



Contents

Strategic Report	
At a glance	02
Our growth story	04
Investment case	06
Chair's statement	08
CEO statement	10
Business model	14
Our strategy	16
Market review	24
Our brands and products	30
Stakeholder engagement and section 172 statement	32
Key performance indicators	34
Environmental, social and governance	38
Environmental sustainability	40
Diversity and inclusion	42
Governance and ethics	46
Reporting frameworks	48
SASB disclosure and accounting metrics	50
Non-financial and sustainability information	51
Financial review	52
Risk management	58
Principal risks	60
Viability statement	66
Corporate Governance	
Corporate governance at a glance	68
Chair's introduction to corporate governance	69
Board of Directors	70
Division of responsibilities	72
Corporate governance statement	73
Nomination Committee report	78
Audit and Risk Committee report	80
Directors' remuneration report	84
Directors' report	91
Financial Statements	
Independent auditor's report	96
Consolidated statement of comprehensive income	102
Consolidated statement of financial position	103
Consolidated statement of changes in equity	104
Consolidated statement of cash flows	105
Notes to the consolidated financial statements	106
Company balance sheet	139
Company statement of changes in equity	140
Notes to the Company financial statements	141
Additional Information	
Unaudited five-year record	145
Glossary – Alternative Performance Measures	146
Advisers	148



Find out more inside....

08
Chair's statement
Philip Bowcock

10
CEO statement
Mark Radcliffe

14
Our business model

16
Our strategy

30
Our brands and products

Victorian Plumbing is the UK's leading bathroom retailer, offering a one-stop shop solution for the entire bathroom.

Victorian Plumbing offers its customers a choice of over 37,000 products spanning the entire bathroom, with more than 150 own and third party brands across a wide spectrum of price points.

Victorian Plumbing brands

 victorianplumbing.co.uk AREZZO

bower **BROOKLYN**

CHATSWORTH™

Stonehouse Studio

MFI

MFI

Key highlights

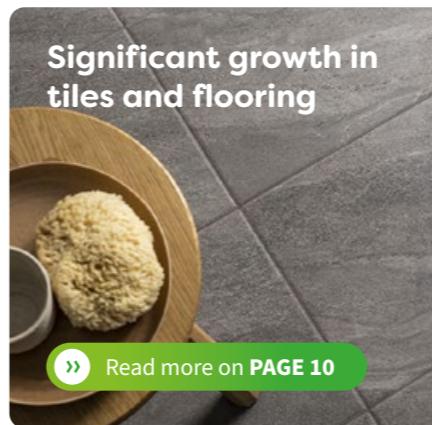


Transition to new warehouse infrastructure complete

 Read more on PAGE 10

Victoria Plum closure journey completed

Revenue of £310.0m (+5%), continuing to outperform the wider RMI market



Significant growth in tiles and flooring

 Read more on PAGE 10



Strategic expansion into homewares market through MFI

 Read more on PAGE 20

At a glance

Our purpose

Our purpose is to improve the quality of home life.

We provide affordable bathrooms, tiles and homewares to every home by sustainably investing in a broad range of products, advanced logistics and a values-driven, customer-focused and data-oriented culture.

Our values

Everything we do is driven by a set of shared values:



We take responsibility



We innovate



We respect people



We celebrate success



We're humble



We develop and grow

All of which is underpinned by our way of working, based on an unwavering commitment to:



Our stakeholders



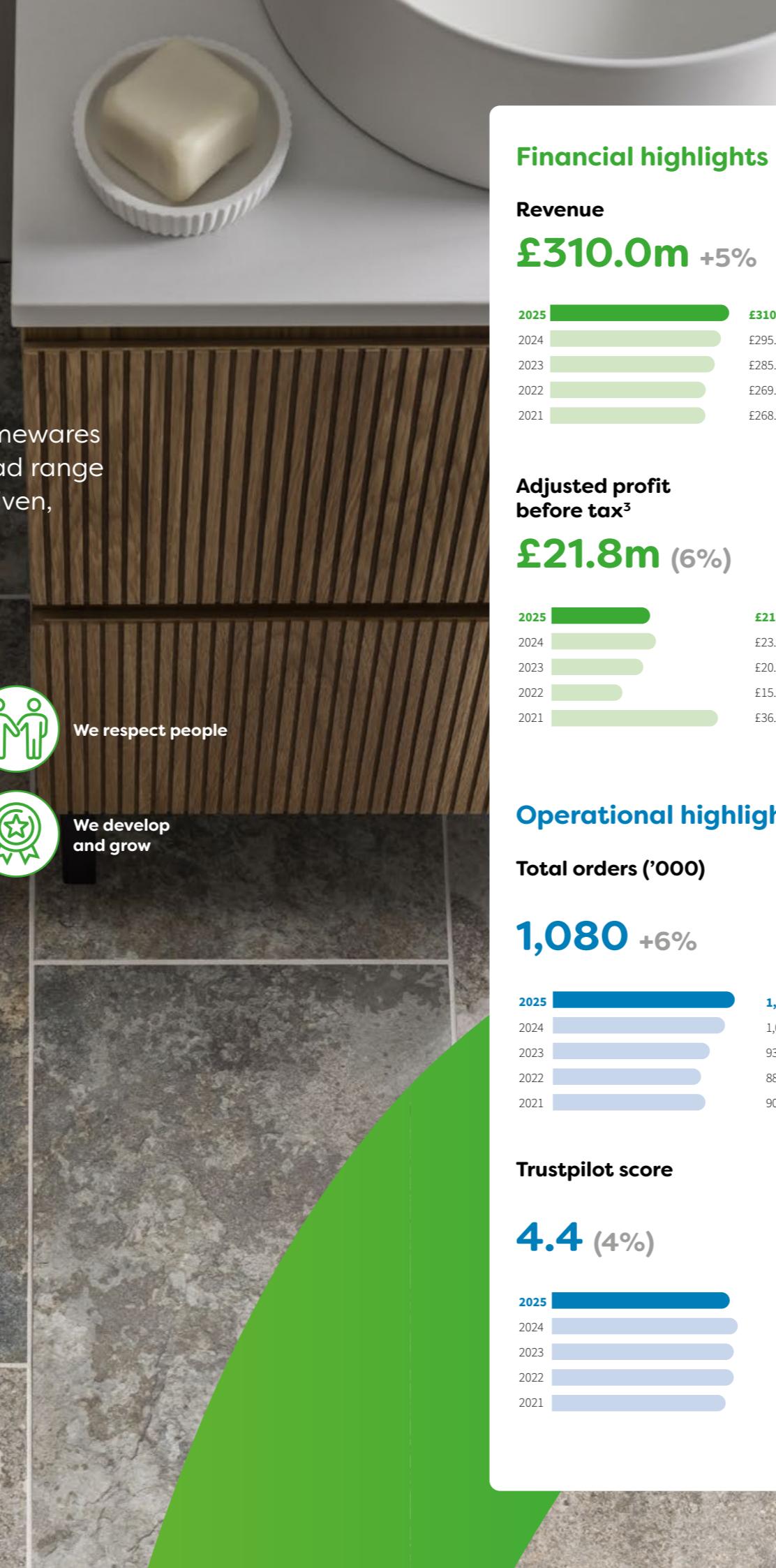
Risk management



Our people and culture



Governance



Investment case

Why invest in us?

1 Digitally native leading brands

We are the leading retailer of bathroom products and accessories in a large market where consumer buying behaviour continues to shift to online channels. We have a highly recognisable brand with a reputation for quality products and great service.

In 2025, we entered the online UK homewares market under the MFI brand.

£20.6bn

Market size of homewares in 2024, according to The Research Insights

£1.7bn

Market size of bathroom and bathroom accessories in 2024, according to Mintel

» Read our **Market review** on [PAGE 24](#)

2 Agile supply chain

Long-standing relationships with our global supplier base allow us to manage and work effectively with our supply chain, bringing choice and differentiated products to both the consumer and trade audience.

>150

Own and third party brands

» Read our **Strategy** on [PAGE 16](#)

5 Labour gearing is low

In comparison to our competitors who have a bricks and mortar presence, we have a higher revenue per FTE. This has increased year on year and should continue as automation in our new warehouse infrastructure beds in.

As an online retailer, we see our bricks and mortar retail competitors impacted more significantly by inflationary cost pressures, such as the national living wage and national insurance increases.

£435,000

Revenue per FTE

» Read our **Strategy** on [PAGE 16](#)

6 Entrepreneurial and collaborative approach

Our Executive Leadership Team comprises the Group's founder, Mark Radcliffe, other long-standing members of Victorian Plumbing management and senior hires brought into the business over recent years; all work together to grow the business into the market leader.

Launch of MFI

Using Victorian Plumbing's proprietary software and e-commerce knowledge

» Read more about **MFI** on [PAGE 20](#)

3 Significant product range

Our extensive range of own and third party brands enables customers to complete their entire basket of bathroom purchases. We currently offer more than 37,000 products from over 150 brands to provide a one-stop solution for our broad customer base. This includes a wide range of tiles that are now serviced from a dedicated distribution centre.

We have an opportunity to further expand our reach into products that often come later in the buying journey, such as heating and kitchens.

MFI has started to build its own product offering, with a selection of textiles, home décor, and freestanding furniture.

>37,000

SKUs available

» Read our **Brands and Products** on [PAGE 30](#)

4 Seamless customer journey

Our convenient and intuitive website provides a seamless, fully digital journey from homepage to payment and beyond. The website is optimised across multiple devices and tracks each customer's behaviour to intelligently provide visitors with complementary products, maximising conversion and customer satisfaction.

2%

Revenue run rate through the app

» Read our **Strategy** on [PAGE 16](#)



7 Robust financial position

With an unbroken track record of profitability and strong cash generation, no external debt and a robust balance sheet, we are in a strong position to continue to invest and grow our share of the bathroom and expansion category market. This financial strength has also enabled our entry into the UK homewares market, with the launch of MFI.

£31.8m

Adjusted EBITDA
(2024: £27.2m)

77%

Operating cash conversion
(2024: 68%)

» Read our **Financial Review** on [PAGE 52](#)

Chair's statement



We are pleased to report further progress in our strategic growth areas which enables us to recommend a 34% year-on-year increase in the full year ordinary dividend."

Philip Bowcock
Chair



Highlights

- Significant profit progression in a year of transition
- Continued strong cash generation
- New 544,000 square feet distribution centre ("DC") located in Leyland, Lancashire, fully operational
- Dedicated tiles distribution centre opened
- Launch of MFI
- Full year final ordinary dividend recommended for 2025 of 2.15p; year-on-year growth of 34% (2024: 1.61p)



The last twelve months have been ones of continued progress for Victorian Plumbing, with positive order growth, strong operating cash flow, and a robust balance sheet, while further cementing its position as the UK's leading bathroom retailer¹.

In addition, we are pleased to have unlocked capacity constraints with our new DC and dedicated tiles distribution centre, and we are excited by our expansion into the UK online homewares market with the launch of MFI.

2025 performance

Revenue grew by 5%, adjusted EBITDA² increased by 17% and adjusted EBITDA margin³ increased to 10% (2024: 9%).

Robust operating cash conversion of 77% (2024: 68%) with free cash flow growing by 29%.

Our people

The dedication and hard work of our people across the organisation have enabled the Group to deliver another year of strong strategic progress. On behalf of the Company's Board of Directors (the "Board"), I'd like to thank all the Group's employees, agents and contractors for their contribution during the year.

Governance

On Admission, the Company agreed to comply with the UK Corporate Governance Code (the "Code"), and details of our compliance with the Code are set out on page 68.

The Board's composition is as follows:



- Chair (independent on appointment)
- Independent Non-Executive Directors
- Executive Directors

» [Read more on PAGE 68](#)

Philip Bowcock	Chair of the Board and the Nomination Committee
Mark Radcliffe	Chief Executive Officer
Daniel Barton	Chief Financial Officer
Damian Sanders	Senior Independent Non-Executive Director and Audit and Risk Committee Chair
Dianne Walker	Independent Non-Executive Director and Remuneration Committee Chair

Dividend

In order to distribute a total ordinary dividend for the year of 2.15 pence per share (2024: 1.61 pence per share), the Board is pleased to recommend a full year final ordinary dividend of 1.45 pence per share for the 2025 financial year (2024: 1.09 pence per share).

I would like to take this opportunity to express my thanks to all the employees of Victorian Plumbing for what has been an extremely busy and successful year.

Philip Bowcock
Chair

2 December 2025

Our Board and corporate governance

The Board is committed to upholding the highest level of corporate governance, and this has already been demonstrated by our undertaking to adopt the Code from Admission. Although this is not required for companies on AIM, we believe that it is important to hold ourselves to high standards in all areas of our business, including governance.

The continued presence of two independent Non-Executive Directors along with myself, also independent on appointment, means that the composition of the Board remains compliant with this area of the Code.

Looking ahead

In light of the current trading environment, the Board is pleased with the start to the new financial year. It is confident that the Group is well positioned to drive sustained profitable growth as it now seeks to capitalise on investment in its warehouse infrastructure. The Group continues to lead the shift in its markets from offline to online, and takes advantage of opportunities in the trade sector and in complementary product categories. The Board looks forward to making strong strategic and operational progress in the year ahead.

¹ Mintel, Bathroom Furniture - UK - 2025.

² Adjusted EBITDA is a non-GAAP measure. A reconciliation to operating profit can be found within note 4 of the consolidated financial statements.

³ Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of revenue.

CEO statement

“

I am proud of the Group's strong performance in 2025, in which we achieved record revenues and continued to deliver on our strategic growth ambitions.”

Mark Radcliffe
Chief Executive Officer



“

As a highly cash generative business with a strong balance sheet, we continue to invest for long-term profitable growth.”



Highlights

- Reinforced our position as the number one bathroom retailer in the UK¹
- Continued outperformance of the RMI market²
- Trade revenue grew by 10%, now representing 24% of revenue
- Tiles and flooring revenue grew by 42%
- MFI launched in July 2025, accessing a new homewares market



Overview

The Group continued to perform ahead of the wider RMI market throughout 2025 and is reporting strong growth in profitability. The consumer, whether directly or via the trade channel, increasingly chooses Victorian Plumbing as their bathroom and tiles retailer of choice because of our fair pricing, unrivalled high-quality product range and excellent stock availability.

Summary of performance

Revenue for the year grew by 5% to £310.0m (2024: £295.7m) outperforming the wider RMI market and reflecting an increase in total orders of 6% and a slight reduction in AOV of 1%. Adjusted EBITDA³ increased by 17% to £31.8m (2024: £27.2m) and adjusted EBITDA margin increased to 10% (2024: 9%).

The trend of consumers switching to higher margin own brand product over recent years has slowed as anticipated, with own brand sales representing 81% of total revenue, which is in line with the second half of the last financial year.

Online marketing continues to be more efficient and aids the continued strategic investment in the brand which, in turn, drives more marketing efficiency. The investment in brand reflects the creation of new marketing content designed to drive profitable growth following the discontinuation of Victoria Plum in November 2024, and to capitalise on the increased capacity unlocked by the finalisation of our warehouse transformation programme in December 2024.

This performance proves the resilience of our business model and our competitive advantage irrespective of consumer sentiment, underpinning our confidence in delivering short, medium and long-term profitable growth.

Victorian Plumbing (LFL)

Outperforming the wider RMI market, on a like-for-like basis (excluding the impact of Victoria Plum), we report revenue growth of 9% at £306.0m (2024: £281.0m), reflecting an increase in total orders of 11% and a decline in AOV of 2% to £288 (2024: £294). The second half of the financial year saw a 13% increase in order volume and 2% increase in AOV, resulting in a 15% increase in LFL revenue.

The introduction of Extended Producer Responsibility tax in April 2025, increased delivery charges and growth in trade and tiles and flooring revenues (both of which have a lower gross margin compared to the average of the wider Group) have driven a small reduction in gross margin to 49.4% (2024: 50.0%).

Online marketing spend as a percentage of revenue decreased from 26.2% in 2024 to 24.6% in 2025, with brand marketing spend increasing from 2.5% to 2.7% in the same period, resulting in overall marketing spend decreasing from 28.7% in 2024 to 27.3% in 2025.

Progress on our strategic focus areas

We continue to leverage our market and brand position, as well as our strong balance sheet, to deliver on our clearly defined strategic objectives, which focus on core B2C, expansion categories and trade.

Our core market is retailing bathroom and tile products and accessories to UK consumers through our market leading online platform. As previously highlighted, there is still a considerable way to go before the consumer transition to online purchasing of bathroom products and accessories reaches maturity. We are particularly well placed to continue to gain further market share in the short-term through these structural tailwinds and by taking share from traditional physical retailers, omnichannel players and other online competitors.

In line with our medium term strategy, we are considering opportunities for focused international expansion and vertical integration in our supply chain. In particular, we are already delivering an increasing amount of order volume to the Republic of Ireland through our UK domain, which could facilitate some focused and disciplined investment to better serve this growth market in the future.

Given our market leading position in the bathroom product and accessories market, and our firm footing in the tiles market following a year of stellar growth, we have exciting opportunities to expand our reach into additional areas, such as our planned expansion into homewares through MFI, our recently launched online furniture and homewares brand.

¹ Mintel, Bathroom Furniture - UK - 2025.

² Barclays UK Consumer Spend Report - during the year home improvements & DIY spending was between 8ppt below and 4ppt above the previous year.

³ Adjusted EBITDA is a non-GAAP measure. A reconciliation to operating profit can be found within note 4 of the consolidated financial statements.

CEO statement

continued

During 2025, our trade revenue grew by 10% to £73.8m (2024: £67.3m), representing 24% (2024: 23%) of our total revenue, compared with an estimated 50:50 split across the wider market⁴. Our primary targets to date have been smaller, independent traders, and we believe we can make meaningful market share gains by broadening our marketing approach, including via targeted radio advertising, expanding the range of relevant products we offer to trade customers, and by continually improving our platforms so that they are more tailored to suit trade customers' needs. The marketing investment in sports sponsorship during the year further strengthens our brand awareness amongst tradespeople and, along with the investment in our dedicated trade team, means we are well placed to attract trade customers and drive further growth in trade revenue.

Strengthening our competitive position

We are the UK's largest bathroom retailer, and during 2025 we have continued to strengthen our competitive moat by improving the customer journey through innovative technology enhancements and category expansion.

Our investment in marketing continues to increase brand awareness and supports customer acquisition, as consumers respond positively to the bold and distinctive Victorian Plumbing brand. We have renewed our partnership with Bolton Wanderers Football Club as its title and front of shirt sponsor for a further three years. We also renewed our partnership with the World Snooker Tour as the headline sponsor of the Victorian Plumbing UK Championship 2025, part of snooker's Triple Crown Series, following our success in November 2024 which attracted over 14 million BBC TV viewers.

Our creative offline content is complemented by our investment in increasingly targeted digital performance-based marketing. This dynamic marketing strategy, together with our bold marketing campaign 'Boss Your Bathroom', has further improved our strong brand awareness score⁵ to 70% (2024: 66%).

As an online retailer, we continue to benefit from the ongoing structural shift in consumer buying behaviour from offline to online. Online sales represented c.27% of total retail sales in 2025⁶, and we expect our addressable market to grow even further in the coming years.

A one-stop shop for bathroom products and accessories

Offering customers a wide selection of products across a variety of price points ensures that we are the true one-stop solution for any bathroom-related purchase. As at 30 September 2025, we have increased the number of available products to more than 37,000 from over 150 brands, ensuring there is something available, affordable and suitable for everyone.

The relationships that we have developed over time with well-known third party brands enable us to complement our own brand offerings, which are exclusively available on the Victorian Plumbing website. We have developed over 25 own brands using our in-house product development team, and these are increasingly popular with customers. In 2025, 81% of revenue generated came from own brand products including Stonehouse Studio, our in-house tile range (2024: 80%). This unique own brand proposition, alongside established third party brands helps to ensure that profitability is maintained, irrespective of wider market conditions, and is testament to the resilience of the business model.

A bold strategic expansion into a high-value adjacency

In alignment with our long-term growth strategy, we executed a soft launch of the reimagined MFI homewares e-commerce platform in the UK in July 2025. This initiative followed the acquisition of the MFI brand and its premium three-letter domain, as part of the Victoria Plum transaction in May 2024.

MFI is positioned to deliver stylish, design-led homewares tailored to the modern online consumer. The brand targets a broader demographic, including both homeowners and renters, thereby expanding the Group's addressable market. This move marks our entry into the £21bn homewares category⁷ – a significant adjacency to our core business – enabling us to diversify revenue streams and mitigate concentration risk.

The launch leverages Victorian Plumbing's proprietary technology stack, e-commerce expertise, purchasing scale, and logistics infrastructure, ensuring operational efficiency and accelerated market entry. The revitalised MFI brand is already demonstrating conversion rates in line with Group benchmarks, validating our strategic approach.

Operating as a digital-only business, MFI is supported by a dedicated leadership team and warehousing capabilities. The product offering includes a curated selection of textiles, home décor, and freestanding furniture, with a tiered pricing strategy ("good, better, best") designed to appeal to a wide range of consumer segments.

Agile supply chain

Shipping costs did not change materially during 2025. The year-on-year improvement in the strength of GBP to USD, if maintained, bodes well but there remains a significant level of unpredictability in financial markets. We have not seen any improvement to gate prices from China but we continue to work with our suppliers to maximise financial performance. Third party delivery cost prices increased in the second half of the year as a result of suppliers passing on inflationary cost pressures resulting from the increase in National Living Wage and National Insurance Contributions in April 2025.

Regardless of the macroeconomic conditions, by leveraging the positive working relationships we have with our shipping partners, as well as those built with our long-standing global suppliers, we have avoided supply chain disruption – also evidencing the benefit of scale we have achieved in recent years.

Throughout the expansion of our categories, we also work closely with tile and flooring manufacturers, many of whom are based in Southern Europe and have worked to ensure margins are closely aligned with the existing Group margin.

Seamless customer journey

We are extremely proud that we continue to be rated 'Excellent' by Trustpilot and have improved our average score in the year to 4.4 out of 5.0 from a low of 4.3 in the first half, having smoothed out some teething issues in our new warehouse infrastructure (2024: 4.6).

We received a record number of reviews via Trustpilot during the year and as a Group have surpassed 415,000 reviews in total, the highest of any specialist bathroom retailer on the site. The 'Excellent' rating we have across this volume of reviews is testament to the dedicated work of our colleagues.

We are also delighted that our newly launched brand, MFI, is rated 'Excellent' by Trustpilot with an average score in the year of 4.7 – leveraging our existing customer services know-how to deliver the best customer experience.

Development of our technology platforms

Our growing Technology Development and Infrastructure teams work hard to facilitate the continual development of our bespoke technology platforms to ensure we remain best-in-class across online retail.

There has been significant work undertaken over recent years to completely re-platform the website in order to improve its functionality and scalability. We have also introduced a newly designed structure to give prominence to our expansion categories, enhanced our search functionality to include AI features, and introduced other developments, such as improved customer optionality in product selection. These strategic developments have supported an increase in user conversion from 3.8ppt in 2024 to 3.9ppt in 2025⁸. Overall, 2% (2024: 2%) of Victorian Plumbing revenue was generated through the app.

In addition, the Technology Development team successfully enhanced our existing warehouse management system alongside a larger project to transform warehouse operations. By performing this work in-house, we can better control costs, improve quality, and provide more certainty over the benefits that the improved technology brings.

The MFI website and supporting systems were also developed by our in-house team, taking advantage of the knowledge and expertise they developed at Victorian Plumbing.

New distribution centre

We achieved legal completion on the 20-year lease of our new 544,000 square feet DC on 4 October 2023 and became fully operational, as planned and within budget, by the end of December 2024.

ESG

Taking responsibility is one of our core values, and we are clear that every one of us has a role to play in making a positive difference to the environment and the communities in which we operate. Our ESG strategy is centred around three focus areas: environmental sustainability, diversity and inclusion, and governance and ethics.

Our chosen charity is Liverpool Zoe's Place, which supports babies and young children who have complex illnesses or disabilities that are terminal or life limiting from birth to age five.

Our electricity contracts remain 100% renewable, and we continue to work with suppliers to reduce the levels of plastic packaging on our products. We have installed photovoltaic panels on the new DC to ensure we are maximising the renewable energy source opportunities available to us.

Our people

As a Board, we continue to be impressed by the commitment and capability of our people; collectively, their innovation and hard work have been the driving force behind the growth and success experienced by the Group over recent years. We are proud of the values-led, principles-driven culture that is deep-rooted throughout Victorian Plumbing, and it is this culture that underpins our ability to adapt and respond positively to challenges.

Recent hires in MFI from well-established homewares businesses in the UK have added to our ever growing pool of talent and bring fresh perspectives which complement the existing culture in the Group.

⁴ State of the Industry (2022), Euromonitor International.

⁵ Victorian Plumbing brand tracking - Summer 2025 vs. Summer 2024.

⁶ ONS Retail Sales Index.

⁷ The Research Insights, UK Homeware Market, 2019 - 2035.

⁸ Google Analytics GA4 – 2025 vs. H2 2024.

Business model

Our resources →

Leading market position and strong market penetration

Number one bathroom retailer in the UK

Extensive product range

More than 37,000 SKUs across 150 own and third party brands, with unrivalled availability

Trusted customer brand

Continue to be rated 'Excellent' by Trustpilot with a score of 4.4 in the period

Scalable technology platform

MFI platform provided by Victorian Plumbing's proprietary software, with capability of supporting further growth opportunities

Warehouses and distribution centre driven by data

In-house-built warehouse management software enables agile changes as business requirements evolve

Cash generation

Continued year-on-year improvements in operating cash conversion and operating cash flows



What we do →

Compelling marketing campaigns

Investment in marketing to drive traffic

Bold marketing campaign to 'Boss Your Bathroom' extended across our expansion categories with 'Boss Your Home' campaign

Confidence to invest in brand marketing for a greater return following the closure of Victoria Plum

Sport sponsorship to increase brand awareness

Title and front-of-shirt sponsor for Bolton Wanderers

Headline sponsor for the 2025 Victorian Plumbing UK Snooker Championship, one part of snooker's Triple Crown Series

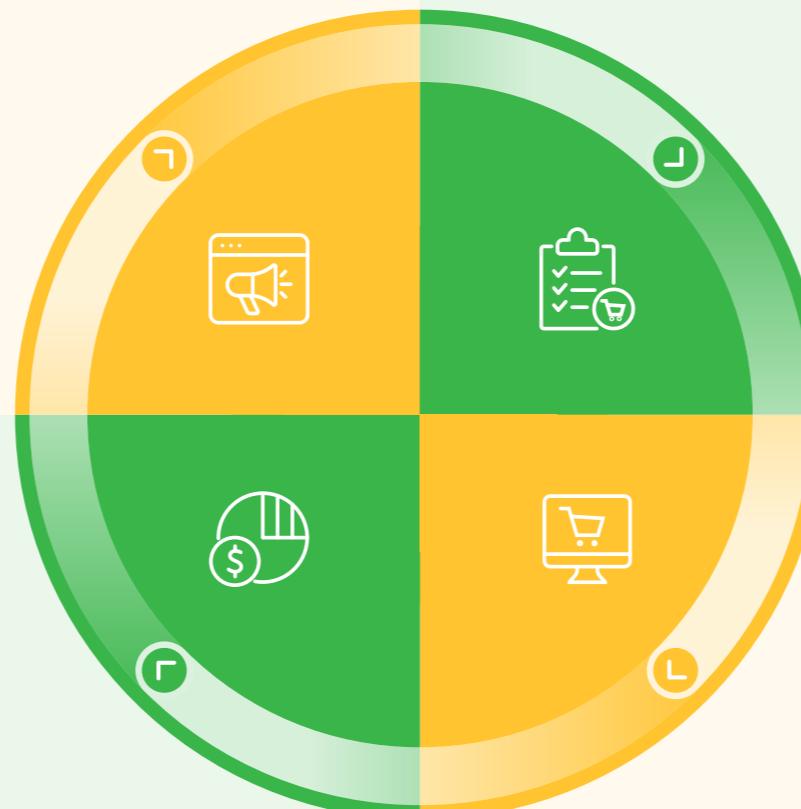
Strong financial performance and data system

Strong margins

Our own brand higher-margin products improve profitability as consumers trade down in a difficult market

Robust balance sheet

Warehouse transformation programme, acquisition and subsequent closure of Victoria Plum, and launch of MFI, funded from existing cash reserves. Year-on-year increase in free cash flow supports dividend growth



Customer-centric product planning

Continuous investment in own brand and new products

Strategically developed to enhance customer engagement while addressing specific market gaps

Retailing notable third party brands for client acquisition and product choice

Ensures that we deliver on our commitment to being a one-stop shop for bathroom solutions and that we capture all customer purchase intents

Unleashing the potential in trade buyers

Widening our product offering for trade customers and focusing on their customer journey to maximise repeat orders and AOV

Highly efficient e-commerce and logistics platforms

Product availability

Excellent product availability for the customer when supply chain issues impact other retailers

Excellent customer experience improving conversion

Driven by continuous investment in our in-house built website and app

New distribution centre to enhance logistics capability

Unlocking our capacity constraints and allowing us to focus on our growth strategy

Value we create



Customers

We provide customers with an extensive range of quality bathroom products and accessories, tiles and homewares



Employees

We care about our employees and operate with a values-led culture



Suppliers

We operate in a transparent way with our suppliers, who are able to participate in our success as we grow



Investors

We continually invest in our marketing, platform and people to create a long-term sustainable business



The community and environment

We support our wider community and are putting an increasing focus on our environmental impact

» Read more on **PAGE 38**

Our strategy

We think about our strategy with reference to three horizons



Horizon 1

Core B2C

- Customer acquisition, new product development and innovation
- Improved customer lifecycle experience
- Further market share gains through wide range and unrivalled product availability



Horizon 2

Trade

- Focus on sole traders and small and medium-sized enterprises
- Improve our platforms so that they are more tailored to suit trade customers' needs
- Expand the range of trade-specific products
- Targeted trade marketing approach



Horizon 3

Expansion categories

- Increasing both the range and availability of the expansion category SKUs
- Improved prominence on the new look website
- Tailored marketing strategy to become a destination for improvements beyond the bathroom
- Access to the UK homewares market through MFI



Core B2C

Our extensive product range and unrivalled availability, coupled with our creative and bold marketing strategy, has enabled the Group to continue to grow market share and solidify its position as the UK's number one bathroom retailer.

While proud of this achievement, our core focus is to ensure that we continue to grow, which means evolving our marketing offering, growing our product range, improving the customer experience and improving our efficiency.

Focus areas

- 1 Grow our brand by providing the best customer journey, great customer service and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency

2025 progress

Our brand awareness score increased again, as our 'Boss Your Home' campaign was rolled out.

Revenue per FTE increased year-on-year, reflecting productivity improvements in our new warehouse infrastructure.

Our Trustpilot score maintained as Excellent at 4.4 (out of 5.0).

How we measure

- Revenue and revenue per FTE
- Gross profit and gross profit margin
- Adjusted EBITDA and adjusted PBT
- Operating cash conversion
- Total orders
- Average order value
- Marketing as a percentage of revenue
- Trustpilot score
- Active customers

Risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cybersecurity and data protection
- Supply chain
- Increase in competition
- Sustainability and climate change
- Regulation and compliance



Trade

The proportion of our revenue that is derived from trade customers, who will typically have a higher repeat rate, order frequency and average order value, continues to grow in absolute terms and as a proportion of the Group's overall revenue.

By continuing to take a proactive approach to the trade segment, the Group believes that it can continue to penetrate this segment of the market.

Focus areas

- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers

2025 progress

We have grown trade revenue to 24% of total revenue (2024: 23%).

Improvements in our delivery offering, with extended next day delivery cut off times.

Investment in a broader marketing approach, with targeted radio advertising.

Increase in average number of items per basket to 3.3 (2024: 3.1).

Digital trade credit offering launched.

How we measure

- Trade revenue
- Trade revenue as a percentage of total revenue
- Gross profit and gross profit margin
- Adjusted EBITDA and adjusted PBT
- Total orders
- Average order value
- Items per basket

Risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cybersecurity and data protection
- Supply chain
- Increase in competition
- Sustainability and climate change
- Regulation and compliance



Expansion categories

We specialise in bathroom products but have also made progress to extend our products in expansion categories (such as tiles and flooring and homewares), with further revenue benefit still to be achieved.

Increasing our offering more broadly across the home will allow us to capture a greater share of the customer wallet, as well as attracting new customers who are shopping exclusively in these expansion categories.

Focus areas

- 6 Increase our product range in our expansion categories

2025 progress

Tiles and flooring revenue increased by 42% to £17.6m (2024: £12.4m) as our dedicated tiles distribution centre became operational and unlocked space constraints.

MFI launched in 2025 marking our entry into the £21bn homewares category.

How we measure

- Revenue
- Gross profit and gross profit margin
- Total orders
- Average order value
- Number of offerings
- P&L reporting by brand

Risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Supply chain
- Increase in competition
- Sustainability and climate change
- Regulation and compliance

» Read more about our **Key Performance Indicators** on **PAGE 34**

» Read more about our **Principal Risks and Uncertainties** on **PAGE 60**

Our strategy

continued



Core B2C

1 Grow our brand by providing the best customer journey, great customer service and investing in bold campaigns

Focus area

What we have done

Discontinued Victoria Plum

The acquisition and subsequent closure of Victoria Plum has accelerated the growth of Victorian Plumbing. With the removal of the confusion factor for customers, our online marketing continues to be more efficient. This has aided continued strategic investment in the brand, which, in turn, drives more marketing efficiency.

Data-driven performance marketing

Our relentless approach to pay-per-click advertising complements our bold and quirky offline marketing. The 'Boss Your Home' campaign, an extension of our successful 'Boss Your Bathroom' creative, was rolled out across TV and Video on Demand.

Technology advancements on site

As the transition to online continues and available technology also improves, we have ensured that we have the ability for customers to visualise what their

bathroom products would look like through our on-site 3D room planner. Customers can swap in and out products available on site for a room that matches their own layout and visualise what the end product will look like prior to confirming their order. We believe that embracing this technology early and becoming a leader in its deployment will deliver future growth.

Improvements have been made to our search functionality utilising the latest AI developments to aid customer experience.

Opportunities

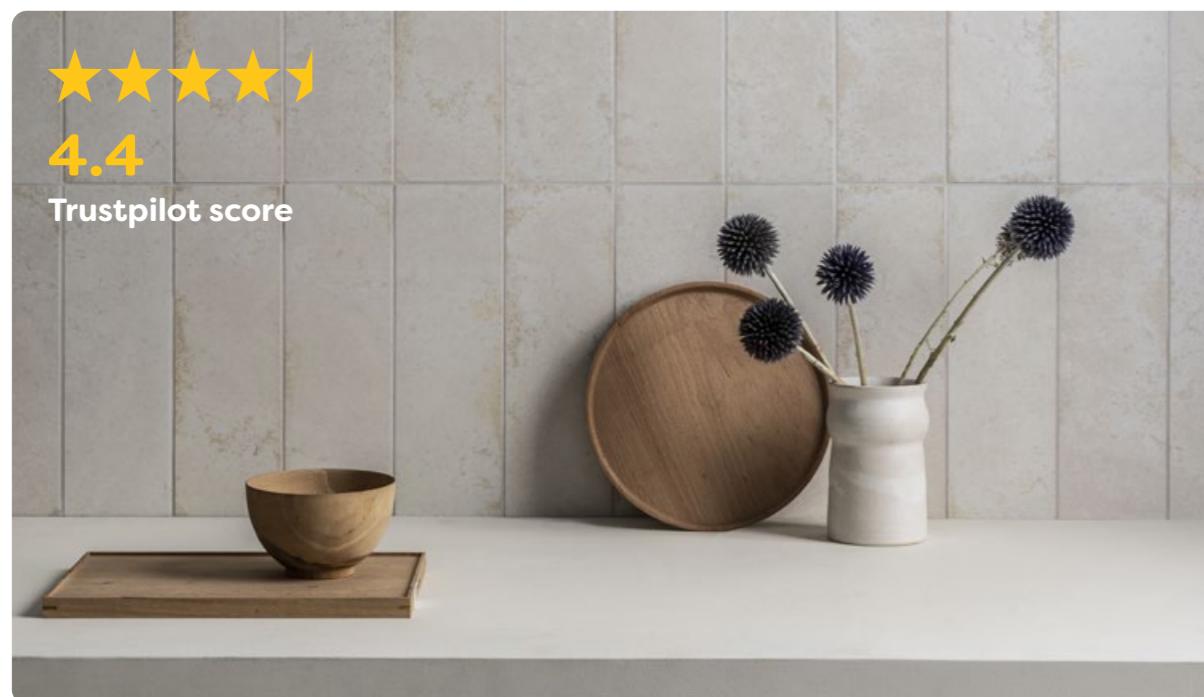
Opportunistic M&A and international

We are considering opportunities for focused international expansion and vertical integration in our supply chain. In particular, we are already delivering an increasing amount of order volume to the Republic of Ireland through our UK domain, which could facilitate some focused and disciplined investment to better serve this growth market in the future.



4.4

Trustpilot score



2 Provide the largest choice of home life products

Focus area

What we have done

Expanded the number of products we offer

We continue to expand our product range. We now offer over 37,000 SKUs (2024: 36,000), providing customers with a one-stop shop regardless of their budget.

Provide a wide choice of brands

Partnerships with well-known names in the industry continue to be strengthened, with additional third party brands, such as Quooker, added to our site in the year.

>37,000

SKU offering available

Opportunities

Furniture fashion

The bathroom continues to be a 'statement' room for consumers. Our ongoing product research and innovation ensures we remain on the pulse with consumer trends.

Eco-products

Consumers are increasingly looking for sustainable and energy efficient products. We continue to expand our range of eco products; from those that are made from sustainable materials or have water-saving technology, to smart heating solutions.

3 Improve warehouse and supply chain efficiency

Focus area

What we have done

New distribution centre

We are now fully operational in our purpose-built 544,000 square feet DC in Leyland, Lancashire, which was designed to incorporate semi-automation to improve the customer experience and obtain efficiencies.

Audit of supplier factories

Consultants that we engage in the Far East allow us to proactively manage our key supplier relations in those regions. Having local experts available to us is key to maintaining the rigorous audit checks of suppliers' factories and quality checks over the products they produce, with remediations required if any fail the standards set.

Management of shipping agents

As well as benefitting from reduced shipping costs, by actively managing our relationships across multiple suppliers, we ensured availability of products for our customers, as extended shipping times continued to cause product delays for many retailers.

Opportunities

Delivery management solution

Ensuring our customers receive their goods in the most efficient manner and without damage is a key business objective. Having a portfolio of courier networks where we can actively manage both their operational effectiveness and cost requirements will support future growth, as well as providing an improved customer experience through updates to order tracking.



>1.1 million
orders dispatched
during 2025

Our strategy

continued

Case Study



What is MFI?

Originally founded in 1964, MFI was one of the largest UK furniture retailers at its peak, with over 200 stores across the country. Despite this, the company hit financial difficulties in later years and the brand underwent several changes of ownership.

When we acquired Victoria Plum in May 2024, we obtained the MFI brand and domain, providing us with an opportunity to move into all areas of the home via this new adjacency. By July 2025, we had soft launched a reimagined and refreshed version of MFI as an exclusively online store, with an initial range of 600 carefully curated furniture and homeware pieces.



Reimagining MFI

The UK homewares market is sizeable but fragmented. Therefore, in reinventing MFI, we felt it was important to be bold and confident with our branding, enabling us to stand out in a crowd, but all the while still welcoming to our customers.

We offer stylish, practical and quality homeware across a range of categories and rooms throughout the home. From furniture to textiles to accessories, we are a one-stop shop for our customers to update their living spaces with confidence. Providing a smooth online shopping experience, from start to finish, is very important to us. The ease with which customers navigate our site is further strengthened by a choice of delivery options, flexible payment terms and excellent customer service.

MFI operates from warehousing vacated by Victorian Plumbing in Skelmersdale, Lancashire, and is run by a dedicated and experienced management team, leveraging the existing infrastructure and central services of the wider Group.

Looking ahead

The UK Homewares TAM is £20.6bn and provides us with significant opportunities for sustainable growth, particularly given the product range fits with Victorian Plumbing's existing customer base.

The soft launch has been received very well by customers – we are making good progress attracting visitors to the site organically and have seen growing sales and positive customer reviews since July 2025. We continue to grow and broaden the product range, testing and refining the online journey for our customers, as we dial up our marketing activity to support a fuller launch through 2026.

£20.6bn

UK homewares TAM

600

SKUs launched on the website in July 2025



Our strategy

continued



Trade

4 Adapt our customer journey to better serve the trade segment

Focus area

What we have done

Trade account management

Our trade team provide additional support to our growing trade segment; helping to drive an increase in basket size and in repeat rates which is efficient from a customer acquisition perspective. Trade revenue increased by 10% to £73.8m in the year (2024: £67.3m).

Improved delivery offering

Trade customers often need to place orders at short notice. We have extended next day delivery cut-off times to provide a more compelling reason to shop with us.

Trade credit

Digital trade credit offering launched in 2025.

Opportunities

Broader marketing approach.

Our primary target trade customers to date have been smaller, independent traders, and we believe we can make meaningful market share gains by broadening our marketing approach, including via investment in sports sponsorship which strengthens our brand awareness amongst tradespeople.

24%

Trade revenue as a % of total revenue

5 Extend our product offering for trade customers

Focus area

What we have done

One-stop shop for the trade

To become a one-stop shop for the trade segment, we recognise that we will be required to provide the smaller 'plumbing' parts that they use frequently. We have further increased our offerings of these products this year, as our new DC has unlocked capacity constraints.

Opportunities

Trade versus consumer needs

Our trade platform is, for the most part, identical to the consumer site. Trade customers have different priorities and so we have an opportunity to improve the prominence of products that take priority for the trade.

£73.8m

Trade revenue in 2025



Expansion categories

6 Increase our product range in our expansion categories

Focus area

What we have done

We have continued to increase our tile range in the year, growing tiles and flooring revenue by 42% to £17.6m (2024: £12.4m). Our dedicated tiles distribution centre became operational in the year, unlocking space constraints.

Our in-house tiles brand, Stonehouse Studio, now comprises more than 400 SKUs across 58 ranges, ensuring that we are in line with current and emerging market trends. We have invested in premium product imagery to support customer engagement and reinforce confidence in the selection of tiles that meet both customer preferences and design requirements.

We source tiles from Southern Europe, India and Turkey, allowing us to increase our already outstanding tile portfolio further to cater to more customers, as well as spreading our supply chain risk globally.

Tiles are a category where consumers may want to sample different colours and textures before committing to a larger purchase. Functionality for a quick and easy checkout for free tile samples was launched in 2025.

Opportunities

Expanding our ranges further

We have significantly expanded our product offering this year, but with the dedicated tiles distribution centre now operational, we have additional space to facilitate further growth in this area.

Technology improvements

Consumers continue to embrace technology more. A Tile Visualiser tool was launched on the website in the year, allowing customers to visualise the tiles in their own rooms.



£17.6m

Tiles and flooring revenue in 2025



Market review

Victorian Plumbing has long established itself as the leading UK bathroom retailer. In 2025, the Group announced a strategic expansion with the re-invention of MFI, entering the UK homewares market. This shift reflects the Group's ambition to diversify and unlock the value of an expanding consumer base.

UK Bathroom and Bathroom Accessories Market

Overview

The UK bathroom and bathroom accessories market, as estimated by Mintel, has been impacted by the cost-of-living crisis over recent years with the market contracting from £1.77bn in 2022 to £1.65bn in 2024. The ongoing crisis pushed consumers toward cost-effective, small-scale bathroom upgrades over expensive, full-scale renovations. However, in recent months there has been a renewed consumer interest in enhancing bathrooms, with a noticeable rise in higher-cost projects, including partial and complete bathroom refits, such that the market is expected to grow by c.2.5% in 2025 to £1.69bn.

Looking forward, the market is expected to grow by c.10% between 2025 and 2030, reaching c.£1.85bn. This growth is

expected to be fuelled by a more stable economic climate, increased renovation activity, and demographic shifts, including an ageing population and the rise of multi-generational, as well as multi-bathroom households.

Victorian Plumbing continues to be the leading UK bathroom retailer, outperforming those with shops, omnichannel retailers and other online competitors.

Market size and insights

In 2025, the UK bathroom market is showing signs of recovery with growth after a contraction in 2024. The growth has been powered by rising renovation activity, driven by multi-bathroom homes, wellness trends, and smart technology adoption. The ongoing cost-of-living crisis has significantly impacted consumer spending habits. With energy costs projected to remain 42% above pre-Covid levels and water bills rising by 26%, households are increasingly focused on cost efficiency.

This has led to:

- A strong preference for smaller, budget-friendly upgrades: 68% of consumers now favour minor improvements like replacing shower screens over full bathroom refits.
- An increased demand for energy and water saving solutions.
- A rise in own brand products purchased and refurbished fittings which are seen as both sustainable and more cost effective.

In addition, changing household structures and population trends are creating new opportunities and challenges:

- Multi-bathroom homes are becoming the norm throughout the UK with 45% of households now having more than one bathroom, up from 39% in 2020.
- The rise in multi-generational living and an ageing population is driving demand for inclusive, accessible bathroom designs with features like comfort-height toilets and walk-in showers.
- Low-income households show the strongest intention to invest in bathroom upgrades, highlighting the importance of flexible payment options, DIY kits and value-driven products.

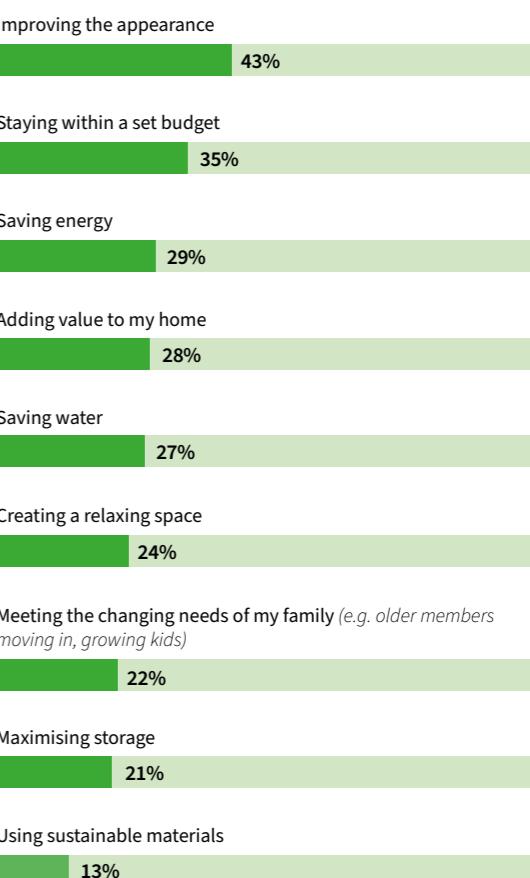
Over the long term, the market is projected to grow by c.10% by 2030, driven by smart technology adoption, wellness-focused design, affordability, and sustainability. Continued demographic shifts, such as ageing populations and multi-generational households, boost the demand for inclusive, adaptive bathrooms. Victorian Plumbing has an extensive product range from over 150 brands across a variety of price points. This, together with our agile supply chain, means Victorian Plumbing is well-equipped to satisfy the constantly evolving consumer demand.

What consumers want and why

Consumers in the UK bathroom market are increasingly seeking spaces that reflect their personal style, offer comfort, and support wellness. Aesthetics are a top priority, with 43% of consumers citing appearance as the main reason for undertaking bathroom projects, and 71% wanting designs that showcase individuality - rising to 80% among high-income earners. Bathroom budgets remain a key concern, with 35% prioritising cost management and many turning to own brand products and refurbished fittings for affordability and sustainability.

Highlights

Priorities when planning a bathroom project

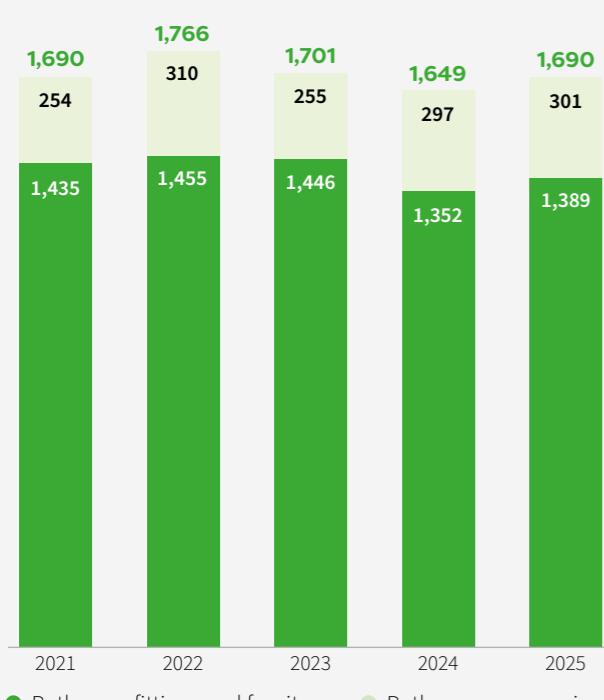


Source: Mintel – Bathroom Furniture – UK – 2025

Affordable upgrades and more expensive refits have increased year-on-year, with 55% of households updating their bathroom in the 12 months to May 2025, up from 52% in 2024. The popularity of small-scale improvements, alongside a rise in pricier projects like partial or full refits, reflects the shifting consumer behaviour.



Market value (£m inc. VAT)



Market review

continued

Online penetration

The pandemic provided the opportunity for online specialists to appeal to consumers who had not previously considered using these channels to research and ultimately purchase products for their bathrooms.

Whilst the online specialist sector was already growing rapidly before the pandemic, this changing consumer behaviour accelerated the transition. Equally, this change in consumer behaviour has continued in the post-Covid era, with online specialists increasing their market share year-on-year, transitioning the revenue from shops and omnichannel retailers.

Across the wider retail environment, and equally so within the bathroom and bathroom accessories market, it is anticipated that online penetration will continue to grow as technology advances and consumers increase their trust in and appreciate the convenience of online channels. This provides growth opportunities for the business, given Victorian Plumbing's position as the clear number one retailer in the online space.

Online engagement is growing through social commerce and immersive digital tools. Platforms like TikTok and Instagram inspire 68% of 16–34-year-olds, with 65% of 25–34-year-olds purchasing directly via social media platforms. Retailers are responding with AR/VR planning tools, virtual showrooms, and enhanced websites to maximise sales.

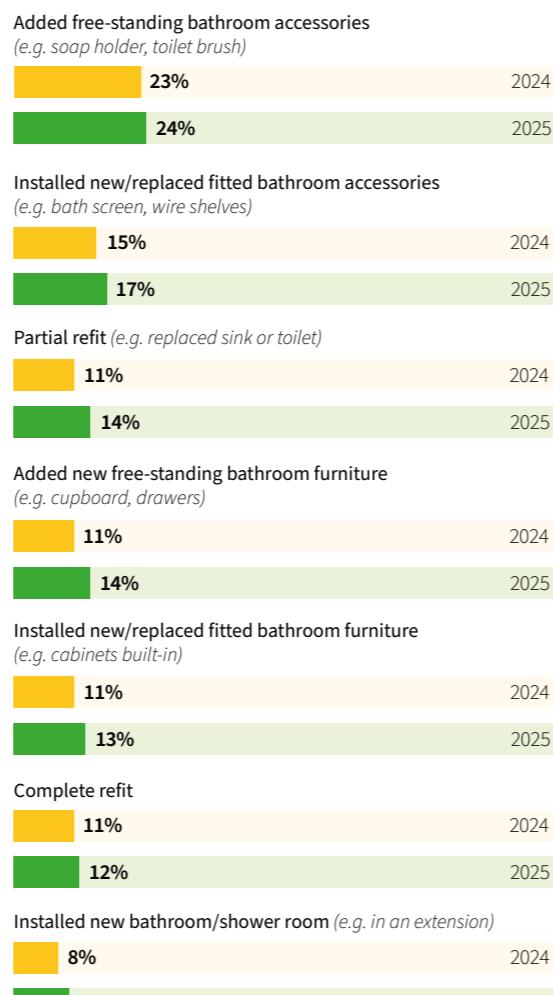
Market opportunities

Consumer appetite for discretionary spend on home improvements in the midst of the current macroeconomic environment may influence the overall market growth over the forthcoming year. This may naturally create pressure on the performance of some smaller less well financed companies in the sector. Although interest rates have been coming down, they remain high with the costs of borrowing continuing to plague many companies, particularly those with a bricks and mortar presence. Whilst there has been some consolidation in the market in recent years, it is likely that further opportunities will arise out of the current trading environment. Given our unrivalled range, excellent availability and strong financial health, the Group is well placed to capitalise on opportunities that may arise.

As the unit cost of labour rises, driven by factors like National Living Wage increases, online retailers are generally less exposed to labour-intensive operations compared to traditional brick and mortar businesses. The operating model of online retailers relies more on automation, streamlined logistics, and digital platforms, reducing dependency on in-store staff and manual processes. This structural advantage gives online retailers greater flexibility in pricing strategies: they can absorb cost pressures more effectively by leveraging

Highlights

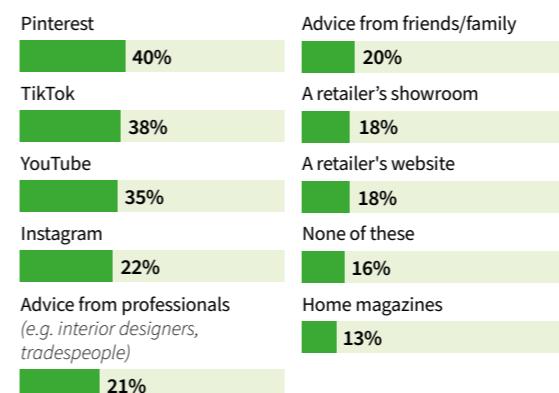
Bathroom projects undertaken in the last three years, 2024 - 2025



Source: Mintel – Bathroom Furniture – UK – 2025

Highlights

Source of inspiration for bathroom projects



Source: Mintel – Bathroom Furniture – UK – 2025

Supply chains and operations

Over the past 12 months, the market has faced significant challenges shaped by global and domestic pressures. Rising transportation costs, driven by geopolitical instability and disruptions in key trade routes like the Red Sea have strained logistical budgets. Many retailers have responded by exploring multimodal transport solutions to reduce reliance on single routes and optimise cost efficiency. Victorian Plumbing's excellent relationships with shipping lines has protected the business from any significant impacts and disruption.

In the UK, the increase in the National Living Wage and higher National Insurance contributions for employers have increased labour costs pressures, disproportionately affecting the retail sector. Retailers have responded with investment in automation, digital tools, and flexible staffing models to maintain profitability.

Additionally, in 2025 the Government introduced Extended Producer Responsibility ("EPR") to make producers of packaging responsible for the full net cost of managing and recycling their packaging once it becomes waste. While this has encouraged a shift towards more eco-friendly packaging, it has created additional costs to retailers for the foreseeable future.



Market review

continued

UK Homewares Market

Overview

The UK homewares market, as estimated by The Research Insights, was valued at £20.6bn in 2024, and has demonstrated steady growth in recent years despite economic challenges. Between 2021 and 2024, the market expanded from £18.8bn to £20.6bn, a compound annual growth rate of 3.1%. Growth has been driven by a combination of rising homeownership, increased spending on home improvements, and changing consumer preferences. Despite the recent cost-of-living crisis, the annual growth rate only slipped by 0.1ppt, from 3.2% in 2023 to 3.1% in 2024, demonstrating the market's adaptability to align with changing customer lifestyles and design preferences.

Market size and insights

Market value (£m inc. VAT)

Source: The Research Insights

	2021	2022	2023	2024	CAGR 2024-2021	2025	2035	CAGR 2025-2035
Kitchen & Dining	£3,304	£3,426	£3,557	£3,690	3.75%	£3,830	£5,582	3.84%
Furniture & Storage	£6,595	£6,783	£6,985	£7,185	2.90%	£7,397	£9,951	3.01%
Bedding & Textiles	£2,849	£2,917	£2,991	£3,063	2.45%	£3,140	£4,033	2.53%
Home Décor	£2,297	£2,373	£2,454	£2,536	3.36%	£2,623	£3,689	3.47%
Lighting & Accessories	£1,592	£1,652	£1,716	£1,781	3.81%	£1,849	£2,709	3.89%
Others	£2,144	£2,203	£2,267	£2,331	2.82%	£2,398	£3,201	2.93%
Total	£18,781	£19,353	£19,971	£20,586	3.11%	£21,236	£29,165	3.22%

The UK homewares market has gone through significant change over recent years. The COVID-19 pandemic not only accelerated the shift to online platforms but also shifted consumer preferences toward home-centric living, with a focus on functionality, design and a reflection of individual style.

The online share of the market grew from 28% in 2019 to 33% in 2024 and is forecast to be 39% in 2035. Online only retailers will drive this continued increase through expanded product offerings, convenient delivery and payment options, and competitive pricing. Experiential marketing will also be key to increasing loyalty and brand affinity, as will exploiting the growth in consumer appetite for social media platforms, lifestyle content and curated product collections.

Looking forward, the market is expected to grow by 37% between 2025 and 2035, reaching c.£29.2bn, a compound annual growth rate of 3.2%. This growth is expected to be fuelled by an improving economic climate, a stronger housing market and demographic shifts, including increasing lower occupancy households. In addition, evolving lifestyle preferences that emphasise comfort, personalisation and design, and the cultural shift towards home-centric living, are projected to drive the demand for both premium and value-based categories.

Home ownership and the rental market are also key factors in influencing demand. As younger generations increasingly rent rather than buy homes, there is a rising need for portable, modular and multifunctional homewares, providing flexibility of use in smaller spaces. This also results in more frequent redecoration of properties at a time when consumers are placing greater emphasis on the aesthetics of their living spaces. They are willing to spend more on furniture, décor, lighting, soft furnishings and kitchenware as they seek to curate cohesive interiors that mirror contemporary design trends.

In addition, a greater number of homes with smaller occupancy naturally leads to an increase in the demand for homewares, providing further opportunity for growth.

Market opportunities

The home remains an important area of spending for consumers, from a functional perspective but also aesthetically and aspirational, reflecting personal style and identity. Offering versatile options that align with changing seasonal décor is an opportunity for repeat visits as consumers frequently look to refresh their personal space.

MFI is building an extensive product offering across a range of categories and rooms throughout the home, and across a variety of price points. Providing a one-stop shop, with flexible delivery and payment options and competitive pricing, coupled with our agile supply chain, means the Group is well-equipped to satisfy the constantly evolving consumer demand.

The transformation of the retail landscape from traditional retailers and department stores to online platforms provides significant opportunities for MFI. We have invested in our new website, and continue to develop this to ensure a smooth customer experience. The development of AI will provide us with opportunities to personalise our customers' journeys, while developing our social media platforms, and also enhancing our back end systems to ensure they are as efficient as possible.

The home remains an important area of spending for consumers, from a functional perspective but also aesthetically and inspirationally, reflecting personal style and identity. Offering versatile options that align with changing seasonal décor is an opportunity for repeat visits as consumers frequently look to refresh their personal space.

The increasing demand for eco-friendly and sustainable homeware products provides further opportunities for MFI. Building close relationships with our suppliers will ensure we are at the forefront of any new product developments which satisfy our environmentally conscious consumer needs.

MFI is building an extensive product offering across a range of categories and rooms throughout the home, and across a variety of price points. Providing a one-stop shop, with flexible delivery and payment options and competitive pricing, coupled with our agile supply chain, means the Group is well-equipped to satisfy the constantly evolving consumer demand.

Market share split by channel

Source: The Research Insights

Channel	2019	2024	2025	2035
Online Retail	28%	33%	33%	39%
Specialty Stores	32%	31%	31%	29%
Supermarkets	16%	15%	14%	13%
Department Stores	8%	7%	7%	7%
Discount Stores	6%	6%	6%	5%
Other	9%	8%	8%	7%

Economically, the UK homewares market reflects broader trends in consumer confidence, housing activity and disposable income. Rising cost-of-living pressures impact disposable income and mean consumers are more selective in their purchases, preferring retailers with affordable yet stylish options.



Our brands and products

The relationships that we have developed over time with well-known third party brands enable us to complement our own brand offerings, which are exclusively available on the Victorian Plumbing platforms.

Victorian Plumbing brands

Own brands are a core component of the Victorian Plumbing offering. With a high volume of products on the platform, our proprietary brands allow for the effective segmentation of offerings, showcasing distinct features such as water filtration, waterproofing and design aesthetics.

Own brands collectively account for 81% of total product revenue. These brands are strategically developed to enhance customer engagement while addressing specific market gaps.

Our brands span almost all product categories, with highlights including innovative solutions and market-leading designs. Key examples are outlined below, demonstrating their contribution to both revenue growth and customer satisfaction.



Our core own brand product range includes an extensive selection of everyday bathroom fixtures and fittings. With over 3,500 unique SKUs, our offering spans baths, porcelain and brassware at a variety of price points to suit every budget.

AREZZO

Caters to the style-conscious customer, inspired by luxury hotels and aspirational homes. This range features designer fixtures and stylish finishes, including matt black, brushed brass and gunmetal. A go-to choice for those aiming to create an elevated, contemporary look.

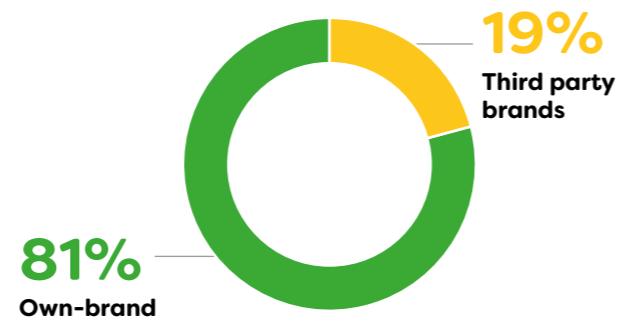
BROOKLYN

The Brooklyn furniture range combines modern, stylish storage solutions with practicality, making it ideal for smaller and family bathrooms. Available in black, grey and wood finishes, Brooklyn offers a perfect blend of style and functionality.

CHATSWORTH™

Delivers a timeless, classic look, perfectly aligned with trends in kitchen cabinetry and trending paint colours. Customers choose Chatsworth to achieve farmhouse and cottage-inspired bathrooms, featuring finishes such as antique brass and elegant column radiators.

Revenue by brands



Third party brands

Approximately 40% of the items available on our site are designed and produced by third party brands, comprising over 120 stocked brands. This extensive range offers customers a broad selection across various price points.

Our portfolio includes established brands such as Grohe and Mira, as well as category-specific brands like Merlyn. Additionally, we stock specialist products, including boiling water taps from Quooker, flooring products



MFI

Our current product range spans the following categories:

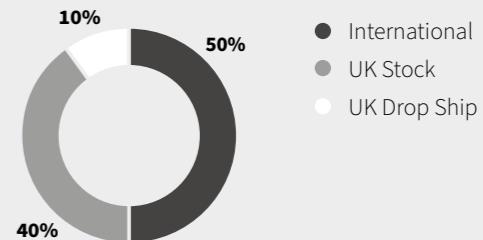
Furniture Textiles Home accessories Lighting

Initially sourced from the UK, to allow for shorter product lead times and support the soft launch of the website, we are now building our international sourcing options. Longer term, we will support both international and UK sourcing, including drop ship products, to allow us to test product lines prior to committing to higher minimum order levels.

Our more immediate focus is to build brand awareness, build trust and build customer loyalty. We have prioritised the expansion of our textiles range, which includes products that are lower cost and so less risky to a customer trying out the reimagined MFI for the first time. This also enables us to showcase our quality, range and build that trust before we further grow more expensive furniture ranges.

As well as offering core product lines throughout the year, we will be showcasing seasonally relevant collections to ensure our customers have the maximum choice to dress their home, whatever the occasion.

Sourcing



Stakeholder engagement

As a leading online retailer, we have a diverse set of stakeholders and aim to balance their needs and outcomes. We acknowledge that not every decision we make will necessarily result in a positive outcome for all our stakeholders. By understanding our stakeholders, and by considering their diverse needs, we can factor into Board and management discussions the potential impact of our decisions on each stakeholder group.

This duty is enshrined in section 172 of the Companies Act 2006 ("s.172"), which requires a director of a company to act in good faith, in a way which would most likely promote the success of the Company for the benefit of its members as a whole. In doing so, they must also have regard to a range of factors listed in s.172, including the interests of stakeholders.

s.172 statement

The Board confirms that, during the reporting period, in using its good faith and judgement, it has acted in a way that would be most likely to promote the success of the Group for the benefit of its shareholders, while having due regard to the matters set out in s.172(1) (a) to (f) of the Companies Act 2006. This statement includes the information demonstrating how the Board has had regard to these matters in its actions as set out in this section.

Customers



Understanding our customers is critical to the success of our business. Engagement with our customers, to improve their choice, experience and service, enables us to continually improve our customer proposition. In turn, this helps to drive sales and increase profitability.

Their needs

- Extensive choice of products that are readily available
- Ease of buying through our platform
- Clear and accurate information
- Fair and transparent pricing
- Data protection
- Timely delivery
- Customer service
- Trust and confidence in the Victorian Plumbing and MFI brands

How we engage

- We actively invest in brand-led campaigns to drive awareness and preference in our brand among consumers
- We have dedicated, highly responsive customer service teams for each of our consumer and trade customer groups
- We actively seek reviews of our service and products via Trustpilot and in-house platforms to understand customer sentiment
- We engage with customers who feel we could do better
- We conduct an annual brand health survey with a panel of homeowners to understand awareness, considerations and how our brand is perceived
- We measure consumer brand awareness regularly
- We use third parties to conduct consumer research which informs our strategy

Our people



Engagement with our people drives high performance and a willingness to go above and beyond.

Their needs

- Working conditions, environment and wellbeing
- Communication
- Career progression and development opportunities
- Culture and values
- Reward and benefits
- Personal data protection

How we engage

- Regular interaction from the Executive Leadership Team ("ELT") across all departments
- Mental Health Champions are available to all employees across the Company, with a focus on wellbeing in the workplace and how we can support it
- Through our company intranet site 'The Loop', all employees are provided with regular Company updates and a gateway to employee benefits and discounts. The Loop is also used to share and celebrate colleagues' successes and achievements
- A monthly newsletter which is posted on The Loop and includes an update from each department so employees across the business are aware what other departments are focused on
- Our Charity Committee organises events throughout the year, giving employees the chance to get involved in promoting and supporting charitable activities
- A benefits roadmap that is reviewed throughout the year
- Confidential whistleblowing facility through The Loop and email

Suppliers



Strong relationships with our trusted suppliers are critical to the success of our business. Our supply chain is fundamental to the ability of the business to operate effectively and meet the needs of our customers.

Their needs

- Prompt payment and fair terms and conditions
- Long-term mutually supportive relationships
- Growth opportunities
- Responsible and ethical retailing

How we engage

- Our purchasing and product teams maintain regular contact with our suppliers to build strong relationships
- Supplier procurement processes engaged at the time of supplier onboarding and continue throughout the relationship
- Early involvement from suppliers in the design and prototypes of new products
- Ongoing process of factory audits, inspections and assessments across our Far East suppliers gives us the opportunity to feed back on how they can improve
- Regular review and feedback of product quality which reduces product failures and improves quality
- Experienced third party agents utilised in other newer territories, such as Pakistan, to support with product quality assessments and compliance requirements

The community and environment



We are committed to having a positive impact on the lives of our customers, colleagues and communities. We consider the environmental impact of our operations and aim to reduce our impact on the planet.

Their needs

- The environmental impact of our business and products, including our impact on the climate
- Local employment opportunities
- Giving back to the community
- Support for local charitable causes

How we engage

- Encourage employee volunteering days through our partnership with our chosen local charity, Liverpool Zoe's Place, which supports babies and young children who have complex illnesses or disabilities that are terminal or life limiting from birth to age five
- Our Charity Committee promotes a number of charity events during the year to support our chosen local charity
- We continue to work with our suppliers to focus on alternatives to plastic packaging, the use of more sustainable materials and products with environmentally friendly features
- We offer a range of products that have environmentally friendly features such as dual flush functions on toilets and water-saving taps and shower heads

Investors



It is important that we engage with our investors to provide them with as clear a picture as possible of our business and our prospects, that is fair, balanced and understandable, to enable them to make informed investment decisions.

Their needs

- A balanced and fair representation of financial results and future prospects
- Responsible remuneration practices
- High governance standards
- Share price performance and return
- Strategic ambition and planning

How we engage

- Open, honest and balanced communication available to all shareholders
- Site tours and access to Executive Directors
- Financial results presentations and investor roadshow
- Availability of one-to-one meetings with management
- Standing agenda item at Board meetings to provide and review market information
- Private shareholders are encouraged to communicate with the Board through ir@victorianplumbing.co.uk
- Through key disclosures on our website; annual report and accounts, market disclosures including results announcements, trading updates and ad-hoc updates
- We share industry-related data, such as the latest Mintel report, with analysts
- Engaging an independent remuneration adviser and benchmarking against comparator groups

Outcomes of engagements

- Expansion of new ranges based on consumer trends within our product mix
- Website optimisation to drive frictionless buying experiences
- Adapting our service to meet emerging insights from consumer feedback
- Optimisation of our media strategy to capture growth audiences
- Design of creative output to meet objectives driven by research and insights
- Release of our Victorian Plumbing app, designed with both trade and consumer in mind

Outcomes of engagements

- Continuous development of our bespoke reward gateway and intranet site, with regular updates to employees highlighting specific promotions, such as school holiday activity discounts
- State-of-the-art fitness studio at our new site, which gives our employees a place where they can exercise either independently or by using our virtual class capability
- Investment in a staff canteen, which offers healthy meal options and a relaxing space for employees to take their break
- Strengthened culture and relationships as colleagues celebrate each other's successes and achievements
- A continuation of the programme of volunteering days in conjunction with our nominated local charity
- Several charity events organised by the Charity Committee to raise funds for our nominated local charity
- Launched our all-employee Save as You Earn scheme for 2025. All employees could choose to save up to £250 per month which can then be used to purchase shares at the end of the term

Outcomes of engagements

- Our auditing programme in China helps our suppliers identify areas in which they could improve. We support them to resolve these issues and to put plans in place to make further improvements
- We give our suppliers insight on product performance so they can further develop their products
- Data from suppliers has contributed to our own product development, and to the development of recyclable packaging
- Our strong balance sheet and industry-leading payment terms provide assurance in a challenging economic environment

Outcomes of engagements

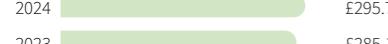
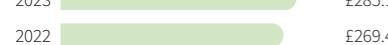
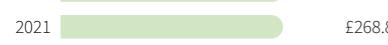
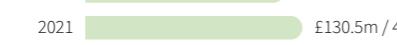
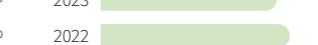
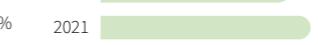
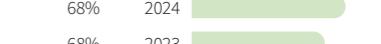
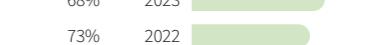
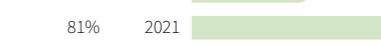
- Installation of 1,554 solar panels on the roof of our new DC, to help reduce our carbon footprint
- An all-electric fleet of material handling equipment has been commissioned at our new DC
- As part of our sponsorship deal with Bolton Wanderers Football Club, and in collaboration with Bolton Wanderers in the Community, a local charity, Emmaus, is adored on the back of the 2025/26 shirt of the Bolton Wanderers third kit, helping to raise the profile of the charity
- Our Charity Committee has organised several fundraisers over the year to help support our chosen charity for the year
- Employees have taken part in a number of volunteering days, supporting Liverpool Zoe's Place
- We are working to ensure that the impact on sustainability and the environment is a key consideration in the strategic decision-making process
- Our purchasing and product teams work closely with our suppliers to encourage the use of more sustainable packaging

¹ The ELT comprises the two Executive Directors and seven other members of senior management. The ELT meets regularly to identify, assess, own, monitor, manage and mitigate risks, and exploit opportunities.

Key performance indicators

We measure performance through a defined set of financial and operational KPIs

Financial

1. Revenue	2. Gross profit and gross profit margins	3. Adjusted EBITDA and adjusted EBITDA margin ¹	4. Adjusted profit before tax and adjusted profit before tax margin ²	5. Operating cash conversion	6. Free cash flow ³
£310.0m +5%	£153.2m +4%	£31.8m +17%	£21.8m (6%)	77% +9ppt	£24.0m +29%
2025  £310.0m 2024  £295.7m 2023  £285.1m 2022  £269.4m 2021  £268.8m	2025  £153.2m / 49% 2024  £147.8m / 50% 2023  £134.6m / 47% 2022  £121.0m / 45% 2021  £130.5m / 49%	2025  £31.8m / 10% 2024  £27.2m / 9% 2023  £23.8m / 8% 2022  £19.5m / 7% 2021  £40.1m / 15%	2025  £21.8m / 7% 2024  £23.1m / 8% 2023  £20.3m / 7% 2022  £15.7m / 6% 2021  £36.8m / 14%	2025  77% 2024  68% 2023  68% 2022  73% 2021  81%	2025  £24.0m 2024  £18.6m 2023  £16.1m 2022  £14.3m 2021  £32.6m
Relevant focus areas 	Relevant focus areas 	Relevant focus areas 	Relevant focus areas 	Relevant focus areas 	Relevant focus areas 
Definition The Group generates revenue from the sale of bathroom products, accessories, and other expansion products to both consumers and trade customers. Revenue is recognised when we have delivered the product.	Definition Gross profit is defined as revenue less cost of sales. Cost of sales includes all direct costs incurred in purchasing products for resale along with packaging, distribution and transaction costs (which include mark to market movement on forwards currency contractual arrangements in line with the Group's treasury policy). Gross profit margin is gross profit as a percentage of revenue.	Definition Adjusted EBITDA is a non-GAAP measure defined as operating profit before depreciation, amortisation, exceptional items and IFRS 2 share-based payments. Adjusted EBITDA margin is Adjusted EBITDA as a percentage of revenue.	Definition Adjusted PBT is defined as Adjusted EBITDA less finance income / (costs), depreciation and amortisation. Adjusted PBT margin is Adjusted PBT as a percentage of revenue.	Definition Operating cash conversion is defined as cash generated from operating activities before exceptional items and taxation less non-exceptional capital expenditure and cash outflows relating to leases.	Definition Free cash flow is cash generated from operating activities before exceptional items and taxation, less routine capital expenditure and cash flows relating to leases.
Progress Revenue growth of 5% in 2025, reflecting an increase in order volume of 6% and an average order value reduction of 1%. Consumer revenue grew by 3%, whilst trade revenue grew by 10%, the latter now representing 24% of the Group's revenue (2024: 23%).	Progress Reported gross profit for the year increased by 4% to £153.2m with a 1ppt decrease in gross profit margin to 49%. A continued shift in product mix towards Victorian Plumbing Group's own brand ranges, offset by increased distribution costs and the introduction of Extended Producer Responsibility tax effective from 1 April 2025.	Progress Adjusted EBITDA and Adjusted EBITDA margin both increased as a result of the increase in gross profit, as well as the closure of AHK Designs Limited, to £31.8m and 10%, respectively. The closure of AHK Designs Limited removed our closest online competitor from the market and eliminated the brand confusion associated with their Victoria Plum trading name – as such, marketing spend as a percentage of revenue decreased to 27.3% (2024: 28.9%).	Progress Adjusted PBT decreased by 6% to £21.8m with Adjusted PBT margin down 1ppt to 7%. While we have exited expensive third party properties following the transition to our new warehouse infrastructure, we have recognised a long-term lease for our new distribution centre in Leyland, Lancashire, increasing depreciation and interest under IFRS 16, decreasing Adjusted PBT.	Progress We continue to achieve strong cash generation resulting in robust cash conversion at 77% (2024: 68%). Favourable net movement in working capital as we continue to deploy effective stock management and maintain our industry leading practices with supplier, strengthening and safeguarding our relationships for the future.	Progress The Group continues to achieve strong cash generation with an increase in free cash flow of 29% to £24.0m (2024: £18.6m).
Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change New group structure 	Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change 	Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change 	Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change 	Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change 	Relevant risk <ul style="list-style-type: none"> Macroeconomic trends Innovation and changes in consumer buying Business interruption Brand and reputation Cyber security and data protection Supply chain Increase in competition Sustainability and climate change

See PAGES 16 to 23 for more detail on Our strategy.

Key: Link to strategy

- 1 Grow our brand by providing the best customer experience and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency
- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers
- 6 Expand available categories beyond core bathrooms

The Group's principal risks and uncertainties are detailed on PAGES 60 to 65.

¹ Adjusted EBITDA is a non-GAAP measure – please refer to the glossary on page 146

² Adjusted profit before tax is a non-GAAP measure – please refer to the glossary on page 146

³ Free cash flow is a non-GAAP measure – please refer to the glossary on page 146

Key performance indicators

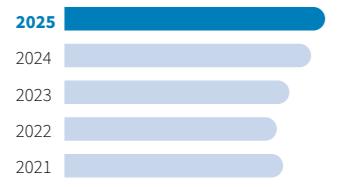
continued

We measure performance through a defined set of financial and operational KPIs

Operational

1. Total orders ('000)

1,080 +6%



Relevant focus areas



Definition

Total orders are defined as the total number of orders dispatched to customers in the period.

Progress

The total number of orders increased by 6% year-on-year (2024: 10%), driving the overall revenue growth (5%) in 2025. Our strategy has been effective in 2025 and remains unchanged: to reinforce our position as the number one UK bathroom retailer, growing our core offering of bathroom products and accessories to consumers; focusing on expansion categories; and increasing our trade proposition.

Relevant risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cyber security and data protection
- Supply chain
- Increase in competition
- Sustainability and climate change
- New group structure

2. Average order value

£287 (1%)



Relevant focus areas



Definition

Average order value ("AOV") is defined as total dispatched revenue divided by total dispatched orders in the period.

Progress

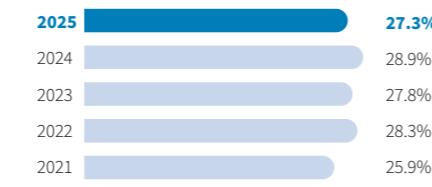
AOV decreased to £287 as consumers continued to shift away from more expensive third party branded products to our own brand range during the period, with the latter representing 81% of revenue in 2024 (2024: 80%).

Relevant risk

- Macroeconomic trends
- Business interruption
- Brand and reputation
- Supply chain
- Increase in competition
- Sustainability and climate change

3. Marketing as a % of revenue

27.3% +1.6ppt



Relevant focus areas



Definition

Total marketing spend, both online and brand, as a percentage of total revenue.

Progress

Marketing spend as a percentage of revenue decreased to 27.2% as we closed down our closest online competitor (AHK Designs Limited) and continue invest in brand marketing to pave the way for future growth. Our new and innovative marketing campaigns, which are bold and quirky, have continued growth in our brand awareness score, up 4ppt to 70%⁴.

Relevant risk

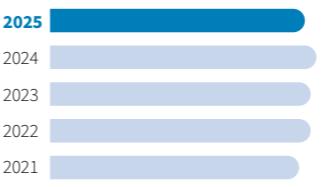
- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cyber security and data protection
- Supply chain
- Increase in competition

Key: Link to strategy

- 1 Grow our brand by providing the best customer experience and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency
- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers
- 6 Expand available categories beyond core bathrooms

4. Trustpilot score

4.4 (4%)



Relevant focus areas



Definition

The monthly average of all ratings submitted to Trustpilot.

Progress

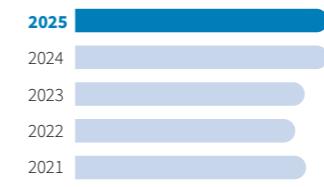
We have continued to focus on providing an exceptional customer experience with more than 400,000 Trustpilot reviews. We continue to be rated 'Excellent' by Trustpilot, having improved our average score in the year to 4.4 out of 5.0 from a low of 4.3 in the first half, having smoothed out some teething issues in our new warehouse infrastructure (2024: 4.6).

Relevant risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cyber security and data protection
- Supply chain
- Increase in competition

5. Active customers ('000)

713 +2%



Relevant focus areas



Definition

Active customers are the number of unique customers who placed an order in the period.

Progress

The total number of active customers increased (2%) year-on-year. Our bold, brand and data-led marketing attracted >710,000 consumers to our market leading online platform to purchase from our site.

Relevant risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cyber security and data protection
- Supply chain
- Increase in competition
- Sustainability and climate change

6. Trade revenue as a % of total

24% +1ppt



Relevant focus areas



Definition

The proportion of the total revenue of the business that is generated from trade customers.

Progress

Trade revenue grew by 10% in 2025, representing 24% of the Group's revenue. The improvement is a result of our ongoing strategy to increase our proposition for trade customers.

Relevant risk

- Macroeconomic trends
- Innovation and changes in consumer buying
- Business interruption
- Brand and reputation
- Cyber security and data protection
- Supply chain
- Increase in competition
- Sustainability and climate change

See PAGES 16 to 23 for more detail on Our strategy.

The Group's principal risks and uncertainties are detailed on PAGES 60 to 65.

⁴ Internal prompted brand tracking - summer 2025 vs. summer 2024.

Environmental, social and governance

Making a splash

Our purpose

Our purpose is to improve the quality of home life.

We provide affordable bathrooms, tiles and homewares to every home by sustainably investing in a broad range of products, advanced logistics and a values-driven, customer-focused and data-oriented culture.



Our ESG strategy for the coming year falls within three distinct pillars:



Environmental sustainability

We are now fully operational in our new purpose-built DC in Leyland, Lancashire. Sustainability was a key part of our decision-making process for the fit-out and operations of this new site. 1,554 solar panels are mounted on the roof of the building, and our new fleet of electric automated warehouse vehicles have been commissioned.



Diversity and inclusion

We are proud of our inclusive environment where everyone can succeed, grow their career and be rewarded for their efforts. We understand that diversity in our workforce helps us to fuel innovation, drive engagement and both attract and retain talent. Labour shortages continue to be a key focus, which drives a diverse and inclusive approach to hiring.



Governance and ethics

We expect high standards from everyone in our business, and from those in our supply chain. Our people and our partners understand our expectation of behaving professionally, ethically and legally.





Environmental sustainability

We are working hard to reduce our impact on the planet and believe we need to give back more than we take out. We are pleased to see our carbon intensity ratio fall in 2025 as a result of our sustainable choices.

Our focus continues to be on the areas we can control, which are Scope 1 and Scope 2¹. We disclose our emissions on both a market-based and location-based approach². This highlights the positive impact our sustainable choices for renewable electricity have had on our emissions. However, as an online retailer with no manufacturing and limited logistics capability, we have a relatively low carbon footprint across these two areas.

How we take action³

- Renewable energy** – Our electricity contracts continue to be 100% renewable energy and we have mounted 1,554 solar panels onto the roof of our new DC, which became operational in 2025.
- Recycled materials** – Our warehouses use only recycled pallets for deliveries.
- Recycling services** – We offer recycling services for large, electrical appliances.
- Review of plastics** – We continue to review, and where we can, make changes, to reduce the level of plastic that is used in the transportation and storage of our products.
- Supporting consumers** – We have a responsibility to enable them to make more sustainable choices by ensuring our platform provides the information they need. Not only do we offer choices made from sustainable materials, but we detail environmentally friendly features such as dual flush functions on toilets and water-saving taps and shower heads.

Methodology

The Group is required to measure and report its direct and indirect greenhouse gas (“GHG”) emissions by the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The GHG reporting period is aligned to the financial reporting year. The methodology used to calculate our GHG emissions and energy use is the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition). An operational control approach has been used. Emissions factors used are from UK Government conversion guidance for the year reported.

Understanding our impact

We currently understand and report our Scope 1 and Scope 2 Greenhouse Gas Emissions. We do not disclose our Scope 3 emissions. We continue to maintain our focus on how we can impact our Scope 1 and Scope 2 emissions.

We monitor and review our emissions based on the level of control that we have to make changes; what we can control, what we can influence, and what we can't control but is a concern for us as it contributes to our Scope 3 emissions. This allows us to focus on the areas where we can have the biggest impact on our emissions.

The table below summarises where our emissions fall within those control, influence and concern boundaries. We will prioritise those within the control boundary and we will keep under review those within the influence and concern boundaries.

Control All Scope 1 and Scope 2 emissions

Influence

Scope 3 categories such as:

Employee commuting, business travel, indirect purchased goods, services procured, capital goods, carriage

Concern

Scope 3 categories such as:

Manufacturing of sold products, shipping, end-of-life treatment of sold products

Scope 1 and 2 Greenhouse Gas Emissions¹

	2025 tCO ₂ e	2024 tCO ₂ e
Scope 1 (direct emissions): Total emissions from operations and combustion of fuel	172	259
Scope 2 (indirect emissions): Total emissions from energy purchased:		
Market-based	16	82
Location-based	372	497
Total gross Scope 1 and 2:		
Market-based	188	341
Location-based	544	756
Revenue (£m)	310.0	295.7
Carbon intensity ratio³ (Location-based)		
Tonnes of CO₂e per £m of revenue (tCO₂e)	1.75	2.56
Energy use kWh (Scope 1 and 2)	2,901,057	3,665,111

¹ Scope 1 emissions are direct emissions from sources that are owned or controlled by the Group, for example the fuel consumption of Company vehicles. Scope 2 emissions are indirect emissions generated from purchased energy, for example the purchase of electricity used at our office and warehouses.

² Location-based emissions reflect the energy consumed and the carbon intensity of the UK electricity grid. Market-based emissions take into account the renewable energy that we have purchased and the associated lower carbon intensity.

³ In order to express our annual emissions in relation to a quantifiable factor associated with our activities, we have used revenue as our intensity ratio as this is a relevant indication of the size of our activity.

As an online retailer with no manufacturing and limited logistics capability, we have a relatively low carbon footprint across Scope 1 and Scope 2, where we have the most control.

We understand that changes to our Scope 3 emissions will, by far, have the greatest impact. We realise that the reach of our business extends far beyond our own office, warehouses and distribution centres. The products we sell have an impact that we must consider and look to manage.

There are improvements to be made in the quality of our data for emissions reporting, and we continue to work with external consultants in this area, in understanding our impact on the environment and how we can operate more sustainably in the future.

As expected, our 2025 emissions have reduced vs. 2024. This follows the closure of Victoria Plum and their 277,000 square feet Doncaster distribution centre during 2025, but also reflects the sustainable choices that we have made at our new DC in Leyland, Lancashire.

Helping consumers to make sustainable choices

Our success comes from a breadth of expertise, and from offering consumers an extensive choice of products that are readily available.

We know that consumers are now more conscious of the environmental credentials of the products they purchase. They look for features such as water-saving technology, lower energy consumption or sustainably sourced materials. We are therefore continuously increasing the range of such products and improving the information we provide to customers. We have also been working with our suppliers to develop more of these types of products, to satisfy increasing consumer demand.

Customers who purchase electrical items from us can request collection of their large, bulky, unwanted electrical items. These are difficult items for customers to dispose of in an environmentally friendly manner, so this offering ensures that the items are disposed of in the most environmentally friendly way possible.



Diversity and inclusion

At Victorian Plumbing, we understand the value of having a diverse and inclusive organisation. Building a diverse and inclusive workforce will fuel innovation, drive engagement and attract talent. It is only with a mix of different ideas and perspectives that we can come up with the most exciting new ideas and create the best experience for our customers and other stakeholders.

Diversity for everyone at Victorian Plumbing means respect for, and appreciation of, differences in: gender identity and expression, age, sexual orientation, disability, race and ethnic origin, religion and faith, marital status, maternity, socio-economic background and way of thinking. We believe inclusion is a state of being valued, respected and supported for who you are and having the same career opportunities as others.

We recognise that there is more that we can do to improve diversity and inclusion in our organisation. In the year, we have increased the proportion of women in leadership positions to 32% (2024: 28%), but we know we still have work to do in this area.

We are also mindful that a large proportion of our employee base relates to warehouse roles where it can be challenging to attract female employees. Warehouse roles are almost exclusively recruited from the local area, and the diversity of our

workforce is, therefore, inextricably linked to the diversity of the surrounding environment. Labour shortages continue to be a key focus, and this drives a diverse and inclusive approach to hiring.

How we will take action:

- We will strive to interview a diverse range of individuals for each role. Having a diverse pool of applicants reaching interview should ultimately result in greater diversity among those we recruit.
- We will improve the employee experience, remove barriers and reduce the gender pay gap.

How we will measure impact:

- We will monitor the makeup of our people with specific focus on gender and those in leadership roles.
- We will analyse and act on employee feedback.
- We will report on our gender pay gap.

Our values



We take responsibility

Each team member is responsible for the success of their place within our business. No matter the role, it's important that we understand the importance of taking responsibility for our work.



We innovate

We don't allow tired thinking and the normal way of doing things to get in the way of innovation. All ideas are respected, welcomed and given the access to make a difference to our performance.



We respect people

Whether it's customers, our team members or our business partners, we recognise that our success is a product of people, collaborative work and respect for each other.



We develop and grow

We recognise and reward hard work. At Victorian Plumbing, eagerness to self-develop and better ourselves is rewarded with the tools and investment needed to grow our team and our business.



We're humble

We don't take our success for granted, and we remain competitive, aware and agile no matter our size.



We celebrate success

We take time to acknowledge and celebrate our achievements, and we reward successes driven by our team.

Diversity

We are committed to improving diversity and inclusion within our organisation, as we believe this improves individual and team performance and allows us to identify and attract talent that we may not otherwise access.

Gender

The ratio of men to women on the Board has remained consistent with that post-Admission in June 2021, with a ratio of 4:1 (2024: 4:1). In 2025, we have once again increased the proportion of women in leadership positions, as defined by the Hampton-Alexander Review. This has increased to 32% (2024: 28%), with two additional female hires into leadership roles during the year.

We also recognise that we have under-representation of females in our technology team, which accounts for 11% of our total workforce. Given the skilled and specialist nature of the roles in the technology team, alongside the competitive market for tech talent, the salaries in this team are significantly higher in comparison to other parts of our business. We work with 'women in tech' communities to ensure that our technology team vacancies are reaching a wide pool of candidates, and in 2025 have seen the proportion of women in our technology team increase to 21% (2024: 17%).

Our median hourly pay gap at the snapshot date of 5 April 2025 is 0.0% (2024: 2.5%) and our mean hourly pay gap has decreased once again, to 1.2% (2024: 6.7%), reflecting the increased proportion of women in leadership and higher skilled positions during the year.

Equal opportunities

Diversity to us means having respect for and appreciation of differences. As well as gender, this can include race and ethnic origin, age, sexual orientation, marital status, religion or belief, disability, maternity and socio-economic background. As with gender diversity, we acknowledge that we have more to do in these areas. We are looking at ways to improve the level of data we hold in this regard about our people, through building awareness and transparency about the reasons why we wish to hold such information, the value such insight can bring and how the data will be stored. Year-on-year, the proportion of employees disclosing their ethnicity increased from 66% to 73%. Of those, the proportion identifying as Other increased from 20% to 27%.

Our business is committed to becoming more inclusive and welcoming of a diverse workforce, and ultimately retaining that diversity.

Employee engagement

Our employees are key to helping us fulfil our purpose and so at Victorian Plumbing we promote a culture of open feedback.

2024 was a big year of change for our warehouse colleagues due to our warehouse transformation programme. Employee engagement was key to our successful transition. It was therefore important for us in 2025 to continue our engagement with those employees. We conducted an employee survey for colleagues at our new DC, to gather feedback on the new site, ensuring that the facilities continue to provide an environment and services that colleagues enjoy.

Employees also have the opportunity to provide feedback year-round through our Company intranet site, 'The Loop'.

We rolled out our annual Save as You Earn ("SAYE") scheme again during the year, which provided all employees with the opportunity to purchase shares in the Company at a 20% discount to the market price at invitation. The scheme promotes a culture of shared ownership as the business drives growth and seeks to capitalise on investment in its new warehouse infrastructure.

Investing in and supporting our talent

To meet the ambitions of our core value, 'develop and grow', we do everything we can to support our people with learning opportunities. We offer our employees opportunities to learn new skills through both internal and external training, along with 'on-the-job' coaching.

Wellbeing of our employees

The physical and mental wellbeing of our employees is always front of mind. We have invested in a state-of-the-art fitness studio at our new site, which, alongside the studio available at our legacy head office site, gives our employees a place where they can exercise either independently or by using our virtual class capability.

At our new DC, we have also invested in a staff canteen, which offers healthy meal options and a relaxing space for employees to take their break. Colleagues are encouraged to provide regular feedback on the services provided in the canteen via a QR code.

Our Mental Health Champions continue to offer support to all employees across the Company. Our Champions help to raise awareness of different mental health issues through the promotion of awareness days.

In conjunction with our Mental Health Champions, we also partner with Health Assured, the UK's largest Employee Assistance Programme provider, to provide our employees with an outlet to seek information or advice on a range of mental health topics should they wish to speak to anyone anonymously.

Our dedicated online wellbeing centre, accessible to all employees via The Loop, provides education materials as well as tools to help support our employees live a healthier and happier life, with focus provided across four main areas: 'Move' (Get active), 'Munch' (Eat healthier), 'Money' (Financial wellbeing) and 'Mind' (Mastering your mental health).



Diversity and inclusion

continued

Gender diversity

As at 30 September 2025

	Men	Women	Men as % of total	Women as % of total
Board	4	1	80%	20%
ELT (excluding Board members)	4	3	57%	43%
ELT direct reports	23	10	70%	30%
Leadership positions¹	27	13	68%	32%
Total employees	547	161	77%	23%

¹ Leadership positions includes both ELT and ELT direct reports

As at 30 September 2024

	Men	Women	Men as % of total	Women as % of total
Board	4	1	80%	20%
ELT (excluding Board members)	4	3	57%	43%
ELT direct reports	24	8	75%	25%
Leadership positions	28	11	72%	28%
Total employees	547	168	77%	23%

Gender pay gap

Hourly pay gap between men and women

2025	2024	2023
Mean	Mean	Mean
1.2%	6.7%	9.7%
Median	Median	Median
0.0%	2.5%	0.0%

Ethnic diversity

As at 30 September 2025

	White	Other	Not disclosed	White as % of disclosed	Other % of disclosed
Board	5	–	–	100%	–
ELT (excluding Board members)	7	–	–	100%	–
ELT direct reports	27	–	6	100%	–
Leadership positions	34	–	6	100%	–
Total employees	376	140	192	73%	27%

As at 30 September 2024

	White	Other	Not disclosed	White as % of disclosed	Other % of disclosed
Board	5	–	–	100%	–
ELT (excluding Board members)	7	–	–	100%	–
ELT direct reports	29	–	3	100%	–
Leadership positions	36	–	3	100%	–
Total employees	374	96	245	80%	20%





Governance and ethics

Operating ethically

At Victorian Plumbing, we are committed to carrying out all business activities in an honest and open manner, and strive to apply high ethical standards in all our business dealings.

All our existing and new suppliers are required to adhere to a Supplier Code of Conduct. We proactively seek supplier relationships with those who share our passion for making a difference, and we encourage our suppliers and partners to drive their own ESG efforts in line with their principles. We continue to review our supplier onboarding process, ensuring alignment to the Modern Day Slavery Act 2015.

Our supplier audit programme continued throughout 2025. The audits we perform cover areas such as employment conditions, health and safety, and terms of employee engagement. If suppliers fail to comply with our standards, we will work with them to improve or, if we do not believe that can be done, we will terminate our relationship with them. In the year, we conducted nine full factory audits in the Far East for potential new suppliers; eight of these audits were passed and the suppliers were onboarded. Our full factory audits cover two tests: the first is for compliance against ISO9001:2015; the second is against our Supplier Code of Conduct. Our supplier audit programme also covers the re-audit of our suppliers every two years. This ensures that our suppliers continue to uphold the high standards that we expect. In the year, we conducted the re-audit of twenty three Far East suppliers. If a supplier fails a re-audit, they are given 60 days to remediate the failure before they are offboarded.

We have zero tolerance for any aspect of bribery and corruption, both within our business and in respect of any third parties we have dealings with. We have an established anti-bribery policy and procedures in place for reporting on gifts and hospitality.

We actively cultivate a transparent and open culture, encouraging our employees to speak up if they have any concerns or experience any serious malpractice or wrongdoing in our business. The Company's whistleblowing policy is available to all employees on the Company's intranet site, 'The Loop', and contains clear and accessible information as to how employees can raise appropriate concerns. Concerns raised will be reported to the Audit and Risk Committee, which will then be advised of the investigations carried out and any actions arising as a result.



Data is at the heart of everything we do, and for that reason we take the protection of it very seriously."

Health and safety

We recognise our responsibility for the health and safety of our workforce and others who could be affected by our activities, and we are committed to maintaining a safe working environment for all our workforce. We assess the hazards and risks faced by our workforce in the course of their work and take action to mitigate those risks.

We meet our legal obligations by providing and maintaining a safe and healthy working environment so far as is reasonably practicable. We do this through:

- providing leadership and adequate control of identified health and safety risks;
- measuring our health and safety performance;
- consulting with our employees on matters affecting their health and safety;
- providing and maintaining safe plant and equipment;
- ensuring the safe handling and use of substances;
- providing information, instruction and training where necessary for our workforce, taking account of any who do not have English as a first language;
- actively managing and supervising health and safety at work; and
- aiming for continuous improvement in our health and safety performance and management through regular reviews of our policies.

Data security

At Victorian Plumbing, we take the risk of cybercrime very seriously. As an online retailer, protecting the data of our customers and ensuring safe online shopping is critical to our business.

Our Senior Information Risk Owner ("SIRO") is responsible for the overall information risk policy and risk assessment process and to ensure the communication of those risks to the Audit and Risk Committee. Quarterly meetings are held with key management, chaired by the SIRO, to robustly review policies and processes, and manage the acquisition of various tools to improve Victorian Plumbing's security posture. Ultimately, this will enable Victorian Plumbing to seek certification under Cyber Essentials Plus and ISO 27001.

We continuously monitor the availability and resilience of our platform and systems, and continue to invest in our security infrastructure. Our development teams use best of breed tools and solutions to implement effective security over our cloud applications. These tools allow regular reporting to detail how the infrastructure is protected against the CIS and NIST frameworks. Penetration testing is performed annually, with vulnerability scanning scheduled monthly and during 2025 no significant issues were found.

All new employees are required to complete data protection and cybersecurity training as part of the induction process, with regular mandatory training for all employees.

Data protection

Data is at the heart of everything we do, and for that reason we take the protection of it very seriously. When it comes to collecting and storing personal data, be that for customers, suppliers or our employees, we abide by the principles set out under the UK General Data Protection Regulation and UK Data Protection Act 2018. We are committed to ensuring that the personal information we collect and use is appropriate for the purpose, does not constitute an invasion of privacy and is held securely, responsibly and transparently in accordance with our Data Protection Policy.

We manage consent for our marketing emails in line with the Information Commissioner's Office ("ICO") guidelines. We may pass personal data to trusted third party service providers contracted to Victorian Plumbing in the course of dealing with customers or employees. These third parties are subject to annual audits and reviews of their data processing agreements with Victorian Plumbing, to ensure the utmost integrity of all our data sharing and processing activities. Processing impact assessments are conducted, where necessary, to ensure any high-risk processing activities are mitigated.

We record all personal data breaches and have a rigorous data breach process in the unlikely event one occurs. This includes reporting notifiable breaches to the relevant regulatory authorities, including the ICO, without undue delay and within stipulated deadlines. Where required, we take corrective action as soon as possible.

Tax transparency

Victorian Plumbing is committed to being a responsible taxpayer, acting in a transparent manner at all times. Our detailed tax policy includes further transparency on our approach to risk management and governance, and our attitude towards tax planning.

We will continue to review our tax strategy to ensure that the key objectives remain aligned with the overall strategic objectives of the Group.



Treating people fairly

We are committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. For our full Modern Slavery Statement, please see our website (www.victorianplumbingplc.com/responsibility/modern-slavery). We have a zero-tolerance approach to modern slavery and expect the same high standards from all our contractors, suppliers and other business partners.

All our employees and job applicants are treated fairly and equally. It is our policy to ensure that working practices, career progression and promotion opportunities are all free from discrimination or bias.

Reporting frameworks

We are developing our disclosures in line with both the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations and Sustainability Accounting Standards Board (“SASB”) standards to provide our investors and other stakeholders with information about our approach.

TCFD

We recognise that we have steps yet to be taken to integrate climate-related risks and opportunities into our strategic approach, and are working towards identifying clear actions to achieve full compliance, taking advantage of evolving good practice and guidance from other companies, advisers and regulators.

TCFD alignment at a glance

The Board recognises the risks and opportunities posed by climate change to the Group’s business model and strategy. As such, the Group risk register incorporates risks relating to the impact of climate change on our business, and this is disclosed as a principal risk. The disclosure below sets out our climate-related financial disclosures consistent with the four TCFD pillars.

Governance

The Board is responsible for setting the Group’s strategy, taking into account all relevant risks and opportunities, including those related to climate matters. The Group’s risk management framework is designed to identify and assess the likelihood and consequences of risks, and to manage the actions necessary to mitigate their impact, including climate-related matters. This is detailed on page 65.

Climate change considerations are increasingly integrated into day-to-day business activities. Our ELT, which comprises the two Executive Directors and seven other members of senior management, meets regularly and climate matters are considered in this forum. Planning for the new DC which cut across all business areas, had environmental sustainability considered at every stage.

Strategy

As outlined in our principal risks on pages 60 to 65, we continue to monitor consumer sentiment and respond to climate change and sustainability risk.

As an online retailer with no manufacturing and limited logistics capability, we have a relatively low carbon footprint across Scopes 1 and 2. Positive changes we can make or influence in relation to our Scope 3 emissions will drive the most significant environmental benefit.

We will work in partnership with our suppliers to support them in various ways to help reduce supply chain emissions.

The table on the following page highlights the material climate change risks and opportunities that we have considered. We have more work to do to factor these risks and opportunities into our financial planning process, and to agree the metrics and targets that we will measure ourselves against.

In a high carbon scenario, physical risks are more likely to materialise. In a low carbon scenario, the transition risks are more likely to materialise. We consider the business to be sufficiently resilient against the identified climate risks.

Transition risks

Risk or opportunity	Description
Impact of carbon taxes	The UK government has confirmed that a carbon tax will be introduced in the UK by 2027. This is likely to lead to an increase in the cost of products with high GHG emissions. This could negatively impact profits, due to taxation on the Group, or taxation on suppliers that is passed on in product cost.
Changes to fuel prices caused by increased taxation or by climate-related market disruption	Fuel prices are impacted by changing market dynamics and decarbonisation trends, such as the transition to non-fossil fuel alternatives. This could lead to increased fuel costs for our upstream and downstream transport and distribution partners, which will be passed on to the Group and could negatively impact profits.
Reputational damage due to our sustainability strategy failing to meet stakeholder expectations	If we do not continue to move towards using more sustainable raw materials and offering sustainable products to our consumers, along with reducing our carbon emissions, we might lose customers who switch to other retailers they consider to be more sustainable. It could also become difficult to attract and retain talent.

Physical risks

Risk or opportunity	Description
Physical risks such as drought, flooding and wildfire impact the availability of raw materials or impact manufacturing sites in countries from which we source our products	In the UK, none of our premises are in areas at high risk of flooding. Physical risks will primarily have an impact on our supply chain.

Risk management

Effective management of risk is fundamental to the achievement of our long-term objectives and delivering value for our stakeholders. Our approach to risk is integrated within the overall governance and management of the business.

Our risk management framework (set out on page 59) separates responsibilities into three lines of defence:

First line of defence: Senior Leadership Team
Second line of defence: Oversight functions
Third line of defence: Independent assurance

Our Group risk register includes sustainability and climate change as a principal risk (as detailed on page 60). It is therefore subject to the same governance, review process and management attention as other risks recorded on our Group risk register.

Metrics and targets

We have reported our Scope 1 and 2 emissions on page 41. Our Carbon Intensity Ratio has reduced in the year to 1.75 tonnes of CO₂ per £m of revenue (2024: 2.56). This reflects the positive impact of our sustainable choices, such as the use of roof-mounted solar panels, along with the closure of the 277,000 square feet Victoria Plum distribution centre in Doncaster during the year.

SASB disclosure and accounting metrics



SASB disclosure topics and accounting metrics

We have set out below our progress against the e-commerce SASB standards.

Topic	Disclosure required	Progress
Hardware, infrastructure, energy and water management	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Scope 1 and scope 2 emissions are disclosed. See page 41 for details. Grid electricity accounted for 72% (2024: 65%) of total energy usage and 98% of this (2024: 90%) was from renewable sources.
	(1) Total water withdrawn (2) Total water consumed (3) Percentage of each in regions with high or extremely high baseline water stress	There was no water withdrawn by the Group in the year. The Group consumed 4,431 (2024: 3,356) cubic metres of water in the year. The increase in the year reflects the new DC coming into full operation. No water was consumed in regions with high or extremely high baseline water stress.
	Discussion of the integration of environmental considerations into strategic planning for data centre needs	The Group primarily uses cloud-based services with some supplementary on-site servers, so does not own or operate any data centres itself. When selecting or renewing cloud-based services the Group has regard to environmental considerations, as well as other factors. For example, the Group uses a platform that has a stated focus on sustainability.
Data privacy and advertising standards	Description of policies and practices relating to behavioural advertising and user privacy	See page 47 for details on our Data Protection Policy. The Senior Information Risk Owner ("SIRO") and Data Protection Officer ("DPO") introduced enhanced rigour with third party suppliers to ensure the utmost integrity of all our data sharing and processing activities. We made improvements to our own use of cookies on our website, based on specific guidance provided to us by the ICO. Additionally, we ensure that customers are provided with clear, easy to access guidance relating to how they can opt out of our third party advertising partner's cookie tracking.
Data security	Description of approach to identifying and addressing data security risks	See page 46 for further information on our approach to data security and privacy.
	(1) Number of data security breaches (2) Percentage involving personally identifiable information ("PII") (3) Number of users affected	(1) There was 1 reportable data breach in the year (2024: 2) (2) 100% involved PII (3) 1 user was affected
Employee recruitment, inclusion and performance	Employee engagement as a percentage	2025 saw the completion of our warehouse transformation programme. As a result of the programme, there were high levels of employee engagement to make the process and transition as smooth as possible. It was therefore decided that an employee engagement survey would not be appropriate in the year so that the HR team could focus their support on that process. (2024: n/a). Employees at the new site were, however, surveyed to gauge feedback on facilities at the new site.
	(1) Voluntary turnover rate for all employees (2) Involuntary turnover rate for all employees	The Group had a voluntary turnover rate for employees of 65% (2024: 64%). This reflects improvements in our recruitment and induction processes. Our involuntary turnover rate is 35% (2024: 36%).
	Percentage of gender and racial/ethnic group representation for: (1) management; (2) technical staff; and (3) all other employees.	Gender representation for management and the workforce as a whole as at 30 September is reported on page 44. In addition, as at 30 September 2025, 79% (2024: 83%) of technical staff identify as male and 21% (2024: 17%) as female. The ethnic diversity of management and the workforce as a whole as at 30 September is reported on page 45. Of technical staff who disclose their ethnicity, 83% identify as white with 17% identifying as from an ethnic minority. (2024: 90% white, 10% ethnic minority).

Non-financial and sustainability information

The non-financial and sustainability reporting regulations in section 414CA and 414CB of the Companies Act 2006 require the disclosure of specific information relating to environmental matters, the Company's employees, social matters, respect for human rights and anti-bribery and anti-corruption matters, a summary of which is set out below. We have incorporated Climate-related Financial Disclosures (governance, strategy, risk management, and metrics and targets), into the Environmental Sustainability section of this report on pages 48 and 49.

The table below sets out where stakeholders can find further information for each area within this Annual Report:

Non-financial risk	Policies and standards which govern our approach	Section within this Annual Report	KPIs
Environmental	<ul style="list-style-type: none"> Supplier code of conduct Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard Sustainability Accounting Standards Board ("SASB") Task Force on Climate-related Disclosures ("TCFD") 	<p>Environmental sustainability (pages 40 to 41) Reporting frameworks (pages 48 to 49)</p>	<ul style="list-style-type: none"> Scope 1 and 2 emissions Total energy consumed Percentage renewable
Our people	<ul style="list-style-type: none"> Employee handbook Whistleblowing policy Data Protection policy 	<p>Diversity and inclusion (pages 42 to 45) Governance and ethics (pages 46 to 47) Stakeholder engagement and s.172 statement (pages 32 to 33)</p>	<ul style="list-style-type: none"> Gender diversity Gender pay gap Women in leadership roles Ethnic representation RIDDOR¹ incidents
Social and community	<ul style="list-style-type: none"> Supplier audits Modern slavery policy Tax strategy 	<p>Governance and ethics (pages 46 to 47) Stakeholder engagement and s.172 statement (pages 32 to 33)</p>	<ul style="list-style-type: none"> Gender diversity Gender pay gap Women in leadership roles Suppliers audited
Suppliers	<ul style="list-style-type: none"> Supplier Code of Conduct ISO 9000:2015 Whistleblowing policy 	<p>Governance and ethics (pages 46 to 47) Stakeholder engagement and s.172 statement (pages 32 to 33)</p>	<ul style="list-style-type: none"> Number of factory audits
Customers	<ul style="list-style-type: none"> Privacy policy 	<p>Governance and ethics (pages 46 to 47) Stakeholder engagement and s.172 statement (pages 32 to 33)</p>	
Human rights	<ul style="list-style-type: none"> Modern slavery policy Supplier audits 	<p>Governance and ethics (pages 46 to 47)</p>	<ul style="list-style-type: none"> Factory audit results
Anti-bribery and corruption	<ul style="list-style-type: none"> Anti-bribery policy 	<p>Governance and ethics (pages 46 to 47)</p>	
Business model		<p>Business model (pages 14 to 15)</p>	
Principal risks	<ul style="list-style-type: none"> Risk register 	<p>Principal risks and uncertainties (pages 60 to 65) Risk management (pages 58 to 59)</p>	
Non-financial key performance indicators ("KPIs")		<p>Operational KPIs (pages 36 to 37)</p>	<ul style="list-style-type: none"> Total orders Average Order Value Marketing as a % of revenue Trustpilot score Active customers Trade revenue as a % of total

¹ Reporting of Injuries, Diseases and Dangerous Occurrences Regulations.

Financial review



Revenue and adjusted EBITDA in line with market expectations, generating significant operating cash flows."

Daniel Barton
Chief Financial Officer



Highlights

- Record order volumes in the year of 1,080,000
- Excellent performance across our trade and expansion categories
- Finalised the move into our new DC during the year, on time and in budget
- Adjusted EBITDA up 17%
- Free cash flow up 29% to £24.0m
- Full year final dividend recommended with a total cash distribution of £7.2m



Overview

We are pleased to report strong financial performance and operating cash generation as we continue further market share gains in the year to 30 September 2025.

Revenue

Reported revenue grew by 5% to £310.0m in 2025, from £295.7m in 2024. Order volume grew by 6% to a record 1,080,000, with AOV declining by 1% to £287 in the same period. The average number of items per basket increased to 3.3 in 2025 (2024: 3.1), driven by growth in our trade channel.

Order growth reflects continued market share gain in a subdued market, driven by the acquisition of Victoria Plum in May 2024 and our unrelenting approach to online marketing, as well as improved brand awareness.

The reduction in AOV reflects a continuation of the customer shift away from more expensive third party brands to our own brand product range, which carries a higher margin, albeit the rate of this shift slowed during the second half of the year, such that AOV in H2 was up 3% to £292 vs. H1. The revenue split between own brand and third party brands was 81% vs. 19% (2024: 80% vs. 20%). Importantly, and in contrast to our competitors which operate more expensive business models, the Group has not passed on any price increases during the year as it looked to support the consumer during a difficult and uncertain period and to ensure our pricing remains competitive.

	2025 £m	2024 £m	Change %
Revenue	310.0	295.7	5%
Cost of sales	(156.8)	(147.9)	(6%)
Gross profit	153.2	147.8	4%
Gross profit margin %	49.4%	50.0%	(0.6ppt)
Underlying costs	(121.4)	(120.6)	(1%)
Adjusted EBITDA	31.8	27.2	17%
Adjusted EBITDA margin %	10%	9%	1ppt
Depreciation and amortisation	(7.8)	(4.7)	(66%)
Share-based payments	(1.4)	(3.1)	70%
Exceptional items	(4.6)	(8.2)	44%
Operating profit	18.0	11.2	61%
Net finance (costs) / income	(2.2)	0.6	(467%)
Exceptional items	(0.7)	(2.8)	75%
Profit before tax	15.1	9.0	68%

Trade revenue, driven by higher order volumes, grew by 10% to £73.8m (2024: £67.3m) and now represents 24% of total revenue (2024: 23%). Consumer revenue (including MFI) increased by 3% to £236.2m (2024: £228.4m) and represents 76% of total revenue (2024: 77%), driven by order growth following the acquisition of Victoria Plum.

Revenue continued to grow at pace in our expansion categories as space constraints were unlocked in our new DC. Tiles and flooring revenue grew by 42% to £17.6m (2024: £12.4m), albeit at a slightly reduced gross margin when compared with the wider core bathroom range.

Gross profit

We define gross profit as revenue less cost of sales. Cost of sales includes all direct costs incurred in purchasing products for resale along with packaging, distribution, and transaction costs (which include mark to market movements on forward currency contractual arrangements in line with our treasury policy).

Cost of sales increased by 6% to £156.8m (2024: £147.9m) in line with order volume growth. Gross profit for the year increased by 4% to £153.2m (2024: £147.8m). Gross profit margin reduced by 60 basis points to 49.4% (2024: 50.0%) reflecting the introduction of Extended Producer Responsibility tax effective from 1 April 2025 and a change in product category and channel mix across the year. Gross margin from own brand products was stable at 54% (2024: 54%), and gross margin from third party products reduced to 30% (2024: 32%).

We are proud to partner with some of the industry's leading names which, alongside our own brand offering, allows us to provide consumers with a wide range of price points. This is a compelling component of our unique ungeared operating model, protecting shareholder returns and building the foundation for future growth.

Underlying costs

Underlying costs, which we define as administrative expenses before depreciation and amortisation, exceptional items and share-based payments, increased by 1% to £121.4m (2024: £120.6m) and represents 39% of revenue (2024: 41%).

	2025 £m	2024 £m	Change
Marketing – online	76.1	78.2	(3%)
Marketing – brand	8.5	7.2	18%
Total marketing	84.6	85.4	(1%)
People costs (excl. share-based payments)	26.6	24.7	8%
Property and other overheads	10.2	10.5	(3%)
Underlying costs	121.4	120.6	1%

Growing the Victorian Plumbing brand awareness and increasing traffic to site remains a focus for the Group and we have seen a material improvement in our brand awareness score during the year to 70% (2024: 66%). Total marketing costs decreased by 1% to £84.6m (2024: £85.4m) and represent 27.3% (2024: 28.9%) of total revenue. Online marketing costs decreased by 3% to £76.1m (2024: £78.2m) representing 24.6% (2024: 26.5%) of total revenue, which we consider an excellent performance and reflects our brand strength improvement and in-house marketing expertise. Investment in brand spend, including our title sponsorship of the UK Snooker Championship and TV and outdoor advertising, increased to £8.5m (2024: £7.2m), representing 3% of total revenue (2024: 2%).

Financial review

continued

People costs, excluding share-based payments but including costs relating to agency staff, increased 8% to £26.6m (2024: £24.7m). Overall average FTE decreased 2% to 712 (2024: 727). This reflects well-documented inflationary cost pressures together with an investment in MFI offset, in part, by productivity improvements within our new warehouse infrastructure. Revenue per average FTE was £435,000 (2024: £407,000).

Property and other overhead costs reduced by 3% to £10.2m (2024: £10.5m), with the Group investing in dedicated warehousing for MFI in the second half of the financial year.

Operating profit and adjusted EBITDA

The Executive Leadership Team (“ELT”) measures the overall performance of the Group by reference to adjusted EBITDA, a non-GAAP measure. This adjusted profit measure is applied by the ELT to understand earnings trends and is considered an additional, useful measure under which to assess the Group's true operating performance.

	2025 £m	2024 £m
Operating profit	18.0	11.2
Amortisation of intangible assets	2.9	3.1
Depreciation of property, plant and equipment	1.5	0.5
Depreciation of right-of-use assets	3.4	1.1
Share-based payments (including NI)	1.4	3.1
Double running and non-recurring administrative expenses	2.0	19.0
Impairment of right-of-use assets	—	0.8
Closure costs: Victoria Plum	2.4	1.1
Professional fees associated with business combinations	0.2	0.6
Adjusted EBITDA	31.8	27.2

Adjusted EBITDA increased by 17% to £31.8m (2024: £27.2m), and adjusted EBITDA margin increased by 1ppt to 10% (2024: 9%).

Adjusted EBITDA to adjusted PBT

The ELT also measures the overall performance of the Group by reference to adjusted PBT, a non-GAAP measure. This adjusted profit measure is applied by the ELT as an alternative profitability measure, which incorporates the capital investment and the financing structure of the Group.

	2025 £m	2024 £m
Adjusted EBITDA	31.8	27.2
Amortisation of intangibles	(2.9)	(3.1)
Depreciation of property, plant and equipment	(1.5)	(0.5)
Depreciation of right-of-use assets	(3.4)	(1.1)
Finance income	0.7	1.0
Finance costs (excluding exceptional items)	(2.9)	(0.4)
Adjusted PBT	21.8	23.1

Adjusted PBT decreased by 6% to £21.8m (2024: £23.1m), and adjusted PBT margin decreased by 1ppt to 7% (2024: 8%).

Exceptional items

	2025 £m	2024 £m
Warehouse transformation:		
Double running and non-recurring administrative expenses	2.0	5.7
Impairment of right-of-use assets	—	0.8
Closure costs: Victoria Plum	2.4	1.1
Professional fees associated with business combinations	0.2	0.6
Exceptional items recognised within administrative expenses	4.6	8.2
Double running finance costs	0.7	2.8
Exceptional items recognised within finance costs	0.7	2.8
Total exceptional items	5.3	11.0

Warehouse transformation

On 4 October 2023, the Group entered into a 20-year lease agreement for the new warehouse and commenced a period of fit-out, which was substantially complete by the end of December 2024. In accordance with IFRS 16, a lease liability of £41.7m has been recognised, with a corresponding right-of-use asset recognised in non-current assets during the prior financial year.

For the duration of the fit-out, the new warehouse was not generating economic benefit for the Group. Therefore, expenditure incurred during the fit-out period, together with non-recurring transformation costs such as associated professional fees, totalling £2.0m (2024: £5.7m) has been recognised as 'warehouse transformation costs' in the consolidated statement of comprehensive income. Associated exceptional cash outflows of £1.5m (2024: £2.5m) have been incurred and recognised in the consolidated statement of cash flows.

The imputed interest recognised against IFRS 16 lease liabilities for property considered to be non-underlying during the fit-out period have been recognised as 'double running finance costs'. Associated cash outflows of £0.5m have been expended for double running finance costs during the period (2024: £2.8m).

Closure of Victoria Plum

On 17 May 2024, Victorian Plumbing Ltd, a subsidiary of the Group, acquired 100% of the share capital of Victoria Plum and, in August 2024, the decision was taken by the Group to cease trading Victoria Plum. The Victoria Plum website was redirected to Victorian Plumbing from November 2024. This closure activity meets the definition of a discontinued operation under IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations. As such, the losses incurred together with the settlement of the balance sheet of Victoria Plum have been recognised as a £9.1m cash outflow from discontinued operations in 2025. A provision of £0.6m has been recognised as an exceptional item within continuing operations in the year against Victoria Plum inventory held by Victorian Plumbing.

Exceptional cash flows

	2025 £m	2024 £m
Cash flows from operating activities	(1.5)	(2.5)
Cash outflow from exceptional items: double running	(1.5)	(2.5)
Cash outflow from exceptional items: business combinations	—	(0.8)
Cash flows from investing activities	(0.1)	(0.3)
Purchase of intangible assets: warehouse transformation	(0.1)	(0.3)
Purchase of property, plant and equipment: warehouse transformation	(0.6)	(20.8)
Cash flows from financing activities	(0.5)	(2.7)
Payment of interest portion of lease liabilities: double running	(0.5)	(2.7)
Payment of principal portion of lease liabilities: double running	—	(0.1)
Cash flows from exceptional items	(2.7)	(27.2)

Share-based payments

The Group incurred share-based payment charges (including associated National Insurance (“NI”)) of £1.4m (2024: £3.1m). Share-based payment charges for the year include £0.7m (2024: £1.7m) for schemes relating to the Group's IPO in June 2021, along with £0.7m (2024: £1.4m) for ongoing schemes put in place post IPO.

Depreciation, amortisation and impairment

The Group continues to invest in its platform and the development of bespoke in-house systems (including MFI), with £3.9m of intangible assets capitalised during the period (2024: £3.8m). Depreciation and amortisation increased by £3.1m to £7.8m (2024: £4.7m) to reflect the additional expense of the fit-out of the new warehouse together with the associated right of use expense.

Financial review continued

Net finance costs

Finance income of £0.7m during the year compares to a finance income of £1.0m for 2024 due to, inter alia, cash being placed on deposit to take advantage of deposit rates. Finance costs (excluding exceptionals) increased to £2.9m (2024: £0.4m) to reflect the additional interest on the 20 year lease associated with the new warehouse.

Taxation

The Group tax charge of £2.2m (2024: £3.5m) represents an effective tax rate of 15% (2024: 39%) which is lower than the standard rate of UK tax of 25% due to tax losses being recognised in the year.

Earnings per share

Diluted EPS from continuing operations was 4.2 pence (2024: 1.7 pence). Adjusted diluted EPS grew by 2% to 5.4 pence (2024: 5.3 pence).

Cash flow and cash

The Group continues to achieve strong cash generation with an increase in free cash flow of 29% to £24.0m (2024: £18.6m), resulting in strong operating cash conversion of 77% (2024: 68%).

	2025 £m	2024 £m
Continuing operations		
Adjusted EBITDA	31.3	27.2
Movement in working capital	2.5	(4.8)
Repayment of lease liabilities	(3.5)	(1.3)
VAT not yet recovered on exceptional items	(1.6)	1.2
Capital expenditure (excluding exceptional items)	(4.7)	(3.7)
Free cash flow	24.0	18.6
Operating cash conversion	77%	68%

Changes in working capital resulted in a cash inflow of £2.5m (2024: outflow of £4.8m), largely because of timing differences with supplier payments. Given the nature of our stock, we continue to incur low levels of obsolescence and our proprietary knowledge over two decades of trading benefits us in low levels of returns and damages.

Capital expenditure (excluding exceptional items) of £4.7m (2024: £3.7m) included £3.6m (2024: £3.3m) of capitalised salaries relating to development of the Group's bespoke software solutions.

At the end of the year, the Group had net cash (excluding IFRS 16 related liabilities) of £17.7m (2024: £11.2m).

On 18 December 2024, the Group entered into a new three-year revolving credit facility ("RCF") with HSBC, replacing the £10m RCF which was due to expire in December 2025. The new RCF has total commitments of £30m. The Group has provided a cross-guarantee by way of a debenture dated 7 June 2021 as security for the facility. The RCF remains undrawn at the date of this report.

MFI

MFI recognised revenue of £0.1m in the first three months of trading following the soft launch in July 2025. Administrative expense of £2.3m for people and property cost was recognised during the second half of the year. Depreciation and finance expense totalling £0.3m has also been recognised during the second half of the year, resulting in a statutory and adjusted net loss before tax of £2.5m.

Forecasting MFI continues to be a challenge given the limited amount of trading history. As an entrepreneurial business we will react and adapt over time. Notwithstanding this, our current expectation is for MFI to incur an overall loss of between £2.6m and £3.4m in 2026.

Dividend

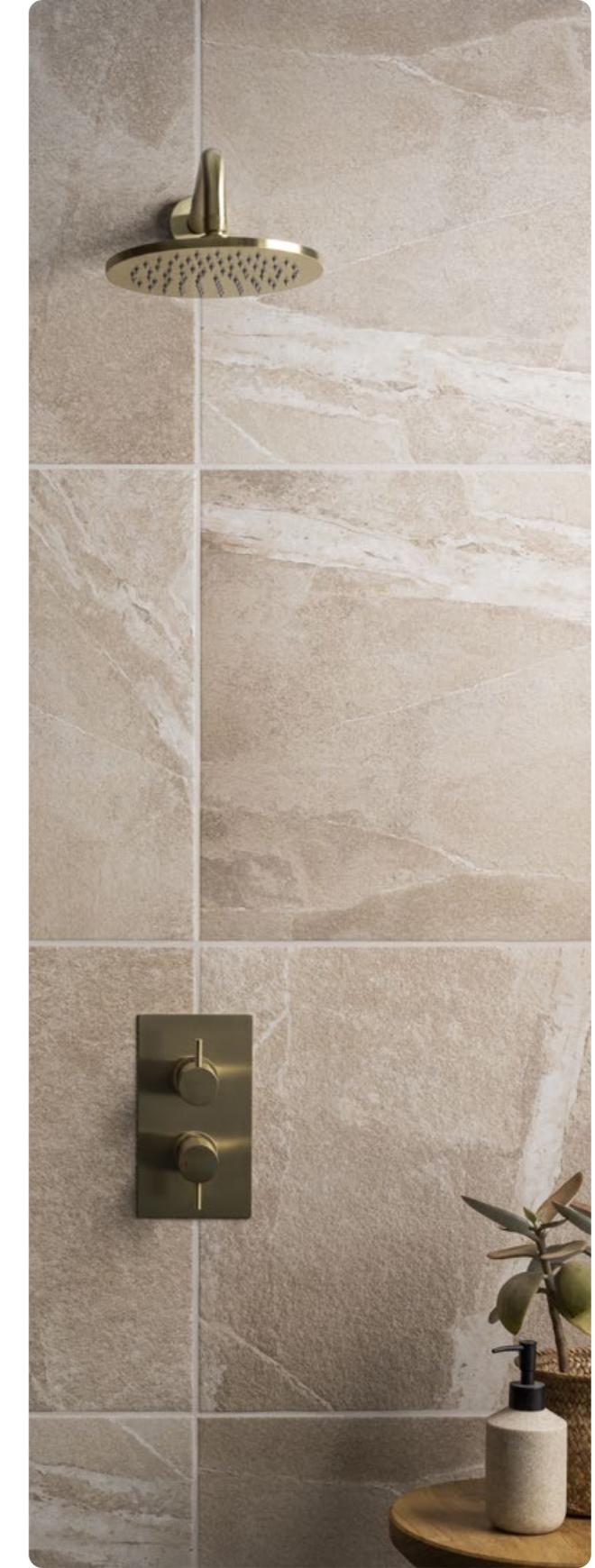
Victorian Plumbing has a robust balance sheet, generates significant operating cashflows and the underlying priority is to reinvest into the business and drive further profitable growth. In H1 2025, the Board implemented a revised capital allocation policy with the aim of maintaining a dividend cover ratio of 2.25x - 3.00x (previously 3.00x - 3.50x). This recognises that most growth opportunities do not require significant capital, and reflects confidence in the Group's ongoing strength, future growth prospects and cash generation.

In order to distribute a total ordinary dividend for the year of 2.15 pence per share (2024: 1.61 pence per share), which would represent growth of 34%, the Board is recommending a full year final ordinary dividend of 1.45 pence per share (2024: 1.09 pence per share). This would represent dividend cover for 2025 of 2.5x (2024: 3.3x).

If approved, this would result in a total cash distribution to shareholders of £7.2m (£2.3m interim paid and £4.9m final to be paid) (2024: total cash distribution to shareholders £5.2m), subject to shareholders' approval at the AGM on 25 February 2026. The final dividend will be paid on 4 March 2026 to shareholders on the register of members at the close of business on 6 February 2026.

Daniel Barton
Chief Financial Officer

2 December 2025



Risk management

Effective management of risk is fundamental to the achievement of our long-term objectives and delivering value for our stakeholders. Our approach to risk is integrated within the overall governance and management of the business.

Risk management

Effective management of risk is essential to the delivery of the Group's strategy; it protects our brand, supports better decision-making, and is fundamental to the achievement of our long-term objectives and delivering value for our stakeholders.

The Board has overall responsibility for determining the nature of the principal risks faced by the business and setting the organisational risk appetite. It recognises that some risks must be taken to grow the business in a sustainable and profitable way, but that those risks must be well understood and managed through an effective principal risk mitigation strategy.

This year marks an important step forward in strengthening our governance framework. For the first time, we have initiated the development of an internal audit capability; with the Audit and Risk Committee commissioning bespoke pieces of audit work. While in its early stages, this reflects our commitment to enhancing oversight, risk management and operational integrity. We view this as a key step in enhancing our robust internal control environment; supporting sustainable growth and investor confidence.

The Group adopts a 'three lines of defence' model to manage risk, internal control and assurance, as illustrated on the next page.

Responsibilities

Board

- Collectively responsible for overseeing the Group's risk management and internal control framework
- Determines the nature of the Group's principal risks and sets risk appetite and tolerance
- Ensures appropriate and robust systems of risk management and internal controls are in place to identify, manage and mitigate risks to the overall viability of the Group

Audit and Risk Committee

- Supports the Board by providing oversight and challenge regarding the scope and effectiveness of the Group's risk management and internal control framework
- Agrees the scope of the independent external auditors and reviews their work
- Evaluates the need for an internal audit function

Executive Leadership Team ("ELT")

- Comprises the two Executive Directors and seven other members of senior management, and meets regularly to identify, assess, own, monitor, manage and mitigate risks, and exploit opportunities
- Ensures risk management and internal controls are seen as business as usual
- Determines and supervises corrective actions required to mitigate risks and address control deficiencies



First line: Senior Leadership Team

- Comprises members of management from all areas of the business, with primary responsibility for day-to-day oversight of business level risks
- Embed risk management and internal controls as business as usual and monitor performance
- Ensure corrective actions to mitigate risks are being implemented effectively
- Escalate concerns regarding existing or emerging risks or ineffective controls

Second line: Oversight functions

- Includes Human Resources and Finance (internal controls) functions, and other groups, such as Health and Safety, Data Protection and Information Security
- Establish appropriate policies, provide guidance, advice and direction on implementation
- Monitor the first line of defence

Third line: Independent assurance

- Carried out by third parties such as external auditors or finance professionals
- Provide independent assurance that risk is being appropriately managed
- Identify process improvements and efficiencies

Our risk management process

Strategic, operational, financial and legal risks are reviewed on an ongoing basis and captured in a risk register, which identifies the risk area, the likelihood of the risk occurring, the impact if it does occur and the actions being taken to mitigate or manage the risk to the desired level.

The Board receives regular reports from management identifying and evaluating risks within the business, and the associated mitigation plans. Horizon scanning is frequently performed to understand any emerging (or changing) risks, and these insights are fed into the risk assessment and management process.

A four-step process has been adopted to manage the risks to which the Group is exposed:

Explanation of the risk management process

1. Identify risks

A top-down and bottom-up approach is used to identify principal risks across the business in the context of the Group's strategic objectives and our external operating environment.

While the Board has overall responsibility for the effectiveness of internal control and risk management, the detailed work is delegated to the ELT.



2. Assess and quantify risks

Risks and controls are analysed and evaluated to establish the impact and likelihood of occurrence with reference to the Group's standardised risk scoring matrix.

The identified risks are consolidated and categorised into a Group-wide risk register.



3. Manage and mitigate risks

Each risk is owned by a member of the ELT, who is accountable for the implementation of associated internal controls.

If additional controls are required to mitigate identified risks, these are developed, and responsibilities assigned.



4. Monitor and review

The ELT is responsible for monitoring principal risks and assessing the effectiveness and adequacy of mitigation measures in a continual process, in the context of the risk appetite determined by the Board and risk assessment results.

Results of the monitoring process are reported to the Audit and Risk Committee, which is responsible for understanding the business impact, and evaluating the outputs individually and collectively before escalation to the Board for review.

Principal risks

Identifying, assessing, mitigating and monitoring the Group's principal and emerging risks

The Board has carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. This included an assessment of the likelihood and impact of risks identified, and the mitigating actions being taken.

This year's principal risks are detailed in the section below. We acknowledge that additional risks, including those that are not currently known or that the Group currently deems immaterial, may exist and affect operations or financial results. However, we believe those disclosed have the potential to impact execution of the Group's strategic plans most significantly.



Macroeconomic trends

We fail to adapt quickly to changing macroeconomic conditions

Potential impact	Changes in the year	Key mitigations
Macroeconomic factors can affect the size of our addressable market and / or how customers behave. They can also have an impact on our operations and those of our supply chain.	Risk from macroeconomic factors has continued in 2025, with ongoing uncertainty in the geopolitical landscape, for example through trade tariffs, and in the UK domestic economy.	We continue to monitor shifts in all relevant macroeconomic risks, with particular focus on challenges that impact our customers, workforce and supply chain.
Failing to be aware of those factors, and swiftly responding, could have an adverse impact on the Group's forecasting accuracy, financial performance and growth potential.	Although we saw three interest rate reductions during 2025, the interest rate hikes from recent years, along with persistent inflationary pressures, are still squeezing the consumer's disposable income, with some delaying spend on 'big-ticket' projects as a result.	Mitigations put in place to help the Group navigate macroeconomic volatility include the following: <ul style="list-style-type: none"> Carefully controlled price increases and discounts, as we balance the Group's strategy with our customers' expectations. Horizon scanning for geopolitical factors that may impact our supply chain, which already consists of many suppliers across multiple locations, and minimising over-reliance on any individual country or supplier. Maintaining strong relationships with multiple carriers and logistics providers, with technology solutions that support our ability to flex between providers as and when required. Continually reviewing stock levels and increasing investment in stock when uncertainties arise, helping to reduce stock-outs and strengthening our competitive position. Homewares category is less 'big-ticket' consumer spend. Expand our product range to open up new growth areas.

Key: Link to strategy

- 1 Grow our brand by providing the best customer experience and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency
- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers
- 6 Expand available categories beyond core bathroom products

Key: Risk movements in year

↑ Increased risk = Same risk ↓ Reduced risk N New principal risk for 2025

Innovation and changes in consumer buying



We fail to remain relevant and attractive to our customers

Potential impact	Changes in the year	Key mitigations
Failing to innovate may impact our ability to attract new customers or retain our existing customers.	We have continued to see consumers 'trading down' within a product range, as inflationary pressures have restricted discretionary spending. Consumer appetite remains more in favour of spending on accessories and redecorating, rather than on 'big-ticket' projects.	We remain at the forefront of innovation in the sector and are continuously updating our platform to provide improved user experience for our customers.

Potential impact	Changes in the year	Key mitigations
A failure to continuously enhance our customer journey in a manner that responds to our consumers' evolving needs could have a material adverse effect on our financial performance.		We develop most of our technology platform in-house, meaning we can make bespoke changes quickly when a need is identified.

Potential impact	Changes in the year	Key mitigations
		Our product and marketing teams continuously research the latest consumer trends and buying behaviours using a range of platforms for the deepest insight.

Potential impact	Changes in the year	Key mitigations
		We use our agile approach to product development to bring products to market quickly once we identify a consumer need or latest trend. This approach allows us to bring a product to market at scale within six months of inception.

Potential impact	Changes in the year	Key mitigations
		Our focus on expansion categories also mitigates this risk, as we broaden our range with products that often come later in the buying journey, such as tiles and flooring, heating and kitchens. The soft launch of MFI during the year also supports this.

Potential impact	Changes in the year	Key mitigations
		Throughout the year, we have innovated and successfully launched a number of new products across several of our own brands, which are typically sold to customers at lower price points (but generally offer greater margins). In addition, we have further strengthened our position through partnerships with well-known third party bathroom product brands.

Potential impact	Changes in the year	Key mitigations
		We also continue to review the payment options available, seeking out the most cost-efficient, flexible and convenient payment methods to improve our customers' experience. We launched a digital trade credit option to our trade customers during 2025.

Principal risks

continued

Business interruption

1 3 4 =

A significant event restricts the ability of the business to operate effectively

Potential impact	Changes in the year	Key mitigations
A large-scale incident at one or more of our sites could immediately cause significant levels of disruption to our business operations, and thus the service we are able to provide to our customers.	The Group physically operates out of multiple locations, thus minimising the potential impact of a single site event. During 2025, the Group finalised the transition to our new DC in Leyland, Lancashire. In addition, a number of sites within our existing estate have undergone refurbishment, to expand distribution capabilities, particularly in our expansion categories.	We have a robust disaster recovery plan that covers critical systems. Many of our employees can work both on site and / or at home if that was required. We have dedicated security, health and safety, and maintenance teams on our sites, to monitor for issues and support the continued operation of our warehouses and head office. Should we encounter an issue with distribution from a warehouse, we have back-up facilities that enable us to quickly turn on additional dispatch capabilities from the others. We also hold insurance policies that would aid our operational recovery and remediation, if required. Furthermore, we hold long-standing and trusted relationships with our global suppliers, which would help us to navigate challenges associated with a significant business interruption.
An event of this type, which resulted in substantial damage to physical premises, systems, electronic data and / or other records, could also take time and notable costs to rectify.		

Key: Link to strategy

- 1 Grow our brand by providing the best customer experience and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency
- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers
- 6 Expand available categories beyond core bathroom products

Key: Risk movements in year

↑ Increased risk = Same risk ↓ Reduced risk N New principal risk for 2025

Brand and reputation

1 2 3 4 5 6 ↓

Consumers lose faith in the quality of our product or service levels

Potential impact	Changes in the year	Key mitigations
Our brand is one of our biggest assets. Failure to maintain and protect our brand, or negative publicity that affects our reputation, could diminish the confidence that customers have in our products and the service we provide, resulting in a reduction in revenue and profit.	Our prompted brand awareness score increased to 70% (2024: 66%). The closure of Victoria Plum removes customer confusion and gives us the opportunity to invest in brand marketing with confidence for a greater return.	Our experienced Marketing team invest in new and innovative marketing campaigns that are bold and quirky to help differentiate us and grow our brand awareness. Alongside our data-driven pay-per-click strategy, this content helps us to stay front of mind with consumers. We have an open culture with our values at the core, and we promote transparency across the business.

As described in the risk management section on page 58, our internal control and assurance framework also mitigates financial and legal risks, for which the consequences might ultimately involve damage to brand and reputation.

We perform quality checks on products to ensure that items we deliver to customers are to the standard we expect. We perform audits at manufacturers and hold our suppliers to high quality standards, addressing any failure to meet expectations.

Our customer service teams do everything they can to resolve queries quickly where they do arise.

Cybersecurity and data protection

1 3 4 ↑

We fail to maintain the integrity and availability of the data we hold and the systems we operate

Potential impact	Changes in the year	Key mitigations
As an e-commerce business, we are reliant on our IT infrastructure to continue to operate. Any significant downtime of our systems would result in an interruption to the services we provide. A significant cybersecurity or data protection issue, such as a data breach or infrastructure breakdown, whether because of our own failures or a malicious attack, would lead to a loss in confidence of both customers and suppliers.	During the year, several new solutions have been implemented to mitigate identified risks and a full assessment of our IT environment was carried out following the high profile cyber attacks during 2025.	We have a robust disaster recovery plan that covers critical systems. Incident response is tested to ensure operational resilience. We hold low amounts of sensitive data, and several of our applications are hosted in the cloud, which increases the resilience of our systems and the security of our data. We monitor our resilience and susceptibility to attack through our vulnerability assessments and address risks as they emerge.

We maintain robust data protection and information security policies, which are governed by our Head of Information Security and Data Protection Officer, and regularly reviewed with our SIRO.

When we share data with trusted third parties, they are subject to annual audits of their data processing agreements to ensure the utmost integrity of all our data sharing and processing activities.

We deliver data protection and cybersecurity as part of our induction process, with ongoing mandatory training for all employees.

New group structure

1 2 3 4 5 6 N ↑

The operating business model does not adapt to the new structure of the group

Potential impact	Changes in the year	Key mitigations
If the operating business model does not adapt sufficiently, cost effectively or timely enough to meet the new dynamic of a group structure, this could have a negative impact on revenue and profit.	The business now operates across two brands following the launch of MFI in July 2025. This creates a new dynamic internally with each department needing to respond across multiple, and often competing, priorities.	MFI is represented on the ELT, which ensures that both brands are considered when the ELT meets regularly to discuss risks and opportunities. The Group clearly and separately reports on MFI in a timely manner, ensuring that the investment in MFI remains disciplined and in focus.

Principal risks

continued

Supply chain



Operational effectiveness and growth are negatively impacted by actions or events in our supply chain

Potential impact	Changes in the year	Key mitigations
We are reliant on multiple third party suppliers and service providers throughout the customer journey, from product to website, advertising to fulfilment. A significant change or failure on their part may disrupt our operations and business performance. A failure in day-to-day operations that impacts our ability to process or fulfil customer orders could result in a reduced customer proposition, lost opportunity, and a decrease in consumer confidence. Our customers expect us to provide quality products and have confidence that goods purchased from us have been ethically sourced. Failure to monitor our supply chain could lead to extensive reputational damage and ultimately financial loss.	<p>As our business grows, our spend with third parties increases, most notably in our principal marketing channels, with our key suppliers of stock, and the distribution channels we use.</p> <p>We continue to work closely with our local experts in China to ensure that we can readily perform due diligence on suppliers in that region.</p> <p>While supply chain pressures continue to exist, we do not believe that the risk has increased during the year.</p> <p>We have engaged experienced third party agents in other newer territories, such as Pakistan, to support with product quality assessments and compliance requirements.</p>	<p>Our highly experienced purchasing team continuously monitors stock availability and has strong relationships with a breadth of suppliers so that, where possible, we reduce potential single points of failure. We have an extensive supply chain spread across multiple regions, so that we mitigate exposure to localised disruption.</p> <p>The team proactively manage key supplier relationships to ensure that any potential disruptions are flagged early and can be mitigated.</p> <p>We aim to be a 'prompt payer' to maintain the deep and trusted partnerships within our supply chain. In return, we hold all suppliers to high standards and address any failures promptly. We carry out due diligence on suppliers and the quality of the products they supply at the onset of our relationship and monitor throughout via our Chinese supplier audit programme.</p> <p>We develop our website platform and certain key operational systems in-house to reduce exposure from third parties.</p> <p>We also continue to review the payment options offered to customers, in order to mitigate the risk of a merchant failure.</p>

Key: Link to strategy

- 1 Grow our brand by providing the best customer experience and investing in bold campaigns
- 2 Provide the largest choice of bathroom products
- 3 Improve warehouse and supply chain efficiency
- 4 Adapt our customer journey to better serve the trade segment
- 5 Extend our product offering for trade customers
- 6 Expand available categories beyond core bathroom products

Key: Risk movements in year

↑ Increased risk = Same risk ↓ Reduced risk N New principal risk for 2025

Increase in competition



We fail to remain competitive, or new or developing competition adversely impacts our market position

Potential impact	Changes in the year	Key mitigations
The UK market for bathroom products and accessories is highly competitive, particularly with respect to customer experience, price, quality, availability, product and delivery options, as well as digital capabilities. Increased competition could lead to an increase in customer acquisition costs.	From November 2024, the Victoria Plum website was redirected to Victorian Plumbing. This was the removal of a confusing factor for our customers.	We have the largest and most engaged audience across any online specialist bathroom retailer. The strength of our balance sheet enables us to invest in our brand, and our continued focus on pay-per-click marketing helps us protect and grow our audience.
Competitors could also develop either a customer experience or products that we are unable to replicate. These factors could impact our financial performance.	As consumers have grown accustomed to purchasing home products online, many traditional bricks and mortar retailers have started to strengthen their multichannel offering, developed their digital proposition and augmented their estate to support collection or delivery services.	We monitor competitor activity closely through weekly and monthly reporting and review this at Executive Team and Board level.
	During the year, one of our existing sites became operational as a tiles distribution centre, supporting the growth of this key expansion category. MFI was soft launched in July, also distributing from one of our legacy sites. Both of these developments open us up to a wider competitor set.	We continue to monitor stock levels and invest in our product offering. We engage with third party brands and continuously evolve our own brand products to ensure we are addressing the latest consumer trends and providing choice that is not easily replicated.

While our strategic diversification widens our competitor landscape, it also provides mitigation should we experience significant competitive pressures in one particular category.

Sustainability and climate change



Our sustainability strategy fails to meet stakeholder expectations

Potential impact	Changes in the year	Key mitigations
We recognise the importance of combating climate change and acknowledge the responsibility and costs we have to bear as a business to play our part. The focus on climate change and sustainability continues to be at the forefront of stakeholder sentiment; therefore, we also risk adversely impacting our brand and reputation if we do not adequately react to their concerns.	<p>Extended Producer Responsibility tax was introduced from April 2025.</p> <p>The Labour government published its Carbon Budget and Growth Delivery Plan ("CBGDP") on 29 October 2025, reaffirming and detailing its commitment to meet a net zero target by 2050.</p> <p>While multi-national bodies and national governments continue to determine the best approach to climate change, which impacts all our stakeholders, our focus remains on risk mitigation within our control.</p>	<p>The 1,554 solar panels mounted on the roof of our new DC became operational in 2025. They will reduce our carbon footprint and increase our energy independence. All electric material handling equipment at the new DC is now commissioned.</p> <p>We supply sensibly sourced products, including bathroom taps and toilets with water-saving functionality, radiator valves with energy-saving technology and products made from sustainable materials.</p> <p>In addition, we continue to improve the information we provide to customers to enable them to make decisions that help lower their energy consumption, reduce their carbon footprint and make financial savings.</p> <p>Horizon scanning of regulatory developments to inform strategic planning.</p> <p>Operationally, we continually assess our ways of working to determine whether other more environmentally friendly options are available.</p>

Regulation and compliance



We fail to comply with the laws, regulations or standards under which we operate

Potential impact	Changes in the year	Key mitigations
We must comply with an increasingly complex, wide range of laws, regulations, and standards. Failure to comply could result in formal investigations, legal and financial penalties, reputational damage, loss of audience and loss of revenue.	We operate in an increasingly regulated environment.	<p>The Compliance Committee will meet quarterly to discuss the key compliance areas, along with new or upcoming changes in the regulatory and legal landscape.</p> <p>Initiated the development of an internal audit capability; with bespoke pieces of audit work commissioned for specific risk areas.</p>

Viability statement

In accordance with the UK Corporate Governance Code 2018 (the ‘Code’), the Directors have assessed the prospects and viability of the Group over a period to 30 September 2028.

Assessment of prospects

The Directors have assessed the Group’s prospects, taking into account its current financial position, its recent historical financial performance, its business model and strategy (pages 14 to 23) and the principal risks and uncertainties (pages 60 to 65).

The Board considered that a three-year period to September 2028 is the most appropriate period over which to provide its viability statement due to:

- It being consistent with the Group’s rolling three-year strategic planning process;
- It reflecting reasonable expectations in terms of the reliability and accuracy of operational forecasts; and
- Projections looking out further than three years becoming significantly less meaningful given the pace of change in the retail market.

The Directors are mindful, however, of the heightened uncertainty of consumer demand given the wider macroeconomic background and the pressure this may place on disposable income available to consumers and accept that forecasting consumer behaviour across this time frame is more challenging.

The first year of the financial forecast is based on the Group’s FY26 annual budget. The second and third years are prepared in detail and are flexed based on the actual results in year one. Progress against financial budgets, forecasts and operational focus areas are reviewed monthly by both the Executive Leadership Team and the Board. The key assumptions in the financial forecasts, reflecting the overall strategy, include:

- Increasing our growth in expansion categories, such as tiles & flooring;
- Increasing our opportunities to retail bathroom products and accessories to trade customers; and
- Entering the homewares marketing with the launch of mfi.co.uk.

Assessment of viability

The output of the Group’s strategic and financial planning process detailed previously reflects the Board’s best estimate of the future prospects of the business (the ‘Base Case’).

To make the assessment of viability, however, additional scenarios have been modelled over and above those in the Base Case, built upon a number of the Group’s principal risks and uncertainties, which are documented on pages 60 to 65 – please refer to the ‘stress testing’ section below.

The Group’s Base Case currently meets its day-to-day working capital requirements from its cash balances, owing to its continued profitability and strong cash conversion. Whilst the business has access to a £30m revolving credit facility, expiring in December 2027, this is not required to be drawn down. Equally, with no external debt funding, and no intention to use it in the future, there are no covenant requirements to be assessed.

Stress testing

Using the Base Case as the starting point, a stress test has been modelled to demonstrate the Group would remain in a net cash position for the entire viability period. In this stress test scenario, the following factors were incrementally modelled and assumed for the full period to 30 September 2028, in comparison to the Base Case:

- A reduction in the growth of dispatched order volumes;
- A decrease in average order value; and
- A decrease in gross margin.

Whilst the likelihood of all factors occurring at once is remote, applying all concurrently provides a hypothetical, albeit severe, view to assess the Group’s viability. The results of this scenario modelling showed that the business would be able to withstand a combination of all factors, without recourse to mitigating actions. This reflects the resilient nature of the Group’s business model, its profitability and strong operating cash conversion, together with current strong liquidity.

Throughout the stress testing, we have assumed no immediate cost mitigation actions to be taken and the continuation of dividend payments. However, in the event of such a scenario, management would have a number of options available to maintain the Group’s financial position. In addition to the potential of drawing down on the revolving credit facility, management has identified a course of actions that could be undertaken, which include but are not limited to:

- Negotiating payment terms with our suppliers;
- Continuing to manage stock levels to reflect changes in consumer demand;
- Considering the need for discretionary spending;
- Recommending no dividends are declared or paid;
- Refinancing to access external debt; and
- Raising additional equity finance in the business.

A selection of these measures, which are deemed to be readily available and that could further strengthen the Group’s

financial position and viability, have been separately modelled for the Board to give them oversight of profitability and cash options available should such a scenario occur.

Viability statement

Based on their assessment of prospects and viability above, the Directors confirm that 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 three-year period ending 30 September 2028.

Going concern

The Directors also considered it appropriate for the going concern review period up to 31 January 2027, to prepare the

financial statements on the going concern basis, as explained in the ‘basis of preparation’ paragraph in note 2 to the consolidated financial statements.

The Company’s Strategic report, set out on pages 1 to 67, was approved by the Board on 2 December 2025 and signed on its behalf by:

Mark Radcliffe
Chief Executive Officer

2 December 2025



Corporate governance at a glance

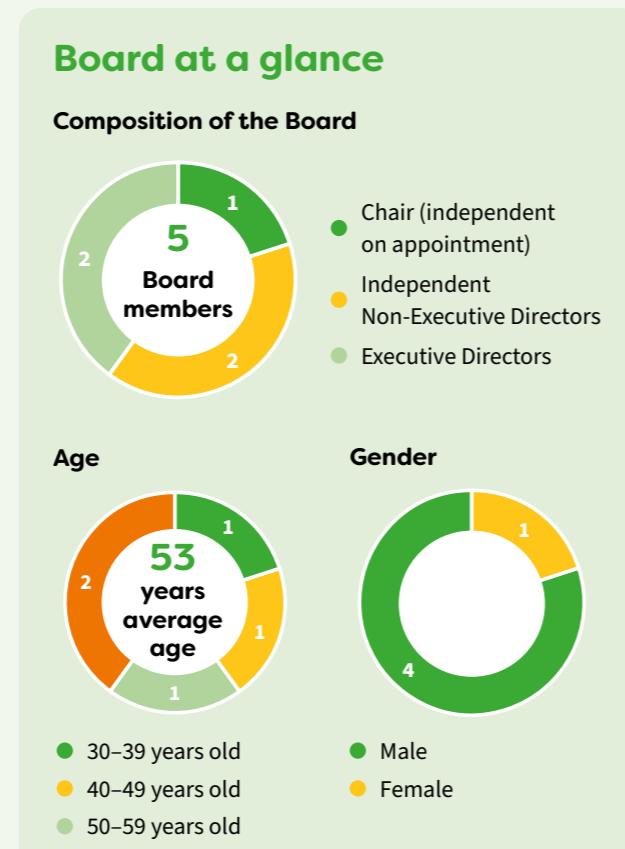
The UK Corporate Governance Code: How we comply

The purpose of this report is to demonstrate the Board's approach to corporate governance, which is underpinned by reporting against the UK Corporate Governance Code 2018 ("Code"). On Admission to AIM, the Company voluntarily agreed to comply with the Code. The Board has applied the principles and complied with the provisions of the Code during the financial year ended 30 September 2025, except for those provisions described on page 73.

The Board is familiar with the changes to the Code following the publication of the UK Corporate Governance Code 2024 ("2024 Code") which applies to financial years beginning on or after 1 January 2025. The Company will, therefore, report its compliance against the 2024 Code in next year's Annual Report.

The table below sets out where the key content can be found in this report.

1. Board Leadership and Company Purpose	
Purpose statement	02
Business model	14
Stakeholder engagement and section 172 (1) statement	32
Culture, purpose and values	76
Activities of the Board	75
2. Division of Responsibilities	
Board of Directors	70
Division of responsibilities	72
Corporate governance statement	73
3. Composition, Succession and Evaluation	
Nomination Committee report	78
Policy on appointments to the Board	79
Board composition and skills	79
Board evaluation	79
4. Audit, Risk and Internal Control	
Audit and Risk Committee report	80
Risk management	81
Directors' responsibility statement	95
Viability statement and going concern	66
5. Remuneration	
Directors' remuneration report	84
6. Directors' report	
Directors' report	91



Documents available on the Company's investor website at www.victorianplumbingplc.com

- Articles of Association
- Matters Reserved to the Board
- Terms of Reference for Committees
- Terms of Reference for the Senior Independent Director
- Modern Slavery Statement
- Tax Strategy
- Gender Pay Gap Report
- Notice of Annual General Meeting

Chair's introduction to corporate governance



Philip Bowcock
Chair

I am pleased to present this Corporate governance report for the year ended 30 September 2025.

On Admission to AIM, the Company voluntarily committed to complying with the UK Corporate Governance Code ("Code"). The Board remains focused on ensuring that our governance framework aligns with the evolving expectations of our stakeholders and the principles of the Code.

In this Corporate governance report, we set out our approach to governance and the initiatives undertaken during the year. Our statement of compliance with the UK Corporate Governance Code is set out on page 73.

The Board comprises two Executive Directors and three independent Non-Executive Directors which includes myself as Chair. The proportion of independent Non-Executives on the Board is compliant with the Code and has been throughout the year.

Key highlights for our Board and principal Committees this year include:

- the transition into our new distribution centre;
- strategic opportunities, including the upcoming launch of the re-invented MFI brand;
- the closure of the Victoria Plum business;
- operational and financial performance; and
- the composition of the Board and its principal Committees.

In accordance with section 172 of the Companies Act 2006, the Board recognises the importance of our wider stakeholders to the sustainability of our business. Our section 172 statement, on pages 32 to 33, sets out how the Board has approached this duty in more detail.

Finally, I look forward to meeting shareholders at our next Annual General Meeting which will take place at 9.30 am on 25 February 2026 at the Company's registered office at 1 Sustainability Way, Farington Moss, Leyland PR26 6TB. All Directors will seek re-election at the AGM. If shareholders wish to discuss any governance matters in advance of the AGM, please send your questions to ir@victorianplumbing.co.uk.

Philip Bowcock
Chair

2 December 2025

Board of Directors

Key to Committee membership

- A Audit and Risk Committee
- N Nomination Committee
- R Remuneration Committee
- Committee Chair



Mark Radcliffe
Chief Executive Officer

Appointed to plc Board:
May 2021 (on incorporation)
Significant current external appointments:
Radcliffe Property Management Limited

Mark founded Victorian Plumbing in 2000 and has led the business ever since. Prior to that, Mark had established a number of successful e-commerce businesses, including Coral Phones.



Daniel Barton
Chief Financial Officer

Appointed to plc Board:
April 2023
Significant current external appointments:
None

Daniel joined Victorian Plumbing in August 2022. In April 2023, he was promoted to Chief Financial Officer and was appointed as the Group's Senior Information Risk Owner in 2024. Previously, he served as Deputy Chief Financial Officer and Chief Transformation Officer at DWF Group plc, and Deputy Chief Financial Officer and Company Secretary at Wilmington plc. Daniel qualified as a chartered accountant (FCA) at PwC, where he worked in various roles in Manchester and London.



Philip Bowcock
Chair

N
 A
 R

Appointed to plc Board:
June 2021
Independent:
Yes
Significant current external appointments:
Travelex

Philip was appointed as Chair and a Non-Executive Director in June 2021. He has extensive listed company experience and is currently Chief Executive Officer of Travelex. Previously, he has served as interim Chief Executive Officer of Countrywide plc and Chief Executive Officer and Chief Financial Officer of William Hill plc. Before that, he held a number of senior finance roles including Chief Financial Officer of Cineworld Group plc, Finance Director at Luminar plc, and Financial Controller and Head of Corporate Development at Barratt Developments plc.



Damian Sanders
Senior Independent Non-Executive Director

A
 N
 R

Appointed to plc Board:
June 2021
Independent:
Yes
Significant current external appointments:
THG plc

Damian was appointed as the Senior Independent Non-Executive Director in June 2021. Damian brings over 20 years' experience as a senior equity audit partner at Deloitte, acting as an adviser and corporate governance specialist for a number of FTSE boards. He previously served as a Non-Executive Director of Cineworld Group plc and is currently Chief Financial Officer of THG plc, having first joined its board as a Non-Executive Director in November 2020 before being appointed as Chief Financial Officer in January 2023.



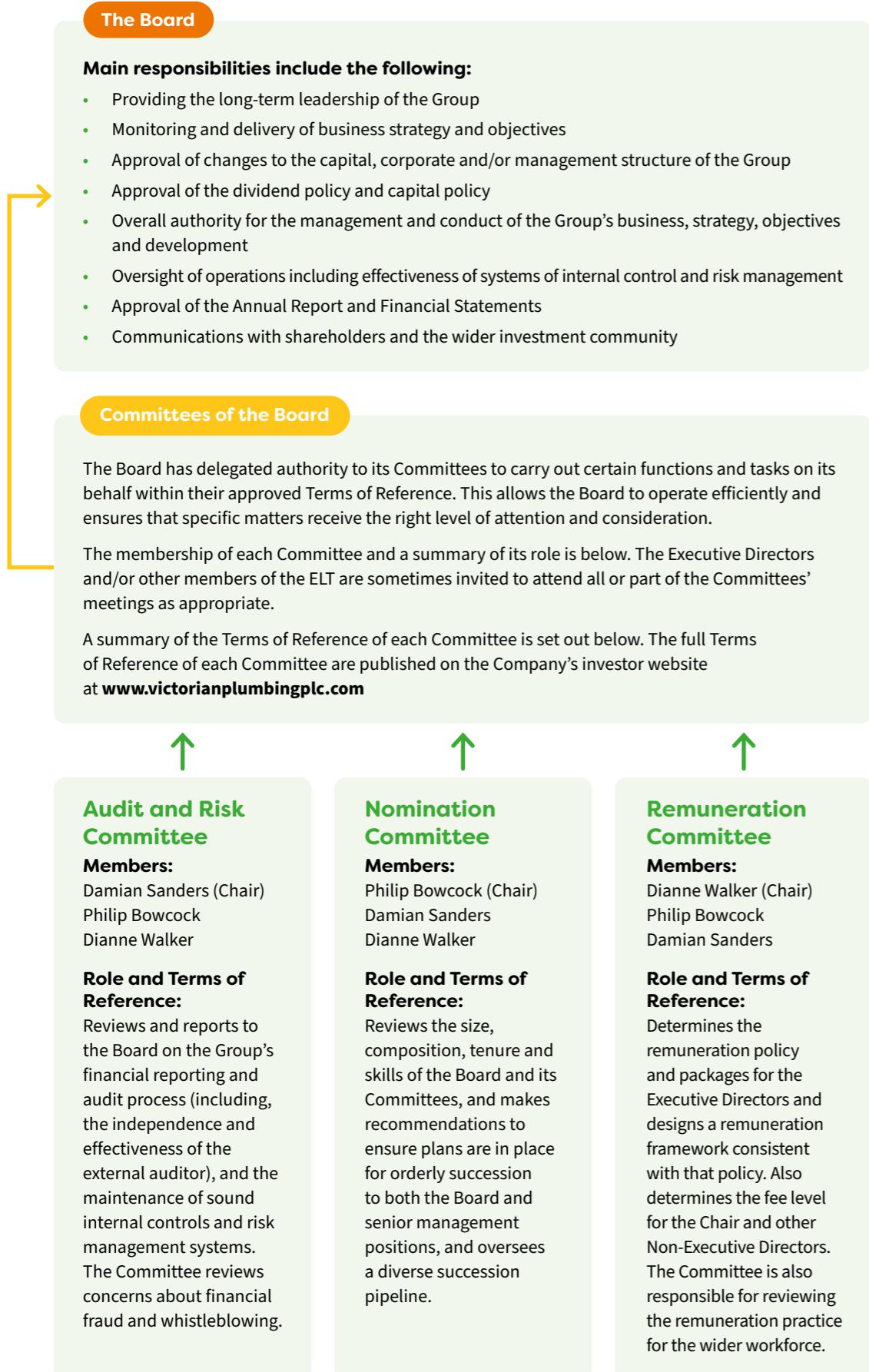
Dianne Walker
Independent Non-Executive Director

R
 A
 N

Appointed to plc Board:
June 2022
Independent:
Yes
Significant current external appointments:
Development Bank of Wales plc

Dianne was appointed as an independent Non-Executive Director in June 2022. An award winning Non-Executive Director, Dianne is also Senior Independent Director of Development Bank of Wales plc. A chartered accountant (FCA), alumnus of PwC, she has over 30 years' experience as a trusted adviser to boards, including listed companies and global groups on matters of governance, finance, risk and strategy, as well as chairing remuneration, audit and risk, and ESG committees.

Division of responsibilities



Corporate governance statement

Introduction

On Admission to AIM, the Board committed to comply with the UK Corporate Governance Code ("Code"). The Directors consider that the Company has complied with the Code during this financial year save as set out below:

Provision	Detail	Explanation of non-compliance
24	The board should establish an audit committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies, two. The chair of the board should not be a member.	Given the size of the business on Admission, the Board deemed it preferable for the Audit and Risk Committee to have three members, one of whom was the Chair. The Nomination Committee reviewed this position again in this financial year and it was decided to continue with three members of the Audit and Risk Committee, with the Chair as one of the three members, particularly given his financial experience.

Board leadership and Group purpose

Board

The main responsibilities of the Board include the following:

- Sets and monitors the Group's purpose, strategy, values and culture
- Sets the long-term plan and budget
- Responsible for the Group's performance
- Provides the long-term leadership of the Group
- Oversees implementation of the governance framework
- Approves changes to the capital, corporate and/or management structure of the Group
- Sets the dividend policy and approves any declarations
- Oversight of operations including effectiveness of systems of internal controls and risk management
- Approves any key strategic opportunities
- Approves the Annual Report and Financial Statements
- Communications with shareholders and the wider investment community

To ensure a clear division of responsibility, the positions of Chair and Chief Executive Officer are not exercised by the same person.

The roles and responsibilities of the Board members are clearly defined and are summarised below. For a more detailed description of the roles of the Chair and the Chief Executive Officer, please review the Terms of References on our investor website.

Chair

Philip Bowcock

- Provides effective leadership of the Board
- Promotes high standards of corporate governance practice
- Creates and manages constructive relationships between the Executive and Non-Executive Directors

- Maintains internal and external relationships with key stakeholders, and communicates investors' views to the Board
- Sets the Board's agenda and ensures that adequate time is available for discussions
- Ensures the Board receives sufficient, pertinent, timely and clear information

Chief Executive Officer

Mark Radcliffe

- Proposes and develops the Group's objectives and strategy for consideration by the Board
- Implements the strategy and reporting on progress
- Responsible for the effective and ongoing communication with shareholders, alongside the CFO
- Responsible for the day-to-day operations and results of the Group
- Provides effective leadership, coordination and performance management of the ELT (comprising the Executive Directors and senior management)

Chief Financial Officer

Daniel Barton

- Provides strategic financial leadership of the Company and day-to-day management of the finance function
- Responsible for the day-to-day operations and results of the Group
- Responsible for the effective and ongoing communication with shareholders, alongside the CEO
- Acts as the Company's Senior Information Risk Owner ("SIRO")

Senior Independent Director

Damian Sanders

- Acts as a sounding board for the Chair and a trusted intermediary for other Directors
- Acts as an additional point of contact for shareholders
- Leads the evaluation of the Chair's performance

Corporate governance statement continued

Non-Executive Directors

Damian Sanders and Dianne Walker

- Scrutinise and monitor the performance of management
- Constructively challenge the Executive Directors and Group management team
- Monitor the integrity of financial information, financial controls and systems of risk management
- Ensure good governance
- Help to develop proposals on strategy

Company Secretary

Alex Singer

- Supports the Board and Committee Chairs to plan future agendas and annual programmes
- Ensures information is made available to Board members in a timely fashion
- Advises the Directors on Board practice and procedures and corporate governance matters
- Acts as secretary to the Board and its Committees

Committees of the Board

The Board has delegated authority to its Committees to carry out certain functions and tasks on its behalf and to ensure compliance with regulatory requirements, within their approved Terms of Reference. This allows the Board to operate efficiently and ensures that specific matters receive the right level of attention and consideration. The membership of each Committee and a summary of its role is below. The Executive Directors and other members of the ELT are invited to attend all or part of the Committees' meetings when appropriate.

A summary of the Terms of Reference of each Committee is set out below. The full Terms of Reference of each Committee are available on the Company's investor website and from the Company Secretary on request.

Audit and Risk Committee

Members:

Damian Sanders (Chair)

Philip Bowcock

Dianne Walker

Role and Terms of Reference: Reviews and reports to the Board on the Group's financial reporting and audit process (including, independence and effectiveness of the external auditor), and the maintenance of sound internal controls and risk management systems. The Committee reviews concerns about financial fraud and whistleblowing.

Nomination Committee

Members:

Philip Bowcock (Chair)

Damian Sanders

Dianne Walker

Role and Terms of Reference: Reviews the size, composition, tenure and skills of the Board and its Committees, and makes recommendations to ensure plans are in place for orderly succession to both the Board and senior management positions, and oversees a diverse succession pipeline.

Remuneration Committee

Members:

Dianne Walker (Chair)

Philip Bowcock

Damian Sanders

Role and Terms of Reference: Determines remuneration policy and packages for the Executive Directors and designs a remuneration framework consistent with that policy. Also determines the fee level for the Chair and other Non-Executive Directors. The Committee is also responsible for reviewing the remuneration practice for the wider workforce.

Board meetings

The Board makes decisions in order to ensure the long-term success of the Company while taking into consideration the interests of our stakeholders. Board meetings are one of the mechanisms through which the Board discharges this duty. During discussions at Board meetings, the views of our stakeholders form an integral part of the Board's decision making. Further information about engagement with the Company's stakeholders is included on pages 32 and 33. The Board meets as often as necessary to effectively conduct its business. The Board has an annual rolling plan of items for discussion, which is reviewed and adapted regularly to ensure all matters reserved for the Board and other governance matters are discussed, together with other items as appropriate. Pre-agreed meeting agendas ensure that time is balanced between operating performance, strategy, governance and compliance so that the Board can discharge its duties effectively. To ensure the Board's time is used effectively in meetings, papers are circulated several days in advance to provide adequate time for reading and to raise any specific queries.

At each meeting, the Chief Executive Officer and Chief Financial Officer update the Board on: current trading key operational developments and performance, the market and other key operational risks, important milestones reached in the delivery of the Group's strategic objectives, the Group's financial performance, relationships with investors and potential investors, and shareholder feedback and analysis. Members of management are also invited to attend Board meetings to present on specific business issues and

proposals. This gives the Board an opportunity to meet with the next layers of management and gain a more in-depth understanding of key areas of the business.

There is a formal schedule of matters reserved for Board approval which is available on our investor website and from the Company Secretary on request.

The table below provides a high-level overview of some of the key issues that have been considered by the Board during the year ended 30 September 2025.

Strategy	<ul style="list-style-type: none"> • Oversight of Group performance against strategy and delivery of transformation projects • Strategic opportunities, including the launch of the re-invented MFI brand • Closure of the Victoria Plum business
Operational	<ul style="list-style-type: none"> • Current trading • Transition into our new distribution centre • Deep dives into several areas of the business including marketing, warehouse operations, technology, customer service and health and safety • Brand creative
Financial	<ul style="list-style-type: none"> • Approved the Group's full-year and half-year results, trading statements, viability statement and going concern status • Reviewed and approved the tax strategy and several policies including the FX policy • Regular re-forecasting • Budget
People and culture	<ul style="list-style-type: none"> • Remuneration framework and policy • Gender pay gap reporting • Succession planning, talent, diversity and inclusion • Long-Term Incentive Plan ("LTIP"), bonus plans and awards • Continuation of SAYE scheme for all employees
Investor relations	<ul style="list-style-type: none"> • Market and shareholder feedback and updates • Approved payment of dividend
Risk and governance	<ul style="list-style-type: none"> • Risk framework and internal controls • Principal risks review and risk horizon scanning • Group delegation of authority policy • Continuing review of compliance with the Code • Board effectiveness and evaluation • External audit effectiveness • Modern slavery • Whistleblowing, anti-bribery and fraud prevention procedures and controls • ESG governance

Attendance at meetings

	Board	Nomination Committee	Audit and Risk Committee	Remuneration Committee
Number of meetings held	9	2	5	4
Director				
Philip Bowcock	9/9	2/2	5/5	4/4
Mark Radcliffe	9/9	N/A	N/A	N/A
Daniel Barton	9/9	N/A	N/A	N/A
Damian Sanders	9/9	2/2	5/5	4/4
Dianne Walker	9/9	2/2	5/5	4/4

Corporate governance statement continued

Strategy

The Board is responsible for setting the Group's purpose, for determining the basis on which the Group generates value over the long-term and developing a strategy for delivering the objectives of the Group. The Strategic report, which can be found on pages 1 to 67, sets out the Group's purpose, strategy, objectives and business model.

Culture and engagement with the workforce

We have a culture that is values oriented. The Board plays an important role in ensuring that this culture remains aligned with the long-term strategy, in setting values and demonstrating behaviours consistent with these values.

We have a flat structure which allows the Executive Directors to stay actively engaged with the workforce. In addition, since their appointment, the Chair and Non-Executive Directors have spent time in the business with the ELT and key employees.

To support our engagement strategy, we use a variety of ways to engage with our employees to understand what matters to them, as detailed on pages 42 to 43.

The Board also receives periodic updates which allows the Board to monitor various cultural indicators such as staff retention, diversity, absences and employee engagement.

Shareholder engagement

The Board recognises the importance of existing and potential investors understanding the Company's strategy and performance. As part of this programme, the Executive Directors give formal presentations to investors and analysts for full-year and half-year results.

Throughout the year we have hosted one-to-one and group meetings with institutional investors, fund managers and analysts. These meetings cover a wide range of topics, including strategy, performance and governance, but care is exercised to ensure that any price-sensitive information is released to all shareholders, institutional and private, at the same time. When meetings relate to governance, the Chair or another Non-Executive Director will attend as appropriate.

We encourage private shareholders to give feedback and communicate with the Board through ir@victorianplumbing.co.uk.

The Board receives regular reports on issues relating to the share price, trading activity and movements in institutional investor shareholdings. The Board is also provided with current analyst opinions, forecasts and feedback from its joint corporate brokers, and on the views of institutional investors on a non-attributed and attributed basis.

Any concerns of major shareholders would be communicated to the Board by the Executive Directors and other Non-Executive Directors are available to meet with shareholders, and arrangements to do so can be made through ir@victorianplumbing.co.uk.

Annual General Meeting

The AGM of the Company will take place at 9.30 am on 25 February 2026 at the Company's registered office at 1 Sustainability Way, Farington Moss, Leyland, PR26 6TB. Whether or not you are able to attend, the Board encourages all shareholders to cast their vote as soon as possible and in any event by 9.30 am on 23 February 2026, and to send any questions, limited to the AGM business, to ir@victorianplumbing.co.uk and these will be responded to on an individual basis.

The notice of the AGM is being mailed out at the same time as this Annual Report and sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue. Results of resolutions proposed at the AGM will be published on the Company's investor website following the AGM.

Whistleblowing

Victorian Plumbing is committed to the highest standards of ethical conduct, honesty and integrity in our business practices. The Company's whistleblowing policy is available to employees on the Company's intranet site, 'The Loop', and contains very clear and accessible information as to how employees can raise concerns. Concerns raised will be reported to the Audit and Risk Committee, which will then be advised of the investigations carried out and any actions arising as a result.

During the year, the Board reviewed the whistleblowing policy and procedures in place which confirmed that the policy and procedures were appropriate and accessible.

External directorships and time commitment

Each Director is expected to attend all meetings of the Board and of those Committees on which they serve and is required to devote sufficient time to the Group's affairs allowing them to fulfil their duties effectively as Directors. Any external appointments or other significant commitments of the Directors require the prior approval of the Board.

As part of its annual review, the Nomination Committee has considered the external directorships and time commitment of all the Directors and agreed that these do not impact the time that any Director devotes to the Company.

Mark Radcliffe is the only Executive Director to hold an external directorship, as a director of Radcliffe Property Management Limited, a company from which the Group leases a number of properties on an arm's length basis. Details of the Directors significant external directorships can be found on pages 70 to 71.

Directors' conflicts of interest

In accordance with the Companies Act 2006 and the Company's Articles of Association, Directors are required to report actual or potential conflicts of interest to the Board for consideration and, if appropriate, authorisation. In deciding whether to authorise, the Directors must act in a way they consider in good faith will be most likely to promote the success of the Company. If such conflicts exist, Directors excuse themselves from consideration of the relevant matter. Any external appointments or other significant commitments of the Directors require the prior approval of the Board.

The Board is comfortable that external appointments of the Chair and the Non-Executive Directors do not create any conflict of interest.

Information, support and development opportunities to Directors

Full and timely access to all relevant information is given to the Board. For Board meetings, this consists of a formal agenda, minutes of previous meetings and a comprehensive set of papers, which are provided to Directors in a timely manner in advance of meetings.

All Directors have access to the Company Secretary, who advises them on governance matters. In addition, Directors are entitled to take independent professional advice at the Company's expense in the furtherance of their duties, where considered necessary.

Composition, succession and evaluation

The Board comprises five Directors consisting of the Chair, two Executive Directors and two Non-Executive Directors. Philip Bowcock, Chair of the Board, was deemed to be independent on appointment and remains so. In considering his independence, the Board took into account the terms of his restricted share award granted at the time of the IPO, particularly the absence of any performance conditions and the circumstances in which the restriction on all or some of the shares issued to him on Admission may be removed. The Board considers Damian Sanders and Dianne Walker to be independent in character and judgement, and free of any business or other relationship that could materially influence their judgement. Therefore, at 30 September 2025 and to the date of this report, at least half the Board, excluding the Chair, comprises independent Non-Executive Directors, in line with the Code.

The composition of the Board has continued to be an area of focus for the Nomination Committee this year as it considers succession planning and seeks to ensure that the Board maintains the appropriate balance of skills, experience and independence, as well as providing the appropriate challenge and promoting diversity to enable it to meet its responsibilities. As can be seen from the biographies on pages

70 to 71, the Chair and the Non-Executive Directors collectively have significant industry and public company experience, which will support the Company in executing its strategy.

The Company regards good governance as essential. During the year, an evaluation of the performance of the Board, its Committees and its members was undertaken in accordance with the Nomination Committee's Terms of Reference.

In keeping with the Company's stated values and culture, the Directors are committed to the continuous improvement of the Board in achieving its strategic objectives. Undertaking an annual evaluation is a useful tool for reflection and continual improvement. The Board will look to commission an external review in future, but at this stage was satisfied that an internal evaluation was sufficient.

The Chair undertook the formal internal annual evaluation process by way of a written questionnaire that was designed by the Company Secretary, taking into account relevant regulatory guidance and best practice. The questionnaire assessed the effectiveness of all aspects of the Board, its Committees and its members, and the results were discussed by the Board once completed.

Induction and development

Following their appointment, all Directors received an induction, organised by the Company Secretary, on their duties and responsibilities as Directors of a listed company, and have access to training to ensure that they can refresh this and other appropriate training on a regular basis.

Reappointment of Directors

Following the Board evaluation process and the subsequent recommendations from the Nomination Committee, the Board considers that all Directors continue to be effective, committed to their roles and are able to devote sufficient time to their duties. Accordingly, all Directors will seek re-election at the Company's AGM.

Letters of appointment

The Chair and the Non-Executive Directors have letters of appointment, which are available for inspection at the registered office of the Company during normal business hours and at the AGM from at least fifteen minutes before and until the end of the meeting; or on request from the Company Secretary. These letters set out the expected time commitment from each Director. The Non-Executive appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period.

Nomination Committee report



Philip Bowcock
Chair

I am pleased to introduce the report of the Nomination Committee (“Committee”) for the year ended 30 September 2025.

The Committee is composed of three Non-Executive Directors. The Code requires that a majority of the Committee are independent Non-Executive Directors. I am Chair of the Board and Committee Chair and was deemed to be independent on appointment. The Board considers that I remain independent. Damian Sanders and Dianne Walker are also regarded as independent. Accordingly, the Board considers that the Committee comprises a majority of independent Non-Executive Directors and is, therefore, in compliance with the Code.

Detailed experience and qualifications of each Committee member can be found on pages 70 to 71.

The Group’s General Counsel and Company Secretary acts as Secretary to the Committee. By invitation, meetings of the Committee may also be attended by the Chief Executive Officer and Chief Financial Officer, particularly to provide their perspectives on succession planning across the business.

Role of the Committee

The Committee monitors the size and composition of the Board and its committees. Membership is reviewed to ensure an appropriate balance of skills, knowledge, experience and diversity.

The Committee is responsible for ensuring that there are formal and orderly succession plans in place for appointments to the Board.

The responsibilities of the Committee are delegated by the Board and are set out in its written Terms of Reference, which are reviewed, updated as necessary and approved each year. A copy of the Terms of Reference is available on our investor website or on request from the Company Secretary.

Activities of the Committee

Under its Terms of Reference, the Committee is required to meet at least twice a year. During the financial year, the Committee met twice.

Key matters considered by the Committee during the year include:

- reviewed and approved the Committee’s Terms of Reference;
- considered the Board evaluation and the composition of the Board and its committees;
- senior management talent and succession planning; and
- approved the re-elections of the Board.

How the Committee operates

The Chair chaired all meetings of the Committee in the year and will continue to do so unless the business of the meeting relates to the appointment of his successor or other matters in which he may have a potential conflict of interest.

Succession planning

The Committee believes that effective succession planning is critical to the Company’s long-term success. The Committee considered succession planning for the Board and its committees this year as part of the Board evaluation process. It also asked the Chief Executive Officer and the Chief Financial Officer to provide an update to the Board of the Group’s formal succession plan for the senior management team, taking into account future skills required in the context of the Group’s strategy, as well as the importance of growing and developing talent internally.

Policy on appointments to the Board

A priority for the Committee is to ensure that members of the Board collectively possess the broad range of skills, expertise and industry knowledge necessary for the effective oversight of the Group.

Appointments are to be made on merit, against objective criteria and with due regard to the benefits of diversity on the Board. The Committee will take account of a variety of factors before recommending any new appointments to the Board, including relevant skills to perform the role, experience, knowledge and diversity. When the Committee has identified a suitable candidate, it then makes a recommendation to the Board, which has responsibility for the final decision.

At the end of the financial year, 20% (2024: 20%) of the Board were women. At a leadership level, 43% (2024: 43%) of the ELT and 30% (2024: 25%) of the ELT’s direct reports were women, which equates to a combined total of 33% (2024: 28%). 0% (2024: 0%) of the ELT’s direct reports identified as being from an ethnic minority, compared with 100% (2024: 100%) who identified as white. 100% of the Board and ELT identified as being white, which remains unchanged from last year. This will remain an important consideration in future appointments.

Board composition and skills

Retail	4	Marketing	2	Consumer	5	e-Commerce	4
Finance	4	International	4	Strategy	5	People	3

Board evaluation

During the year, an evaluation of the performance of the Board, its committees and members was undertaken in accordance with the Committee’s Terms of Reference.

The Company regards good governance as essential, and in keeping with its stated values and culture, the Board is committed to continuous improvement. Undertaking an annual evaluation is a useful tool for reflection and to ensure continual improvement. The Board will look to commission an external review in future years, but at this stage it was satisfied that an internal evaluation was sufficient.

The Chair undertook the formal internal annual evaluation process by way of a written questionnaire that was designed by the Company Secretary. The questionnaire took into account relevant regulatory guidance and best practice.

The questionnaire required each Director to analyse and evaluate the performance and effectiveness of the Board as a whole, each committee, and their respective Chairs and members, and included quantitative and open questions. The issues that the Directors were asked to evaluate included the following:

- **Board and Committee agendas** – e.g. whether the right issues are brought to the Board, quality and relevance of Board papers, appropriate balance of presentation and discussions, appropriate handling of conflicts of interest;

- **Leadership** – e.g. effectiveness of the Chair, being clear as to the Group’s purpose, direction, values, facilitating discussions, quality and effectiveness of relevant relationships; and
- **Effectiveness** – e.g. clear understanding of relevant roles, clear and robust decision making, providing challenge and strategic advice, monitoring performance, exploitation of potential opportunities, identifying and reviewing relevant risks, effective communication with stakeholders, balance of expertise and experience, opportunities for Non-Executive Directors to be involved in the business outside formal Board meetings.

The questionnaires were circulated to the Directors for completion and were returned to the Company Secretary, who prepared a summary report for consideration by the Chair.

The Chair assessed the feedback and formally reported his findings to the Board. The areas of focus arising from this year’s Board evaluation included the following:

- continued development of succession planning;
- introduction of some paper light Board meetings; and
- further developing and enhancing the Board’s role in strategic planning and decision making.

The Board was satisfied that the existing composition of the Board and the committees gives the Company an appropriate balance of Executive and Non-Executive Directors, and a good balance of different skills and experience. The Board was also satisfied that each of the committees is effective in providing assurance to the Board in accordance with its respective Terms of Reference.

Reappointment of Directors

On the recommendation of the Committee and in accordance with the Code, all Directors will retire at the forthcoming Annual General Meeting (“AGM”) and offer themselves for re-election to the Board.

Following the evaluation process carried out this year, the Committee and the Board are satisfied that all Directors continue to be effective in, and demonstrate commitment to, their respective roles on the Board and that each makes a valuable contribution to the leadership of the Company.

The Board therefore recommends that shareholders approve the resolutions to be proposed at the AGM relating to the re-election of the Directors.

I will be available at the AGM to answer any questions on the work of the Committee.

Philip Bowcock
Chair, Nomination Committee

2 December 2025

Audit and Risk Committee report



Damian Sanders
Chair, Audit and Risk Committee

I am pleased to present the Audit and Risk Committee (“Committee”) report for the year ended 30 September 2025.

This report describes how the Committee has carried out its duties to provide independent scrutiny of the Group’s financial reporting, and supporting the Board in the oversight of the effectiveness of risk management and internal control processes and systems.

In accordance with its Terms of Reference, the Committee will meet at least three times a year. The Committee met five times during the year. Following the year end, the Committee met again to consider whether the Annual Report and Accounts were fair, balanced and understandable.

The Committee is composed of three members consisting of two independent Non-Executive Directors and the Chair of the Board. We acknowledge that the UK Corporate Governance Code advises against the Chair of the Board being a member of the Committee. The Nomination Committee has considered this again this year and decided it to be preferable to have three Committee members, one of whom is the Chair, who is regarded as independent, particularly given his financial experience. The Nomination Committee will review this position again during the year ahead.

The Code requires that at least one Committee member has recent and relevant financial experience. The Board considers that all three Committee members have recent and relevant financial experience and so can provide appropriate challenge to management.

The Committee is a sub-committee of the Board. The responsibilities of the Committee are delegated by the Board and are set out in its written Terms of Reference, which are reviewed, updated as necessary and approved each year.

The Group’s General Counsel and Company Secretary acts as Secretary to the Committee. By invitation, regular attendees to Committee meetings include the Chief Financial Officer and the Director of Finance.

The list below provides an overview of some of the key issues that have been considered by the Committee during the year:

- monitored the Group’s financial reporting processes, submitting recommendations to the Board as to whether the Annual Report and Accounts are fair, balanced and understandable;
- reviewed the Group’s assessments of going concern, longer-term prospects and viability and the distributable reserves position prior to any declaration of dividends;
- reviewed interim results statements and financial results presentations;
- identified, responded to and monitored the Group’s principal risks and material internal controls and the effectiveness of the Group’s internal control and risk management framework, including key financial, operational and compliance risk and controls;
- Reviewed the approach to identify and assess emerging and principal risks, including the management and mitigation of those risks;
- reviewed the effectiveness of the external audit process;
- reviewed the non-audit fee policy and the audit and non-audit fees;
- reviewed the Group’s whistleblowing policy and procedures; and
- reviewed the Committee’s Terms of Reference.

Fair, balanced and understandable

At the request of the Board, the Committee has reviewed the content of the Annual Report and Accounts for the year ended 30 September 2025 and was pleased to provide assurance to the Board that the Annual Report and Accounts, taken as a whole, was fair, balanced and understandable, and provided the information necessary for shareholders to assess the Company’s position and performance, business model and strategy. This was confirmed to the Board, whose statement in this regard is set out on page 95 of the Directors’ Report.

Risk management and internal controls

The Board acknowledges its responsibility for establishing and maintaining the Group’s system of internal controls. Good internal controls also facilitate the effectiveness and efficiency of operations, help to ensure the reliability of internal and external reports and assist in compliance with applicable laws and regulations. The system of internal controls is designed to manage and mitigate relevant risk.

The Committee reviews the system of internal controls through reports received from management and the external auditor. Management continues to focus on how internal

controls and risk management can be further embedded into the operations of the business and on how to deal with areas of improvement that come to the attention of management and the Board.

The Board has reviewed the effectiveness of the system of internal controls during the financial year, covering all material controls, including financial, operational and compliance controls, and risk management systems.

The Board confirms that the actions it considers necessary have been, or are being, taken to remedy any significant failings or weaknesses identified from its review of the system of internal controls. This has involved considering the matters reported to it and developing plans and programmes that it considers are reasonable in the circumstances.

The Board also confirms that it has not been advised of any material weaknesses in the part of the internal control system that relates to financial reporting.

The key elements of the Group’s system of internal controls, which have been in place throughout the year ended 30 September 2025 and up to the date of this report, include the following:

Element	Approach and basis for assurance
Risk management	Risk management is a matter for the Board as a whole. The Committee adopts a continuous and rigorous approach to risk to allow prioritisation and a more in-depth review of those risk areas for which the Board has least tolerance. Risks are highlighted through several different reviews and culminate in a risk register, which identifies the risk area, the probability of the risk occurring, the impact if it does occur and the actions being taken to manage the risk to the desired level.
Financial reporting	Group consolidation is performed on a monthly basis with a month-end pack produced that includes an income statement, statement of financial position, cash flow and detailed analysis. The pack also includes KPIs, and these are reviewed by the ELT and the Board. Results are compared against the annual plan (referred to in the below paragraph) or re-forecast and a narrative provided by management to explain significant variances.
Budgeting and re-forecasting	A detailed annual plan was produced before the start of the year to forecast the next three years of trading. The first year of this plan was used as a forecast for the year ended 30 September 2025 and monthly results reported against this. This plan has now been updated to forecast FY26 and the following two years. This plan is prepared using a bottom-up approach, informed by a high-level assessment of market and economic conditions. Reviews are performed by the ELT and the Board. The plan is approved by the ELT and the Board.
Delegation of authorities	A documented structure of delegated authorities and approval for transactions is maintained beyond the Board’s Terms of Reference. This is reviewed regularly by management and updated as required to ensure it remains appropriate for the business.
Segregation of duties	Procedures are defined to segregate duties over significant transactions, including procurement, payments to suppliers, payroll and discounts/refunds. Key reconciliations are prepared and reviewed on a monthly basis to ensure accurate reporting.

Audit and Risk Committee report

continued

Significant accounting matters

In reviewing the financial statements with management and the external auditor, the Committee has discussed and debated the accounting judgements and key sources of estimation uncertainty set out in note 3 to the Financial Statements. As a result of our review, the Committee has identified the following items that require judgement or have significant potential impact on the interpretation of this Annual Report and Financial Statements.

Element	Approach and basis for assurance
Business combinations	The acquisition method of accounting is applied in accounting for the acquisition of subsidiaries. The acquiree's identifiable assets and liabilities are recognised at their fair values at the acquisition date. Goodwill arising on acquisition is recognised as an asset and measured at cost, representing the excess of the aggregate of the consideration, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the fair value of its identifiable assets and liabilities at the date of acquisition. The consideration is measured at fair value, which is the aggregate of the fair values of the assets transferred, liabilities incurred or assumed, and the equity instruments issued in exchange for control of the acquiree. The Committee has reviewed the judgements made in this area by management and, after due challenge and debate, was content with the assumptions made and the judgements applied.
Impairment of goodwill and other intangibles	The Group recognised goodwill upon the acquisition of Victoria Plum in the previous accounting period. This balance has been reviewed for impairment taking into account the forecasted benefits that the acquisition will bring to the Group. The Group has deemed that the carrying value of goodwill is in excess of the future forecasted benefit and thus there is no indication that the balance is impaired. An impairment review of other intangible assets, being 'computer software' and 'assets under construction', is not deemed to be necessary due to the growth enabling features and efficiency gains we anticipate from the investments made. Any assets held in the 'assets under construction' category will be brought into use during the year ended 30 September 2026. The Committee has reviewed the judgements made in this area by management and, after due challenge and debate, was content with the assumptions made and the judgements applied.
Revenue recognition	Revenue recognition for the Group's revenue streams is not complex. The Group does, however, process a large volume of transactions and places reliance on manual adjustments in relation to cut-off procedures. The Committee has reviewed the estimates and judgements made by management in assessment of revenue cut-off and the associated gross profit impact. After due challenge and debate, the Committee was content with the judgements applied. When considering this, along with the processing of and adjustments to the underlying transactional data, the Committee is content with the procedures applied by management to ensure revenue recognition is appropriate and in line with the Group's accounting policy.
Refund liability and right-of-return asset	The Group recognises a refund liability and corresponding right-of-return asset for expected returns after the reporting date. The liability is measured as the amount the Group ultimately expects it will have to return to the customer based on historical data, which therefore requires management to estimate the amount expected to be returned to customers after the reporting date. The Committee has reviewed judgements made in this area and is satisfied with the assumptions made and judgements applied.
Warranty provision	The Group provides for the cost expected to be incurred in order to replace damaged or faulty items that existed at the time of sale. The provision related to these assurance-type warranties are recognised when the product is sold. Initial recognition is based on historical data. The Committee has reviewed judgements made in this area and is satisfied with the assumptions made and judgements applied.
Intangible assets and capitalised development costs	Intangible assets include capitalised internal salaries and third party costs for computer software development. A certain proportion of the total IT costs incurred are capitalised as they relate to development costs, while the remaining costs are deemed to be maintenance costs and are expensed to the statement of comprehensive income. The proportion is calculated using a combination of management's best estimate and information provided by the third party. The Committee has reviewed the estimates made by management and is satisfied with the assumptions made.
Inventory provision	The Group assesses the valuation of inventory on an ongoing basis and, in particular, the need for an inventory provision. Historical inventory write-offs, changes in consumer behaviour and likely resale value are evaluated versus the cost of inventory. The Group has deemed that no inventory provision is necessary. The Committee has reviewed the estimates made by management and is satisfied with the assumptions made.

Internal audit

The Committee considers, at least annually, the need for an internal audit function and have, to date, concluded that it is not necessary for the Group to have a separate internal audit function.

Without a dedicated internal audit function, the Committee looks to management to implement adequate independent procedures to test key financial controls and report the results to the Committee. In addition, the Committee will look to specialist advisers to perform specific reviews over specific risk areas when appropriate.

In the current year, the Committee, along with Executive management, commissioned specialist reviews over specific risk areas. This reflects our commitment to enhancing oversight, risk management and operational integrity, and is viewed as a key step in enhancing our robust internal control environment; supporting sustainable growth and investor confidence.

Whistleblowing

The Group has established formal whistleblowing policy and procedures by which all employees may, in confidence, report any matters of concern. The Committee provides oversight of the effectiveness of the whistleblowing policy and arrangements.

Following its annual review, the Committee further enhanced the whistleblowing procedures. The Committee was satisfied that the procedures were appropriate and provided colleagues with the opportunity to raise concerns about any form of wrongdoing anonymously.

External auditor

The Committee has primary responsibility to oversee the relationship with the external auditor, to assess the quality of external auditor's contribution and effectiveness and to review and monitor the external auditor's independence and objectivity.

Following approval by shareholders at the 2025 AGM, Ernst & Young LLP ("EY") was reappointed as the Company's external auditor for the financial year ended 30 September 2025. The external auditor was not asked to look at any specific areas by the Committee during the review period.

During the year, the Committee conducted an evaluation of the external audit process and at the same time considered the external auditor's independence and objectivity. The Chair undertook a formal internal evaluation process by way of a written questionnaire, which took into account relevant regulatory guidance and best practice. The issues that the questionnaire required relevant stakeholders to evaluate included the following:

- the calibre of the external auditor, including its reputation;
- their quality processes, including the level and nature of review procedures, approach to audit judgements and issues, quality control reviews and approach to risk;

- the audit team, including their qualifications and experience, ability to be proactive, responsive and consistent, and their effectiveness as a team;
- the audit scope, including communication of plan, materiality and timely delivery;
- their communications, including clarity, accuracy and effectiveness;
- audit governance and independence, including integrity of staff and objectivity; and
- value for money.

The questionnaires were circulated to relevant stakeholders for completion and were returned to the Company Secretary, who prepared a summary report for the Chair's consideration. Following that process, the Committee has concluded that the external auditor is effective. The Committee is also satisfied with the independence and objectivity of EY as the external auditor.

Subject to shareholder approval at the 2026 AGM, EY is expected to be reappointed as the Company's external auditor for the financial year ending 30 September 2026 ("2026"). Following the completion of the 2025 audit, it is anticipated that the Company's audit partner at EY will rotate due to her length of tenure. At that time, the Company plans to consider the provision of its audit services.

Non-audit services

EY may be used to provide specialist advice where, because of its position as auditor, it either must, or is best placed to, perform the work in question. Where EY has been chosen, it has demonstrated the relevant skills and experience making them an appropriate supplier to undertake the work in a cost-effective and time-efficient manner, with appropriate safeguards in place.

A formal policy has been put in place in relation to the provision of non-audit services by EY to ensure that there is adequate protection of its independence and objectivity. Except in exceptional circumstances related to urgent transactions, or where the nature of the work to be undertaken by EY is considered to be insignificant and immaterial, the Committee oversees the process for approving all non-audit work provided by the external auditor to safeguard the objectivity and independence of the auditor.

During the year, the Group did not engage EY to provide any non-audit related services (2024: £nil).

A breakdown of the fees paid to EY during the year is set out in note 6 to the consolidated financial statements.

Damian Sanders

Chair, Audit and Risk Committee

2 December 2025

Directors' remuneration report



Dianne Walker
Chair, Remuneration Committee

Dear shareholders,

I am pleased to present the Directors' remuneration report for the year ended 30 September 2025 ("2025"). This report sets out the remuneration paid to the Directors during the past financial year and the basis for their remuneration for the year ending 30 September 2026. Following the changes made to our remuneration policy last year, and its subsequent approval by shareholders at the 2025 AGM, we believe that this remains fit for purpose and, therefore, do not propose to make any further amendments this year.

Reflecting on 2025

Remuneration payable in respect of 2025

In 2024, the Committee undertook a detailed review of the Policy, which resulted in a renewed approach to incentivisation of the Executive Directors. Although the Company is not required to seek formal shareholder approval of its remuneration policy under the AIM Rules, in the interests of good governance, the new Policy was presented to shareholders at the 2025 AGM for an advisory vote. The Committee was very pleased to receive support from our shareholders, with 88.71% of votes being in favour.

Base salaries and fees

Salary increases for the Executive Directors were as disclosed in the 2024 Annual Report and were effective from 1 April 2025.

Non-Executive Directors received an increase in their fees of 3% from 1 April 2025, in line with the wider workforce.

Annual bonus plan ("ABP")

The ABP for 2025 for the Executive Directors was assessed against a combination of both financial and non-financial targets. Collectively this resulted in a formulaic outturn of 16% of the total bonus opportunity (2024: 42%). The Committee was satisfied that the bonus award was an appropriate reflection of performance in the year and did not apply any discretion determining the outcome.

Share awards

The FY23 Long Term Incentive Plan ("LTIP") awards, granted on 22 February 2023, to Mark Radcliffe and Paul Meehan (former CFO) were based on an EPS performance target (100% weighting) for the three financial years to 30 September 2025. The performance target was not met and no awards were due. The Committee decided there was no reason to exercise its discretion to adjust this outcome.

During the year, the Committee reviewed and approved the levels of vesting of the Deferred Bonus Plan in which key employees from critical areas of the business participate; these levels were determined to be appropriate given the performance in the year.

On 1 June 2025, the third anniversary of the first Save as You Earn ("SAYE") scheme, the scheme vested. The scheme was rolled out again during 2025. This was available to all employees and offered at a 20% discount of the share price at the grant date.

Looking ahead

Implementation of the Policy in 2026

Base salaries and fees

The Executive Directors' salaries will not be increased in 2026.

Non-Executive Director ("NED") fees will not be increased in 2026.

Decisions on salary increases for the wider workforce will be taken prior to 1 April 2026.

ABP

In line with the remuneration policy the maximum bonus opportunity for the Executive Directors will remain at 100% of salary. The majority of the annual bonus will be based on performance against stretching financial targets, with the balance based on non-financial targets. The specific performance targets are not disclosed as they are considered to be commercially sensitive.

Share awards

LTIP awards will be granted to the Executive Directors in 2026 and will remain at 200% of base salary in line with the Remuneration Policy. Consistent with the prior year, the Committee has determined that 62.5% of the award will be based on adjusted EPS performance over a three-year period, with the balance being subject to continued employment. A two-year post-vesting holding period will apply.

The Committee is undertaking a review of the remuneration framework of the Executive Leadership Team¹ ("ELT") with the objective of establishing a future incentive structure that will drive long term value for shareholders.

I hope that you find the information in this report helpful. If shareholders wish to discuss any aspect of the report, please contact me via the Company Secretary.

Dianne Walker
Chair, Remuneration Committee

2 December 2025

Directors' remuneration report continued

Directors' remuneration policy

The following table summarises the key elements of the Policy and how it supports the Company's short and long-term strategic objectives.

Element and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Base salary and benefits Supports the recruitment and retention of Executive Directors, reflecting their role, skills and experience.	Salaries are reviewed annually. The Executive Directors receive benefits which include, but are not limited to, family private health cover, death in service life assurance and travel expenses for business-related travel (including tax, if any).	Base salaries will be set at an appropriate level with a comparator group of comparable-sized listed companies. The value of benefits is not capped.	N/A
Pension Supports the recruitment and retention of Executive Directors.	The Committee retains discretion to provide pension funding in the form of a salary supplement or a direct contribution to a pension scheme. Any salary supplement would not form part of the salary for the purposes of determining the extent of participation in the Company's incentive arrangements.	Pension funding for the Executive Directors is aligned with the wider workforce, currently equal to 3% of base salary.	N/A
ABP Supports the recruitment and retention of Executive Directors. Rewards the Executive Directors for delivering on key strategic and financial goals, encouraging sustainable performance of the business.	Annual bonuses are paid in cash, with no deferral into shares. Malus and clawback provisions will apply.	Maximum opportunity of 100% of base salary.	The majority of the annual bonus will be based on performance against stretching financial targets, with the balance based on non-financial metrics which are aligned to the business strategy.
LTIP Supports the incentivisation and retention of Executive Directors. Facilitates the long-term alignment with shareholders based on the outcomes of performance conditions.	LTIP awards are granted annually. LTIP awards will vest at the end of a three-year period subject to the Executive Directors' continued employment and satisfaction of the performance conditions. A further two-year holding period will apply post-vesting. The Remuneration Committee may award dividend equivalents on awards to the extent that these vest. Malus and clawback provisions will apply.	Maximum opportunity equal to 200% of base salary.	At least 62.5% of the LTIP award granted each year (i.e. up to 125% of base salary) will be based on performance against predetermined measures and targets. The balance of the award will be subject to continued employment.

Element and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Shareholding requirement	200% of base salary to be built up over a five-year period and then subsequently held. Executive Directors will be required to retain 100% of their shareholding requirement (i.e. 200% of base salary) for two years post-cessation (or full actual holding, if lower).	N/A	N/A
All-employee plan	The Company has a Share Incentive Plan in which the Executive Directors are eligible to participate (which is HMRC approved and is open to all eligible staff). The Company also operates a Save As You Earn scheme in which the Executive Directors are eligible to participate (which is HMRC approved and is open to all eligible staff).	Maximum permitted based on HMRC limits from time to time.	N/A
Chair and Non-Executive Director fees	Non-Executive Directors are paid a base fee and additional fees for the chairing of Committees. No additional fees are paid to Non-Executive Directors or the Chair of the Company for the membership of Committees. Fees are reviewed annually, based on equivalent roles in an appropriate comparator group used to review salaries paid to the Executive Directors. Non-Executive Directors do not participate in any variable remuneration or benefits arrangements. The Company will pay reasonable expenses incurred by the Chair and Non-Executive Directors.	The base fees for the Non-Executive Directors are set with reference to the market rate. The level of any fee increase for the Non-Executive Directors will also take account of any change in responsibility.	N/A

Directors' remuneration report continued

Remuneration policy on recruitment

The remuneration package for a new Executive Director is set in accordance with the terms of the Policy as detailed in the table on the previous pages.

The Committee's policy is not to provide sign-on compensation. However, in exceptional circumstances where the Committee decides to provide this type of compensation, it will endeavour to provide the compensation in equity, subject to a holding period during which cessation of employment will generally result in forfeiture and will be subject to the satisfaction of performance targets.

Annual report on remuneration in 2025 (audited)

The following table summarises the total remuneration of the Directors who served during the year to 30 September 2025:

Executive Directors

£'000	Salary		Benefits ¹		Pension		Total Fixed	
	2025	2024	2025	2024	2025	2024	2025	2024
Mark Radcliffe	325	250	2	2	10	10	337	262
Daniel Barton	257	240	1	1	8	8	266	249
Executive Directors	582	490	3	3	18	18	603	511
	ABP		LTIP		Other ²		Total Variable Remuneration	Total Remuneration
£'000	2025	2024	2025	2024	2025	2024	2025	2024
Mark Radcliffe	39	105	-	-	-	-	39	105
Daniel Barton	31	101	-	-	98	214	129	315
Executive Directors	70	206	-	-	98	214	168	420
	2025		2024					
£'000	Fees	Other	Benefits	Total	Fees	Other	Benefits	Total
Philip Bowcock	152	-	-	152	150	-	-	150
Damian Sanders	61	-	-	61	60	-	-	60
Dianne Walker	61	-	-	61	60	-	-	60
Non-Executive Directors	274	-	-	274	270	-	-	270

¹ Benefits are in respect of private healthcare and life assurance.

² 'Other' includes non-LTIP related share awards granted prior to Daniel Barton's appointment to the Board which vested in the period. Restricted share awards of 104,167 vested on 22 August 2024, 116,702 shares from Tranche 1 of the 2023 DBP award vested on 7 December 2023 and 87,527 shares from Tranche 2 of the 2023 DBP award vested on 7 December 2024. The share prices on each of those dates were £0.01, £0.93 and £1.12 respectively.

Payments to past Directors and for loss of office

Paul Meehan, former Chief Financial Officer, was granted 208,443 nil cost options on 22 February 2023 under the LTIP alongside Mark Radcliffe. Paul left the business on 30 June 2023 and, as previously disclosed, the Committee determined that Paul should be treated as a 'good leaver' for the purpose of his unvested LTIP awards. The award was based on an EPS performance target (100% weighting) for the three financial years to 30 September 2025. The performance target was not met and no award was due. The Committee decided there was no reason to exercise its discretion to adjust this outcome.

There were no other payments to past Directors or loss of office payments made during the period.

Outstanding share awards

Recipient	Award	Grant date	Final vesting date	Exercise price	Number of shares outstanding	Number of shares lapsed
Mark Radcliffe	2023 LTIP award ¹	22 February 2023	22 February 2026	£0.001	-	661,725
	2024 LTIP award	7 January 2024	7 January 2027	£0.001	422,060	-
	2025 LTIP award	6 February 2025	6 February 2028	£0.001	715,884	-
Daniel Barton ³	2023 DBP	31 March 2023	7 December 2026	nil	87,527	-
	2023 SAYE	30 March 2023	1 June 2026	67.52p	13,329	-
	2025 SAYE	16 June 2025	1 August 2028	66.18p	13,863	-
	2024 LTIP award	7 January 2024	7 January 2027	nil	405,177	-
	2025 LTIP award	6 February 2025	6 February 2028	nil	490,380	-

Statement of Directors' shareholding and share interests

Director	Beneficially owned shares not subject to any conditions	Value of shares beneficially owned as a % of salary ²	Target shareholding requirement (% of salary)	Shareholding requirements met?	Scheme interests subject to continued employment or time	Scheme interests subject to performance
Mark Radcliffe	155,733,657	29,589%	200%	Yes	268,456	869,488
Daniel Barton ³	273,062	76%	200%	No ⁴	183,892	826,384
Philip Bowcock	893,718	N/A	N/A	N/A	-	-
Damian Sanders	25,933	N/A	N/A	N/A	-	-
Dianne Walker	22,154	N/A	N/A	N/A	-	-

¹ The LTIP award for 2023 did not meet the performance target over the three-year performance period ended 30 September 2025.

² A share price of £0.76 has been used to calculate current shareholding as a percentage of salary being the closing share price on 30 September 2025.

³ 10,367 shares are the pro rated number of 2023 SAYE shares, being 28/36th of the total number of options granted for the three-year period of the scheme. 1,155 shares are the pro rated number of 2025 SAYE shares, being 3/36th of the total number of options granted for the three-year period of the scheme. 87,527 restricted shares relate to tranche three of the 2023 DBP award.

⁴ Daniel Barton was appointed to the Board on 1 April 2023 and has five years from this date to meet his shareholding requirement.

Implementation of Policy for the year ending 30 September 2025

We summarise below the Executive Director salaries, pension levels and incentive opportunities for 2026:

Base salary

Mark Radcliffe: £400,000

Daniel Barton: £274,000

Pension

3% of base salary, aligned to the rate available to the wider workforce.

ABP

The maximum bonus opportunity for the Executive Directors will be 100% of salary.

The majority of the bonus awards will be determined based on performance against stretching financial targets, with the balance based on non-financial metrics which are aligned to business strategy. The specific performance targets are not disclosed as they are considered to be commercially sensitive.

Bonus awards will be paid in cash.

Directors' remuneration report continued

LTIP

In accordance with the Policy, it is intended that awards will be granted to Mark Radcliffe and Daniel Barton during 2026. The maximum LTIP awards for the Executive Directors will be 200% of base salary.

The vesting outcome for 62.5% of the award will be based on adjusted EPS measured over a three-year period, with the balance vesting subject to continued employment. A two-year post-vesting holding period will apply.

Non-Executive Director 2026 2025

	2026	2025
Philip Bowcock:	£154,500	£154,500
Damian Sanders:	£61,800	£61,800
Dianne Walker:	£61,800	£61,800

Advisers to the Committee

The Committee has engaged the services of PwC LLP as independent remuneration adviser. The Committee is satisfied that the advice received was objective and independent. PwC is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct. In addition, the Committee has satisfied itself that the advice it receives is objective and independent and PwC has confirmed there are no conflicts of interest.

On behalf of the Board.

Dianne Walker

Chair of the Remuneration Committee

2 December 2025

Directors' report

The Directors present their report, together with audited financial statements of Victorian Plumbing Group plc ("Company") and its subsidiaries (together the "Group") for the financial year ended 30 September 2025.

This Directors' report includes the information required to be included under the Companies Act 2006 or, where provided elsewhere, an appropriate cross-reference is given. The Corporate Governance report approved by the Board is provided on pages 68 to 95 and incorporated by reference into this Directors' report.

Statutory information

Information required to be part of the Directors' report can be found elsewhere in this document, as indicated in the table below, and is incorporated into this report by reference:

Section of Annual report	Page reference
Employee involvement	Strategic report: Environmental, Social and Governance – page 43 Stakeholder engagement – page 32 Section 172(1) statement – page 32
Financial instruments	Financial statements: note 2 to the consolidated financial statements – pages 112 to 113
Future developments of the business	Strategic report: Our strategy – pages 16 to 23
Greenhouse gas emissions	Strategic report: Environmental, Social and Governance – page 41
Stakeholder engagement	Strategic report: Stakeholder engagement – page 32 Section 172(1) statement – page 32
Non-financial reporting	Strategic report: Environmental, Social and Governance – page 51

Business overview

The Company was incorporated and is domiciled in the UK with registered number 13379554 and the address of its registered office is 1 Sustainability Way, Farington Moss, Leyland, PR26 6TB. The Company is a public limited company and is listed on the AIM division of the London Stock Exchange. The Company has four subsidiaries, a complete list of which is provided within note 35 on page 138.

Strategic report

The Strategic report, which can be found on pages 1 to 67, sets out the Group's strategy, objectives and business model; the development, performance and position of the Group's business (including financial and operating key performance indicators); a description of the principal risks and uncertainties; and the main trends and factors likely to affect the future development, performance and position of the Group's business.

UK Corporate Governance Code

The Company elected to adopt the UK Corporate Governance Code ("Code") on Admission. The Company's statement on corporate governance can be found in the Corporate Governance Statement on pages 73 to 77; the Nomination Committee report, the Audit and Risk Committee report, and the Directors' Remuneration report are on pages 78 to 90; all of these form part of this Directors' report and are incorporated into it by reference.

2026 Annual General Meeting

The 2026 Annual General Meeting ("AGM") will take place at 9.30 am on 25 February 2026 at the Company's registered office at 1 Sustainability Way, Farington Moss, Leyland PR26 6TB. We strongly encourage all shareholders to cast their votes by proxy, and to send any questions in respect of AGM business to ir@victorianplumbing.co.uk.

The notice of meeting sets out the resolutions to be proposed and specifies the deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the AGM. All proxy votes will be counted and the numbers for, against or withheld in relation to each resolution will be announced at the AGM and published on the Company's website.

Directors' report continued

Board of Directors

The following individuals were Directors of the Company for the entirety of the financial year ended 30 September 2025, and to the date of approving this report:

- Philip Bowcock (Chair)
- Mark Radcliffe (Chief Executive Officer)
- Daniel Barton (Chief Financial Officer)
- Damian Sanders (Senior Independent Director)
- Dianne Walker (Independent Non-Executive Director)

All Directors will stand for re-election at the 2026 AGM in line with the recommendations of the Code.

Re-election of Directors

At each AGM, each Director then in office shall retire from office with effect from the conclusion of the meeting. When a Director retires at an AGM in accordance with the Articles of Association of the Company ("Articles"), the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring Director. In the absence of such a resolution, the retiring Director shall nevertheless be deemed to have been re-elected, except in the circumstances set out in the Company's Articles.

Results and dividends

The Group's and Company's audited financial statements for the year are set out on pages 102 to 144.

To distribute a total ordinary dividend for the year of 2.15 pence per share (FY24: 1.61 pence per share), the Directors are recommending a full year final ordinary dividend of 1.45 pence per share (FY24: 1.09 pence per share). Subject to shareholders' approval at the AGM on 25 February 2026, the dividend will be paid on 4 March 2026 to shareholders on the register of members at the close of business on 6 February 2026.

Amendment of the Articles

The Company's Articles may only be amended by a special resolution at a general meeting of shareholders. No amendments are proposed to be made to the existing Articles at the forthcoming AGM.

Issued share capital and control

The Company's issued share capital comprises ordinary shares of £0.001 each which are listed on the London Stock Exchange (AIM: VIC). The ISIN of the shares is GB00BNVHD43.

As at 30 September 2025, the issued share capital of the Company comprised 327,737,158 ordinary shares of £0.001 each.

Further information regarding the Company's issued share capital can be found within note 13 on pages 123 and 124 of the consolidated financial statements. Details of the movements in issued share capital during the year are

provided in note 13 to the Group's consolidated financial statements contained on pages 123 and 124. All the information detailed in note 13 forms part of this Directors' Report and is incorporated into it by reference.

Details of employee share schemes are provided in note 31 to the financial statements on pages 134 to 136.

Authority to allot shares

At the AGM of the Company held on 25 February 2025, the Directors were granted authority to allot ordinary shares in the Company up to a maximum nominal amount of £218,316.01 (representing approximately two-thirds of the Company's issued ordinary share capital), of which a maximum nominal amount of £109,158.01 (representing approximately one-third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue.

On 15 May 2025, the Company completed an issue of 263,142 new ordinary shares of £0.001 each in the Company in connection with the maturity of the Victorian Plumbing Save As You Earn Plan (FY22 Award). No other shares have been issued under this authority since 25 February 2025 to the date of this report.

This standard authority is renewable annually and the Directors will seek to renew it at the 2026 AGM.

Authority to purchase own shares

At the AGM of the Company held on 25 February 2025, the Directors were granted authority to make market purchases of up to 32,747,401 of its ordinary shares, subject to minimum and maximum price restrictions.

No shares were purchased under this authority since 25 February 2025 to the date of this report.

This standard authority is renewable annually and the Directors will seek to renew it at the 2026 AGM.

The Directors will only use this power after careful consideration, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The Directors will also consider the effects on earnings per share and the interests of shareholders generally.

Rights attaching to shares

All shares have the same rights (including voting and dividend rights, and rights on a return of capital) and restrictions as set out in the Articles. Except in relation to dividends that have been declared and rights on a liquidation of the Company, the shareholders have no rights to share in the profits of the Company. The Company's shares are not redeemable. However, following any grant of authority from shareholders, the Company may purchase or contract to purchase any of the shares on or off-market, subject to the Companies Act 2006 and the requirements of AIM rules.

No shareholder holds shares in the Company that carry special rights with regard to control of the Company. There are no shares relating to an employee share scheme that have rights with regard to control of the Company that are not exercisable directly and solely by the employees, other than in the case of the Victorian Plumbing Group plc Share Incentive Plan, where share interests of a participant in such scheme can be exercised by the personal representatives of a deceased participant in accordance with the scheme rules.

Voting rights

Each ordinary share entitles the holder to vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a show of hands, unless the Directors decide in advance that a poll will be conducted, or unless a poll is demanded at the meeting. On a show of hands, every member who is present in person or by proxy at a general meeting of the Company shall have one vote. On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder.

The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by the member, unless all amounts presently payable by the member in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Restriction on transfer of securities

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the usual restrictions applicable where any amount is unpaid on a share. Certain restrictions are also imposed by laws and regulations (such as insider trading and marketing requirements relating to close periods) and requirements of the Company's share dealing code whereby Directors and certain employees of the Company require approval to deal in the Company's securities.

Change of control

Save in respect of a provision of the Company's share schemes that may cause options and awards granted to employees under such schemes to vest on takeover, there are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) because of a takeover bid.

Significant contracts

The only significant agreement to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company following a takeover bid, and the effect thereof, is the revolving credit facility agreement, which contains

customary prepayment, cancellation and default provisions including, if required by a lender, mandatory prepayment of all utilisations provided by that lender upon the sale of all or substantially all of the business and assets of the Group or a change of control. At the date of this Report, no amounts are drawn under the Company's Revolving Credit Facility.

Transactions with related parties

On 17 June 2021 the Company entered into a relationship agreement with Mark Radcliffe, Neil Radcliffe ("Controlling Shareholders") and Carole Radcliffe. Under the relationship agreement, the Controlling Shareholders shall, and have agreed to use their reasonable endeavours to procure that each of their associates shall, among other things:

- a. not take any action that is intended to preclude or inhibit the Company or any other member of the Group from operating independently of either of the Controlling Shareholders at all times;
- b. make and conduct all transactions and arrangements with the Company on an arm's length and normal commercial basis;
- c. not take any action that would have the effect of preventing the Board from being comprised of at least a majority of Directors who are independent of the Controlling Shareholders and their respective associates;
- d. not take any action that would have the effect of preventing the Directors, the Company or any other member of the Group from complying with obligations under any applicable laws;
- e. where the Company or any member of the Group has entered into a contract or other arrangement with either of the Controlling Shareholders and/or any of their respective associates, ensure that the relevant Controlling shareholder and/or any of their respective associates procures that any decisions as to the implementation, amendment or enforcement of such contract or arrangement are taken independently of them and (in so far as they are able) their respective associates;
- f. procure that any disputes between the Company (or any member of the Group) and either of the Controlling Shareholders and/or any of their respective associates shall be exclusively dealt with on behalf of the Company or the relevant member of the Group by the Directors other than the Controlling Shareholders and, if applicable, their respective associates; and
- g. exercise any of their voting or other rights and powers as shareholders of the Company to procure that:
 - i. the Group is managed for the benefit of shareholders as a whole and independently of the Controlling Shareholders and their respective associates, rather than for the benefit of any particular shareholder or group of shareholders of the Company; and

Directors' report continued

- ii. subject to the applicable laws and the provisions of the Relationship Agreement, the Company is managed in accordance with the chosen Corporate Governance Code (pursuant to AIM Rule 26) to the extent practicable and appropriate for the size, stage of development and operations of the Group from time to time.

Compensation paid to Directors and key management is as disclosed in note 9 to the consolidated financial statements on page 121.

The Group leases certain property from Radcliffe Property Management Limited, a third party for which Mark Radcliffe is an Executive Director. Related party transactions are disclosed within note 34 to the consolidated financial statements on pages 137 and 138.

Research and development

Innovation, specifically in software, is a critical element of Victorian Plumbing's strategy and therefore of the future success of the Group. Accordingly, the majority of the Group's research and development expenditure is predominantly related to this area.

During the year, the Group capitalised £3.6 million of salaries in relation to internally developed software (2024: £3.3 million).

Indemnities and insurance

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Company has also provided an indemnity for its Directors, which is a qualifying third-party indemnity provision, for the purposes of Section 234 of the Companies Act 2006.

Environmental

Information on the Group's greenhouse gas emissions is set out in the Environmental, Social and Governance section on page 41 and forms part of this report by reference.

Political donations

There were no political donations made during the year or the previous year.

External branches

The Group had no active registered external branches during the reporting period.

Disabled employees

The Group gives full consideration to applications for employment from disabled persons when the requirements of the role can be adequately fulfilled. Where existing employees become disabled, it is the Group's policy to provide continuing employment under normal terms and conditions whenever possible. More information regarding our approach to diversity and inclusion can be found on pages 42 to 45.

Interest in voting rights

At the date of this report, the Company had been notified, in accordance with Chapter 5 of the Financial Conduct Authority's Disclosure and Transparency Rules, or was aware of (to the best of its knowledge) the following significant interest in the issued ordinary share capital of the Company:

Shareholder	Number of ordinary shares/ voting rights	Percentage of voting rights over ordinary shares
Mark Radcliffe	155,733,657	47.52%
Neil Radcliffe	35,624,073	10.87%
Artemis Investment Management	18,213,001	5.56%
Schroder Investment Management	14,161,958	4.32%
Paradice Investment Management	10,987,617	3.35%

There have been no other changes to the disclosure of significant interests since the year end.

Disclosure of information to auditors

Each of the Directors has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make him/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Alex Singer
Company Secretary

2 December 2025

Statement of Directors' responsibilities in respect of the Annual Report and financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards ("IFRSs"), and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 the Company and of the profit or loss of the Group and the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (and in respect of the parent company financial statements, Section 10 of FRS 102) and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs (and in respect of the parent company financial statements, FRS 102) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and financial performance;
- in respect of the Group financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether UK-adopted international accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and/or the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of 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 that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's corporate website..

Directors' responsibility statement

The Directors confirm, to the best of their knowledge:

- that the consolidated financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation taken as a whole;
- that the Annual report, including the Strategic report, includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the Annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Approved by the Board on 2 December 2025 and signed on its behalf.

Mark Radcliffe
Chief Executive Officer

Daniel Barton
Chief Financial Officer

2 December 2025

Independent auditor's report

Opinion

In our opinion:

- Victorian Plumbing Group plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Victorian Plumbing Group plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 September 2025 which comprise:

Group	Parent company
Consolidated statement of comprehensive income for the year then ended	Balance sheet as at 30 September 2025
Consolidated statement of financial position as at 30 September 2025	Statement of changes in equity for the year then ended
Consolidated statement of changes in equity for the year then ended	Related notes 1 to 12 to the financial statements including a summary of significant accounting policies
Consolidated statement of cash flows for the year then ended	
Related notes 1 to 37 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Confirming our understanding of management's going concern assessment process, including associated controls;
- Obtaining management's going concern assessment, including the cash forecasts for the going concern review period being the period to 31 January 2027. The Group modelled a base case scenario, severe but plausible downside scenario and a reverse stress test. The sensitivities include consideration of the potential impact of a change in the spending patterns of consumers resulting in lower volume growth, reduced average order value, and increased cost base resulting in lower gross margin. The extent to which these factors could adversely affect the Group's revenue, EBITDA, and cash was modelled and consideration given to mitigating actions;
- Assessing the assumptions included in each scenario and challenging the assumptions used in the stress testing performed by management. We utilised industry reports to corroborate the assumptions included by management and considered the appropriateness of the methods used to calculate the cash forecasts and determined that they were appropriately sophisticated to be able to make an assessment on going concern. We also checked the arithmetical accuracy of the model and vouched the opening cash position was appropriate;
- Assessing management's reverse stress test in order to identify what factors would lead to the Group utilising all available cash during the period and performing an independent reverse stress test to identify the circumstances under which all available liquidity would be extinguished noting that this would require a reduction in revenue of more than 40% from the base case assumptions with no mitigating action taken;

- Confirming what facilities management have available during the going concern period. The Group has a £30.0m revolving credit facility in place which expires in December 2027. The facility is undrawn and is not forecast to be utilised in any of the scenarios modelled by management;
- Evaluating management's forecast accuracy by comparing actual recent trading performance with forecasts, including post year end trading;
- Making inquiries of management as to their knowledge of events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern. No such events or conditions were noted and we did not identify any contradictory evidence to suggest otherwise;
- Reading board minutes for any inconsistencies with the risks considered in the going concern assessment; and
- Reviewing the Group's going concern disclosures included in the Annual Report to assess whether they were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period to 31 January 2027.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	We performed an audit of the complete financial information of four components accounting for 100% of the Group's Adjusted Profit Before Tax, Revenue, and Total Assets
Key audit matters	Revenue recognition
Materiality	Overall group materiality of £1.1m which represents 5% of Adjusted Profit Before Tax

An overview of the scope of the parent company and group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures.

When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the group's system of internal control at the entity level, the existence of centralised processes, and applications.

The Group has four components, with one component representing the principal business unit within the Group. We performed an audit of the complete financial information of all four components ("full scope components") which we considered to be individually relevant components based on their size or risk characteristics.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

Involvement with component teams

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

Climate change

Stakeholders remain increasingly interested in how climate change will impact Victorian Plumbing Group plc. The Group has determined that the effects of climate change are not expected to have a significant impact on the Group's operations nor the viability of the Group over the next three years.

These effects are referenced on pages 40 and 41 in the Strategic report and on page 65 in the principal risks and uncertainties, which form part of the 'Other information', rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained during the audit or otherwise appear to be materially misstated.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Independent auditor's report continued

Key audit matters

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

Risk	Our response to the risk
Revenue recognition Refer to: the Audit and Risk Committee Report (page 80) Accounting policies (pages 107 - 108) Note 5 of the Consolidated Financial Statements (page 117)	<ul style="list-style-type: none"> Gained an understanding of and document the key processes used to record revenue transactions by performing a walkthrough of the processes; Used a data driven approach to identify journals to revenue outside of the normal flow of transactions. We assessed any material journals not posted to receivables or cash for any evidence of management bias by corroborating to supporting documentation; Performed analytical procedures to compare monthly revenue trends to identify unusual items; Tested management's deferred income cut-off adjustment for completeness by testing a sample of items from the full year's revenue (weighted towards items dispatched in September). We verified the delivery date on all items to ensure that, where appropriate, revenue was deferred at the year end; Obtained copies of the third-party courier reports for deliveries made in the month of October. For those ordered pre-year end, we agreed the amounts to the deferred income listing to assess completeness; and Assessed the completeness of the refund liability by reference to historical trend analysis and performed testing over a sample of post-year end credit notes to the end of October to ensure that revenue has been reversed where a subsequent credit note has been raised.
Risk of inappropriate revenue recognition. This could occur as a result of management override of controls over journal entries recorded to revenue outside the normal flow of transactions throughout the year or through bias adopted in the assumptions used by management to calculate the year-end refund liability and deferred income calculation.	

Key observations communicated to the Audit Committee

Revenue has been recognised appropriately in the correct period and in accordance with IFRS 15, Revenue from Contracts with Customers. We did not identify instances of management override of controls in relation to revenue.

How we scoped our audit to respond to the risk

All audit work performed to address this risk was undertaken by the Group audit team.

In the prior year, our auditor's report included a key audit matter in relation to the accounting for the acquisition and subsequent closure of AHK Designs. As the closure of AHK Designs was announced in the prior year, with trading ceasing from 1 November 2025, this is not considered a key audit matter in the current year.

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Our application of materiality

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £1.1m (2024: £1.2m), which is 5% (2024: 5%) of Adjusted Profit before tax (being Profit before tax adjusted for exceptional items and share based payments). We believe that Adjusted Profit before tax provides us with the performance measure most relevant to the shareholders when assessing the performance of the Group.

We determined materiality for the Parent Company to be £1.1m (2024: £1.2m), which is capped at Group materiality.

During the course of our audit, we reassessed initial materiality which lead to no significant change in our materiality levels.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £0.8m (2024: £0.9m). We have set performance materiality at this percentage due to our assessment of the control environment, the level of misstatements in the prior year, and the outcome of our risk assessment.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £0.1m to £0.7m (2024: £0.2m to £0.8m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.55m (2024: £0.58m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 144, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Opinions on other matters as per the terms of our engagement letter with the Company

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the basis of preparation set out in Note 1 to the financial statements.

Corporate governance statement

ISAs (UK) require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting set out on page 67;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 66 and 67;
- Directors' statement on fair, balanced and understandable set out on page 81;

- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 60;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 81; and;
- The section describing the work of the Audit and Risk Committee set out on pages 80 to 83.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 95, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (international accounting standards in conformity with the requirements of the Companies Act 2006, AIM Rules, UK Tax Legislation, General Data Protection Regulation, and the voluntary compliance with UK Corporate Governance Code 2018).
- We understood how Victorian Plumbing Group plc is complying with those frameworks by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborate our enquiries through our review of Board minutes and papers provided to the Audit and Risk Committee, and discussions with the Audit and Risk Committee.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management and those charged with governance to understand where it considered there was a susceptibility to fraud. We also considered areas of significant judgement including complex transactions, performance targets, economic or external pressures and the impact that these have on the control environment. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk, refer to the key audit matters section for further details. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. For both direct and other laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items. Our procedures involved making enquiries with those charged with governance and senior management, journal entry testing – with a focus on consolidation journals and journals indicating large or unusual transactions based on our understanding of the business and focused testing, as referred to in the key audit matters section above. In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with the requirements of the relevant accounting standards, UK legislation and voluntary compliance with the UK Corporate Governance Code 2018. There were no significant instances noted of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Victoria Venning (Senior statutory auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor**

Manchester

2 December 2025

Consolidated statement of comprehensive income

for the year ended 30 September 2025

	Note	Continuing operations £m	Discontinued operations £m	2025 £m	Continuing operations £m	Discontinued operations £m	2024 £m
Revenue	5	306.1	3.9	310.0	281.0	14.7	295.7
Cost of sales		(154.3)	(2.5)	(156.8)	(139.3)	(8.6)	(147.9)
Gross profit		151.8	1.4	153.2	141.7	6.1	147.8
Administrative expenses	6	(132.6)	(2.6)	(135.2)	(126.6)	(9.2)	(135.8)
Impairment of assets		–	–	–	(0.8)	–	(0.8)
Operating profit / (loss)		19.2	(1.2)	18.0	14.3	(3.1)	11.2
Finance income	10	0.7	–	0.7	1.0	–	1.0
Finance costs	10	(3.6)	–	(3.6)	(3.2)	–	(3.2)
Profit / (loss) before tax		16.3	(1.2)	15.1	12.1	(3.1)	9.0
Income tax (expense) / credit	11	(2.5)	0.3	(2.2)	(3.5)	–	(3.5)
Profit / (loss) for the year		13.8	(0.9)	12.9	8.6	(3.1)	5.5
Loss from discontinued operations	37	–	(0.9)	(0.9)	–	(3.1)	(3.1)
Profit from continuing operations		13.8	–	13.8	8.6	–	8.6
Basic earning per share (pence)	13	4.5	(0.3)	4.2	3.0	(1.1)	1.9
Diluted earnings per share (pence)	13	4.2	(0.3)	3.9	2.6	(0.9)	1.7

There are no items to be recognised in the statement of comprehensive income in the current year or prior year, and hence the Group has not presented a separate statement of other comprehensive income.

Consolidated statement of financial position

at 30 September 2025

	Note	2025 £m	2024 £m
Assets			
Non-current assets			
Goodwill	15	18.8	18.8
Intangible assets	16	4.7	4.7
Property, plant and equipment	17	26.8	27.8
Right-of-use assets	18	47.3	45.4
		97.6	96.7
Current assets			
Inventories	19	45.6	43.7
Trade and other receivables	20	7.5	6.9
Cash and cash equivalents		17.7	11.2
		70.8	61.8
Total assets		168.4	158.5
Equity and liabilities			
Equity attributable to the owners of the Company			
Share capital	29	0.3	0.3
Share premium		11.2	11.2
Capital redemption reserve		0.1	0.1
Capital reorganisation reserve		(320.6)	(320.6)
Retained earnings		369.6	361.3
Total equity		60.6	52.3
Liabilities			
Non-current liabilities			
Lease liabilities	23	47.5	43.0
Derivative financial instruments		–	0.5
Provisions	24	2.0	1.9
Deferred tax liability	28	1.6	2.8
		51.1	48.2
Current liabilities			
Trade and other payables	21	45.0	44.2
Contract liabilities	22	6.8	9.5
Lease liabilities	23	3.6	3.1
Provisions	24	0.2	1.0
Corporation tax		1.1	0.2
		56.7	58.0
Total liabilities		107.8	106.2
Total equity and liabilities		168.4	158.5

The financial statements were approved by the Board of Directors on 2 December 2025 and authorised for issue.

Daniel Barton
Chief Financial Officer

Victorian Plumbing Group plc
Registered number: 13379554

Consolidated statement of changes in equity

for the year ended 30 September 2025

	Share capital £m	Share premium £m	Capital redemption reserve £m	Capital reorganisation reserve £m	Retained earnings £m	Total equity £m
Balance at 1 October 2023	0.3	11.2	0.1	(320.6)	357.8	48.8
Comprehensive income						
Profit for the year	–	–	–	–	5.5	5.5
Transactions with owners						
Dividends paid	–	–	–	–	(4.8)	(4.8)
Employee share schemes – value of employee services	–	–	–	–	2.8	2.8
Total transactions with owners recognised directly in equity	–	–	–	–	(2.0)	(2.0)
Balance at 30 September 2024	0.3	11.2	0.1	(320.6)	361.3	52.3
Comprehensive income						
Profit for the year	–	–	–	–	12.9	12.9
Transactions with owners						
Dividends paid	–	–	–	–	(5.8)	(5.8)
Employee share schemes – value of employee services	–	–	–	–	1.2	1.2
Total transactions with owners recognised directly in equity	–	–	–	–	(4.6)	(4.6)
Balance at 30 September 2025	0.3	11.2	0.1	(320.6)	369.6	60.6

Consolidated statement of cash flows

for the year ended 30 September 2025

	Note	2025 £m	2024 £m
Cash flows from continuing operating activities			
Cash generated from operating activities before exceptional items	32	33.8	22.4
Cash outflow from exceptional items		(1.5)	(3.3)
Cash outflow from share-based payments		(0.2)	(0.2)
Cash generated from operating activities		32.1	18.9
Income tax paid		(1.7)	(2.5)
Interest received on cash deposits		0.7	1.0
Cash outflow from discontinued operations		(9.1)	–
Net cash generated from operating activities		22.0	17.4
Cash flows from investing activities			
Purchase of intangible assets		(4.0)	(3.8)
Purchase of property, plant and equipment		(1.4)	(21.0)
Acquisition of subsidiary – net of cash acquired		–	(19.1)
Net cash used in investing activities		(5.4)	(43.9)
Cash flows from financing activities			
Dividends paid		(5.8)	(4.8)
Finance arrangement fees		(0.3)	(0.1)
Payment of interest portion of lease liabilities		(3.3)	(3.0)
Payment of principal portion of lease liabilities		(0.7)	(0.8)
Net cash used in financing activities		(10.1)	(8.7)
Net increase/(decrease) in cash and cash equivalents		6.5	(35.2)
Cash and cash equivalents at the beginning of the year		11.2	46.4
Cash and cash equivalents at the end of the year		17.7	11.2

Notes to the consolidated financial statements

1. General information

Victorian Plumbing Group plc is a public limited company, which is listed on the Alternative Investment Market ("AIM") of the London Stock Exchange and is domiciled and incorporated in the United Kingdom under the Companies Act 2006. The consolidated financial statements of the Company as at and for the year ended 30 September 2025 comprise the Company and its interest in subsidiaries (together referred to as the "Group").

The consolidated financial statements of the Group as at and for the year ended 30 September 2025 are available upon request to the Company Secretary from the Company's registered office at 1 Sustainability Way, Farington Moss, Leyland, England, PR26 6TB or are available on the corporate website at www.victorianplumbingplc.com.

Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The consolidated financial statements have been prepared on the going concern basis and on the historical cost convention modified for the revaluation of certain financial instruments.

Basis of consolidation

Subsidiaries are all entities over which the Group has control. Control exists when the Group has existing rights that give it the ability to direct the relevant activities of an entity and has the ability to affect the returns the Group will receive as a result of its involvement with the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intercompany transactions and balances between Group companies are eliminated on consolidation.

Going concern

The Group's ability to continue as a going concern is dependent on maintaining adequate levels of resources to continue to operate for the foreseeable future. The Directors have considered a number of key dependencies, which are set out in the Group's risk management section, specifically the Group's exposure to liquidity risk and foreign exchange risk as described in note 26.

When assessing the going concern of the Group, the Directors have reviewed the year-to-date financial results, as well as detailed financial forecasts for the going concern review period up to 31 January 2027. The assumptions used in the base case financial forecast are based on the Group's historical performance and management's extensive experience of the industry. Taking into consideration the wider economic environment, the forecasts have been assessed and stress tested to ensure that a robust assessment of the Group's working capital and cash requirements has been performed.

Liquidity and financing

At 30 September 2025, the Group held instantly accessible cash of £17.7m. The Group also had access to a revolving credit facility of £30.0m with HSBC which was undrawn at 30 September 2025. There is a sufficient level of liquidity and financing headroom post-stress testing across the going concern forecast period to 31 January 2027, as outlined in more detail below.

Approach to stress testing

The going concern analysis, which was approved by the Board in December 2025, reflected the actual trading to October 2025, as well as detailed financial forecasts for the period up to 31 January 2027. The Group has taken a measured approach to its forecasting. The Group has balanced the expected trading conditions with opportunities available in a growing market which is transitioning online and the fact that it continues to lead the bathroom market.

Given the uncertainty around the impact of the current macroeconomic environment, in its assessment of going concern, the Board has considered the potential impact of an economic downturn leading to a greater impact on the spending patterns of consumers. The extent to which this could adversely affect the Group's revenue and gross margin has been modelled, and the Board has considered likely areas of mitigations available to the Group should these scenarios play out.

The Group has prepared a hypothetical, severe but plausible, downside scenario in comparison to the base case financial forecast, incorporating all the following factors without recourse to mitigating actions:

- A lower growth of dispatched order volumes than that achieved in FY25
- A decrease in average order value
- A decrease in gross margin

Throughout the stress testing, management has not factored in any cost savings or mitigating factors that could be executed. For example, negotiating payment terms with suppliers and continuing to manage stock levels to reflect changes in consumer demand.

This severe downside scenario still results in sufficient cash forecast to be held throughout the period to 31 January 2027 to cover the Group's liabilities as they fall due, without utilisation of the Group's revolving credit facilities.

A reverse stress test has been performed which demonstrates an implausible scenario.

Going concern conclusion

Based on the analysis described above, the Group has sufficient liquidity headroom throughout the forecast period. The Directors therefore have reasonable expectation that the Group has the financial resources to enable it to continue in operational existence for the period to 31 January 2027. Accordingly, the Directors conclude it is appropriate that these consolidated financial statements be prepared on a going concern basis.

2. Material accounting policies

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 September 2024 unless stated below.

2.1 Changes in material accounting policies

New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on 1 October 2024:

- Amendments to IAS 1, IAS 7, IFRS 7 and IFRS 16

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated. The adoption of these amendments has had no material effect on the Group's consolidated financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective

The new and amended accounting standards and interpretations that are issued, but not yet effective and applicable to the Group are as follows:

- Classification and measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for the Group for the year ending 30 September 2027)
- IFRS 18 – Presentation and Disclosure in Financial Statements (effective for the Group for the year ending 30 September 2028)

The Group is still in the process of assessing the potential impact of the amendments and IFRS 18 and as such, the potential impact is currently not known or can be reasonably estimated.

2.2 Existing material accounting policies

The following accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 September 2024.

Revenue

The Group derives revenue from contracts with customers relating to the sale of bathroom products, homewares, accessories and other expansion products. Revenue is measured based on the consideration specified in a contract with a customer. Revenue is stated: net of discounts, rebates, refunds and value-added tax.

Revenue is recognised from the sale of goods when the Group has satisfied its performance obligation by transferring control of the promised good to the customer. Control is transferred to the customer on delivery of the bathroom products, homewares, accessories and other expansion products to the customer's location.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

The Group's policy is to sell its products to customers with a right to return within 30 days, and at its discretion may accept returns after this period. The Group estimates the value of goods that are expected to be returned based on historic data. A refund liability and a right of return asset is recognised. The right of return asset is measured at the former carrying amount of the inventory less any expected costs to recover the goods. The refund liability is recognised for the obligation to refund some or all of the consideration received from a customer. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. Refund liabilities are included within trade and other payables (refer to note 21). The Group reviews its estimate of expected returns at each reporting date.

The Group does not offer loyalty points to customers nor are any warranties, other than assurance-type warranties (note 24), offered by the Group.

Cost of sales

Cost of sales includes all direct costs incurred in purchasing products for resale along with: packaging, distribution and transaction costs (which include mark to market movements on forward currency contractual arrangements in line with our treasury policy).

Contract liability

Cash is received from customers in advance of delivery of goods and so deferred income is recognised as a contract liability.

Rebates

Rebates from suppliers are accounted for in the period in which they are earned and are based on commercial agreements with suppliers. Rebates earned are mainly purchase volume related and are generally short-term in nature, with rebates earned but not yet received typically relating to the preceding quarter's purchases. Rebate income is recognised in cost of sales in the income statement and rebates earned but not yet received are included in accrued income in the statement of financial position. Accrued rebate income is included within trade and other receivables (refer to note 20).

Employee benefits

Defined contribution pension plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the employee's entitlement to the benefit accrues.

Share-based payments

The Group operates equity-settled share-based payment options and accounts for these awards in accordance with IFRS 2 Share-based Payments.

Equity-settled awards are valued at the grant date, and the fair value is charged as an expense in the income statement spread over the vesting period with a corresponding change in equity. The fair value of each award is measured using a Black-Scholes model. The charge is reassessed at each reporting date to reflect the expected and actual levels of vesting. The Group recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Finance income

Interest income is recognised in the income statement using the effective interest method.

Finance costs

Finance costs are charged to the income statement over the term of the debt using the effective interest method.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, 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, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities and there is an intention to settle the balances on a net basis.

Discontinued operations

The Group classifies a component of its business as a discontinued operation when it has been disposed of or is classified as held for distribution, and the disposal meets the criteria for being a separate significant line of business or geographical area of operations.

The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated statement of profit or loss, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss is represented as if the operation had been discontinued from the start of the comparative year. Expenses are presented as discontinued if they will cease to be incurred on disposal of the discontinued operation. The Group measures a non-current asset (or disposal group) classified as held for distribution to owners at the lower of its carrying amount and fair value less costs to distribute. No depreciation or amortisation is charged in respect of non-current assets classified as held for distribution once the classification has been made.

Separately disclosed items (non-GAAP)

Significant items of income and expense that do not relate to the trading of the Group are disclosed separately. Examples of such items are exceptional items and share-based payment charges.

Exceptional items (non-GAAP)

The Group's income statement separately identifies exceptional items. Such items are those that, in the Directors' judgement, are one-off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence and may include, but are not limited to, restructuring, acquisition and transformation related costs, costs of implementing new systems, impairment of assets and income from legal or insurance settlements. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative as well as qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board. Disclosing exceptional items separately provides additional understanding of the performance of the Group.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

Adjusted EBITDA (non-GAAP)

Adjusted EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation) less separately disclosed items (exceptional items and IFRS 2 charges in respect of share-based payments along with associated national insurance). This adjusted profit measure is applied by the Board to understand the earnings trends of the Group (note 4) and is considered an additional, useful measure under which to assess the operating performance of the Group.

Adjusted profit before tax (non-GAAP)

Adjusted profit before tax is profit before tax less separately disclosed items (exceptional items and IFRS 2 charges in respect of share-based payments along with associated national insurance). This adjusted profit measure is applied by the Board to understand the earnings trends of the Group and is considered an additional, useful measure under which to assess the performance of the Group (note 4).

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the ELT that makes strategic decisions (note 4).

Underlying costs (non-GAAP)

Underlying costs are defined as administrative expenses before depreciation and amortisation, and separately disclosed items.

Foreign currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in sterling (£), which is the Group's functional and presentational currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the income statement.

Business combinations

The acquisition method of accounting is applied in accounting for the acquisition of subsidiaries. The acquiree's identifiable assets and liabilities are recognised at their fair values at the acquisition date. Goodwill arising on acquisition is recognised as an asset and measured at cost, representing the excess of the aggregate of the consideration, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the fair value of its identifiable assets and liabilities at the date of acquisition. The consideration is measured at fair value, which is the aggregate of the fair values of the assets transferred, liabilities incurred or assumed, and the equity instruments issued in exchange for control of the acquiree.

Intangible assets

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it; and there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which is 1–3 years.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:

Leasehold improvements	– Amortised over the lease period
Plant and machinery	– 4 to 20 years
Fixtures and fittings	– 4 to 20 years
Office equipment	– 4 to 20 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement within administrative expenses.

Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for new short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones) with a value of less than £5,000. For these leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

For all other leases, the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset, as detailed below:

Leasehold property	– Lease term
Plant and machinery	– Lease term

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

The right-of-use assets are presented within non-current assets in the statement of financial position (note 18). The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy.

Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out ("FIFO") method. Where necessary, a provision is made to reduce the carrying value to no less than net realisable value, having regard to the nature and condition of inventory.

Costs include all costs incurred in bringing each product to its present location and condition. This includes the purchase cost of products and import duties.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

The Group classifies financial assets on initial recognition as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the Group's business model for managing the financial asset and the cash flow characteristics of the financial asset.

Financial liabilities are classified and measured at amortised cost except for those derivative liabilities that are measured at FVTPL.

All financial assets and financial liabilities are initially measured at fair value, including transaction costs, except for those classified as FVTPL which are initially measured at fair value excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the income statement.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial asset or liability, any difference between the carrying amount extinguished and the consideration paid is recognised in the income statement.

Impairment

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience.

Derivatives

Derivative financial instruments are used to manage the risks arising from changes in foreign currency exchange rates relating to the purchase of overseas products.

The Group enters into derivative financial instruments to manage its exposure to foreign exchange risk via forward currency contracts.

The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognised in the income statement and presented within administrative expenses.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with near insignificant risk of change in value, and have original maturities of three months or less.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and are subsequently carried at amortised cost, with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the income statement over the period of the borrowings using the effective interest method.

Finance and issue costs associated with the borrowings are charged to the income statement using the effective interest method from the date of issue over the estimated life of the borrowings to which the costs relate.

Borrowings are derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in respective carrying amounts together with any costs or fees incurred are recognised in the income statement. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

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, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGUs") fair value less costs of disposal and its value in use. The recoverable amount 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.

When 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 post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years.

A long-term growth rate is calculated and applied to project future cash flows after the third year.

Impairment losses of continuing operations are recognised in the income statement in expense categories consistent with the function of the impaired asset.

Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current post-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the consolidated financial statements continued

2. Material accounting policies continued

Warranties

The Group provides for the cost expected to be incurred in order to replace damaged or faulty items that existed at the time of sale. The provision related to these assurance-type warranties is recognised when the product is sold. Initial recognition is based on historical experience.

The estimate of the warranty-replaced costs is revised every six months.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Where the Group purchases its own equity share capital, the consideration paid is deducted from equity attributable to the Group's shareholders. Where such shares are subsequently cancelled, the nominal value of the shares repurchased is deducted from share capital and transferred to a capital redemption reserve. Where the Group purchases its own equity share capital to hold in treasury, the consideration paid for the shares is shown as own shares held within equity.

Share premium

The amount subscribed for the ordinary shares in excess of the nominal value of these new shares is recorded in share premium. Costs that directly relate to the issue of ordinary shares are deducted from share premium net of corporation tax.

Shares held by the Employee Share Option Trust

The Employee Share Option Trust ("ESOT") provides for the issue of shares to Group employees principally under share option schemes. The Group has control of the ESOT and therefore consolidates the ESOT in the Group financial statements. Accordingly, shares in the Company held by the ESOT are included in the statement of financial position at cost as a deduction from equity.

Capital reorganisation reserve

The capital reorganisation reserve arose on consolidation as a result of the share-for-share exchange on 27 May 2021 as part of the IPO readiness.

Dividends

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. In accordance with UK company law, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Earnings per share

Basic EPS is calculated by dividing the profit for the year from continuing operations attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit for the year from continuing operations attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3. Judgements in applying accounting policies and sources of estimation uncertainty

3.1 Accounting judgements

Business combinations

The acquisition method of accounting is applied in accounting for the acquisition of subsidiaries. The acquiree's identifiable assets and liabilities are recognised at their fair values at the acquisition date. Goodwill arising on acquisition is recognised as an asset and measured at cost, representing the excess of the aggregate of the consideration, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the fair value of its identifiable assets and liabilities at the date of acquisition. The consideration is measured at fair value, which is the aggregate of the fair values of the assets transferred, liabilities incurred or assumed, and the equity instruments issued in exchange for control of the acquiree.

Impairment of goodwill and other intangibles

Goodwill was recognised upon the acquisition of AHK Designs Limited trading as Victoria Plum ("Victoria Plum"). The goodwill represents the removal of a nuisance factor, being the competing brand with a similar name. The goodwill arising upon this acquisition has been allocated to the main Group's CGU, Victorian Plumbing. The CGU of Victorian Plumbing has been assessed for impairment and at that level there is no indication of impairment.

An impairment review of other intangible assets, being 'computer software' and 'assets under construction', has been performed and due to the growth enabling features and efficiency gains it was concluded that the future value of the investments made is greater than the carrying value. Any assets held in the 'assets under construction' category will be brought into use during the year ended 30 September 2026.

Intangible assets

Intangible assets relate to the development of the Group's internal bespoke software solutions and comprise both capitalised internal salaries and third party costs. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

3.2 Sources of estimation uncertainty

The following areas of estimation uncertainty are not presented to comply with the requirements of paragraph 125 of IAS 1, 'Presentation of Financial Statements' as it is not expected there is a significant risk of a material adjustment to the carrying amount of assets within the next financial year. They are presented as additional disclosure of estimates used in the accounts.

Refund liability and right of return asset

The refund liability that is recognised within the consolidated financial statements relates to the obligation to refund some or all of the consideration received from a customer. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability therefore requires management to estimate the amount expected to be returned to customers after the reporting date.

The refund liability and associated right of return asset are estimated using historical rates of the level of refunds relative to revenue.

	2025	2024
Revenue (£m)	310.0	295.7
Refund liability (£m)	0.9	0.8
Refund liability % average quarterly sales	1.0%	1.1%
Right of return asset (£m)	0.3	0.3
Right of return asset % average quarterly sales	0.4%	0.4%

The impact on profit before taxation ("PBT") of increasing the refund rate by 100% would be a reduction of £0.9m (2024: £0.8m).

Notes to the consolidated financial statements continued

3. Judgements in applying accounting policies and sources of estimation uncertainty continued

Warranty provision

The Company provides for the cost expected to be incurred in order to replace damaged or faulty items that existed at the time of sale. The provision related to these assurance-type warranties is recognised when the product is sold. Initial recognition is based on historical experience.

The warranty provision is estimated with reference to the historical level of credit notes raised relative to revenue.

	2025	2024
Revenue for the period (£m)	310.0	295.7
Warranty provision (£m)	0.3	0.3
Warranty provision % average quarterly sales	0.4%	0.4%

The impact on PBT of increasing the warranty provision by 100% would be a reduction of £0.3m (2024: £0.3m).

Inventory provision

Management has evaluated the level of inventory held and the ageing of inventory in order to consider the need for a provision over stock to cover either slow-moving items, obsolete items or items which the Group may sell at lower than cost. This has resulted in a provision of £0.6m being recognised in the period (2024: £nil).

The impact on PBT of increasing the inventory provision by 100% would be a reduction of £0.6m (2024: nil).

4. Segmental information

IFRS 8 'Operating Segments' requires the Group to determine its operating segments based on information that is provided internally. Based on the internal reporting information and management structures within the Group, it has been determined that there are three operating segments: Victorian Plumbing, MFI and Victoria Plum, as the three entities are clearly and separately reported on internally. There is also considered to be three reporting segments; Victorian Plumbing, MFI and Victoria Plum.

Management has determined that there are three operating and reporting segments based on the reports reviewed by the ELT, which is the chief operating decision-maker ("CODM"). The ELT is made up of the Executive Directors and Key Management and is responsible for the strategic decision-making of the Group. MFI is a new segment this year, having commenced trading in 2025.

Adjusted EBITDA

The ELT measures the overall performance of the Operating Group by reference to Adjusted EBITDA, a non-GAAP measure. This adjusted profit measure is applied by the ELT to understand the earnings trends of the Operating Group and is considered an additional, useful measure under which to assess the true operating performance of the Operating Group.

The Directors believe that these items and adjusted measures of performance should be separately disclosed in order to assist in the understanding of financial performance achieved by the Operating Group and for consistency with prior years.

Adjusted PBT

The ELT also measures the overall performance of the Operating Group by reference to adjusted profit before tax ("PBT"), a non-GAAP measure. Adjusted PBT is defined as adjusted EBITDA less interest, depreciation and amortisation.

This adjusted profit measure is applied by the ELT as an alternative profitability measure, which incorporates the capital investment and the financing structure of the Group.

	Victorian Plumbing £m	MFI £m	Continuing operations £m	Victoria Plum £m	2025	Victorian Plumbing £m	Victoria Plum £m	2024
Revenue	306.0	0.1	306.1	3.9	310.0	281.0	14.7	295.7
Cost of sales	(154.3)	(0.0)	(154.3)	(2.5)	(156.8)	(139.3)	(8.6)	(147.9)
Gross profit	151.7	0.1	151.8	1.4	153.2	141.7	6.1	147.8
Administrative expenses	(118.2)	(2.3)	(120.5)	(0.9)	(121.4)	(112.3)	(8.3)	(120.6)
Adjusted EBITDA	33.5	(2.2)	31.3	0.5	31.8	29.4	(2.2)	27.2
Finance (cost) / income	(2.1)	(0.1)	(2.2)	–	(2.2)	0.6	–	0.6
Amortisation and depreciation	(7.6)	(0.2)	(7.8)	–	(7.8)	(4.7)	–	(4.7)
Adjusted profit before tax	23.8	(2.5)	21.3	0.5	21.8	25.3	(2.2)	23.1
Exceptional items	(3.6)	–	(3.6)	(1.7)	(5.3)	(10.1)	(0.9)	(11.0)
Share-based payments (including NI)	(1.4)	–	(1.4)	–	(1.4)	(3.1)	–	(3.1)
Profit before tax	18.8	(2.5)	16.3	(1.2)	15.1	12.1	(3.1)	9.0

Victoria Plum has been classed as a discontinued operation in the year in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

5. Revenue

An analysis of revenue by class of business is as follows:

	2025 £m	2024 £m
Bathroom	288.4	268.6
Tiles and flooring	17.6	12.4
Homewares	0.1	–
Revenue from continuing operations	306.1	281.0
Bathroom	3.9	14.7
Revenue from discontinued operations	3.9	14.7
	310.0	295.7

All revenue arose within the United Kingdom.

Notes to the consolidated financial statements continued

6. Operating profit

Expenses by nature including exceptional items:

	Continuing operations £m	Discontinued operations £m	2025 £m	2024 £m
Employee costs (excluding share-based payments)	25.2	–	25.2	23.0
Agency and contractor costs	1.4	–	1.4	1.7
Share-based payments (including NI)	1.4	–	1.4	3.1
Marketing costs	83.7	0.9	84.6	85.4
Property costs	4.1	–	4.1	4.8
Computer costs	2.9	–	2.9	2.9
Other costs	3.2	–	3.2	2.8
Amortisation of intangibles	2.9	–	2.9	3.1
Depreciation of property, plant and equipment	1.5	–	1.5	0.5
Depreciation of right-of-use assets	3.9	–	3.9	3.3
Depreciation capitalised during the fit-out of the DC	(0.5)	–	(0.5)	(2.2)
<i>Exceptional items:</i>				
Double running and non-recurring administrative expenses	2.0	–	2.0	5.7
Closure costs: Victoria Plum	0.7	1.7	2.4	1.1
Impairment of right-of-use assets	–	–	–	0.8
Professional fees associated with business combinations	0.2	–	0.2	0.6
Total administrative expenses	132.6	2.6	135.2	136.6
Share-based payments (including NI)	(1.4)	–	(1.4)	(3.1)
Exceptional items within administrative expenses	(2.9)	(1.7)	(4.6)	(8.2)
Total administrative expenses before separately disclosed items	128.3	0.9	129.2	125.3

Services provided by the Company's auditor

	2025 £m	2024 £m
Fees payable for the audit of the Company and consolidated financial statements	0.1	0.1
Fees payable for the audit of the subsidiary undertakings	0.2	0.2
	0.3	0.3

There were no non-audit fees paid to the auditor during this or the previous period.

7. Exceptional items

a. By nature

	2025 £m	2024 £m
Warehouse transformation costs:		
– Double running and non-recurring administrative expenses	2.0	5.7
– Impairment of right-of-use assets	–	0.8
Closure costs: Victoria Plum	2.4	1.1
Professional fees associated with business combinations	0.2	0.6
<i>Exceptional items recognised within administrative expenses</i>	4.6	8.2
Warehouse transformation costs:		
– Double running finance costs	0.7	2.8
<i>Exceptional items recognised within finance costs</i>	0.7	2.8
Total exceptional items	5.3	11.0

b. By function

	2025 £m	2024 £m
Warehouse transformation costs:		
– Double running and non-recurring administrative expenses	2.0	5.7
– Impairment of right-of-use assets	–	0.8
– Double running finance costs	0.7	2.8
Acquisition and closure of Victoria Plum:		
– Closure costs: Victoria Plum	2.4	1.1
– Professional fees associated with business combinations	–	0.6
	2.4	1.7
Professional fees associated with business combinations		
	0.2	–
	0.2	–
Total exceptional items	5.3	11.0

Notes to the consolidated financial statements continued

7. Exceptional items continued

Warehouse transformation

On 4 October 2023, the Group entered into a 20-year lease agreement for the new warehouse and commenced a period of fit-out, which was substantially complete by the end of December 2024. In accordance with IFRS 16, a lease liability of £41.7m has been recognised, with a corresponding right-of-use asset recognised in non-current assets during the prior financial year.

For the duration of the fit-out, the new warehouse was not generating economic benefit for the Group. Therefore, expenditure incurred during the fit-out period, together with non-recurring transformation costs such as associated professional fees, totalling £2.0m (2024: £5.7m) have been recognised as 'warehouse transformation costs' in the consolidated statement of comprehensive income. Associated exceptional cash outflows of £1.5m (2024: £2.5m) have been incurred and recognised in the consolidated statement of cash flows.

The imputed interest recognised against IFRS 16 lease liabilities for property considered to be non-underlying during the fit-out period has been recognised as 'double running finance costs'. Associated cash outflows of £0.5m have been expended for double running finance costs during the period (2024: £2.8m).

Closure of Victoria Plum

On 17 May 2024, Victorian Plumbing Ltd, a subsidiary, acquired 100% of the share capital of Victoria Plum, and, in August 2024, the decision was taken by the Group to cease trading Victoria Plum. The Victoria Plum website was redirected to Victorian Plumbing from November 2024. This closure activity meets the definition of a discontinued operation under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. As such, the losses incurred together with the settlement of the balance sheet of Victoria Plum have been recognised as a £9.1m cash outflow from discontinued operations in 2025 within operating cashflows. There were no investing or financing cashflows from discontinued operations in 2025.

A provision of £0.6m has been recognised as an exceptional item within continuing operations in the year against Victoria Plum inventory held by Victorian Plumbing.

c. Exceptional cash flows

	2025 £m	2024 £m
Cash flows from operating activities		
Cash outflow from exceptional items	(1.5)	(2.5)
Cash flows from investing activities		
Purchase of intangible assets: exceptional	(0.1)	(0.3)
Purchase of property, plant and equipment: exceptional	(0.6)	(20.8)
Cash flows from financing activities		
Payment of interest portion of lease liabilities: double running finance costs	(0.5)	(2.7)
Payment of principal portion of lease liabilities: double running finance costs	-	(0.1)
Cash flows from exceptional items	(2.7)	(26.4)

8. Employee costs

Employee costs, excluding agency and contractors but including Directors' remuneration, were as follows:

	Continuing operations £m	Discontinued operations £m	2025 £m	2024 £m
Wages and salaries	22.3	1.6	23.9	20.5
Social security costs	2.5	0.1	2.6	2.1
Cost of defined contribution scheme	0.4	-	0.4	0.4
Share-based payments (including associated NI)	1.4	-	1.4	3.1
	26.6	1.7	28.3	26.1

Employee costs presented above exclude costs capitalised as part of internal software development as disclosed in note 16. The Company capitalised salaries of £3.6m in the year ended 30 September 2025 (2024: £3.3m) for in-house development of computer software.

The Victoria Plum employment costs within discontinued operations have been apportioned between exceptional items and inventory as appropriate based on the closure activities.

The average monthly number of employees, including the Directors, during the year were as follows:

	Continuing operations £m	Discontinued operations £m	2025 Number	2024 Number
Warehouse	403	10	413	425
Office and management	292	7	299	302
	695	17	712	727

9. Directors' and Key Management remuneration

The remuneration of Directors is disclosed in the Directors' Remuneration Report on pages 84 to 90.

Key Management compensation

Key Management comprised members of the ELT (who are defined in note 4) and the Non-Executive Directors. The remuneration of all Key Management (including all Directors) was as follows:

	2025 £m	2024 £m
Short-term employee benefits	1.8	1.7
Share-based payments	0.7	1.8
	2.5	3.5

10. Net finance costs

	2025 £m	2024 £m
Interest received on cash deposits	0.7	1.0
Finance income	0.7	1.0
Interest on undrawn revolving credit facility	(0.3)	(0.1)
Interest expense on lease liability	(3.3)	(3.1)
Finance costs	(3.6)	(3.2)
Net finance costs	(2.9)	(2.2)

11. Income tax expense

	2025 £m	2024 £m
Corporation tax		
Current tax on profits for the year	3.7	0.4
Adjustments in respect of previous periods	(0.3)	0.2
Total current tax	3.4	0.6
Deferred tax		
Origination of temporary differences	(1.2)	2.9
Total deferred tax	(1.2)	2.9
Taxation on profit	2.2	3.5

Notes to the consolidated financial statements continued

11. Income tax expense continued

Factors affecting tax charge for the year

The tax assessed for the period is lower (2024: higher) than the standard rate of corporation tax in the UK of 25% (2024: 25%).

The differences are explained below:

	2025 £m	2024 £m
Profit on ordinary activities before tax	15.1	9.0
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	3.8	2.3
Effects of:		
Expenses not deductible for tax purposes	0.3	0.5
Adjustments in respect of previous periods	(0.3)	0.2
Tax losses	(1.6)	0.5
Total tax charge for the year	2.2	3.5

Taxation on items taken directly to equity was £nil (2024: £nil) relating to tax on share-based payments.

Taxation from discontinued operations in 2025 was a credit of £0.3m (2024: nil).

12. Dividends paid and proposed

	2025 Pence per share	2024 Pence per share	2025 £m	2024 £m
Final ordinary dividend recognised as distributions in the year	1.09	0.95	3.5	3.1
Interim ordinary dividend recognised as distributions in the year	0.70	0.52	2.3	1.7
Total dividend paid in the year	1.79	1.47	5.8	4.8
Interim ordinary dividend	0.70	0.52	2.3	1.7
Final ordinary dividend	1.45	1.09	4.9	3.5
Total dividend	2.15	1.61	7.2	5.2

In order to distribute a total ordinary dividend for the year of 2.15 pence per share (2024: 1.61 pence per share), which would represent growth of 34%, the Board is recommending a full year final ordinary dividend of 1.45 pence per share (2024: 1.09 pence per share).

This results in a total cash distribution to shareholders of £7.2m (£2.3m interim paid and £4.9m final to be paid), subject to shareholders' approval at the AGM on 25 February 2026. The dividends will be paid on 4 March 2026 to shareholders on the register of members at the close of business on 6 February 2026.

13. Earnings per share

Basic and diluted earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the number of incremental ordinary shares, calculated using the treasury stock method, that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the EPS calculations:

	Weighted average number of ordinary shares	Total earnings £m	Pence per share
Year ended 30 September 2025			
Basic EPS from continuing operations	314,295,920	13.8	4.5
Basic EPS from discontinued operations	314,295,920	(0.9)	(0.3)
Basic EPS	314,295,920	12.9	4.2
Diluted EPS from continuing operations	331,111,216	13.8	4.2
Diluted EPS from discontinued operations	331,111,216	(0.9)	(0.3)
Diluted EPS	331,111,216	12.9	3.9

Year ended 30 September 2024

Basic EPS from continuing operations	294,908,792	8.6	2.9
Basic EPS from discontinued operations	294,908,792	(3.1)	(1.1)
Basic EPS	294,908,792	5.5	1.8
Diluted EPS from continuing operations	327,498,168	8.6	2.6
Diluted EPS from discontinued operations	327,498,168	(3.1)	(0.9)
Diluted EPS	327,498,168	5.5	1.7

The number of shares in issue at the start of the year is reconciled to the basic and diluted weighted average number of shares below:

	2025	2024
Weighted average number of shares for basic EPS	314,295,920	294,908,792
Dilutive impact of unvested shares in relation to share awards	16,815,296	32,589,376
Weighted average number of shares for diluted EPS	331,111,216	327,498,168

The average market value of the Group's shares for the purposes of calculating the dilutive effect of share-based incentives was based on quoted market prices for the period during which the share-based incentives were outstanding.

Notes to the consolidated financial statements continued

13. Earnings per share continued

Adjusted diluted earnings per share

Adjusted diluted EPS is an Alternative Performance Measure ("APM") and has been calculated using profit for the purpose of basic EPS from continuing operations, adjusted for total adjusting items and the tax effect of those items divided by the total issued share capital.

	2025 £m	2024 £m
Profit for the year	13.8	5.5
Exceptional items	3.6	11.0
Share-based payments	1.4	3.1
Tax effect	(1.1)	(2.3)
Total adjusted profit for the year	17.7	17.3
	Number	Number
Total issued share capital for the purposes of adjusted diluted earnings per share	327,737,158	326,334,279
Adjusted diluted earnings per share (pence)	5.4	5.3

14. Business combinations

Acquisition of AHK Designs Ltd – May 2024

On 17 May 2024, Victorian Plumbing Ltd, a subsidiary, acquired the entire issued share capital of AHK Designs Limited trading as Victoria Plum ("Victoria Plum").

Victoria Plum was acquired for initial consideration of £22.5m, with £0.3m repaid by the seller through the completion accounts adjustment.

	£m
Purchase consideration:	
Initial cash paid	22.5
Final working capital adjustment	(0.3)
Total consideration	22.2
The provisional fair value of assets and liabilities recognised as a result of this acquisition are as follows:	
	£m
Tangible fixed assets	–
Intangible fixed assets	–
Inventory	8.9
Cash	3.1
Trade and other receivables	1.1
Trade payables	(3.2)
Other taxation and NI	(1.5)
Corporation tax	(0.3)
Other payables	(0.7)
Accruals	(2.3)
Contract liabilities	(1.7)
Net identifiable assets acquired	3.4
Goodwill	18.8
Net assets acquired	22.2

There were no business combinations in the period.

15. Goodwill

	£m
Cost	
At 30 September 2024	18.8
At 30 September 2025	18.8
Net book value	
At 30 September 2024	18.8
At 30 September 2025	18.8

Goodwill of £18.8m was recognised upon the acquisition of Victoria Plum, which was subsequently closed. The goodwill represents the removal of a nuisance factor, being the competing brand with a similar name. This goodwill is expected to generate benefit for the existing Victorian Plumbing Group and has therefore been allocated to the Victorian Plumbing Group cash generating unit ("CGU").

This balance has been reviewed for impairment on a value in use basis by performing a discounted cash flow ("DCF") exercise for the CGU. The key assumptions within the DCF include expected revenue growth (market share and average order value) and costs in accordance with the three-year Board approved budget, followed by a long-term growth rate of 2% into perpetuity and a pre-tax discount rate of 14%. Significant headroom was retained over the carrying value of the goodwill. The value in use calculation was not sensitive to reasonably possible changes in these key assumptions and the carrying value of goodwill is considered recoverable.

16. Intangible assets

	Computer software £m	Assets under construction £m	Total £m
Cost			
At 30 September 2023	12.9	0.2	13.1
Additions	2.9	0.9	3.8
At 30 September 2024	15.8	1.1	16.9
Reclassifications	0.5	(0.5)	–
Additions	3.9	–	3.9
Disposals	(0.7)	–	(0.7)
At 30 September 2025	19.5	0.6	20.1
Accumulated amortisation			
At 30 September 2023	9.1	–	9.1
Charge for the year	3.1	–	3.1
At 30 September 2024	12.2	–	12.2
Disposals	(0.7)	–	(0.7)
Charge for the year	3.9	–	3.9
At 30 September 2025	15.4	–	15.4
Net book value			
At 30 September 2023	3.8	0.2	4.0
At 30 September 2024	3.6	1.1	4.7
At 30 September 2025	4.1	0.6	4.7

Notes to the consolidated financial statements continued

16. Intangible assets continued

Assets under construction represent costs incurred in the development of internal management systems, that are not yet available for use in the manner intended by management.

Computer software comprises both internal salaries and external development capitalised in relation to the Group's bespoke operational software. The Group capitalised internal salaries of £3.6m in the year ended 30 September 2025 (2024: £3.3m) for development of computer software.

For the year to 30 September 2025, the amortisation charge of £3.9m (2024: £3.1m) has been charged to administrative expenses in the income statement.

17. Property, plant and equipment

	Leasehold improvements £m	Plant and machinery £m	Fixtures and fittings £m	Office equipment £m	Assets under construction £m	Total £m
Cost						
At 30 September 2023	0.1	1.3	0.5	1.2	3.9	7.0
Additions	–	–	–	–	23.4	23.4
At 30 September 2024	0.1	1.3	0.5	1.2	27.3	30.4
Additions	0.1	–	–	0.2	0.2	0.5
Reclassifications	16.4	8.1	2.4	0.6	(27.5)	–
At 30 September 2025	16.6	9.4	2.9	2.0	–	30.9
Accumulated depreciation						
At 30 September 2023	–	0.9	0.5	0.7	–	2.1
Charge for the year	0.1	0.1	–	0.3	–	0.5
At 30 September 2024	0.1	1.0	0.5	1.0	–	2.6
Charge for the year	0.7	0.5	0.1	0.2	–	1.5
At 30 September 2025	0.8	1.5	0.6	1.2	–	4.1
Net book value						
At 30 September 2023	0.1	0.4	–	0.5	3.9	4.9
At 30 September 2024	–	0.3	–	0.2	27.3	27.8
At 30 September 2025	15.8	7.9	2.3	0.8	–	26.8

18. Right-of-use assets

	Manual handling equipment £m	Leasehold property £m	Total £m
Cost			
At 30 September 2023	0.7	8.3	9.0
Additions	–	44.8	44.8
Modifications	–	0.4	0.4
Disposals	(0.3)	–	(0.3)
Impairment	–	(0.8)	(0.8)
At 30 September 2024	0.4	52.7	53.1
Additions	4.3	–	4.3
Modifications	–	1.5	1.5
At 30 September 2025	4.7	54.2	58.9
Accumulated depreciation			
At 30 September 2023	0.5	4.2	4.7
Charge for the year	0.1	3.2	3.3
Disposals	(0.3)	–	(0.3)
At 30 September 2024	0.3	7.4	7.7
Charge for the year	0.8	3.1	3.9
At 30 September 2025	1.1	10.5	11.6
Net book value			
At 30 September 2023	0.2	4.1	4.3
At 30 September 2024	0.1	45.3	45.4
At 30 September 2025	3.6	43.7	47.3

During the period, the Group entered into leases for manual handling equipment. An addition of £4.3m has been recognised as a right-of-use asset, in accordance with IFRS 16 Leases, representing the discounted future cashflows under the contract.

Furthermore, the Group modified leases on three of its properties that had expired; these represent modifications under IFRS 16. The right-of-use asset was increased by £1.5m to reflect the value of the asset after the modification and the corresponding lease liability increased by £1.5m.

Notes to the consolidated financial statements continued

19. Inventories

	2025 £m	2024 £m
Goods for resale	45.4	43.6
Packaging	0.2	0.1
	45.6	43.7

Inventories recognised in cost of sales as an expense in the year totalled £114.0m (2024: £111.5m).

No impairment loss was recognised in cost of sales in the year (2024: £nil). The inventories provision at the year end totalled £0.6m (2024: £nil).

20. Trade and other receivables

	2025 £m	2024 £m
Trade receivables	4.6	3.8
Right of return asset	0.3	0.3
Accrued income	1.2	1.2
Prepayments	1.4	1.6
	7.5	6.9

The Group provides against trade receivables using the forward-looking expected credit loss model under IFRS 9. An impairment analysis is performed at each reporting date. Trade receivables, accrued income, and other receivables expected credit losses have been reviewed by management and have been determined to have an immaterial impact on these balances. Accrued income relates to rebates earned but not yet received.

21. Trade and other payables

	2025 £m	2024 £m
Trade payables	22.6	24.7
Other taxation and NI	9.3	8.8
Refund liability	0.9	0.8
Other payables	1.8	1.5
Accruals	10.4	8.4
	45.0	44.2

22. Contract liabilities

	2025 £m	2024 £m
Opening balance	9.5	5.4
Revenue recognised in the year that was included in contract liability balance at the beginning of the year	(9.5)	(5.4)
Additional deferred revenue in the period	6.8	9.5
Closing balance	6.8	9.5

Deferred revenue outstanding at each year end is expected to be recognised within revenue within six months from the reporting date.

23. Lease liabilities

	Manual handling equipment £m	Leasehold property £m	Total £m
At 30 September 2023	0.2	4.6	4.8
Additions	-	41.7	41.7
Modifications	-	0.4	0.4
Finance costs (not included in exceptional items)	-	0.2	0.2
Finance costs (included in exceptional items)	-	2.8	2.8
Lease payment (not included in exceptional items)	(0.1)	(0.9)	(1.0)
Lease payment (included in exceptional items)	-	(2.8)	(2.8)
At 30 September 2024	0.1	46.0	46.1
Additions	4.3	-	4.3
Modifications	-	1.5	1.5
Finance costs (not included in exceptional items)	0.2	2.3	2.5
Finance costs (included in exceptional items)	-	0.7	0.7
Lease payment (not included in exceptional items)	(0.7)	(2.8)	(3.5)
Lease payment (included in exceptional items)	-	(0.5)	(0.5)
At 30 September 2025	3.9	47.2	51.1

During the period, the Group entered into leases for manual handling equipment. An addition of £4.3m has been recognised as a right-of-use asset, in accordance with IFRS 16 Leases, representing the discounted future cashflows under the contract. Furthermore, the Group renewed leases on three of its properties that had expired; these represent modifications under IFRS 16. The right-of-use asset was increased by £1.5m to reflect the value of the asset after the modification and the corresponding lease liability increased by £1.5m. The Group had total cash outflows for leases of £4.0m (2024: £3.8m).

Lease liabilities as at 30 September were classified as follows:

	2025 £m	2024 £m
Non-current	47.5	43.0
Current	3.6	3.1
Total	51.1	46.1

24. Provisions

	2025 £m	2024 £m
<i>Current</i>		
Warranty provision	0.2	0.3
Victoria Plum closure costs	-	0.7
<i>Non-current</i>		
Asset retirement obligations	2.0	1.9
	2.0	1.9
	2.2	2.9

Notes to the consolidated financial statements continued

25. Borrowings

	2025 £m	2024 £m
Amounts drawn under revolving credit facility	–	–
Unamortised debt issue costs	(0.3)	(0.1)
	(0.3)	(0.1)

At 30 September 2025, the £30m revolving credit facility ("RCF") remained undrawn. On 18 December 2024, the RCF was secured for £30m with a termination date of 17 December 2027. The facility is secured by a debenture dated 7 June 2021. Interest on the RCF is charged at SONIA plus a margin based on the consolidated leverage of the Group. A commitment fee of 35% of the margin applicable to the RCF is payable quarterly in arrears on unutilised amounts of the RCF. There is no requirement to settle all, or part, of the debt earlier than the termination date.

Unamortised debt issue costs of £0.3m (2024: £0.1m) are included in prepayments (note 20).

26. Financial instruments

	2025 £m	2024 £m
Financial assets		
Financial assets measured at amortised cost	5.8	5.0
Cash	17.7	11.2
	23.5	16.2
Financial liabilities		
Financial liabilities measured at amortised cost	35.6	37.6
Financial liabilities at fair value through profit and loss	–	0.5
Lease liabilities	51.1	46.1
	86.7	84.2

Financial assets that are debt instruments measured at amortised cost comprise trade receivables and accrued income.

Financial liabilities measured at amortised cost comprise trade payables, refund liability, other payables and accruals.

Financial assets measured at fair value through profit and loss comprise foreign exchange forward contracts. The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods generally from one to six months.

The Directors consider that the carrying amount of trade and other payables/trade receivables approximates to their fair value.

Financial risk management

Risk management

The Group seeks to reduce exposures to capital risk, liquidity risk, credit risk, interest rate risk and foreign currency risk, to ensure liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group does not engage in speculative trading in financial instruments and transacts only in relation to underlying business requirements, and in line with Board approved policy. The Group's treasury policies and procedures are periodically reviewed.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders through an appropriate balance of debt and equity funding, while maintaining a strong credit rating and sufficient headroom. The Group makes adjustments to its capital structure in light of changes to economic conditions and the Group's strategic objectives. The Group has not made any changes to its capital management strategy in the year. The RCF remains unutilised; consequently no covenant compliance requirements have been in place during the year.

Interest rate risk

The Group has no external debt and holds significant cash, therefore any fluctuation in interest rates gives rise to variable interest income.

Credit risk

Credit risk principally arises on trade receivables. In the vast majority of cases, the Group takes payment in advance of dispatch and therefore the Group is not exposed to significant credit risk. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following table details the Group's remaining contractual maturity for its financial liabilities based on undiscounted contractual payments:

Financial liabilities at 30 September 2025	Within a year £m	1 to 5 years £m	Over 5 years £m	Total £m
Trade payables	22.5	–	–	22.5
Other payables	1.8	–	–	1.8
Lease liabilities	4.0	21.0	60.5	85.5
	28.3	21.0	60.5	109.8

Financial liabilities at 30 September 2024	Within a year £m	1 to 5 years £m	Over 5 years £m	Total £m
Trade payables	24.7	–	–	24.7
Other payables	1.5	–	–	1.5
Lease liabilities	3.1	14.7	64.9	82.7
	29.3	14.7	64.9	108.9

Cash flow forecasting is performed on an ongoing basis by the Group's finance team. Rolling forecasts of the Group's liquidity requirements are monitored to ensure it has sufficient cash to meet operational needs.

Foreign exchange risk

The Group makes a significant amount of purchases from overseas and therefore is subject to fluctuations in foreign currency exchange rates, most notably in the US dollar rate. The Group enters into forward contracts to mitigate a part of the foreign exchange risk, in line with Board approved policy.

A 10% appreciation or depreciation of pound sterling against the US dollar would increase or (decrease) profit before tax based on the balances at the reporting date as follows:

	2025 £m	2024 £m
Strengthens by 10%	(0.1)	(0.7)
Weaken by 10%	0.1	0.8

Notes to the consolidated financial statements continued

27. Reconciliation of movements in liabilities to cash flows from financing activities

	Lease liabilities £m
Balance as at 1 October 2024	46.1
Changes from financing cash flows	
Payment of lease liabilities	(4.0)
Total changes from financing cash flows	(4.0)
Other changes - non-cash	
Finance cost (not included in exceptional items)	2.5
Finance cost (included in exceptional items)	0.7
Additions	4.3
Modifications	1.5
Total liability related other changes	9.0
Balance as at 30 September 2025	51.1

	Lease liabilities £m
Balance as at 1 October 2023	4.8
Changes from financing cash flows	
Payment of lease liabilities	(3.8)
Total changes from financing cash flows	(3.8)
Other changes - non-cash	
Finance cost (not included in exceptional items)	0.2
Finance cost (included in exceptional items)	2.8
Additions	41.7
Modifications	0.4
Total liability related other changes	45.1
Balance as at 30 September 2024	46.1

28. Deferred taxation

	Accelerated capital allowances £m	Share-based payments £m	Other £m	Total £m
Deferred taxation liabilities/(assets)				
At 30 September 2023	0.1	(0.1)	(0.1)	(0.1)
Charged to the statement of comprehensive income	2.8	–	0.1	2.9
At 30 September 2024	2.9	(0.1)	–	2.8
Charged/(credited) to the statement of comprehensive income	0.2	0.5	(1.9)	(1.2)
At 30 September 2025	3.1	0.4	(1.9)	1.6

29. Share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		
327,737,158 ordinary shares of 0.1p (2024: 326,334,279 ordinary shares of 0.1p)	0.3	0.3

30. Own shares held

The Employee Share Option Trust purchases shares to fund the Share Incentive Plan. On 27 July 2024, the third anniversary of the Share Incentive Plan share award, the shares vested. At 30 September 2025, the trust held 446,889 (2024: 472,248) ordinary shares with a book value of £446 (2024: £472). The market value of these shares as at 30 September 2025 was £0.4m (2024: £0.5m).

	Number of shares	£
ESOT shares reserve		
Own shares held at 30 September 2024	472,248	472
Sales/ transfers out	(25,359)	(25)
Own shares held at 30 September 2025	446,889	447

Notes to the consolidated financial statements continued

31. Share-based payments

The Group operates four share plans being a Share Incentive Plan (“SIP”), a Deferred Bonus Plan (“DBP”), a Long-Term Incentive Plan (“LTIP”) and a Sharesave scheme (“SAYE”). In addition, following Admission to AIM in June 2021, the Group awarded shares to the Chair and certain members of Key Management in the form of Restricted Share Awards (“RSAs”), which had restrictions placed against them that bring the awards into the scope of IFRS 2.

All share-based incentives carry a service condition. Such conditions are not taken into account in the fair value of the service received. The fair value of services received in return for share-based incentives is measured by reference to the fair value of share-based incentives granted. A Black-Scholes pricing model has been used where appropriate to calculate the fair value of share-based incentives with market conditions.

Sensitivity analysis has been performed in assessing the fair value of the share-based incentives. There are no changes to key assumptions that are considered by the Directors to be reasonably possible, which give rise to a material difference in the fair value of the share-based incentives.

The total charge in the year was £1.4m (2024: £3.1m) with a Company charge of £0.2m (2024: £0.8m). This included associated NI at 15% (2024: 13.8%), which management expected at the year end date to be the prevailing rate when the awards are exercised, and apprenticeship levy at 0.5%, based on the share price at the reporting date.

	2025 £m	2024 £m
Deferred Bonus Plans	0.5	0.8
Long Term Incentive Plans	–	0.3
Sharesave Schemes	0.1	0.1
Restricted Share Awards	0.7	1.3
Share Incentive Plan	–	0.2
Total IFRS 2 charge	1.3	2.7
NI and apprenticeship levy on applicable schemes	0.1	0.4
Total charge	1.4	3.1

Deferred Bonus Plan

The Group operates a DBP for the ELT and certain key employees. It is both a cash bonus plan and a discretionary employee share plan under which a proportion of a participant’s annual bonus is deferred into an award over shares. Awards under the plan are contingent on the satisfaction of pre-set internal targets relating to financial and operational objectives. An option will be granted following determination of performance against targets, with 40% of the award vesting immediately, 30% after one year and 30% after two years. Awards are potentially forfeitable during that period should the employee leave employment.

During the year, the Group made awards over 1,914,027 ordinary shares under the DBP scheme, subject to the satisfaction of certain performance criteria to be determined by the Remuneration Committee. The fair value of the award was determined to be £1.12, being the average market value of a share on 30 September 2024 and 30 November 2024.

	2025 Number	2024 Number
Outstanding at 1 October	4,294,058	4,660,836
Granted	1,914,027	2,998,636
Forfeited	(2,109,735)	(2,375,186)
Vested	(708,561)	(990,228)
Outstanding at 30 September	3,389,789	4,294,058

The total charge in the period, included in operating profit, in relation to these awards was £0.5m (2024: £0.8m). The Company charge for the period was £nil (2024: £nil).

Long Term Incentive Plan

The Group operates a LTIP for the Executive Directors. The extent to which awards vest will depend upon the satisfaction of the Group’s financial and operational performance in the financial year of the award date.

The 2023 and 2024 LTIP awards are subject to performance conditions based on adjusted EPS (100% of award). Awards vest three years after grant subject to EPS performance conditions, with a two-year post-vesting holding period applying.

The 2025 LTIP awards are subject to performance conditions based on adjusted EPS (62.5% of award) and employment (37.5% of award). Awards vest 3 years after grant subject to EPS performance conditions, with a two-year post-vesting holding period applying.

On 1 February 2025, the Group awarded 1,206,264 nil cost options under the LTIP scheme. The fair value for the EPS element of the award at £1.12 was based on the share price at the grant date.

	2025 Number	2024 Number
Outstanding at 1 October	1,945,733	1,118,497
Granted	1,206,264	827,236
Lapsed	(1,118,496)	–
Outstanding at 30 September	2,033,501	1,945,733

The total charge in the year, included in operating profit, in relation to these awards was £nil (2024: £0.3m). The Company charge for the period was £nil (2024: £0.3m).

Sharesave scheme

The Group operates a SAYE scheme for all employees under which employees are granted an option to purchase ordinary shares in the Company at up to 20% less than the market price at invitation, in three years’ time, dependent on their entering into a contract to make monthly contributions into a savings account over the relevant period. Options are granted and are linked to a savings contract with a term of three years. These funds are used to fund the option exercise. No performance criteria are applied to the exercise of Sharesave options. The assumptions used in the measurement of the fair value at grant date of the Sharesave plan are as follows:

Grant date	Share price at grant date £	Exercise price £	Expected volatility %	Option life years	Risk-free rate %	Dividend yield %	Non-vesting condition %	Fair value per option
30/03/2023	0.79	0.68	69	3.17	3.52	1.39	0	0.40
30/03/2024	0.79	0.67	59	3.17	3.92	1.77	0	0.36
30/03/2025	0.78	0.66	43	3.12	3.79	2.28	0	0.27

Expected volatility is estimated by considering the historical 3.12 year volatility of the FTSE AIM retailers.

	2025 Number of share options	2024 Number of share options
Outstanding at 1 October	596,481	533,973
Granted	409,327	194,042
Forfeited	(94,845)	(131,534)
Exercised	(237,253)	–
Outstanding at 30 September	673,710	596,481
Exercisable at 30 September	25,889	–

The total charge in the year, included in operating profit, in relation to these awards was £0.1m (2024: £0.1m). The Company charge for the period was £0.1m (2024: £nil).

Notes to the consolidated financial statements continued

31. Share-based payments continued

Restricted Share Awards

The Chair and certain members of Key Management have been granted RSAs. The RSAs do not have a performance condition attached to them but the extent to which they vest depends on a service condition being satisfied. The restricted shares are forfeited if the employee leaves the Group before the vesting date, unless under exceptional circumstances.

Grant date	Share price at grant date £	Employee contribution per share	Vesting period (years)	Risk-free rate %	Dividend yield %	Non-vesting condition %	Fair value per restricted share
22/06/2021	2.62	£0.001	5.0	–	–	–	2.62

The number of restricted shares outstanding at 30 September 2025 was as follows:

	2025 Number	2024 Number
Outstanding at 1 October	1,508,462	2,276,004
Vested	(851,173)	(767,542)
Outstanding and unvested at 30 September	657,289	1,508,462

The market values per ordinary share for restricted shares that vested in the year was £0.73. The RSAs outstanding at 30 September 2025 have a weighted average remaining vesting period of 0.7 years.

The total charge in the year, included in operating profit, in relation to these awards was £0.7m (2024: £1.3m). The Company charge for the year was £0.2m (2024: £0.5m).

Share Incentive Plan

The Group operates a SIP scheme that was made available to all eligible employees following Admission to AIM in June 2021. On 27 July 2021, all eligible employees were awarded free shares valued at £3,600 each based on the closing share price on 26 July 2021 of £2.67. A total of 635,504 shares were awarded under the scheme, subject to a three-year service period.

On 27 July 2024, the third anniversary of the award, the shares vested for those employees that remained in employment on that date.

The SIP awards have been valued using the Black-Scholes model and the resulting share-based payments charge spread evenly over the vesting period. The SIP shareholders were entitled to dividends over the vesting period. No performance criteria were applied to the vesting of SIP shares. Fair value at the grant date was measured to be £2.67.

	2025 number	2024 number
Outstanding at 1 October	127,774	347,037
Sales / transfers out	(25,359)	(178,504)
Dividend shares transferred in	–	3,725
Forfeited	(1,348)	(44,484)
Outstanding at 30 September	101,067	127,774

The total charge in the year, included in operating profit, in relation to these awards was £nil (2024: £0.2m). The Company charge for the year was £nil (2024: £nil).

32. Cash generated from operating activities

Cash flows from continuing operating activities	2025 £m	2024 £m
Profit before taxation for the financial year	16.3	9.0
Adjustments for:		
Depreciation and amortisation	7.8	4.7
Share-based payments (including NI)	1.4	3.1
Finance income	(0.7)	(1.0)
Finance costs	3.6	3.2
Exceptional items recognised within administrative expenses	2.9	8.2
Adjusted EBITDA from continuing operations	31.3	27.2
Fair value (gain)/loss on financial derivatives	(0.5)	0.9
Increase in inventories	(3.4)	(0.5)
Decrease / (increase) in receivables	1.4	(1.1)
Increase / (decrease) in payables	5.0	(4.1)
Cash generated from continuing operating activities before exceptional items	33.8	22.4

Free cash flows from continuing operations (non-GAAP measure)	2025 £m	2024 £m
Cash generated from operating activities before exceptional items	33.8	22.4
Repayment of lease liabilities (excluding exceptional items)	(3.5)	(1.3)
Purchase of intangible assets (excluding exceptional items)	(4.0)	(3.5)
Purchase of property, plant and equipment (excluding exceptional items)	(0.7)	(0.2)
VAT not yet recovered on exceptional items	(1.6)	1.2
Free cash flows from continuing operations	24.0	18.6
Adjusted EBITDA from continuing operations	31.3	27.2
Operating cash conversion	77%	68%

VAT not yet recovered on exceptional items relates to timing differences on warehouse transformation expenditure.

33. Pension commitments

The Group operates a defined contribution scheme for its employees. The assets of the scheme are held separately from the Group in an independently administered scheme. The pension cost represents contributions payable by the Group to the fund totalling £0.4m (2024: 0.4m). Included within creditors is £0.1m of contributions payable to the fund at 30 September 2025 (2024 £0.1m).

34. Related party transactions

Radcliffe Property Management Limited (“RPM”) is considered a related party as this is a company which has a common director. The following amounts show arm's length transactions and balances with RPM:

	2025 £m	2024 £m
Amounts owed by the Company to RPM	0.1	0.3
Lease payments made by the Company	1.4	0.7

Amounts outstanding with RPM at each reporting date are interest free, unsecured and repayable on demand. The Company has not recognised a provision for expected credit losses in respect of the amounts owed to the Company from related parties, nor have any balances been written off.

During the year, RPM acquired a property that was leased by the Group. Lease payments are made on an arm's length basis to RPM.

Notes to the consolidated financial statements continued

34. Related party transactions continued

Other transactions with related parties are as follows:

	2025 £m	2024 £m
Dividends paid by the Group to Directors, connected persons and Key Management:		
M Radcliffe	2.8	2.3
N Radcliffe	0.6	0.5
C Radcliffe	–	0.1
Other Key Management personnel	0.1	0.1

A connected person to a Director acted as a subcontractor in the year providing photography services. The value of these transactions was £750.

During the year, a Director of MFI Ltd placed orders with the Company. The value of these transactions was £325.

During the year, the Company exited a leased property owned by Mark Radcliffe. Lease payments were being made at an arm's length basis for the property. The value of these transactions was <£0.1m in 2025 (2024: <£0.1m).

35. Subsidiaries

At 30 September 2025, the subsidiaries of the Group are as follows:

Subsidiary undertakings	Country of incorporation	Principal activity	Class of shares held	Percentage owned by the parent	Percentage owned by the Group
VIPSO Ltd	England and Wales	Holding company	Ordinary, A ordinary	100%	100%
Victorian Plumbing Ltd	England and Wales	Online retailing of bathroom furniture and accessories	Ordinary	–	100%
MFI Limited	England and Wales	Online retailing of homewares	Ordinary	–	100%
AHK Designs Ltd	England and Wales	Ceased trading	Ordinary	–	100%

The registered office of all subsidiaries is 1 Sustainability Way, Farington Moss, Leyland, United Kingdom, PR26 6TB.

MFI Limited and AHK Designs Ltd are exempt from audit by virtue of the parental guarantee provided by Victorian Plumbing Group plc under section 479C of the Companies Act 2006.

36. Guarantees

On 18 December 2024, the Group entered into a new three-year RCF with HSBC, replacing the £10m RCF which was due to expire in December 2025. The new RCF has total commitments of £30m. The Group has provided a cross-guarantee by way of a debenture dated 7 June 2021 as security for the facility.

Victorian Plumbing Group plc provides a parent company guarantee under section 479C Companies Act 2006 in relation to its subsidiaries MFI Limited AHK Designs Ltd for the financial year ended 30 September 2025.

37. Discontinued operations

In August 2024, the decision was taken by the Group to cease trading Victoria Plum. The Victoria Plum website was redirected to Victorian Plumbing from November 2024. This closure activity meets the definition of a discontinued operation under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. As such, the associated cash flows of Victoria Plum have been recognised as a cash outflow from discontinued operations in the period.

Company balance sheet

at 30 September 2025

	Note	2025 £m	2024 £m
Fixed assets			
Investments	5	329.3	328.1
Deferred tax asset	8	0.2	0.3
		329.5	328.4
Current assets			
Debtors	6	0.1	0.8
Cash and cash equivalents		–	–
		0.1	0.8
Total assets		329.6	329.2
Creditors: amounts falling due within one year			
	7	(0.9)	(1.0)
Net current liabilities			
		(0.8)	(0.2)
Net assets		328.7	328.2
Capital and reserves			
Called-up share capital	9	0.3	0.3
Share premium		11.2	11.2
Capital redemption reserve		0.1	0.1
Retained earnings		317.1	316.6
Total equity		328.7	328.2

As permitted by Section 408 of the Companies Act 2006, an entity profit and loss account is not included as part of the published consolidated financial statements of Victorian Plumbing Group plc. The profit for the financial period dealt with in the financial statements of the parent company was £4.9m (2024: £3.7m).

The financial statements were approved by the Board of Directors on 2 December 2025 and authorised for issue.

Daniel Barton
Chief Financial Officer

Victorian Plumbing Group plc
Registered number: 13379554

Company statement of changes in equity

for the period ended 30 September 2025

	Share capital £m	Share premium £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
At 1 October 2023	0.3	11.2	0.1	314.9	326.5
Comprehensive income					
Profit for the period	–	–	–	3.7	3.7
Transactions with owners					
Dividends paid	–	–	–	(4.8)	(4.8)
Share-based payments	–	–	–	2.8	2.8
Total transactions with owners recognised directly in equity	–	–	–	(2.0)	(2.0)
At 30 September 2024	0.3	11.2	0.1	316.6	328.2
Comprehensive income					
Profit for the period	–	–	–	4.9	4.9
Transactions with owners					
Dividends paid	–	–	–	(5.8)	(5.8)
Share-based payments	–	–	–	1.3	1.3
Tax impact of employee share schemes	–	–	–	0.1	0.1
Total transactions with owners recognised directly in equity	–	–	–	(4.4)	(4.4)
At 30 September 2025	0.3	11.2	0.1	317.1	328.7

Notes to the Company financial statements

1. General information

Victorian Plumbing Group plc is a public limited company, which is listed on the London Stock Exchange and is incorporated and domiciled in the United Kingdom. The address of the registered office is 1 Sustainability Way, Farington Moss, Leyland, England, PR26 6TB.

2. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied throughout the period.

2.1 Basis of preparation of financial statements

The Company financial statements of Victorian Plumbing Group plc have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102 and the Companies Act 2006. The Company financial statements have been prepared under the historical cost convention, modified for the revaluation of certain financial instruments.

The Company financial statements have been prepared in sterling (£), which is the functional and presentational currency of the Company, and have been rounded to the nearest hundred thousand (£0.1m) except where otherwise indicated.

As permitted by Section 408 of the Companies Act 2006, an entity profit and loss account is not included as part of the published consolidated financial statements of Victorian Plumbing Group plc. The profit for the financial period dealt with in the financial statements of the parent company was £4.9m (2024: £3.7m).

As the Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12, the following exemptions have been applied:

- no separate parent company cash flow statement with related notes have been included;
- no share-based payment disclosures have been made;
- no financial instruments have been disclosed; and
- Key Management personnel compensation has not been included a second time.

Amounts paid to the Company's auditor in respect of the statutory audit were £50,000 (2024: £50,000). The charge was borne by Victorian Plumbing Limited, a subsidiary company, and not recharged.

2.2 Going concern

The Directors have used the going concern principle on the basis that the current profitable financial projections and facilities of the consolidated Group will continue in operation up to 31 January 2027. Further details can be found within note 1 to the consolidated financial statements.

2.3 Investments

Investments in subsidiaries are held at cost, less any provision for impairment. Annually, the Directors consider whether any events or circumstances have occurred that could indicate that the carrying amount of fixed asset investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the higher of net realisable value or value in use. If this is the case, an impairment charge is recorded to reduce the carrying value of the related investment.

Where equity-settled share-based payments are granted to the employees of subsidiary companies, the fair value of the award is treated as a capital contribution by the Company and the investment in subsidiaries is adjusted to reflect this capital contribution.

2.4 Share premium

The amount subscribed for the ordinary shares in excess of the nominal value of these new shares is recorded in share premium. Costs that directly relate to the issue of ordinary shares are deducted from share premium net of corporation tax.

2.5 Shares held by the Employee Share Option Trust

Shares in the Company held by the ESOT are included in the balance sheet at cost as a deduction from equity.

2.6 Current and deferred taxation

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Company financial statements continued

2. Accounting policies continued

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred on the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all evidence available, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried-forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

2.7 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price (unless the arrangement constitutes a financing transaction) and are subsequently carried at amortised cost using the effective interest method.

Financial assets that constitute a financing transaction are measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.8 Dividends

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. In accordance with UK company law, a distribution is authorised when it is approved by the shareholders.

A corresponding amount is recognised directly in equity.

2.9 Pensions

Defined contribution pension plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

2.10 Impairment of non-financial assets

The Company 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, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGUs") fair value less costs of disposal and its value in use. The recoverable amount 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.

When 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 post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years.

A long-term growth rate is calculated and applied to project future cash flows after the third year.

Impairment losses of continuing operations are recognised in the income statement in expense categories consistent with the function of the impaired asset.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Impairment of non-financial assets

The Company 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, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGUs") fair value less costs of disposal and its value in use. The recoverable amount 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. Please refer to note 5 where the inputs and sensitivities have been disclosed.

4. Directors' remuneration

The Company has no employees other than the Directors. Full details of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 84 to 90.

5. Investments

	2025 £m	2024 £m
At the beginning of the period	328.1	326.2
Additions	1.2	1.9
At 30 September 2025	329.3	328.1

Subsidiary undertakings are disclosed within note 35 to the consolidated financial statements.

This balance has been reviewed for impairment on a value in use basis by performing a discounted cash flow ("DCF") exercise for the CGU. The key assumptions within the DCF include expected revenue growth (market share and average order value) and costs in accordance with the three-year Board approved budget, followed by a long-term growth rate of 2% into perpetuity and a pre-tax discount rate of 14%. Significant headroom was retained over the carrying value of the investment. The value in use calculation was not sensitive to reasonably possible changes in these key assumptions and the carrying value of investment is considered recoverable.

Notes to the Company financial statements continued

6. Debtors

	2025 £m	2024 £m
Amounts owed by Group undertakings	0.1	0.8
	0.1	0.8

Amounts owed by Group undertakings are non-interest-bearing, unsecured and have no fixed date of repayment.

7. Creditors: amounts falling due within one year

	2025 £m	2024 £m
Trade payables	0.1	0.1
Other taxation and social security	0.2	0.2
Accruals	0.4	0.6
Corporation tax payable	0.2	0.1
	0.9	1.0

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

8. Deferred taxation

	2025 £m	2024 £m
Deferred taxation assets		
At beginning of the period	0.3	0.2
(Charged)/credited to the statement of comprehensive income	(0.1)	0.1
Total deferred taxation asset	0.2	0.3

9. Share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		

327,737,158 ordinary shares of 0.1p (2024: 326,334,279 ordinary shares of 0.1p)

0.3	0.3
------------	-----

For details of the Company's own shares held, see note 30 of the consolidated financial statements.

10. Share-based payments

For details of the Company's share-based payments during the period, see note 31 of the consolidated financial statements.

11. Pension commitments

The Company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from the Company in an independently administered scheme. The pension cost represents contributions payable by the Company to the fund totalling £17,460 (2024: £18,064). Outstanding contributions payable to the fund at 30 September 2025 were £3,370 (2024: £2,450).

12. Related parties

During the period, a management charge of £1.4m (2024: £2.0m) was raised to Victorian Plumbing Ltd in respect of services rendered.

At the period end, balances outstanding with Group undertakings were £0.1m and £nil (2024: £0.8m and £nil), respectively, for debtors and creditors, as set out in notes 6 and 7.

Unaudited five-year record

	Absolute				Year on year				
	2021	2022	2023	2024	2025	2022	2023	2024	
Income statement									
Revenue	268.8	269.4	285.1	295.7	310.0	–	6%	4%	5%
Cost of sales	(138.3)	(148.4)	(150.5)	(147.9)	(156.8)	(7%)	(1%)	(2%)	6%
Gross profit	130.5	121.0	134.6	147.8	153.2	(7%)	11%	10%	4%
Underlying operating costs	(90.4)	(101.5)	(110.8)	(120.6)	(121.4)	(12%)	(9%)	(9%)	1%
Adjusted EBITDA	40.1	19.5	23.8	27.2	31.8	(51%)	22%	14%	17%
Depreciation and amortisation	(3.0)	(3.5)	(3.8)	(4.7)	(7.8)	(17%)	(9%)	(24%)	66%
Share-based payments	(7.7)	(3.9)	(3.9)	(3.1)	(1.4)	49%	–	20%	(55%)
Exceptional items recognised in administrative expenses	(9.4)	–	(0.8)	(8.2)	(4.6)	100%	(100%)	N/A	(44%)
Operating profit	20.0	12.1	15.3	11.2	18.0	(40%)	26%	(27%)	61%
Finance income	–	–	0.6	1.0	0.7	–	–	60%	(30%)
Finance costs	(0.3)	(0.3)	(0.3)	(0.4)	(2.9)	–	200%	(33%)	625%
Exceptional items recognised in finance costs	–	–	–	(2.8)	(0.7)	N/A	N/A	N/A	(75%)
Profit before tax	19.7	11.8	15.6	9.0	15.1	(40%)	32%	(42%)	68%
Taxation	(5.4)	(2.6)	(3.8)	(3.5)	(2.2)	(52%)	(46%)	8%	(37%)
Profit after tax	14.3	9.2	11.8	5.5	12.9	(36%)	28%	(57%)	135%
Adjusted Diluted EPS	11.0	4.5	4.7	5.3	5.4	(59%)	20%	12%	2%
Adjusted profit before tax	36.8	15.7	20.3	23.1	21.8	(57%)	29%	14%	(6%)
Adjusted profit before tax %	14%	6%	7%	8%	7%	(8ppt)	1ppt	1ppt	(1ppt)
Adjusted profit after tax	29.5	12.4	15.4	17.3	17.7	(58%)	26%	5%	2%
Margin									
Gross profit margin	49%	45%	47%	50%	49%	(4ppt)	2ppt	3ppt	(1ppt)
Adjusted EBITDA margin	15%	7%	8%	9%	10%	(8ppt)	1ppt	1ppt	1ppt
Cash flow									
Cash	32.7	45.5	46.4	11.2	17.7	+12.8	+0.9	(35.2)	+6.5
Free cash flows	32.6	14.3	16.1	18.6	24.0	(56%)	13%	22%	29%
Operating cash conversion (%)	81%	73%	68%	68%	77%	(8ppt)	(5ppt)	–	9ppt
KPIs									
Total orders ('000)	906	880	932	1,022	1,080	(3%)	6%	9%	6%
Average order value (£)	297	306	306	290	287	3%	–	(5%)	(1%)
Marketing as % of revenue	26%	28%	28%	29%	27%	2ppt	–ppt	1ppt	(2ppt)
Net assets	30.8	44.0	48.8	52.3	60.6	+13.2	+4.8	+0.5	16%
Dividend per share – ordinary	N/A	1.10p	1.40p	1.61p	2.15	N/A	27%	15%	34%
Dividend per share – special	N/A	1.70p	N/A	N/A	N/A	N/A	(100%)	N/A	N/A

Glossary – Alternative Performance Measures

In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority (“ESMA”), the Directors have adopted various APMs to provide the Group’s stakeholders with additional information on the performance of the business. These measures are not defined by IFRS and therefore may not be directly comparable with other companies’ APMs, and they are not intended to be a substitute for, or superior to, IFRS measures.

The Group’s APMs are consistent with those used internally and are used to enhance the comparability of information between reporting periods by adjusting for non-underlying items, to aid understanding of the Group’s performance.

The key APMs used by the Group are as follows:

APM	Definition	Reconciliation	
		2025	2024
Adjusted basic earnings per share (“EPS”)	Adjusted basic earnings per share is defined as adjusted profit after tax divided by the weighted average number of shares in issue. Adjusted profit after tax is defined as net income from continuing operations before exceptional items and IFRS 2 share-based payments, and after adjusting for the tax impact of those items.	Profit after tax (£m)	13.8 5.5
		Exceptional items (£m)	3.7 11.0
		Share-based payments (£m)	1.4 3.1
		Tax effect (£m)	(1.1) (2.3)
		Total adjusted profit for the year (£m)	17.7 17.3
		Weighted average issued share capital	306,308,674 294,908,792
		Adjusted basic EPS (pence)	5.8 5.9

Adjusted diluted EPS	Adjusted diluted earnings per share is defined as adjusted profit after tax divided by the total issued share capital. Adjusted profit after tax is defined as net income from continuing operations before exceptional items and IFRS 2 share-based payment, and after adjusting for the tax impact of those items.	2025	2024
		Total adjusted profit for the year (£m)	17.7 17.3
		Issued share capital	327,737,158 326,334,279
		Adjusted diluted EPS (pence)	5.4 5.3

Adjusted earnings before interest, tax, depreciation and amortisation (“EBITDA”)	Adjusted EBITDA is defined as operating profit before depreciation, amortisation, exceptional items and IFRS 2 share-based payments.	2025	2024
		£m	£m
	Operating profit	18.0 11.2	
	Depreciation	4.9 1.6	
	Amortisation	2.9 3.1	
	Exceptional items	4.6 8.2	
	Share-based payments	1.4 3.1	
	Adjusted EBITDA	31.8 27.2	

Adjusted EBITDA margin	Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of revenue.	2025	2024
		Revenue (£m)	295.7
	Adjusted EBITDA (£m)	31.8 27.2	
	Adjusted EBITDA margin	10% 9%	

Adjusted operating profit	Adjusted operating profit is defined as operating profit before exceptional items and IFRS 2 share-based payments.	2025	2024
		£m	£m
	Operating profit	18.0 11.2	
	Exceptional items	4.6 8.2	
	Share-based payments	1.4 3.1	
	Adjusted operating profit	24.0 22.5	

Adjusted profit before tax	Adjusted profit before tax is defined as adjusted EBITDA less finance income/(cost), depreciation and amortisation.	2025	2024
		£m	£m
	Adjusted EBITDA	31.8 27.2	
	Finance (cost) / income	(2.2) 0.6	
	Depreciation	(4.9) (1.6)	
	Amortisation	(2.9) (3.1)	
	Adjusted profit before tax	21.8 23.1	

Adjusted PBT margin Adjusted PBT margin is defined as adjusted PBT as a percentage of revenue.

	2025	2024
Revenue (£m)	310.0 295.7	
Adjusted PBT	21.8 23.1	
Adjusted PBT margin	7% 8%	

Average order value Average order value is defined as revenue divided by total orders in the period.

	2025	2024
Revenue (£m)	310.0 295.7	
Total orders ('000)	1,080 1,022	
Average order value (£)	287 290	

Exceptional items Exceptional items are defined as those that are one-off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence. They may include, but are not limited to, restructuring costs, acquisition-related costs, costs of implementing new systems, impairment of assets and income from legal or insurance settlements.

	2025	2024
Exceptional items	5.3 11.0	

Free cash flow Free cash flow is cash generated from operating activities before exceptional items and taxation, less routine capital expenditure and cash flows relating to leases.

	2025	2024
Cash generated from operating activities	33.8 22.4	
Repayment of lease liabilities	(3.5) (1.3)	
Purchase of intangible assets (non-exceptional)	(4.0) (3.5)	
Purchase of property, plant and equipment (non-exceptional)	(0.7) (0.2)	
VAT not yet recovered on exceptional items	(1.6) 1.2	
Free cash flow	24.0 18.6	

Gross profit margin Gross profit margin is defined as gross profit as a percentage of revenue.

	2025	2024
Revenue (£m)	310.0 295.7	
Gross profit	153.2 147.8	
Gross profit margin	49% 50%	

Operating cash conversion % Operating cash conversion % is defined as cash generated from operating activities before exceptional items and taxation, less non-exceptional capital expenditure and cash flows relating to leases (“free cash flow”), as a percentage of adjusted EBITDA.

	2025	2024
Free cash flow	24.0 18.6	
Adjusted EBITDA	31.8 27.2	
Cash conversion	77% 68%	

Revenue per FTE Revenue per FTE is defined as revenue divided by the average monthly number of employees.

	2025	2024
Revenue (£m)	310.0 295.7	
Average monthly number of employees	712 727	
Revenue per FTE (£)	435,000 407,000	

Separately disclosed items Significant items of income and expense that do not relate to the trading of the Group are disclosed separately. Examples of such items are exceptional items and share-based payment charges.

	2025	2024
Separately disclosed items:		
Share-based payments	1.4 3.1	
Exceptional items	5.3 11.0	

Underlying costs Underlying costs are defined as administrative expenses before depreciation and amortisation, exceptional items and share-based payments.

	2025	2024
Marketing	84.6 85.4	
People costs excl. share-based payments	26.6 24.	

Advisers

Registered office and headquarters

1 Sustainability Way
Farington Moss
Leyland
PR26 6TB

Web: www.victorianplumbingplc.com
Consumer site:
www.victorianplumbing.co.uk
www.mfi.co.uk

Investor relations:
ir@victorianplumbing.co.uk

Shareholder enquiries

Our registrars will be pleased to deal with any questions regarding your shareholdings.

Registrar

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Tel: 0371 384 2030
(Overseas +44 371 384 2030)

Lines open 8:30am to 5:30pm Mon–Fri, excluding public holidays in England and Wales.

Email: customer@equiniti.com

Joint stock brokers

Barclays Bank plc
5 The North Colonnade
Canary Wharf
London
E14 4BB

Canaccord Genuity Limited
88 Wood Street
London
EC2V 7QR

Nominated adviser

Houlihan Lokey
1 Curzon Street
London
W1J 5HD

Financial PR adviser

FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London
EC1A 4HD

Auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF



The production of this report supports the work of the Woodland Trust, the UK's leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.



Victorian Plumbing Group plc

1 Sustainability Way
Farington Moss
Leyland
PR26 6TB

Registered in England and Wales: 13379554

info@victorianplumbing.co.uk