804m, Heron £99m and B&M France €937m (2024: £4,611m, £256m and €637m respectively).

Whilst Heron has a relatively low headroom compared to the other two entities with a decline in total revenue of 0.6% year-on-year, the Directors consider that when measured over a longer time period current performance is favourable, the forecasts have been made using reasonably prudent assumptions and that it is unlikely that a situation will arise where an impairment would be required in that segment.

Such a situation would include like-for-like sales of below -3.5% in year one or a gross margin fall of in excess of 197bps without any mitigating actions taken by management, and without accounting for any new stores to be opened in the period. Further sensitivity data is included below.

No other indicators of impairment were noted in the segments and the impairment tests were sensitised with reference to the key assumptions for reasonable possible scenarios.

These scenarios specifically included:
- A drop off in sales or gross margin, modelling flat long-term like-for-like sales and terminal growth rates.
- Sales prices failing to keep pace with inflation such that the local inflation rates increase 50bps without a corresponding increase in like-for-like sales.
- A deterioration of the credit environment, leading to a significantly increased cost of capital of 20%.

13 Intangible assets continued

To further quantify the sensitivity, the below tables demonstrate the point at which each impairment test would first fail for changes in each of the key assumptions in year one (except terminal growth rate from the end of year 5 and the discount rate which applies throughout), whilst assuming each other key assumption is held level (e.g. for inflation sensitivity, the like-for-like was not adjusted):

	29 March 2025	30 March 2024
B&M UK		
Discount rate	**30.8%**	32.5%
Inflation rate for expenses	**60.6%**	73.6%
Like-for-like sales	**(19.8)%**	(23.9)%
Gross margin	**(793)bps**	(916)bps
Terminal growth rate	**(35.3)%**	(46.1%)
B&M France		
Discount rate	**47.0%**	53.8%
Inflation rate for expenses	**88.9%**	81.1%
Like-for-like sales	**(23.8)%**	(19.0)%
Gross margin	**(1,190)bps**	(1,063)bps
Terminal growth rate	**(40.8)%**	(55.9)%
Heron		
Discount rate	**19.5%**	24.1%
Inflation rate for expenses	**14.8%**	30.7%
Like-for-like sales	**(3.5)%**	(9.9)%
Gross margin	**(197)bps**	(418)bps
Terminal growth rate	**(6.4)%**	(17.7)%

14 Property, plant and equipment

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Cost or valuation				
At 25 March 2023	99	26	542	667
Additions	8	13	102	123
Disposals	(0)	(3)	(6)	(9)
Remeasure	(0)	0	0	0
Effect of retranslation	–	(0)	(1)	(1)
At 30 March 2024	**107**	**36**	**637**	**780**
Additions	**6**	**20**	**105**	**131**
Disposals	**(7)**	**(14)**	**(3)**	**(24)**
Effect of retranslation	**(0)**	**(0)**	**(2)**	**(2)**
At 29 March 2025	**106**	**42**	**737**	**885**
Accumulated depreciation and impairment charges				
At 25 March 2023	17	16	254	287
Charge for the period	5	4	70	79
Disposals	(0)	(2)	(4)	(6)
Remeasure	–	0	0	0
Effect of retranslation	–	(0)	(1)	(1)
At 30 March 2024	**22**	**18**	**319**	**359**
Charge for the period	**5**	**6**	**77**	**88**
Disposals	**(1)**	**(5)**	**(3)**	**(9)**
Effect of retranslation	**–**	**(0)**	**(1)**	**(1)**
At 29 March 2025	**26**	**19**	**392**	**437**
Net book value at 29 March 2025	**80**	**23**	**345**	**448**
Net book value at 30 March 2024	85	18	318	421

Under the terms of the loan and notes facilities in place at 29 March 2025, fixed and floating charges were held over £80m of the net book value of land and buildings, £23m of the net book value of motor vehicles and £309m of the net book value of the plant, fixtures and equipment (2024: £85m, £18m and £285m respectively).

At the period end, £7m of assets were under construction (2024: £4m).

Included within land and buildings is land with a cost of £5m (2024: £6m) which is not depreciated.

Capital commitments

At the period end, there were £14m of contractual capital commitments not provided within the Group financial statements (2024: £11m).

15 Right-of-use assets

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Net book value				
As at 25 March 2023	1,044	6	6	1,056
Additions	231	2	6	239
Modifications	28	–	–	28
Disposals	(35)	(0)	(0)	(35)
Impairment	(5)	–	–	(5)
Depreciation	(170)	(4)	(3)	(177)
Foreign exchange	(5)	(0)	(0)	(5)
As at 30 March 2024	**1,088**	**4**	**9**	**1,101**
Additions	**228**	**14**	**9**	**251**
Modifications	**24**	**–**	**–**	**24**
Disposals	**(26)**	**(0)**	**(0)**	**(26)**
Impairment	**(3)**	**–**	**–**	**(3)**
Depreciation	**(176)**	**(4)**	**(3)**	**(183)**
Foreign exchange	**(5)**	**(0)**	**0**	**(5)**
As at 29 March 2025	**1,130**	**14**	**15**	**1,159**

The vast majority of the Group's leases are in relation to the property comprising the store and warehouse network for the business. The other leases recognised are trucks, trailers, company cars, manual handling equipment and various fixtures and fittings. The leases are separately negotiated and no sub-group is considered to be individually significant nor to contain individually significant terms.

The Group recognises a lease term appropriate to the business expectation of the term of use for the asset which usually assumes that all extension clauses are taken, and break clauses are not, unless the business considers there is a good reason to recognise otherwise.

At the period end, there was one property with a significant unrecognised extension clause for which the Group has full autonomy over exercising in 2040. On the date of recognition of the relevant right-of-use asset, in March 2020, the extension period liability had a net present value of £30m.

There are no material covenants imposed by our right-of-use leases.

In the year the Group expensed £5m (2024: £4m) in relation to low value leases and <£1m (2024: <£1m) in relation to short-term leases for which the Group applied the practical expedient under IFRS 16.

The Group expensed <£1m (2024: <£1m) in relation to variable lease payments. The agreements are ongoing and future payments are expected to be in-line with those expensed recently.

The Group received £2m (2024: £2m) in relation to subletting right-of-use assets.

The impairments noted in the table above are recorded when the carrying value of a right-of-use asset exceeds the value-in-use of that asset. These arise when we exit a store before the related lease has come to an end, or as the outcome of our annual store impairment review. All impairments are in relation to store leases. No impairments have been reversed in the presented periods.

The segmental splits of the impairments were B&M UK £1m, Heron £2m, B&M France <£1m (2024: B&M UK £2m, Heron £2m, B&M France <£1m).

15 Right-of-use assets continued

The change in lease liability reconciles to the figures presented in the consolidated statement of cashflows as follows:

	29 March 2025 £'m	30 March 2024 £'m
Lease liabilities brought forward	**1,357**	1,301
Cash		
Repayment of the principal in relation to right-of-use assets	**(176)**	(171)
Payment of interest in relation to right-of-use assets	**(77)**	(69)
Non-cash		
Interest charge	**77**	69
Effects on lease liability relating to lease additions, modifications and disposals	**254**	232
Effects of foreign exchange	**(5)**	(5)
Total cash movement in the year	**(253)**	(240)
Total non-cash movement in the year	**326**	296
Movement in the year	**73**	56
Lease liabilities carried forward	**1,430**	1,357
Of which current	**188**	170
Of which non-current	**1,242**	1,187

Discount rates

Where, as in most cases, a discount rate implicit to the lease is not available, discount rates are calculated for each lease with reference to the underlying cost of borrowing available to the business and several other factors specific to the asset.

We have calculated the weighted average discount rates and sensitivity to a 50bps change in the discount rate to the interest charge as follows:

	29 March 2025	30 March 2024
Weighted average discount rate		
Property	**5.5%**	5.2%
Equipment	**5.5%**	7.3%
All right-of-use assets	**5.5%**	5.2%

Effect on finance costs with a change of 50bps to the discount rate	**£'m**	£'m
Property	**7**	7
Equipment	**0**	0
All right-of-use assets	**7**	7

Sale and leasebacks

During the year, the business has undertaken 11 property and one tranche of trailer sale and leasebacks (2024: none).

The details of the period transactions were as follows:

	29 March 2025 £'m
Consideration received	**11**
Net book value of the assets disposed	**(6)**
Costs of sale when specifically recognised	**–**
Profit per pre-IFRS 16 accounting standards	**5**
Opening adjustment to the right-of-use asset	**(5)**
Profit recognised in the statement of comprehensive income	**0**
Initial right-of-use asset recognised	**6**
Initial lease liability recognised	**(11)**

The pre-IFRS 16 profit is higher because the provisions of IFRS 16 require that a portion of the profit relating to the sale and leaseback is instead recognised as a reduction in the opening right-of-use asset, and therefore the benefit is released over the term of the contract.

16 Inventories

As at	29 March 2025 £'m	30 March 2024 £'m
Goods for resale	**883**	776

Included in the amount above was a net charge of <£1m related to inventory provisions (2024: £1m net charge). In the period to 29 March 2025, £3,479m (2024: £3,449m) was recognised as an expense for inventories and £33m of supplier rebates were received (2024: £31m).

17 Trade and other receivables

	29 March 2025 £'m	30 March 2024 £'m
Non-current		
Other receivables	**6**	5
Total non-current receivables	**6**	5
Current		
Trade receivables	**7**	9
Deposits on account	**5**	3
Provision for impairment	**(0)**	(2)
Net trade receivables to non-related parties	**12**	10
Prepayments	**37**	32
Related party receivables	**3**	2
Other tax	**9**	10
Other receivables	**18**	22
Total current receivables	**79**	76

Trade receivables are stated initially at their fair value and then at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying amount is determined by the Directors to be a reasonable approximation of fair value.

There are no individually non-related significant balances held at the current period end. See note 27 in respect of balances held with related parties.

The following table sets out an analysis of provisions for impairment of trade receivables:

Period ended	29 March 2025 £'m	30 March 2024 £'m
Provision for impairment at the start of the period	**(2)**	(2)
Impairment during the period	**(0)**	(1)
Utilised/released during the period	**2**	1
Balance at the period end	**(0)**	(2)

Trade receivables are non-interest-bearing and are generally on terms of 30 days or less.

The following table sets out a maturity analysis of trade receivables, including those which are current:

As at	29 March 2025 £'m	30 March 2024 £'m
Current	**5**	6
1-30 days past due	**1**	1
31-90 days past due	**1**	0
Over 90 days past due	**0**	2
Balance at the period end	**7**	9

18 Cash and cash equivalents

As at	29 March 2025 £'m	30 March 2024 £'m
Cash at bank and in hand	**217**	182
Cash and cash equivalents	**217**	182

The cash and cash equivalents balance includes £38m (2024: £54m) in respect of credit card receivables.

The Group also holds £150m held in a short-term money market deposit which matures in July 2025 and which is included in the current other financial assets caption, see note 20 (2024: £nil).

As at the period end the Group had available £240m of undrawn committed borrowing facilities (2024: £220m).

19 Trade and other payables

As at	29 March 2025 £'m	30 March 2024 £'m
Current		
Trade payables	**395**	380
Other tax and social security payments	**81**	37
Accruals and deferred income	**105**	101
Related party trade payables	**7**	33
Other payables	**30**	21
Total current payables	**618**	572

Trade payables are generally on 30-day terms and are not interest-bearing. The carrying value of trade payables approximates to their fair value. For further details on the related party trade payables, see note 27.

The Group had supply chain financing facilities in place during the year. The facilities are operated by major banking partners with high credit ratings and are limited to £70m (2024: £40m) total exposure at any one time.

The exposure at the period end was £12m, out of the total trade payable balance of £395m (2024: £15m, out of £380m) and at the period end date, £2m of this balance had been drawn down by our suppliers (2024: £7m). The average balance over the year was £24m (2024: £14m).

The payment due dates on all the supplier finance arrangements are 60 days after the invoice date, which is the same as comparable trade payables for suppliers not on the supplier finance arrangements (2024: same).

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements.

The purpose of the arrangement is to enable our participating suppliers, at their discretion, to draw down against their receivables from the Group prior to their usual due date.

From the Group's perspective, the invoices subject to these schemes are treated in the same way as those not subject to these schemes. That is that they are approved under our usual processes (and cannot be drawn down against until they have been approved) and paid on the usual due date, which is in line with the payment terms of our other international suppliers. We do not benefit from the margin charged by the banks for any early draw down, and the banks do not benefit from additional security when compared to the security originally enjoyed by the supplier. There is no impact on potential liquidity risk as the cash flow timings and amounts are unchanged for those invoices in the schemes against those not in these schemes.

There would be no impact on the Group if the facilities became unavailable and there are no fees or charges payable by the Group in regard to these arrangements.

As these invoices continue to be part of the normal operating cycle of the Group, the schemes do not change the recognition of the invoices subject to them, so they continue to be recognised as trade payables, with the associated cash flows presented within operating cash flows and without affecting the calculation of Group net debt.

20 Other financial assets and liabilities

Other financial assets

As at	29 March 2025 £'m	30 March 2024 £'m
Current financial assets at fair value through profit and loss:		
Foreign exchange forward contracts	**2**	2
Current financial assets held at amortised cost:		
Money market deposit	**150**	–
Current financial assets at fair value through other comprehensive income:		
Foreign exchange forward contracts	**1**	2
Total current other financial assets	**153**	4
Non-current financial assets at fair value through profit and loss:		
Foreign exchange forward contracts	**–**	0
Non-current financial assets at fair value through other comprehensive income:		
Foreign exchange forward contracts	**–**	1
Total non-current other financial assets	**–**	1
Total other financial assets	**153**	5

Financial assets through profit or loss reflect the fair value of those derivatives that are not designated as hedge relationships but are nevertheless intended to reduce the level of risk for expected sales and purchases.

The money market deposit reflects £150m placed a 7-month term with a fixed interest rate applied. The funds are due to be returned in July 2025 and are intended to net off the funding required for our £156m high yield bond notes maturing in July 2025, see note 21.

Other financial liabilities

As at	29 March 2025 £'m	30 March 2024 £'m
Current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	**7**	4
Current financial liabilities at fair value through other comprehensive income:		
Foreign exchange forward contracts	**6**	6
Total current other financial liabilities	**13**	10
Non-current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	**0**	0
Non-current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	**0**	0
Total non-current other financial liabilities	**0**	0
Total other financial liabilities	**13**	10

The other financial liabilities through profit or loss reflect the fair value of those foreign exchange forward contracts that are not designated as hedge relationships but are nevertheless intended to reduce the level of risk for expected sales and purchases.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at the reporting dates, the Group held the following financial instruments carried at fair value on the balance sheet:

	Total £'m	Level 1 £'m	Level 2 £'m	Level 3 £'m
29 March 2025				
Foreign exchange contracts	**(10)**	**–**	**(10)**	**–**
30 March 2024				
Foreign exchange contracts	(5)	–	(5)	–

20 Other financial assets and liabilities continued

The financial instruments have been valued by an internal model which is based upon a report from the issuing bank, using a mark to market method. The bank has used various inputs to compute the valuations, which include inter alia the relevant maturity date and strike rates, the current exchange rate, fuel prices and relevant interbank floating interest rate levels.

21 Financial liabilities – borrowings

The table below relates to the net cash amounts of the borrowing facilities, with the figures inclusive of amortised fees.

As at	29 March 2025 £'m	30 March 2024 £'m
Current		
High yield bond notes	**155**	–
Revolving facility bank loan	**–**	25
B&M France loan facilities	**5**	4
Total	**160**	29
Non-current		
High yield bond notes	**742**	650
Term facility bank loan	**222**	221
B&M France loan facilities	**13**	10
Total	**977**	881

Bond refinancing

On 19 November 2024, the Group issued £250m of high yield bond notes, maturing in November 2031 with an interest rate of 6.5%. £150m of cash received from these high yield bond notes was placed on money market deposit and has been ring-fenced for the purpose of repaying the remaining £156m of high yield bond notes (2020). Transaction fees of £3m were capitalised and are included in the carrying value of these bonds.

In the prior period, on 23 November 2023, the Group refinanced part of its existing £400m high yield bond notes (2020). £244m of bonds were redeemed at 98%, resulting in a gain of £5m recognised as a financial gain in the consolidated statement of comprehensive income in that period. The remaining £156m of the high yield bond notes (2020) have a maturity date of July 2025. As part of this refinancing, the Group issued £250m of high yield bond notes, maturing in November 2030 with an interest rate of 8.125%.

Transaction fees of £4m were capitalised and are included in the carrying value of these bonds. An interest rate swap derivative was taken at the start of the process to hedge exposure to movements in long-term SONIA rates. This hedge was considered to be fully effective and as such the fair value movements of £8m are included in other comprehensive income and the hedging reserve. The £8m value on the hedging reserve recycles through to the other finance costs caption on the consolidated statement of comprehensive income on a straight-line basis over the term of the bond.

The 2020 bonds which were redeemed carried £1m in fees incurred on inception, which were yet to be amortised. These have been released through other finance costs on the consolidated statement of comprehensive income.

These transactions included the sale of bonds by related parties, see note 27 for more details.

Extension of senior loan facilities

In March 2025, the Group and the banking syndicate confirmed the activation of the second and final 1-year extension, extending the maturity date of the banking facilities to March 2030. As previously reported, the first 1-year extension was activated in the prior period.

Other borrowings

The carrying values given above include fees incurred on refinancing which are to be amortised over the terms of those facilities. More details of these are given below.

The Group holds four tranches of high yield bond notes which are each held at amortised cost.

The four tranches of bonds were issued in July 2020, November 2021, November 2023 and November 2024, with £4m, £3m, £4m and £3m, respectively, of fees capitalised at inception. The July 2020 bonds were partly repaid in the prior period, resulting in a £1m release of the remaining amortised fees on that portion of the issue.

A number of these bonds have been sold or purchased by related parties, see note 27.

All other loans are carried at their gross cash amount. The maturities, which only relate to the position as at 29 March 2025, and gross cash amounts of these facilities are included in the table below.

	Interest rate %	Maturity	**29 March 2025 £'m**	30 March 2024 £'m
Revolving facility loan	1.75% + SONIA	N/A	**–**	25
Term facility bank loan A	2.00% + SONIA	Mar-30	**225**	225
High yield bond notes (2020)	3.625%	Jul-25	**156**	156
High yield bond notes (2021)	4.000%	Nov-28	**250**	250
High yield bond notes (2023)	8.125%	Nov-30	**250**	250
High yield bond notes (2024)	6.500%	Nov-31	**250**	–
B&M France – BNP Paribas	3.30-3.97%	Feb-28 to Aug-29	**8**	5
B&M France – Caisse d'Épargne	2.60%	Nov-29	**1**	1
B&M France – CIC	0.71-2.75%	Jun-25 to Dec-29	**4**	1
B&M France – Crédit Agricole	0.39-0.81%	Sep-25 to Jan-28	**0**	1
B&M France – Crédit Lyonnais	0.69-3.65%	Apr-25 to Mar-29	**4**	5
Total			**1,148**	919

The revolving facility of £225m is committed until March 2030.

The term facility bank loans and the high yield bond notes have carrying values which include transaction fees allocated on inception.

All B&M France facilities have gross values in Euros, and the values above have been translated at the period-end rates of €1.1955/£ (2024: €1.1694/£).

The movement in the loan liabilities during the year breaks down as follows:

As at	**29 March 2025 £'m**	30 March 2024 £'m
Borrowings brought forward	**910**	954
Cash		
Net (repayment)/receipt of Group revolving credit facilities	**(25)**	25
Repayment of old bank loan facilities	**–**	(300)
Receipt of new bank loan facilities	**–**	225
Repayment of corporate bonds	**–**	(239)
Receipt due to newly issued corporate bonds	**250**	250
Receipt of loan facilities held in France	**9**	3
Repayment of loan facilities held in France	**(5)**	–
Capitalised fees on refinancing	**(4)**	(7)
Non-cash		
Foreign exchange on loan balances	**(0)**	(0)
Gain on tender	**–**	(5)
Refinancing fees accrued	**–**	1
Release of remaining unamortised fees on previous facilities	**–**	1
Ongoing amortisation of finance fees	**2**	2
Finance fees on the loss on the derivative swap on refinancing	**–**	0
Total cash movement in the year	**225**	(43)
Total non-cash movement in the year	**2**	(1)
Movement in the year	**227**	(44)
Borrowings carried forward	**1,137**	910
Of which current	**160**	29
Of which non-current	**977**	881

22 Provisions

	Property provisions £'m	Other £'m	Total £'m
At 25 March 2023	5	4	9
Provided in the period	2	4	6
Utilised during the period	(1)	(3)	(4)
Released during the period	(0)	(1)	(1)
At 30 March 2024	**6**	**4**	**10**
Provided in the period	**2**	**9**	**11**
Utilised during the period	**(0)**	**(3)**	**(3)**
Released during the period	**(1)**	**(1)**	**(2)**
At 29 March 2025	**7**	**9**	**16**
At 29 March 2025;			
Current liabilities	**3**	**9**	**12**
Non-current liabilities	**4**	**–**	**4**
At 30 March 2024;			
Current liabilities	2	4	6
Non-current liabilities	4	–	4

The property provision relates to the expected future costs on specific leasehold properties. This is inclusive of dilapidations on these properties. The timing in relation to utilisation is dependent upon the individual lease terms.

The other provisions caption includes the portion of the Group trading director settlement which has been provided against in the current period (£6m, see note 3) and disputes in relation to our insured liability claims. A prudent amount has been set aside for each insurance claim as per legal advice received by the Group with the claims individually non-significant and averaging £10k per claim (2024: £10k per claim).

The Group is subject to an ongoing investigation by the UK Environment Agency in relation to our historical compliance with UK Waste Electrical and Electronic Equipment Regulations and Batteries and Accumulators Regulations. The investigation primarily relates to the period 2014-2022 and whilst the Group expects an outflow in respect of this period, the amount is not expected to be material and no provision has been made as at 29 March 2025.

23 Share capital

Allotted, called up and fully paid	Shares	£'m
B&M European Value Retail S.A. ordinary shares of 10p each		
As at 25 March 2023	1,001,853,735	100
Release of shares related to employee share options	937,161	0
As at 30 March 2024	**1,002,790,896**	**100**
Release of shares related to employee share options	**1,030,975**	**0**
As at 29 March 2025	**1,003,821,871**	**100**

Ordinary shares

Each ordinary share ranks pari passu with each other ordinary share and each share carries one vote. The Group parent is authorised to issue up to an additional 2,968,400,351 ordinary shares.

24 Cash generated from operations

Period ended	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
Profit before tax	**431**	498
Adjustments for:		
Net interest expense	**136**	109
Depreciation on property, plant and equipment	**88**	79
Depreciation on right-of-use assets	**183**	177
Impairment of right-of-use assets	**3**	5
Amortisation of intangible assets	**2**	2
Profit on sale and leasebacks	**(0)**	–
(Profit)/loss on disposal of property, plant and equipment	**(0)**	1
Share option expense	**3**	3
Change in inventories	**(109)**	(14)
Change in trade and other receivables	**(3)**	(23)
Change in trade and other payables	**41**	29
Change in provisions	**7**	1
Share of (profits)/losses from associates	**(1)**	1
Loss/(profit) resulting from fair value of financial derivatives	**3**	(6)
Cash generated from operations	**784**	862

25 Group information and ultimate parent undertaking

The financial results of the Group include the following entities.

Company name	Country	Date of incorporation	Percent held within the Group	Principal activity
B&M European Value Retail S.A.	Luxembourg	May 2014	Parent	Holding company
B&M European Value Retail 1 S.à r.l.	Luxembourg	November 2012	100%	Holding company
B&M European Value Retail Holdco 1 Ltd	UK	December 2012	100%	Holding company
B&M European Value Retail Holdco 2 Ltd	UK	December 2012	100%	Holding company
B&M European Value Retail Holdco 3 Ltd	UK	November 2012	100%	Holding company
B&M European Value Retail Holdco 4 Ltd	UK	November 2012	100%	Holding company
B&M European Value Retail 2 S.à r.l.	Luxembourg	September 2012	100%	Holding company
EV Retail Limited	UK	September 1996	100%	Holding company
B&M Retail Limited	UK	March 1978	100%	General retail
Opus Homewares Limited	UK	April 2003	100%	Property management
Heron Food Group Ltd	UK	August 2002	100%	Holding company
Heron Foods Ltd	UK	October 1978	100%	Convenience retail
Cooltrader Ltd	UK	September 2012	100%	Dormant
Heron Properties (Hull) Ltd	UK	February 2003	100%	Dormant
B&M European Value Retail Germany GmbH	Germany	November 2013	100%	Ex-holding company
B&M France SAS	France	November 1977	100%	General retail
Centz N.I. Limited	UK	January 2021	100%	Property management

Registered offices

- The Luxembourg entities are all registered at 3 rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg.
- Centz N.I. Limited are registered at Murray House, 4 Murray Street, Belfast, United Kingdom, BT1 6DN.
- The other UK entities are all registered at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool, L24 8RJ.
- B&M European Value Retail Germany GmbH are registered at Am Hornberg 6, 29614, Soltau.
- B&M France are registered at 8 rue du Bois Joli, 63800 Cournon d'Auvergne.

Associates

The Group has a 50% interest in Multi-lines International Company Limited, a company incorporated in Hong Kong, and a 22.5% interest in Centz Retail Holdings Limited, a company incorporated in the Republic of Ireland. The share of profit or loss from the associates is included in the consolidated statement of comprehensive income, see note 12.

Ultimate parent undertaking

The Directors of the Group consider the parent and the ultimate controlling related party of this Group to be B&M European Value Retail S.A., registered in Luxembourg.

26 Financial risk management

The Group uses various financial instruments, including bank loans, related party loans, finance company loans, cash, equity investment, derivatives and various items, such as trade receivables and trade payables that arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, currency risk, cash flow interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below. In order to manage the Group's exposure to those risks, in particular the Group's exposure to currency risk, the Group enters into forward foreign currency contracts. No transactions in derivatives are undertaken of a speculative nature.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and commodity price risk. Commodity price risk is not considered material to the business as the Group is able to pass on pricing changes to its customers.

The Group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency risk

The Group is exposed to translation and transaction foreign exchange risk arising from exchange rate fluctuations on its purchases from overseas suppliers.

In relation to translation risk, this is not considered material to the business as amounts owed in foreign currency are short term of up to 30 days and are of a relatively modest nature. Transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts.

The majority of the Group's sales are to customers in the UK and France and there is no material currency exposure in this respect. A proportion of the Group's purchases are priced in US Dollars and the Group generally uses forward currency contracts to minimise the risk associated with that exposure.

Approach to hedge accounting

As part of the Group's response to currency risk the currency forwards taken out are intended to prudently cover the majority of our stock purchases forecast for that period. However, the Group only hedge accounts for that part of the forward contract that we are reasonably certain will be spent in the forecast period, allowing for potential volatility. Therefore, management always consider the likely volatility for a period and assign a percentage to each tranche of forwards purchased, usually in the range 50-80%, and never more than 80%.

Effectiveness of the hedged forward is then assessed against the Group hedge ratio, which has been set by management at 80% as a reasonable guide to the certainty level we expect the hedged portions of our forwards to at least achieve. If they fail, or are expected to fail, to meet this ratio of effectiveness then they are treated as non-hedged items, and immediately expensed through administrative expenses in profit and loss.

Ineffectiveness can be caused by exceptional volatility in the market, by the timing of product availability, or the desire to manage short-term company cash flows, for instance, when a large amount of cash is required at relatively short notice.

Where a hedged derivative matures efficiently, the fair value is transferred to inventory and subsequently to cost of sales when that item is sold. If the Group did not hedge account, then the difference is that the gain or loss in other comprehensive income would be presented in profit or loss and the assets and liabilities presented under the classification fair value through other comprehensive income would be at fair value through profit or loss.

In the period, the Group has had $648m of hedged derivatives mature (2024: $605m). The difference to profit before tax if none of our forwards had been hedge accounted during the year would have been a profit of £2m (2024: £3m loss) and a pre-tax loss in other comprehensive income of £2m (2024: £1m loss).

The net effective hedging loss transferred to the cost of inventories in the year was £8m (2024: net loss of £15m). At the period end, the amount of outstanding US Dollar contracts covered by hedge accounting was $698m (2024: $693m), which mature over the next 15 months (2024: 19 months). The change in fair value of the hedging instruments used as the basis for recognising hedge ineffectiveness was £nil (2024: £nil), achieved effectiveness was 100% (2024: 100%).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in US Dollar period-end exchange rates with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income (net of tax) is largely due to changes in the fair value of our foreign exchange derivatives and revaluation of creditors and deposits held on account with our US Dollar suppliers.

As at	Change in USD rate	**29 March 2025 £'m**	30 March 2024 £'m
Effect on profit before tax	+2.5%	**(10)**	(7)
	-2.5%	**10**	8
Effect on other comprehensive income	+2.5%	**(13)**	(13)
	-2.5%	**14**	14

Profit before tax and other comprehensive income are not sensitive to the effects of a reasonably possible change in the Euro period-end exchange rates.

These calculations have been performed by taking the period-end translation rate used in the accounts and applying the changes noted above. The balance sheet valuations are then directly calculated. The valuation of the foreign exchange derivatives were projected based upon the spot rate changing and all other variables being held equal.

Interest rate risk

Interest rate risk is the risk of variability of the Group cash flows due to changes in the interest rate. The Group is exposed to changes in interest rates as a portion of the Group's bank borrowings are subject to a floating rate based on SONIA.

The Group's interest rate risk arises mainly from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group's exposure to interest rate fluctuations is not considered to be material, however the Group used interest rate swaps to minimise the impact in the prior year, in relation to the final pricing of our November 2023 bond issue.

If floating interest rates had been 50 basis points higher or lower throughout the year with all other variables held constant, the effect upon pre-tax profit for the year would have been:

As at	Basis point increase/ decrease	**29 March 2025 £'m**	30 March 2024 £'m
Effect on profit before tax	+50	**(1)**	(1)
	-50	**1**	1

This sensitivity has been calculated by changing the interest rate for each interest receipt, payment and accrual made by the Group over the period, by the amount specified in the table above, and then calculating the difference that would have resulted.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group's principal financial assets are cash, money market deposits, derivatives and trade receivables. The credit risks associated with cash, money market deposits and derivatives are limited as the main counterparties are banks with high credit ratings (A long term and A-1 short term (Standard & Poor) or better, (2024: A, A-1 (or better) respectively). The principal credit risk arises therefore from the Group's trade receivables.

Credit risk is further limited by the fact that the vast majority of sales transactions are made through the store registers, direct from the customer at the point of purchase, leading to a low trade receivables balance.

In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history. Provisions against bad debts are made where appropriate.

26 Financial risk management continued

Liquidity risk

Any impact on available cash and therefore the liquidity of the Group could have a material effect on the business as a result.

The Group's borrowings are subject to semi-annual banking covenants against which the Group has had significant headroom to date with no anticipated issues based upon forecasts made. Short-term flexibility is achieved via the Group's revolving credit facility. The following table shows the liquidity risk maturity of financial liabilities grouping based on their remaining period at the balance sheet date. The amounts disclosed are the contractual undiscounted cash flows:

	Within 1 year £'m	Between 1 and 2 years £'m	Between 2 and 5 years £'m	More than 5 years £'m	Total £'m
29 March 2025					
Interest-bearing loans	**222**	**64**	**425**	**769**	**1,480**
Lease liabilities	**265**	**258**	**653**	**627**	**1,803**
Trade payables	**402**	**–**	**–**	**–**	**402**
30 March 2024					
Interest-bearing loans	82	207	603	286	1,178
Lease liabilities	242	235	606	631	1,714
Trade payables	413	–	–	–	413

Fair value

The fair value of our corporate bonds, which are all financial liabilities held at amortised cost, has been determined by using the relevant quoted bid price for those bonds. These differ to the carrying values as shown below.

	Fair Value (Level 1)		Carrying Value	
As at	**29 March 2025 £'m**	30 March 2024 £'m	**29 March 2025 £'m**	30 March 2024 £'m
High yield bond notes (2020)	**154**	152	**155**	155
High yield bond notes (2021)	**231**	231	**249**	248
High yield bond notes (2023)	**260**	269	**247**	247
High yield bond notes (2024)	**244**	–	**247**	–

The fair value of the other financial assets and liabilities of the Group are not materially different from their carrying value. Refer to the table below. These all represent financial assets and liabilities measured at amortised cost except where stated as measured at fair value through profit and loss or fair value through other comprehensive income.

As at	**29 March 2025 £'m**	30 March 2024 £'m
Financial assets		
Fair value through profit and loss		
Forward foreign exchange contracts	**2**	2
Fair value through other comprehensive income		
Forward foreign exchange contracts	**1**	3
Loans and receivables		
Cash and cash equivalents	**217**	182
Money market deposit	**150**	–
Trade receivables	**15**	12
Other receivables	**18**	22

As at	**29 March 2025 £'m**	30 March 2024 £'m
Financial liabilities		
Fair value through profit and loss		
Forward foreign exchange contracts	**7**	4
Fair value through other comprehensive income		
Forward foreign exchange contracts	**6**	6
Amortised cost		
Lease liabilities	**1,430**	1,357
Interest-bearing loans and borrowings (excluding corporate bonds)	**239**	260
Trade payables	**402**	413
Other payables	**30**	21

27 Related party transactions

The Group has transacted with the following related parties over the periods:

Multi-lines International Company Limited, a supplier, and Centz Retail Holdings Limited, a customer, are associates of the Group.

Ropley Properties Ltd, Triple Jersey Ltd, TJL UK Ltd, Rani Investments, Fulland Investments Limited, Golden Honest International Investments Limited, Hammond Investments Limited, Joint Sino Investments Limited and Ocean Sense Investments Limited, all landlords of properties occupied by the Group, and Rani 1 Holdings Limited, Rani 2 Holdings Limited and SSA Investments, bondholders and beneficial owners of equipment hired to the Group, are directly or indirectly owned by Bobby Arora, a key member of the management team during the accounting period, his family, or his family trusts (together, the Arora related parties).

In the prior period, significant related party transactions occurred, with Simon Arora, SSA Investments, Rani 1 Investments and Rani 2 Investments each selling their full holdings of, respectively, £35m, £13m, £50m and £50m in the 2020 3.625% high yield bond notes as part of the tender exercise that took place in November 2023.

The overall position is summarised in the table below:

	52 weeks ended 29 March 2025 £'m	53 weeks ended 30 March 2024 £'m
SSA Investments (4.000%, 2021 bonds)	**99**	99
Total	**99**	99

The expense incurred during the year, and the accrual at the end of the year are shown in the table below:

	Expense to 29 March 2025 £'m	**Accrual on 29 March 2025 £'m**	Expense to 30 March 2024 £'m	Accrual on 30 March 2024 £'m
Simon Arora	**–**	**–**	0.8	–
SSA Investments	**4.0**	**1.5**	4.3	1.5
Rani 1 Investments	**–**	**–**	1.2	–
Rani 2 Investments	**–**	**–**	1.2	–
Total	**4.0**	**1.5**	7.5	1.5

The following table sets out the total amount of trading transactions with related parties included in the statement of comprehensive income:

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Sales to associates of the Group		
Centz Retail Holdings Limited	**29**	27
Total sales to related parties	**29**	27

Period ended	**29 March 2025 £'m**	30 March 2024 £'m
Purchases from associates of the Group		
Multi-lines International Company Ltd	**234.3**	259.0
Purchases from parties related to key management personnel		
Fulland Investments Limited	**0.3**	0.3
Golden Honest International Investments Limited	**0.2**	0.2
Hammond Investments Limited	**0.3**	0.3
Joint Sino Investments Limited	**0.2**	0.2
Ocean Sense Investments Limited	**0.3**	0.2
SSA Investments	**–**	0.0
Total purchases from related parties	**235.6**	260.2

27 Related party transactions continued

The IFRS 16 lease figures in relation to these related parties, which are all related to key management personnel, are as follows:

	Depreciation charge £'m	Interest charge £'m	Total charge £'m	Right-of-use asset £'m	Lease liability £'m	Net liability £'m
Period ended 29 March 2025						
Rani Investments	**0**	**0**	**0**	**0**	**(0)**	**(0)**
Ropley Properties	**2**	**1**	**3**	**6**	**(8)**	**(2)**
TJL UK Limited	**1**	**0**	**1**	**9**	**(11)**	**(2)**
Triple Jersey Limited	**9**	**4**	**13**	**57**	**(68)**	**(11)**
Total	**12**	**5**	**17**	**72**	**(87)**	**(15)**

	Depreciation charge £'m	Interest charge £'m	Total charge £'m	Right-of-use asset £'m	Lease liability £'m	Net liability £'m
Period ended 30 March 2024						
Rani Investments	0	0	0	0	(0)	(0)
Ropley Properties	2	1	3	7	(10)	(3)
TJL UK Limited	1	0	1	10	(12)	(2)
Triple Jersey Limited	9	3	12	53	(64)	(11)
Total	12	4	16	70	(86)	(16)

There was one lease entered into by the Group during the current period with the Arora related parties (2024: one). The total expense on this lease in the period was <£1m (2024: <£1m). There were no conditionally exchanged leases with Arora related parties in the current period with a long stop completion date (2024: none).

The following tables set out the total amount of trading balances with related parties outstanding at the period end.

As at	29 March 2025 £'m	30 March 2024 £'m
Trade receivables from associates of the Group		
Centz Retail Holdings Ltd	**2**	2
Multi-lines International Company Ltd	**1**	–
Total related party trade receivables	**3**	2

As at	29 March 2025 £'m	30 March 2024 £'m
Trade payables to associates of the Group		
Multi-lines International Company Ltd	**5**	32
Trade payables to companies owned by key management personnel		
Rani Investments	**–**	0
Ropley Properties Ltd	**0**	0
TJL UK Limited	**0**	1
Triple Jersey Ltd	**2**	0
Total related party trade payables	**7**	33

Outstanding trade balances at the balance sheet dates are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party trade receivables or payables.

The balance with Multi-lines International Company Ltd includes £3m (2024: £14m) held within a supply chain facility. See note 19 for more details.

The business has not recorded any impairment of trade receivables relating to amounts owed by related parties as at 29 March 2025 (2024: no impairment). This assessment is undertaken each year through examining the financial position of the related party and the market in which the related party operates.

The future lease commitments on the Arora related party properties are:

As at	29 March 2025 £'m	30 March 2024 £'m
Not later than one year	**17**	16
Later than one year and not later than two years	**17**	15
Later than two years and not later than five years	**40**	39
Later than five years	**31**	33
Total	**105**	103

See note 12 for further information on the Group's associates.

For further details on the transactions with key management personnel, see note 8 and the remuneration report.

28 Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current or prior period.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group uses the following definition of net debt:

External interest-bearing loans and borrowings less cash and short-term deposits.

The interest-bearing loans figure used is the gross amount of cash borrowed at that time, as opposed to the carrying value under the amortised cost method. The difference between pre and post IFRS 16 net debt is the inclusion of our full lease liability in the latter.

Short-term deposits includes any term deposits held with a maturity of less than one year.

As at	29 March 2025 £'m	30 March 2024 £'m
Interest-bearing loans and borrowings (note 21)	**1,148**	919
Less: cash (note 18)	**(217)**	(182)
Less: short-term deposits (note 20)	**(150)**	–
Net debt (pre-IFRS 16)	**781**	737
Total lease liabilities (note 15)	**1,430**	1,357
Net debt (post-IFRS 16)	**2,211**	2,094

The Group's leverage ratio is defined as net debt divided by EBITDA (note 3) and calculates to be 1.26 on a pre-IFRS 16 basis and 2.55 on a post-IFRS 16 basis (2024: 1.17 and 2.40, respectively).

29 Post balance sheet events

As announced on 14 November 2024, Bobby Arora retired from his position as a key member of the management team on 31 March 2025.

As announced on 24 February 2025, Alejandro Russo retired from his position as Group CEO on 30 April 2025. On that date the Group appointed Mike Schmidt as interim Group CEO, alongside his role as Group CFO until a permanent appointment is made.

The Group announced on 15 May 2025 that Tjeerd Jegen is to be appointed as Group CEO on 16 June 2025.

30 Dividends

An interim dividend of 5.3 pence per share (£53.2m) was declared in November 2024 and has been paid.

A special dividend of 15.0 pence per share (£150.6m), was declared in January 2025 and has been paid.

A final dividend of 9.7 pence per share (£97.4m), giving a full year dividend of 15.0 pence per share (£150.6m), is proposed.

An interim dividend of 5.1 pence per share (£51.1m) was declared in November 2023 and has been paid.

A special dividend of 20.0 pence per share (£200.6m), was declared in January 2024 and has been paid.

A final dividend of 9.6 pence per share (£96.3m), giving a full year dividend of 14.7 pence per share (£147.4m), was declared in July 2024 and has been paid.

31 Contingent liabilities and guarantees

As at 29 March 2025, B&M European Value Retail S.A., B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Ltd, B&M Retail Ltd, Heron Food Group Ltd and Heron Foods Ltd are all guarantors to both the loan and notes agreements which are formally held within B&M European Value Retail S.A. The amounts outstanding as at the period end were £225m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £906m for the notes, with the balance held in B&M European Value Retail S.A.

As at 30 March 2024, B&M European Value Retail S.A., B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Ltd, B&M Retail Ltd, Heron Food Group Ltd and Heron Foods Ltd are all guarantors to both the loan and notes agreements which are formally held within B&M European Value Retail S.A. The amounts outstanding as at the period end were £250m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £656m for the notes, with the balance held in B&M European Value Retail S.A.

32 Directors

The Directors that served during the period were:

T Hall (Chair)
A Russo (CEO) (retired 30 April 2025)
M Schmidt (CFO)
P MacKenzie
H Lasry
O Tant
N Shouraboura (appointed 29 May 2024)
E Sutherland (appointed 20 January 2025)
P Bamford (retired 23 July 2024)
R McMillan (retired 23 July 2024)

As previously announced, Nadia Shouraboura was appointed as a Non-Executive Director, with effect from 29 May 2024.

On 5 June 2024, the Group announced the appointment of Tiffany Hall as the successor to Peter Bamford in the role as Chair of the Board of Directors, with effect from 23 July 2024. On the same date, Peter Bamford retired from the Board of Directors.

At the AGM, Ron McMillan announced his retirement, with effect from 23 July 2024.

On 17 December 2024, the Group announced the appointment of Euan Sutherland as a Non-Executive Director, with effect from 20 January 2025.

On 24 February 2025, the Group announced the retirement of Alejandro Russo from his position as CEO, with effect from 30 April 2025.

On 30 April 2025, the Group announced that Mike Schmidt will occupy the role of Interim Group CEO alongside his existing role as Group CFO until a permanent appointment is made.

On 15 May 2025, the Group announced that Tjeerd Jegen is to be appointed as Group CEO on 16 June 2025.

All directors served for the whole period except where indicated above.

Company profit and loss account
for the financial year ended 31 March 2025

	Notes	31 March 2025 GBP	31 March 2024 GBP
Raw materials and consumables and other external expenses			
Other external expenses	8	**(7,042,989)**	(13,150,590)
Staff costs	9		
Wages and salaries		**(140,468)**	(126,621)
Social security costs			
relating to pensions		**(9,640)**	(8,376)
other social security costs		**(5,878)**	(5,945)
Value adjustments			
In respect of formation expenses and of tangible and intangible assets		**–**	–
Other operating expenses	10	**(884,174)**	(1,317,719)
Income from participating interests	11		
Derived from affiliated undertakings		**291,000,000**	350,000,000
Other interest receivable and similar income	12		
Derived from affiliated undertakings		**43,578,736**	31,299,621
Other interest and similar income		**475,217**	5,172,068
Interest payable and similar expenses	13		
Other interest and similar expenses		**(41,757,665)**	(28,703,653)
Tax on profit or loss	14		
Profit or loss after taxation		**285,213,140**	343,158,785
Other taxes not included in the previous caption	14	**(4,022)**	(4,112)
Profit or loss for the financial year		**285,209,118**	343,154,673

Company balance sheet
as at 31 March 2025

	Notes	31 March 2025 GBP	31 March 2024 GBP
Assets			
Fixed assets			
Tangible assets			
Other fixtures and fittings, tools and equipment		**–**	–
Financial assets	3		
Shares in affiliated undertakings		**2,624,999,999**	2,624,999,999
Other loans		**5,467**	5,467
		2,625,005,467	2,625,005,467
Current assets			
Debtors			
Amounts owed by affiliated undertakings *becoming due and payable within one year*	4	**1,002,472,866**	759,873,696
Other debtors *becoming due and payable within one year*	5	**475,003**	285,311
		1,002,947,870	760,159,007
Cash at bank and in hand		**91,941**	83,792
Total assets		**3,628,045,277**	3,385,248,266
Capital, reserves and liabilities			
Capital and reserves	6		
Subscribed capital		**100,382,187**	100,279,090
Share premium account		**2,473,832,360**	2,473,832,360
Reserves			
Legal reserve		**10,040,000**	10,040,000
Profit or loss for the financial year		**285,209,118**	343,154,673
Profit or loss brought forward		**29,720,976**	34,636,044
Interim dividends		**(203,773,829)**	(251,698,717)
Total capital and reserves		**2,695,410,812**	2,710,243,449
Creditors	7		
Debenture loans			
Non-convertible loans *becoming due and payable within one year*		**17,843,771**	11,840,299
Non-convertible bonds *becoming due and payable after more than one year*		**905,520,000**	655,520,000
Trade creditors *becoming due and payable within one year*		**1,980,502**	133,000
Amounts owed to affiliated undertakings *becoming due and payable within one year*		**7,206,040**	7,366,872
Other creditors:			
Tax authorities		**11,628**	8,679
Other creditors *becoming due and payable within one year*		**72,524**	135,966
		9,270,694	7,644,518
Total capital, reserves and liabilities		**3,628,045,277**	3,385,248,266

Notes to the annual accounts
for the financial year ended 31 March 2025

1 General Information
The financial statements have been prepared in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

B&M European Value Retail S.A. (the "Company") was incorporated on 19 May 2014 as a "*société anonyme*" for an unlimited period. The Company is organised under the laws of the Grand-Duchy of Luxembourg, in particular the law of 10 August 1915 on commercial companies, as amended from time to time.

The Company's shares are admitted to trading on the equity shares (commercial companies) listing segment of the London Stock Exchange.

The Company is registered with the Luxembourg Trade and Companies Register under number RCS Luxembourg B 187.275 and the registered office of the Company is located at 3, rue Gabriel Lippmann, L-5365 Munsbach.

The financial year of the Company starts on 1 April each year and ends on 31 March the following year. The Company prepares consolidated financial statements including the Company and its subsidiaries (the "Group").

The Company's purpose is to acquire and hold interests, directly or indirectly, in any form whatsoever, in other Luxembourg or foreign entities, by way of, among others, subscription or acquisition of (i) any securities and rights through participation, contribution, underwriting, firm purchase or option, negotiation or in any other way, or of (ii) debt instruments in any form whatsoever, and to administrate, develop and manage such holding of interests.

The Company may in particular enter into transactions to borrow money in any form or to obtain any form of credit and raise funds through, including, but not limited to, the issue of shares, bonds, notes, promissory notes, certificates and other debt instruments or debt securities, convertible or not, or the use of financial derivatives. The Company may also enter into any guarantee, pledge or any other form of security agreement.

During the financial year ended 31 March 2025, two new Independent Non-Executive Directors joined the Board of B&M European Value Retail S.A.; Nadia Shouraboura in May 2024 and Euan Sutherland in January 2025.

At the close of the Annual General Meeting held on 23 July 2024, Peter Bamford and Ron McMillan retired from the Board of Directors and Tiffany Hall became the new Chair of the Board of Directors, in replacement of Peter Bamford.

As announced on 24 February 2025, Alex Russo, then Chief Executive Officer retired from the Board with effect as from 30 April 2025.

On 14 November 2024 the Board announced it started considering changing the nationality of the Company by exiting Luxembourg and on 9 January 2025 the Board confirmed the registered office of the Company might be relocated in two potential jurisdictions: Jersey or Ireland.

2 Summary of significant accounting policies and valuation methods
Basis of preparation
These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December 2002, as subsequently amended (the "Law"), determined and applied by the Board of Directors.

These accounts have been prepared on a going concern basis.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Significant accounting policies and valuation methods
The main accounting policies and valuation rules applied by the Company are the following.

Financial assets
Shares in affiliated undertaking are valued at purchase price including the expenses incidental thereto.

In the case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial assets, so that they are valued at the lower figure to be attributed to them as at the balance sheet date. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Debtors
Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2 Summary of significant accounting policies and valuation methods continued

Foreign currency translation

The Company maintains its accounting records in Great Britain Pound sterling (GBP) and the balance sheet, and the profit and loss accounts are expressed in this currency.

Transactions expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction (the "historical exchange rate").

Long-term non-monetary assets expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain converted using the historical exchange rate.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the relevant financial year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The realised and unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date at which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date at which they will arise.

Provision for taxation

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Tax authorities". The advance payments are shown in the assets of the balance sheet under the caption "Other debtors", if applicable.

Creditors

Creditors are stated at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown in the profit and loss account when the debt is issued.

Dividends

Dividend receivables are recognised when the Company's right to receive the dividend has been established. This is considered to be on the date that the dividend is declared by the Board or approved by the general meeting of a subsidiary, or when the dividend is to be received.

Dividend payables are recognised when the Company's obligation to pay the dividend is established. For interim dividends, this is considered to be the case on the date the dividend is approved by the Board and for final dividends, on the date the dividend is approved by the general meeting of the shareholders of the Company.

Issuance costs

Bond issuance costs are expensed through the profit and loss account at the time that they are incurred, and this is considered to be on the date on which the relevant issuance is legally completed.

Share and stock option plans

Share and stock options are recognised when they are effectively exercised. For share and stock options, this is considered to be on the date that the increase of the share capital is approved by the share option exercise committee.

3 Financial assets

The undertaking in which the Company holds interests is as follows:

Undertaking's name	Registered office	Percentage of holding	Net equity as at 31 March 2024 £	Net result for the financial year ended 31 March 2024 £	**Net book value as at 31 March 2025 £**
B&M EVR 1*	Luxembourg	100%	**646,918,017**	**350,033,588**	**2,624,999,999**

* B&M EVR 1 refers to B&M European Value Retail 1 S.à.r.l.

As at the balance sheet date, the Board of Directors assessed the valuation of the undertaking and concluded that no value adjustment was deemed necessary.

The annual accounts of B&M EVR 1 as at 31 March 2024 were approved by its managers, but are not due to be audited.

On 30 October 2024 an interim dividend of GBP 35 million was declared and distributed by B&M EVR 1 to the Company.

On 6 January 2025 an interim dividend of GBP 150 million was declared and distributed by B&M EVR 1 to the Company.

On 10 March 2025 an interim dividend of GBP 106 million was declared and distributed by B&M EVR 1 to the Company.

4 Amount owed by affiliated undertakings

	March 2025 £	March 2024 £
Becoming due and payable within one year:		
B&M European Value Retail Holdco 4 Ltd ("UK Holdco 4")	**995,415,449**	754,340,994
Amount receivable in relation to professional fees recharged to UK subsidiaries	**500,000**	509,848
Interest receivable in relation to intercompany loan	**6,557,417**	5,022,854
Total	**1,002,472,866**	759,873,696

The amounts owed by UK Holdco 4 are interest bearing (note 12) and payable on demand. Where interest is calculated, it has been done on an arm's length basis.

5 Other debtors

	March 2025 £	March 2024 £
Becoming due and payable within one year:		
VAT Receivable	**214,542**	–
Prepaid income and net wealth taxes	**5,106**	1,027
Other advances	**255,355**	284,284
Total	**475,003**	285,311

6 Capital and reserves

Subscribed capital and share premium account

As at 31 March 2025, the issued share capital of the Company is set at GBP 100,382,187.10 divided into 1,003,821,871 ordinary shares with a nominal value of GBP 0.10 each and the unissued but authorised share capital is set at GBP 296,840,035.10 represented by 2,968,400,351 ordinary shares. The Company's share capital is represented by one class of (ordinary) shares, all in dematerialised form.

In December 2020, the shareholders of the Company approved the conversion of all the shares of the Company which were then in registered form into dematerialised form. The deadline for the compulsory dematerialisation of the shares was on 8 March 2023. Since that date, all the issued shares are in dematerialised form and the shares which had not been converted by their owners by the compulsory dematerialisation deadline are held in a securities account in the name of the Company, in accordance with the provisions of the Luxembourg law on the dematerialisation of securities which are reproduced under article 6.3.5 of the articles of association of the Company (the "Articles"). The voting rights attached to those shares are suspended and for the time of that suspension, the shares will not be taken into account to for quorum and majority at general meetings.

During the financial year, share options (reported as "off balance sheet commitments" under the annual accounts of the previous financial year) have been exercised by employees and directors of the Group; the Board of Directors acting on the basis of article 5.2 of the Articles and within the frame of the authorised share capital clause, issued in aggregate 1,030,975 new ordinary shares with a nominal value of 10 pence per share. The Articles have been updated accordingly.

At the extraordinary general meeting of the shareholders of the Company held on 23 July 2024, in line with the revised Statement of Principles of the Pre-Emption Group of the Financial Reporting Council, the Board of Directors of the Company has been authorised to issue ordinary shares on a non-pre-emptive basis (i) in respect of the issue for cash of shares representing up to 10% (ten per cent) of the issued share capital of the Company and (ii) in respect of the issue for cash of shares representing up to a further 10% (ten per cent) of the issued share capital of the Company to be used for the purposes of financing an acquisition or a capital investment (or refinancing such a transaction within twelve months of the original transaction). Article 5.2 of the Articles of the Company was amended accordingly.

6 Capital and reserves continued

Movements for the period on the reserves and profit/loss captions are as follows:

	Share premium and similar premiums £	Legal reserve £	Profit or loss brought forward £	Profit for the financial period £	Interim dividends £	Total £
As at the beginning of the financial year	**2,473,832,360**	**10,040,000**	**34,636,044**	**343,154,673**	**(251,698,717)**	**2,609,964,360**
Allocation of prior period's result	**–**	**–**	**343,154,673**	**(343,154,673)**	**–**	**–**
Capital increase from exercise of share option	**–**	**–**	**(103,098)**	**–**	**–**	**(103,098)**
Allocation of dividends	**–**	**–**	**(251,698,717)**	**–**	**251,698,717**	**–**
Final dividend (August 2024)	**–**	**–**	**(96,267,926)**	**–**	**–**	**(96,267,926)**
Interim dividend (December 2024)	**–**	**–**	**–**	**–**	**(53,200,548)**	**(53,200,548)**
Special dividend (February 2025)	**–**	**–**	**–**	**–**	**(150,573,281)**	**(150,573,281)**
Profit for the financial year	**–**	**–**	**–**	**285,209,118**	**–**	**285,209,118**
As at the end of the financial year	**2,473,832,360**	**10,040,000**	**29,720,976**	**285,209,118**	**(203,773,829)**	**2,595,028,625**

On 4 June 2024, the Board of Directors proposed the distribution of a final dividend of 9.6 pence per ordinary share, being a total gross aggregate distribution of GBP 96,267,926.02. The Annual General Meeting (AGM) of the shareholders held on 23 July 2024 approved that proposal and that final dividend was paid by the Company on 2 August 2024.

On 13 November 2024, the Board of Directors unanimously approved the distribution of an interim dividend of 5.3 pence per ordinary share, being a total aggregate distribution of GBP 53,200,548.24 (gross) paid by the Company on 13 December 2024.

On 7 January 2025, the Board of Directors unanimously approved the distribution of a special dividend of 15.0 pence per ordinary share, being a total aggregate distribution of GBP 150,573,280.65 (gross) paid by the Company on 14 February 2025.

Legal reserve

In accordance with article 710-23 of the Luxembourg law on commercial companies dated 10 August 1915, as amended, the Company is required to allocate to a legal reserve, which is not available for distributions to shareholders, a minimum of 5% (five per cent) of its annual net profit. This allocation ceased to be mandatory when and for so long as this reserve equals 10% (ten per cent) of the subscribed share capital.

Consequently, no allocation to the legal reserve will be proposed to the AGM reviewing those financial statements.

7 Creditors

Amounts due and payable for the accounts shown under "Debenture loans" are as follows:

	Within one year £	After one year and within five years £	After more than five years £	**March 2025 £**	March 2024 £
Debenture loans					
Non-convertible loans – Bonds interest	17,843,771	–	–	**17,843,771**	11,840,299
Non-convertible loans – Bonds principal	155,520,000	250,000,000	500,000,000	**905,520,000**	655,520,000
	173,363,771	250,000,000	500,000,000	**923,363,771**	667,360,299

The Company issued Senior Secured Notes ("Notes") which are all listed for trading on the Euro MTF Market of the Luxembourg Stock Exchange. The Euro MTF Market of the Luxembourg Stock Exchange is not a regulated market pursuant to the provisions of Directive 2014/65 EU on financial instruments but falls within the scope of Market Abuse Regulation 596/2014 and Directive 2014/57 EU on criminal sanctions for market abuse.

On 13 July 2020, the Company issued GBP 400,000,000 3.625% Senior Secured Notes (the "2020 Notes") which are due on 15 July 2025. Interest on the 2020 Notes is paid semi-annually in arrears on 15 January and 15 July each year since. The proceeds were used to repay (i) the amounts outstanding in relation to Notes issued in 2017 and maturing in 2022, and (ii) the amounts then due under facilities agreements which were subsequently terminated as per the terms and conditions set out in the Global Deed of Release entered into on the same date.

On 13 November 2023, the Company tendered 2020 Notes up to a maximum acceptance amount and on 21 November 2023, the Company announced that an amount of GBP 244,480,000 had been validly tendered which left an outstanding amount of GBP 155,520,000 of the 2020 Notes.

On 24 November 2021, the Company issued GBP 250,000,000 4.000% Senior Secured Notes (the "2021 Notes") which are due on 15 November 2028. Interest on the 2021 Notes is paid semi-annually in arrears on 15 May and 15 November of each year. The proceeds were used for general corporate purposes.

The Company may redeem the 2021 Notes in whole or in part at any time on or after 15 November 2024, in each case, at the redemption prices set out in the relevant Offering Circular.

Prior to 15 November 2024, the Company is entitled to redeem, at its option, all or a portion of the 2021 Notes at a redemption price equal to 100% of the principal amount, together with accrued and unpaid interest to the redemption date and additional amounts, if any, plus a "make-whole" premium, as described in the relevant Offering Circular.

Prior to 15 November 2024, the Company may, at its option, and on one or more occasions, also redeem up to 40% of the original aggregate principal amount of the 2021 Notes with the net proceeds from certain equity offerings. Additionally, the Company may redeem the 2021 Notes in whole, but not in part, at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control, the issuer may be required to repurchase all or any portion of the 2021 Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase.

On 23 November 2023, the Company issued GBP 250,000,000 8.125% Senior Secured Notes (the "2023 Notes") which are due on 15 November 2030. Interest on the 2023 Notes is paid semi-annually in arrears on 15 May and 15 November of each year. Out of the proceeds, GBP 244,480,000 were used to settle the 2020 Notes redeemed as above reported.

The Company may redeem the 2023 Notes in whole or in part at any time on or after 15 November 2026, in each case, at the redemption prices set out in the relevant Offering Circular.

Prior to 15 November 2026, the Company is entitled to redeem, at its option, all or a portion of the 2023 Notes at a redemption price equal to 100% of the principal amount of the 2023 Notes, together with accrued and unpaid interest to the redemption date and additional amounts, if any, plus a "make-whole" premium, as described in the relevant Offering Circular.

Prior to 15 November 2026, the issuer may, at its option, and on one or more occasions, also redeem up to 40% of the original aggregate principal amount of the 2023 Notes with the net proceeds from certain equity offerings. Additionally, the issuer may redeem the 2023 Notes in whole, but not in part, at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control, the Company may be required to repurchase all or any portion of the 2023 Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase.

On 27 November 2024, the Company issued GBP 250,000,000 6.50% Senior Secured Notes (the "2024 Notes") which are due on 27 November 2031. Interest on the 2024 Notes is paid semi-annually in arrears on 27 May and 27 November of each year.

The Company may redeem the 2024 Notes in whole or in part at any time on or after 27 November 2027, in each case, at the redemption prices set out in the relevant Offering Circular.

Prior to 27 November 2027, the Company is entitled to redeem, at its option, all or a portion of the 2024 Notes at a redemption price equal to 100% of the principal amount of the 2024 Notes, together with accrued and unpaid interest to the redemption date and additional amounts, if any, plus a "make-whole" premium, as described in the relevant Offering Circular.

Prior to 27 November 2027, the Company may also, at its option, and on one or more occasions, redeem up to 40% of the original aggregate principal amount of the 2024 Notes with the net proceeds from certain equity offerings. Additionally, the issuer may redeem the 2024 Notes in whole, but not in part, at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control, the issuer may be required to repurchase all or any portion of the 2023 Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase.

All Notes are senior obligations of the Company, guaranteed on a senior basis by its various affiliated companies.

7 Creditors continued

Other amounts due and payable for the accounts shown under "Creditors" are as follows:

	Within one year £	After one year and within five years £	After more than five years £	**March 2025 £**	March 2024 £
Trade creditors					
Suppliers	542,357	–	–	**542,357**	57,389
Suppliers – Invoices not yet received (note 7.1)	1,438,145	–	–	**1,438,145**	75,612
	1,980,502	–	–	**1,980,502**	133,000
Amounts owed to affiliated undertakings B&M EVR 2* (note 7.2)	7,206,040	–	–	**7,206,040**	7,366,872
Other creditors					
Tax authorities:					
Net wealth tax	8,135	–	–	**8,135**	4,112
Other taxes	3,493	–	–	**3,493**	4,567
	11,628	–	–	**11,628**	8,679
Other creditors	72,524	–	–	**72,524**	135,966
Total	9,270,694	–	–	**9,270,694**	7,644,518

* B&M EVR 2 stands for B&M European Value Retail 2 S.à.r.l.

Note 7.1 The balance of suppliers' invoices not yet received relates mostly to accruals relating to the process of relocating the domicile, for legal fees and for audit fees.

Note 7.2 Dividend payments in GBP received by the Company on behalf of B&M EVR 2.

8 Other external expenses

	March 2025 £	March 2024 £
Advisory and consultancy fees	**609,594**	250,402
Fees relating to redemption and issue of bond debt:		
- In relation to the Notes 2024	**3,103,508**	–
- In relation to the Notes 2023	**443,513**	11,876,108
Redomiciliation fees	**1,151,847**	–
Stock exchange fees	**260,609**	226,062
Accounting and administrative fees	**164,627**	106,764
Marketing, communication and travel expenses	**202,786**	119,154
Government regulatory fees	**189,769**	117,244
Audit fees	**115,407**	91,667
Legal fees	**335,922**	18,399
Rentals	**51,036**	50,613
Board recruitment expenses	**389,996**	253,344
Repairs and maintenance	**9,906**	28,597
Others	**14,470**	12,237
Total	**7,042,989**	13,150,590

The audit fees shown above are parent-only fees. Audit fees paid to members of the KPMG network are disclosed in the consolidated financial statements.

On 23 November 2023, GBP 244,480,000 of the 2020 Notes were redeemed at 98% of their principal amount, resulting in a GBP 4.9m gain on tender of corporate bonds. The remaining GBP 155,520,000 of the 2020 Notes mature in July 2025. See also note 12.

On 23 November 2023, the Group issued the 2023 Notes for GBP 250,000,000, maturing in November 2030 with an interest rate of 8.125%. Fees incurred in relation with the 2023 Notes totalled GBP 11.9m, including an GBP 8.4m loss related to an interest rate swap derivative.

On 27 November 2024, the Group issued the 2024 Notes for GBP 250,000,000, maturing in November 2031 with an interest rate of 6.5%. Fees incurred in relation with that issuance totalled GBP 3.1m. The total fees are included in the above breakdown under the caption "fees relating to redemption and issue of bond debt", with a further GBP 0.4m of late fees relating to the 2023 Notes.

9 Staff costs

As at 31 March 2025, the Company employed one part-time employee and one full-time employee (2024: one part-time and one full-time).

10 Other operating expenses

	March 2025 £	March 2024 £
Director fees	**817,669**	793,348
Non-deductible VAT	**66,505**	469,346
Others	**–**	55,025
Total	**884,174**	1,317,719

11 Income from participating interests

	March 2025 £	March 2024 £
Derived from affiliated undertakings:		
Dividend income (note 11.1)	**291,000,000**	350,000,000
Total	**291,000,000**	350,000,000

Note 11.1 Dividend income relates to dividends distributed by B&M EVR 1.

12 Other interest receivable and similar income

	March 2025 £	March 2024 £
Derived from affiliated undertakings (note 12.1):		
Interest recharge	**43,578,736**	31,299,621
	43,578,736	31,299,621
Other interest and similar income:		
Gain on tender of corporate bonds	**–**	4,889,600
Realised foreign exchange gain	**475,217**	282,468
	475,217	5,172,068
Total	**44,053,953**	36,471,689

Note 12.1 The Company and its UK and Luxembourg affiliates are bound by the terms of a Management Services Agreement ("MSA"). Included in the provisions of this MSA is the right for the Company to charge or be charged with interest on any intercompany balances held with affiliates outside of Luxembourg ("interest recharge"). The basis for the interest recharge is the outstanding balance per management accounts at the start and end of each month, and the marginal external rate of borrowing available to the Group as reviewed by management on at least quarterly basis.

13 Interest payable and similar expenses

	March 2025 £	March 2024 £
Other interest and similar expenses:		
Interest expense on bonds payable	**41,502,183**	28,539,341
Realised foreign exchange loss	**255,482**	164,312
Total	**41,757,665**	28,703,653

14 Taxation

The Company is subject to the general tax regulation applicable to all Luxembourg commercial companies.

The Group has performed an assessment of the potential exposure to Pillar Two income taxes under Luxembourg legislation with its external tax specialists. This assessment was based upon our most recent country-by-country reporting and the methodology we intend to use in our future country-by-country and Pillar Two reporting and the most recent financial statements for the constituents of the Group. Based on the assessment, the Pillar Two effective tax rates in all of the jurisdictions in which the Group have trading operations are above 15%, which is expected to continue in future years and other jurisdictions have been analysed to meet other safe harbour tests or are not expected to have significant impact. We therefore intend to apply the transitional safe harbour rules which will exempt the Group from applying the full Pillar Two rules from the first year of their application.

15 Off balance sheet commitments and contingencies

As at the balance sheet date, the Company has financial commitments relating to i) share option plans and ii) pledge agreements. The nature and the commercial objective of the operations not disclosed on the balance sheet can be described as follows.

Acting on the basis of article 5.2 of the Articles, and in accordance with the terms of the various incentive schemes in place, including the Restricted Stock Awards Plan and Long-Term Incentive Plan (LTIP), the Board of Directors of the Company issued new shares to Directors and employees of the Group during the financial year ended 31 March 2025. The nominal value of the 1,030,975 newly issued shares were paid out of carried forward earnings of the Company and the Articles of the Company were amended accordingly.

The Company also acts as a guarantor for the senior credit facilities of its affiliated companies.

Note 15.1 Share option plans

The Company operates the following open share option plans. The details of which are as follows:

1. The B&M European Value Retail S.A. Long-Term Incentive Plan 2019, LTIP 2019A
2. The B&M European Value Retail S.A. Long-Term Incentive Plan 2020, LTIP 2020A
3. The B&M European Value Retail S.A. Long-Term Incentive Plan 2021, split into two; (i) LTIP 2021A, (ii) LTIP 2021/B1
4. The B&M European Value Retail S.A. Long-Term Incentive Plan 2022, split into three; (i) LTIP 2022A, (ii) LTIP 2022/B1, (iii) LTIP 2022/B2
5. The B&M European Value Retail S.A. Long-Term Incentive Plan 2023, split into two; (i) LTIP 2023A, (ii) LTIP 2023/B1
6. The B&M European Value Retail S.A. Long-Term Incentive Plan 2024, split into two; (i) LTIP 2024A, (ii) LTIP 2024/B1
7. The B&M European Value Retail S.A. Deferred Benefit Share Plan 2021 (DBSP 2021)
8. The B&M European Value Retail S.A. Deferred Benefit Share Plan 2022 (DBSP 2022)
9. The B&M European Value Retail S.A. Deferred Benefit Share Plan 2023 (DBSP 2023)
10. The B&M European Value Retail S.A. Deferred Benefit Share Plan 2024 (DBSP 2024)
11. The B&M European Value Retail S.A. Buy-out awards 2022, Buy-out Nov-24

LTIP

These awards are ordinary shares subject to a mixture of market based and non-market-based performance conditions. They vest after a period of three years.

LTIP 2019A, LTIP 2020A, LTIP 2021A, LTIP 2022A, LTIP 2023A and LTIP 2024A have been separated into two tranches based upon the conditions required for vesting, as the two tranches were calculated to have separately identifiable and different fair values. The tranches are labelled "TSR" and "EPS" as the relevant key performance conditions are based upon total shareholder return and earnings per share. These LTIP schemes all have a holding period of two years after the shares have vested. The other LTIP schemes do not have this feature.

All schemes awarded have additional options granted to holders for each dividend paid by the Company whilst the options are held. These dividend grants are equivalent to the number of new shares they could have bought with the dividend that would have been due to them had they held the actual shares.

The options were valued using appropriate methodology (the Black Scholes and Monte Carlo models). All LTIP options have a nil exercise price.

Scheme/ Tranche	Date of grant	Date of vesting	Fair value of option £	Number of options outstanding at 31 March 2024	Number of options granted/ (forfeited or lapsed) in the year	Number of options exercised in the year	**Number of options outstanding at 31 March 2025**
LTIP 2019A/EPS	22 Aug 2019	22 Aug 2022	3.61	312,583	6,467	(319,050)	**–**
LTIP 2019A/TSR	22 Aug 2019	22 Aug 2022	2.51	312,583	6,467	(319,050)	**–**
LTIP 2020A/EPS	30 Jul 2020	30 Jul 2023	4.64	197,369	17,023	–	**214,392**
LTIP 2020A/TSR	30 Jul 2020	30 Jul 2023	4.09	197,369	17,023	–	**214,392**
LTIP 2021A/EPS	3 Aug 2021	3 Aug 2024	5.60	191,790	(90,874)	–	**100,916**
LTIP 2021A/TSR	3 Aug 2021	3 Aug 2024	3.54	191,790	(8,710)	–	**183,080**
LTIP 2022A/EPS	17 Nov 2022	17 Nov 2025	3.86	349,537	30,148	–	**379,685**
LTIP 2022A/TSR	17 Nov 2022	17 Nov 2025	1.24	349,537	30,148	–	**379,685**
LTIP 2023A/EPS	1 Aug 2023	1 Aug 2026	5.48	235,204	(36,786)	–	**198,418**
LTIP 2023A/TSR	1 Aug 2023	1 Aug 2026	4.09	235,204	(36,787)	–	**198,417**
LTIP 2024A/EPS	1 Aug 2024	1 Aug 2027	4.56	–	187,298	–	**187,298**
LTIP 2024A/TSR	1 Aug 2024	1 Aug 2027	1.74	–	187,297	–	**187,297**
LTIP 2021/B1	3 Aug 2021	3 Aug 2024	5.60	251,134	2,849	(248,414)	**5,569**
LTIP 2022/B1	3 Aug 2022	3 Aug 2025	4.37	380,862	4,884	–	**385,746**
LTIP 2022/B2	15 Dec 2022	15 Dec 2025	4.12	4,061	350	–	**4,411**
LTIP 2023/B1	1 Aug 2023	1 Aug 2026	5.48	387,478	(27,370)	–	**360,108**
LTIP 2024/B1	1 Aug 2024	1 Aug 2027	4.55	–	492,657	–	**492,657**

LTIP 2020A and LTIP 2021A have vested and are in a two-year holding period.

5,569 (LTIP 2021/B1) of the outstanding options are available for immediate exercise as at 31 March 2025.

Assumptions

The fair valuing exercise uses several assumptions, including those given in the table below.

Scheme/Tranche	Risk-free rate	Expected life (years)	Volatility
LTIP 2019A/EPS	0.37%	5	31%
LTIP 2019A/TSR	0.37%	5	31%
LTIP 2020A/EPS	-0.11%	5	48%
LTIP 2020A/TSR	-0.11%	5	48%
LTIP 2021A/EPS	0.23%	5	37%
LTIP 2021A/TSR	0.23%	5	37%
LTIP 2022A/EPS	3.16%	5	31%
LTIP 2022A/TSR	3.16%	5	31%
LTIP 2023A/EPS	4.75%	5	32%
LTIP 2023A/TSR	4.75%	5	32%
LTIP 2024A/EPS	4.04%	5	31%
LTIP 2024A/TSR	4.04%	5	31%
LTIP 2021/B1	0.12%	3	42%
LTIP 2022/B1	1.75%	3	32%
LTIP 2022/B2	1.75%	3	32%
LTIP 2023/B1	4.77%	3	31%
LTIP 2024/B1	3.77%	3	31%

DBSP

The Deferred Benefit Share Plan (DBSP) is a holding scheme where a portion of the Executive Directors annual bonus is deferred into a share option holding scheme where the options are held for three years before they can be exercised.

As such these are valued at the portion of the bonus which has been deferred. This scheme also attracts the additional dividend related grants as detailed above for the post 2019 LTIP schemes.

All DBSP options have a nil exercise price.

Scheme/ Tranche	Date of grant	Date of vesting	Fair value of option £	Number of options outstanding at 31 March 2024	Number of options granted/ (forfeited or lapsed) in the year	Number of options exercised in the year	**Number of options outstanding at 31 March 2025**
DBSP 2021	4 Jul 2021	4 Jul 2024	N/A	104,359	2,160	(106,519)	**–**
DBSP 2022	8 Jun 2022	8 Jun 2025	N/A	324,517	27,990	–	**352,507**
DBSP 2023	13 Jun 2023	13 Jun 2026	N/A	165,640	14,289	–	**179,929**
DBSP 2024	17 Jun 2024	17 Jun 2027	N/A	–	266,096	–	**266,096**

Buy-out awards

The buy-out awards relate to schemes awarded to Executive Directors relating to the buy-out of share schemes which previously were held with their prior employer. One such scheme remains that was awarded in November 2022, Buy-out Nov-24 vested and was fully exercised in November 2024.

These schemes are valued at an amount agreed by the remuneration committee upon their award and all buy-out awards have a nil exercise price.

Scheme/ Tranche	Date of grant	Date of vesting	Fair value of option £	Number of options outstanding at 31 March 2024	Number of options granted/ (forfeited or lapsed) in the year	Number of options exercised in the year	**Number of options outstanding at 31 March 2025**
Buy-out Nov-24	16 Nov 2022	16 Nov 2024	N/A	36,601	1,341	(37,942)	**–**

In accordance with Luxembourg GAAP, as long as the option holders have not exercised their rights, the related amounts are reported as off-balance sheet commitments.

Note 15.2 Pledge agreements

In relation to the issuance of the Notes (see note 7), and pursuant to a share pledge agreement dated (and effective as of) 14 July 2020, all shares and related assets owned from time to time in B&M EVR 1 by the Company and, in particular, the 198,916,673 shares owned as of 31 March 2025 and any shares acquired by the Company in the future and related assets, are pledged in favour of Deutsche Bank AG, London Branch, acting as security agent for itself and for and on behalf of the secured parties.

To secure the Notes (see note 7), the Company and its Luxembourg affiliates also consented a first ranking pledge over their respective current bank accounts in favour of Deutsche Bank AG, London Branch, acting as security agent for itself and for and on behalf of the secured parties.

16 Directors emoluments

Director fees payable to the Independent Non-Executive Directors of the Company are paid in GBP and subject to withholding tax in Luxembourg at the rate of 20%.

The contractual emoluments paid to the Non-Executive Directors of the Company are as follows:

	March 2025 £	March 2024 £
Director fees paid to the Non-Executive Directors of the Group	**776,322**	782,632
	776,322	782,632

There were and there are no obligations arising or entered into in respect of retirement pensions for former members of the Board.

There were no advances or loans granted during this financial year to the members of the Board.

There are no guarantees or direct substitutes granted or given to the members of the Board.

Executive Directors are remunerated through other Group companies.

17 Subsequent events

As announced on 24 February 2025, Alejandro Russo retired from his position as Group CEO on 30 April 2025. On that date the Company appointed Mike Schmidt as interim Group CEO, alongside his role as Group CFO.

On 15 May 2025 the Company announced the appointment of Tjeerd Jegen as new Group CEO with effect of 16 June 2025. Until that date Mike Schmidt will remain interim CEO.

No other matters or circumstances of importance other than those already described in the present notes to the annual accounts have arisen since the end of the financial year which could have significantly affected or might significantly affect the operations of the Company, the results of those operations or the affairs of the Company.

The financial statements were approved by the Board of Directors and authorised for issue on 3 June 2025 and signed on its behalf by:

Michael Stefan Schmidt
Interim Chief Executive Officer
Chief Financial Officer

Corporate Directory

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Listing
The ordinary shares of B&M European Value Retail S.A. are listed with a premium listing on the London Stock Exchange.

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