5 June 2024

FY24 Preliminary Results Announcement

Volume driving profitable growth

B&M European Value Retail S.A. ("the Group"), the UK's leading variety goods value retailer, today announces its Preliminary Results for the 53 weeks financial reporting period to 30 March 2024 ("FY24"). The comparative reporting period is for the 52 weeks ended 25 March 2023 ("FY23").

Highlights

Fascia Performance[1]	*Revenue growth %*		*Adjusted EBITDA[2] (pre-IFRS 16) margin %*		*Adjusted operating profit[2] margin %*	
	FY24	FY23	**FY24**	FY23	**FY24**	FY23
B&M UK	**8.5%**	4.0%	**12.6%**	12.4%	**12.4%**	12.3%
B&M France	**19.2%**	22.1%	**9.1%**	9.6%	**9.5%**	8.8%
Heron Foods	**15.3%**	18.1%	**6.4%**	6.1%	**4.9%**	3.8%

- Group revenues increased by 10.1% to £5.5bn (+10.1% constant currency[3]), or 7.8% excluding the 53rd week
- All fascias delivering volume growth through both positive like-for-like[4] ("LFL") customer transaction numbers and new space growth
- Group adjusted EBITDA[2] (pre-IFRS 16) of £629m and margin of 11.5% (FY23: 11.5%) is a 9.7% increase year-on-year and is at the top end of the Group's guidance range of £620m-£630m
- Group adjusted operating profit[2] increased 10.9% to £614m (FY23: £554m), with volume driven profit growth and strong cost control across the three businesses
- Strong post-tax free cash flow[5] of £382m (FY23: £464m) with a disciplined approach to inventory management – Group inventory of £776m (FY23: £764m)
- Statutory operating profit of £607m (FY23: £536m) and statutory profit before tax of £498m (FY23: £436m)
- Opened 78 gross new stores across the Group (47 in B&M UK, 20 in Heron Foods and 11 in B&M France)
- Net debt[6] to adjusted EBITDA[2] (pre-IFRS 16) leverage ratio of 1.2x (FY23: 1.3x). Net debt including leases[7] to adjusted EBITDA (post-IFRS 16) 2.4x (FY24: 2.5x)
- Recommended final dividend[8] of 9.6p per ordinary share, bringing the full year dividend to 14.7p per share in addition to the 20.0p special dividend[8] paid in January 2024 (FY23: 20.0p)

Alex Russo, Chief Executive, said,

"FY24 has been another good year for B&M. The three key components of our business - buying, logistics and retail, are working in balance and we continue to deliver excellent products at everyday low prices to our consumers. We are well set for the years ahead.

During Q4, we accelerated our opening programme, and the step up in openings is continuing. In FY25, we will open not less than 45 gross new B&M stores in the UK, plus a meaningful number in France and for Heron. We have also raised our long-term store target to not less than 1,200 B&M UK stores, which provides a clear runway of profitable growth ahead for us, from our current base of 741 B&M UK stores.

We have demonstrated strong volume-led momentum in our business throughout our trading history and that has continued, driving our profits ahead of both pandemic and pre-pandemic benchmarks. Despite the more challenging comparatives, with continued new store openings, and a laser focus on low prices and best in class retail standards, we remain confident in our outlook for cash generation and profit growth."

Financial results

	FY24	**FY23**	**Change**
Total Group revenue	**£5,484m**	**£4,983m**	**10.1%**
Group adjusted EBITDA[2] (pre-IFRS 16)	**£629m**	**£573m**	**9.7%**
Group adjusted EBITDA[2] (pre-IFRS 16) margin %	*11.5%*	*11.5%*	*(3) bps*
Group adjusted operating profit[2]	**£614m**	**£554m**	**10.9%**
Group statutory operating profit	£608m	£536m	13.6%
Group statutory operating profit margin %	*11.1%*	*10.7%*	*34 bps*
Group cash generated from operations	£862m	£866m	(0.4)%
Group post-tax free cash flow[5]	£382m	£464m	(17.8)%
Group statutory profit before tax	£498m	£436m	14.1%
Adjusted (pre-IFRS 16) diluted EPS[2]	36.8p	36.5p	0.9%
Statutory diluted EPS	36.5p	34.7p	5.2%
Net debt[6]	737m	724m	1.8%
Net debt including leases[7]	2,094m	2,025m	3.2%
Ordinary dividends[8]	14.7p	14.6p	0.7%

Notes:

1. References in this announcement to the B&M UK business include the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
2. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of accounts. See notes 2, 3 and 4 of the financial statements for further details.
3. Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
4. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 53 week vs. 53 week or 14 week vs. 14 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY23.

5. Post-tax free cash flow is an Alternative Performance Measure. Please see note 3 of the financial statements for more details and reconciliation to the Consolidated statement of cash flows. Statutory Group cash generated from operations was £862m (FY23: £866m). This statutory definition excludes payments for leased assets including the leasehold property estate.
6. Net debt comprises interest-bearing loans and borrowings, and cash and cash equivalents. Net debt was £737m at the period end, reflecting £919m as the value of gross debt netted against £182m of cash. See notes 18, 21 and 28 of the financial statements for more details.
7. Net debt including lease liabilities is the above plus the current and non-current lease liabilities recorded on the Consolidated statement of financial position.
8. Dividends are stated as gross amounts before deduction of Luxembourg withholding tax which is currently 15%.

Results Presentation

An in-person presentation for analysts in relation to these FY24 Preliminary Results will be held today at 09:30 am (UK) at Bank of America Merrill Lynch, 2 King Edward St, London EC1A 1HQ. Attendance is by invitation only and attendees must be registered in advance.

A simultaneous live audio webcast and presentation will be available via the B&M corporate website at Reports & Presentations l B&M Stores (bandmretail.com)

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Disclaimer

This announcement contains statements which are or may be deemed to be 'forward-looking statements'. Forward-looking statements involve risks and uncertainties because they relate to events and depend on events or circumstances that may or may not occur in the future. All forward-looking statements in this announcement reflect the Company's present view with respect to future events as at the date of this announcement. Forward-looking statements are not guarantees of future performance and actual results in future periods may and often do differ materially from those expressed in forward-looking statements. Except where required by law or the Listing Rules of the UK Listing Authority, the Company undertakes no obligation to release publicly the results of any revisions to any forward-looking statements in this announcement that may occur due to any change in its expectations or to reflect any events or circumstances arising after the date of this announcement.

About B&M European Value Retail S.A.

B&M European Value Retail S.A. is a variety retailer with 741 stores in the UK operating under the "B&M" brand, 335 stores under the "Heron Foods" and "B&M Express" brands, and 124 stores in France also operating under the "B&M" brand as at 30 March 2024. It was admitted to the FTSE 100 index on 21 September 2020.

The B&M Group was founded in 1978 and listed on the London Stock Exchange in June 2014. For more information, please visit www.bandmretail.com

Chief Executive's review

This has been a good year for the Group and is an inflection point for our store opening programme. We have delivered a record Group adjusted EBITDA[1] (pre-IFRS 16) of £629m at a margin of 11.5%. This has been driven by a record year of revenues of £5.5bn, up 10.1%. Critically we have also maintained our discipline on ensuring growth translates into cash, with a further £348m declared as ordinary and special dividends, bringing the cumulative total of cash returns paid over the four years FY21-FY24 to £1.8bn[2]. With a significant acceleration in openings in our final quarter, and not less than 90 B&M UK store openings in the next two financial years, the future is exciting.

Core to our strategy and financial performance has been our relentless focus on price integrity (EDLP) and high retail standards. Additional revenues were driven by our like-for-like[3] ("LFL") growth of 3.7% in our core UK business and by our new store openings that saw 47 gross new B&M stores open in the UK, 11 in France and 20 in Heron. Importantly, almost half of the B&M openings in the UK were in the fourth quarter, meaning the majority of the benefits to sales, cash and profits will be felt in the current financial year. The quality of our LFL[3] growth remains high, being driven by higher volumes and positive customer transactions. This is a result of our price position, our merchandising optimisation and our operational standards. The progress in our LFL[3] sales comes alongside the strong performance of our new store openings that are generating accretive sales densities.

Whilst FY24 was a good year, we are excited by the future. We will deliver our stated plans for new store growth, driving sub 12 month cash paybacks. We will maintain our operational execution discipline in existing stores. We will remain everyday low price and that means a focus on everyday low costs ("EDLC") as we continue to mitigate inflation and protect our customers wallets.

Store opening programme supports future growth

During the financial year we announced a new, long-term store target of not less than 1,200 B&M UK stores, a significant increase from the 950 we had guided to previously. With just 741 stores currently, we have many more years of profitable, cash generating growth ahead.

Alongside this update to our long-term target, we also announced an acceleration in our short-term opening programme, to at least 45 stores per annum over a three-year period. During FY24, the first year of this programme, we have opened 47 stores. Net of a small number of closures/replacements, we finished the year with 741 stores, an increase in store numbers of c.5% versus the start of the year.

The acceleration in our openings is under-pinned by the acquisition of up to 51 stores from Wilko. We moved rapidly as we carefully selected the stores we wanted, renegotiated leases and are now opening these stores at speed. Many of these stores are in new areas for B&M or are in catchments where we are under-represented. Of the 25 B&M UK stores we opened in the fourth quarter of FY24, 21 were former Wilko stores, and I am pleased to report that these stores, in common with other new stores, are delivering strong sales densities. We intend to maintain our momentum and in the first quarter of FY25, also expect to open between 15 to 20 B&M UK stores, many of which will be former Wilko stores.

The positive impact of the opening programme should be noted. A new store's sales represent 100% volume growth, so over the next three years, this opening programme will generate substantial additional volume. LFL[3] volume growth will continue to increase total volume growth further.

LFL[3] sales growth will augment new store sales growth

Although our B&M UK fascia growth is pivoting to a higher proportion of total volume growth being driven by new stores, this is not at the expense of our LFL[3] growth performance. LFL[3] sales, from share gain and market growth are expected to contribute to total volume growth going forward, as they always have. We will maintain and improve availability and operational disciplines and we will reward our local store managers for retail excellence and hard work through our management incentive programmes. Our store managers and team are responding exceptionally well.

We will remain highly disciplined in making sure our existing and new stores are as good as they can be, with industry leading standards and pricing. Total volume growth will help ensure we continue to drive substantial profit growth and increased cash generation, and that volume growth will be driven by new and existing stores. The combined benefit of these two channels of volume growth is considerable.

Industry leading volume growth with disciplined cost control

Our sustained volume growth is improving our relationships with FMCG branded suppliers by reinforcing our position as the fastest growing major customer for many. It is also improving further our relationships with suppliers in the Far East (where there is excess capacity) and this is helping drive increased productivity as we increase our volume through a broadly unchanged infrastructure.

Value creation in retail requires not only growing volume but also control of the underlying cost base. Despite industry-wide cost headwinds, we work to deliver on this fundamental aspect every day. We have faced challenges from increases in the minimum wage and energy costs. But through our volume gains, delivered by strong LFL[3] growth and through new store openings, we have been able to weather these pressures and deliver a step change in our adjusted EBITDA[1] (pre-IFRS 16) margin compared to pre-pandemic levels. Once again, I reiterate our long-term margin guidance, which is to deliver adjusted EBITDA[1] (pre-IFRS 16) margin for B&M UK between 12-13%, for B&M France to grow over time above 10% and for Heron to stay above 6%.

Strategic actions underpin gross margin gains, while pricing remains market leading

The step change in the adjusted EBITDA[1] margin has been achieved by substantial sales growth (over 40% higher sales compared to 2020), through strict cost control (head office size and distribution capacity are largely unchanged) and through a managed increase in our gross margin as the business has grown and evolved. Importantly, this improvement in the gross and adjusted EBITDA[1] margin has been delivered against a strong and improved price position.

Our gross margin has improved due to better buying prices and mix benefit. Key driving factors include better store execution that captures incremental margin-accretive product sales without increasing store costs. Our range evolution and exiting categories such as big-ticket furniture and frozen food, improves both sales densities and gross profit. We also leverage our market-leading volume growth in branded FMCG products and Far East sourced General Merchandise. These changes underpin the long-term EBITDA position.

France offers very significant potential

Our French business has operational momentum and we will continue to grow it in a disciplined way, driving increased sales densities. Once again France delivered strong LFL[3] growth, the number of openings increased and delivered an adjusted EBITDA[1] (pre-IFRS 16) margin of 9.1%.

Moving forward, we will continue to deliver incremental volume growth from the twin channels of new and existing stores. We will increase the rate of openings in a disciplined way and will increase the FMCG range which will drive footfall and LFL[3] sales growth further. Over the medium term, we expect the adjusted EBITDA[1] (pre-IFRS 16) margin to reach at least 10% and we will grow revenues with discipline.

The potential for store openings in France remains very high. France has a similar sized population to the UK, where we have targeted at least 1,200 stores. The long-term number of stores in France remains a multiple of the 124 stores we operate today.

Heron Foods contributes well to the Group

Heron is our discount convenience format business and although it is a small business, with just £560m turnover, its adjusted EBITDA[1] (pre-IFRS 16) margin is sector leading. Heron's success is built upon differentiated sourcing, strict cost control, targeted store footprints and excellent retailing and logistics skills. There is cross fertilisation between Heron and our other businesses, which helps us optimise our sales densities across the Group.

We will continue to open around 20 Heron stores per year to deliver growth from this programme as well as our existing estate.

Competitive position

The retail industry remains challenged by regulatory and macro pressures. In the last 12 months a number of retailers have failed and a significant number of others have issued one or more profit warnings. In this context, we delivered increased profits and cash generation, and have this year exceeded our "lockdown" peak of £626m adjusted EBITDA[1] (pre-IFRS 16). There are very few companies which were "lockdown winners" and who have sustained their competitive progress post-pandemic. In FY20, our adjusted EBITDA[1] (pre-IFRS 16) was £342m compared to £629m in FY24. In the last five years, we have delivered 83.9% Group adjusted EBITDA[1] earnings growth – equivalent to an annual compound earnings growth of over 12%. On top of this between FY21 to FY24 we have returned £1.8bn of cash to our shareholders. If shareholders had reinvested those dividends in our shares at the time the dividends were returned, they would have seen the equivalent of an annual compound earnings growth of over 17%.

The success of our new stores, our continued volume growth and improved sales densities show that we are as competitive as ever and we have plenty of runway ahead. The growth of discounting is a global trend and we remain a roll-out opportunity into structural change. We will continue to take sales and market share, but we will only ever do so in a disciplined and profitable manner.

Over the medium and longer term, future volume gains will help insulate us against cost pressures in a way that most of our competition do not possess. We remain a compounding, profitable, cash generating business with a platform for future growth.

A thank you to our Chairman, the management team and to all colleagues

Later this year we will see our Chairman, Peter Bamford, retire after six years. He has chaired the Group through some of the most uncertain times in recent history and has overseen the transition from a founding CEO to me. He has done this with an unerring view of what is right for all our stakeholders. I wish to thank him for his unwavering support and guidance on both a personal and professional basis. I wish Peter all the very best for the future, I have thoroughly enjoyed working with him.

I would also like to extend my thanks to the broader management team and to all of our colleagues. We have again delivered high quality results in a tough retail market. We have been able to deliver these results thanks to the hard work of the team – everyone from the shop floor upwards.

Alex Russo
Chief Executive Officer
4 June 2024

Notes:

1. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of accounts. See notes 2, 3 and 4 of the financial statements for further details.
2. Based on ordinary and special dividends paid in the years FY21 to FY24.
3. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 53 week vs. 53 week or 14 week vs. 14 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY23.

Financial review

New and existing stores driving volume growth

Group financial performance

£'m	FY24	FY23	YoY Change
Revenue	5,484	4,983	10.1%
Adjusted EBITDA[1] (pre-IFRS 16)	**629**	**573**	**9.7%**
%	11.5%	11.5%	(3) bps
Depreciation and amortisation (pre-IFRS 16)	(82)	(76)	6.9%
Operating profit impact of IFRS 16*	67	57	17.0%
Adjusted operating profit[1]	**614**	**554**	**10.9%**
Adjusting items[1]	(7)	(19)	(63.3)%
Statutory profit before interest and tax	**607**	**535**	**13.5%**
Finance costs relating to right-of-use assets	(69)	(61)	13.8%
Other net finance costs	(40)	(38)	3.3%
Statutory profit before tax	**498**	436	**14.1%**

*includes depreciation on right-of-use assets of £176m – FY24 total depreciation & amortisation was £258m (FY23: £242m)

The current accounting period represents the 53 weeks trading to 30 March 2024 ("FY24") and the comparative period represents the 52 weeks to 25 March 2023 ("FY23").

Group revenues in FY24 increased by 10.1% year-on-year ("YoY"), (+10.1% on a constant currency basis[2]), driven by volume growth and positive like-for-like[3] ("LFL") performance across the three businesses.

The extra week in the FY24 trading period relative to FY23 added 2.3% to Group revenue growth YoY whilst also benefitting from higher trading due to the early Easter timing. This seasonal Easter trading benefit will not occur in FY25 as a result.

Group adjusted EBITDA[1] (pre-IFRS 16) increased by 9.7% to £629m (FY23: £573m), representing a margin of 11.5% (FY23: 11.5%). This reflects volume led revenue growth, with the cost leverage and productivity gains of higher transaction numbers helping reduce cost-to-sell percentages. Group adjusted operating costs on an underlying basis[1,6] decreased as a % of revenues from 25.5% to 25.4%.

Group adjusted operating profit[1] increased by 10.9% moving in line with the above. We have continued to invest in our store estate and have 60 net more stores across the Group, as such total depreciation and amortisation increased by 6.4%.

The extra week added £13m to Group adjusted EBITDA[1] (pre-IFRS 16) and £12m to Group adjusted operating profit[1].

Fascia overview

B&M UK

In the B&M UK fascia[4] business, total revenues increased by 8.5% to £4,410m (FY23: £4,067m), with LFL[3] revenues up 3.7%. This was underpinned by volume growth driven from our new store opening programme and positive LFL customer transactions.

LFL[3] revenues grew in every quarter YoY. The first half of the year saw LFL revenues up 6.2%, split between 9.2% in Q1 and 3.1% in Q2. Against relatively more challenging comparatives, LFL revenues maintained their positive trend across the second half seeing 0.6% growth in Q3 and 2.9% in Q4. We are pleased to see an increase in LFL[3] customer transaction numbers and our sales participation between FMCG and General Merchandise remains balanced and in line with our expectations.

B&M UK LFL[3] revenue reconciliation

£m	**2024**	2023	1-year Change
Like-for-like[3] revenue (53 weeks basis)	**4,843**	4,672	3.7%
LFL[3] sales recorded in week 1 of FY24	**-**	(85)	
Online trial	**-**	6	
New stores after Mar 25 2023	**140**	-	
New stores prior Mar 25 2023	**133**	53	
Closed stores	**1**	59	
Gross Segment Revenue	**5,117**	4,705	
VAT/Commission income	**(737)**	(675)	
Wholesale revenues	**30**	37	
B&M UK Revenue	**4,410**	4,067	**8.5%**

There were 47 gross new store openings in the year. More than half of our store openings came in the fourth quarter, with 21 of these being former Wilko stores. We are pleased with the early performance of these stores along with all other new store openings in the year.

B&M UK revenues also included £30m of wholesale revenues (FY23: £37m). The majority of wholesale sales are to our associate Centz Retail Holdings Limited, a chain of 53 variety goods stores in the Republic of Ireland, which increased its proportion of FMCG sourcing from within the EU market.

Our trading gross margin[5] rose 46 bps year-on-year to 36.3% from 35.8%. This reflected a reduction in freight rates and strong sell-through across both FMCG and General Merchandise, resulting in largely only planned markdown activity this year. Statutory gross margin increased 120 bps to 36.9% from 35.7%, benefitting from favourable foreign exchange hedge accounting in the current year and non-recurring storage costs recorded in the comparative.

Adjusted operating costs on an underlying basis[1,6] were well controlled representing 24.0% of revenues compared to 24.4% in the prior year. Given the 9.7% increase in the national living wage hourly rate that was absorbed in the period, this reduction in our cost to sell percentage reflects cost leverage and productivity gains from sales volume growth, together with a continued focus on cost discipline.

We are an everyday low-cost retailer that operates with a low fixed cost base and double digit adjusted operating profit margins. This operating model allows us to benefit materially from volume growth from either new store openings or like-for-like[3] trading. It is total volume growth that leverages our central cost base, offsetting inflationary impacts, and results in an increase in operating profits at the sustainable 12-13% adjusted EBITDA[1] and adjusted operating profit[1] margins that we consistently guide to.

Adjusted EBITDA[1] (pre-IFRS 16) increased by 10.5% to £556m (FY23: £503m), with margin increasing by 23 bps to 12.6% (FY23: 12.4%) and demonstrating the benefit of volume-driven revenue growth. Adjusted operating profit[1] was £548m (FY23: £498m) with a margin of 12.4% (FY23: 12.3%).

Statutory profit before interest and tax for the year was £548m (FY23: £498m).

B&M France

Total revenues increased by 19.2% to £514m (FY23: £431m). The business continues to improve sales densities - with the majority of the LFL revenue growth performance being driven by positive customer transaction numbers.

It has been another disciplined and controlled year of store openings with 11 gross new store openings and one relocation. All new stores are performing in line with or above our assumptions and continue to demonstrate the potential for the B&M brand to trade effectively in a wide range of geographies and formats.

Adjusted operating expenses on an underlying basis[1,6] as a % of revenues reduced from 35.9% to 35.3% reflective of cost leverage from increased sales volumes.

Adjusted EBITDA[1] (pre-IFRS 16) increased to £47m (FY23: £41m) representing an adjusted EBITDA[1] margin of 9.1% (FY23: 9.6%). This is a 64 bps increase compared to an underlying margin of 8.5% in FY23, which excludes c.£5m of one-off government support received at the start of the prior period, as previously reported. Adjusted operating profit[1] was £49m (FY23: £38m) with a margin of 9.5% (FY23: 8.8%).

Statutory profit before interest and tax for the year was £49m (FY23: £38m).

Heron Foods

Total revenues grew by 15.3% to £560m (FY23: £485m) representing another excellent year. We remain committed to offering our customers convenient, great value and quality products at a competitive price point. We continue to see an increase in both LFL[3] customer transactions and basket value year-on-year.

There were 20 gross new store openings in the year with one relocation and three closures.

Adjusted operating expenses[1] as a % of revenues reduced from 26.1% to 25.4%.

Adjusted EBITDA[1] (pre-IFRS 16) increased by 21.3% to £36m (FY23: £30m), a result that is testament to the execution and cost control demonstrated by the Heron team. Our margin of 6.4% (FY23: 6.1%) is sector leading. Adjusted operating profit[1] was £27m (FY23: £19m) with a margin of 4.9% (FY23: 3.8%).

Statutory profit before interest and tax for the year was £27m (FY23: £19m).

Adjusting items and central charges

£m	**2024**	2023
Profit before interest & tax	**607**	535
Costs in relation to the acquisition of Wilko stores	**9**	-
Online trial	**-**	2
Fair value of ineffective derivatives	**(2)**	17
Foreign exchange on intercompany balances	**0**	0
Adjusted operating profit[1]	**614**	554

Adjusting items are excluded from our adjusted EBITDA[1] (pre-IFRS 16) and adjusted operating profit performance by virtue of their size and nature to provide a helpful perspective of the year-on-year performance of the Group.

Further detail on adjusting items can be found in note 3, starting on page 120 of the financial statements.

The growth in profit before interest and tax has moved in line with segmental trading offset partially by central charges within the corporate segment, including the management retention bonus accrual for the Group Trading Director, the Wilko acquisition costs and listing costs for our Luxembourg corporate entity.

Net finance costs

Adjusted net finance charges[1] for the year, excluding IFRS 16, were £44m (FY23: £38m) due to increased rates on our new debt facilities. This included bank and high yield bond interest of £47m (FY22: £38m) and amortised fees of £2m (FY23: £2m).

The interest charge relating to lease liabilities under IFRS 16 was £69m (FY23: £61m).

Group tax

The tax charge in FY24 was £131m (FY23: £88m), primarily reflecting an increase in the UK corporation tax rate from 19% to 25%, effective from 1 April 2023, as well as due to an increase in profits year-on-year.

As a Group, we are committed to paying the right tax in the territories in which we operate. The B&M UK business paid taxes totalling £653m in FY24, including £234m relating to those taxes borne directly by the company such as corporation tax, customs duties, business rates, employer's national insurance contributions and stamp duty and land taxes. The balance of £419m are taxes we collect from customers and employees on behalf of the UK Exchequer, which includes Value Added Tax, Pay As You Earn and employee national insurance contributions.

Profit after tax and earnings per share

Statutory profit after tax was £367m (FY23: £348m) and the statutory diluted earnings per share was 36.5p (FY23: 34.7p).

Adjusted profit after tax[1] (pre-IFRS 16), which is also reported to allow investors to aid their understanding on the operating performance of the business (see note 3 of the financial statements), was £370m (FY23: £366m), and the adjusted fully diluted earnings per share[1] was 36.8p (FY23: 36.5p).

Capital expenditure

Group net capital expenditure[7] totalled £124m this year (FY23: £87m). Investment included £59m spent on 78 gross new stores across the Group's fascias (FY23: £33m on 42 stores) and £27m on infrastructure projects to support the continued growth of the business (FY23: £16m). There was also investment of £34m on maintenance works to ensure that our existing store estate and distribution centres are appropriately invested (FY23: £40m). There was also a net expenditure of £4m relating to one freehold acquisition (FY23: net expenditure of £(1)m).

Post-tax free cash flow[8] and net debt[9,10]

Post-tax free cash flow[8] of £382m (FY23: £464m), represents a reduction YoY caused by higher tax payments and increased capital expenditure due to the store opening programme.

The Group continues to be highly cash generative with our inventory levels flat year-on-year despite higher revenues. The strong performance and cash generation have enabled the Group to pay dividends totalling £348m in FY24. This includes a £201m special dividend paid[11] in February 2024.

There has been a step change in the revenues and profit performance of the Group since the pandemic. During the four financial periods FY21 to FY24, we grew Group adjusted EBITDA[1] from £342m (FY20) to £629m (FY24), generated cumulative operating cashflow of £3.3bn and distributed £1.8bn in cash to shareholders demonstrating our consistent disciplined approach to capital returns and shareholder value creation.

The Board adopted a long-term capital allocation policy in 2016 to provide a framework to help investors understand how the Group will evaluate opportunities to invest and support the growth of the business relative to incremental return of capital to shareholders.

Net debt[9] (excluding IFRS 16 lease liabilities), increased to £737m (FY23: £724m). The net debt[9] to adjusted EBITDA[1] (excluding IFRS 16 lease liabilities) leverage ratio was 1.2x (FY23: 1.3x). Net debt[10] (including IFRS 16 lease liabilities) was £2,094m (FY23: £2,025m) meaning our net debt to adjusted EBITDA[1] ratio was 2.4x, a decrease on the previous year (FY23: 2.5x).

Dividends

During the year, the Company declared and paid an interim ordinary dividend of 5.1p[11] per share in addition to a special dividend of 20.0p[11] per share. Subject to approval by shareholders at the AGM on 23 July 2024, a final ordinary dividend of 9.6p[11] per share will be paid on 2 August 2024 to shareholders on the register of the Company at the close of business on 28 June 2024. The ex-dividend date will be 27 June 2024.

The Group has a dividend policy which targets an ordinary dividend pay-out ratio of between 30% to 40% of net income on a normalised tax basis. The Group generally aims to pay the interim and final dividends for each financial year in proportions of approximately one-third and two-thirds of the total annual ordinary dividend respectively.

Mike Schmidt
Chief Financial Officer
4 June 2024

Notes:

1. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of accounts. See notes 2, 3 and 4 of the financial statements for further details.
2. Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
3. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 53 week vs. 53 week or 14 week vs. 14 week comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY23.
4. References in this announcement to the B&M UK business include the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
5. Trading gross margin is considered to be a meaningful measure of profitability as it refers to the measure of gross margin used by management to commercially run the business. It differs to the statutory definition for B&M, which increased 120 bps from 35.7% to 36.9%, due to technical accounting adjustments in relation to the allocation of gains and losses from derivative accounting, storage costs and commercial income, with the derivative adjustments the main factor.
6. Adjusted operating expenses on an underlying basis excludes foreign exchange, one-off income, depreciation and amortisation. This adjusted measure is considered a more meaningful metric to the users of the accounts as this is the cost base used by management to commercially monitor performance. Group non-underlying items include B&M UK's foreign exchange losses in relation to derivative adjustments of £12m (FY23: £40m gain) and one off income received in France at the start of the prior year which amounted to £5m. Group adjusted operating costs, excluding depreciation and amortisation, as a % of revenues increased to 25.6% from 24.6%.
7. Net capital expenditure includes the purchase of property, plant and equipment, intangible assets and proceeds from the sale of any of those items. These exclude IFRS 16 lease liabilities.
8. Post-tax free cash flow is an Alternative Performance Measure. Please see note 3 of the financial statements for more details and reconciliation to the Consolidated statement of cash flows. Statutory Group cash generated from operations was £862m (FY23: £866m). This statutory definition excludes payments for leased assets including the leasehold property estate.
9. Net debt comprises interest-bearing loans and borrowings, and cash and cash equivalents. Net debt was £737m at the period end, reflecting £919m as the value of gross debt netted against £182m of cash. See Notes 18, 21 and 28 of the financial statements for more details.
10. Net debt including lease liabilities is the above plus the current and non-current lease liabilities recorded on the Consolidated statement of financial position
11. Dividends are stated as gross amounts before deduction of Luxembourg withholding tax which is currently 15%.

Consolidated Statement of Comprehensive Income

Period ended	Note	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Revenue	2	**5,484**	4,983
Cost of sales		**(3,449)**	(3,182)
Gross profit		**2,035**	1,801
Administrative expenses		**(1,427)**	(1,265)
Operating profit	5	**608**	536
Share of losses in associates	12	**(1)**	(1)
Profit on ordinary activities before net finance costs and tax		**607**	535
Finance costs on lease liabilities	6	**(69)**	(61)
Other finance costs	6	**(50)**	(40)
Finance income	6	**10**	2
Profit on ordinary activities before tax		**498**	436
Income tax expense	10	**(131)**	(88)
Profit for the period	2	**367**	348
Other comprehensive income for the period			
Items which may be reclassified to profit and loss:			
Exchange differences on retranslation of subsidiary and associate investments		**(3)**	5
Fair value movement as recorded in the hedging reserve		**(22)**	28
Tax effect of other comprehensive income	10	**1**	5
Total other comprehensive income		**(24)**	38
Total comprehensive income for the period		**343**	386
Earnings per share			
Basic earnings per share attributable to ordinary equity holders (pence)	11	**36.6**	34.8
Diluted earnings per share attributable to ordinary equity holders (pence)	11	**36.5**	34.7

All profit and other comprehensive income is attributable to the owners of the parent.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at	Note	30 March 2024 £'m	Restated* 25 March 2023 £'m
Assets			
Non-current			
Goodwill	13	**921**	921
Intangible assets	13	**121**	120
Property, plant and equipment	14	**421**	380
Right-of-use assets	15	**1,101**	1,056
Investments in associates	12	**5**	8
Other receivables	17	**5**	6
Other financial assets	20	**1**	-
Deferred tax asset	10	**4**	4
		2,579	2,495
Current assets			
Cash at bank and in hand	18	**182**	237
Inventories	16	**776**	764
Trade and other receivables	17	**76**	52
Income tax receivable		**8**	12
Other financial assets	20	**4**	1
		1,046	1,066
Total assets		**3,625**	3,561
Equity			
Share capital	23	**(100)**	(100)
Share premium		**(2,481)**	(2,478)
Retained earnings		**(125)**	(104)
Hedging reserve		**10**	3
Legal reserve		**(10)**	(10)
Merger reserve		**1,979**	1,979
Foreign exchange reserve		**(7)**	(10)
		(734)	(720)
Non-current liabilities			
Interest-bearing loans and borrowings	21	**(881)**	(873)
Lease liabilities	15	**(1,187)**	(1,124)
Deferred tax liabilities	10	**(25)**	(17)
Other financial liabilities	20	**(0)**	-
Provisions	22	**(4)**	(3)
		(2,097)	(2,017)
Current liabilities			
Interest-bearing loans and borrowings	21	**(29)**	(81)
Trade and other payables	19	**(572)**	(541)
Lease liabilities	15	**(170)**	(177)
Other financial liabilities	20	**(10)**	(13)
Income tax payable		**(7)**	(6)
Provisions	22	**(6)**	(6)
		(794)	(824)
Total liabilities		**(2,891)**	(2,841)
Total equity and liabilities		**(3,625)**	(3,561)

* The statement of financial position has been restated in 2023 to reflect a change in the presentation of deferred tax, see note 1 for further details.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements. This Consolidated statement of financial position was approved by the Board of Directors and authorised for issue on 4 June 2024 and signed on their behalf by:

Alejandro Russo, Chief Executive Officer.

Consolidated Statement of Changes in Shareholders' Equity

	Share capital £'m	Share premium £'m	Retained earnings £'m	Hedging reserve £'m	Legal reserve £'m	Merger reserve £'m	Foreign exchange reserve £'m	Total equity £'m
Balance at 26 March 2022	100	2,476	121	13	10	(1,979)	5	746
Allocation to legal reserve	-	-	(0)	-	0	-	-	-
Ordinary dividends declared	-	-	(165)	-	-	-	-	(165)
Special dividends declared	-	-	(201)	-	-	-	-	(201)
Effect of share options	0	2	1	-	-	-	-	3
Total transactions with owners	0	2	(365)	-	-	-	-	(363)
Profit for the period	-	-	348	-	-	-	-	348
Other comprehensive income	-	-	-	33	-	-	5	38
Total comprehensive income for the period	-	-	348	33	-	-	5	386
Hedging gains & losses reclassified as inventory	-	-	-	(49)	-	-	-	(49)
Balance at 25 March 2023	100	2,478	104	(3)	10	(1,979)	10	720
Ordinary dividends declared	**-**	**-**	**(147)**	**-**	**-**	**-**	**-**	**(147)**
Special dividends declared	**-**	**-**	**(201)**	**-**	**-**	**-**	**-**	**(201)**
Effect of share options	**0**	**3**	**1**	**-**	**-**	**-**	**-**	**4**
Total transactions with owners	**0**	**3**	**(347)**	**-**	**-**	**-**	**-**	**(344)**
Profit for the period	**-**	**-**	**367**	**-**	**-**	**-**	**-**	**367**
Other comprehensive income	**-**	**-**	**1**	**(22)**	**-**	**-**	**(3)**	**(24)**
Total comprehensive income for the period	**-**	**-**	**368**	**(22)**	**-**	**-**	**(3)**	**343**
Hedging gains & losses reclassified as inventory	**-**	**-**	**-**	**15**	**-**	**-**	**-**	**15**
Hedging gains and losses reclassified as finance costs	**-**	**-**	**-**	**0**	**-**	**-**	**-**	**0**
Balance at 30 March 2024	**100**	**2,481**	**125**	**(10)**	**10**	**(1,979)**	**7**	**734**

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Period ended	Note	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Cash flows from operating activities			
Cash generated from operations	24	**862**	866
Income tax paid		**(116)**	(84)
Net cash flows from operating activities		**746**	782
Cash flows from investing activities			
Purchase of property, plant and equipment	14	**(123)**	(93)
Purchase of intangible assets	13	**(3)**	(5)
Proceeds from sale of property, plant and equipment		**2**	9
Finance income received	6	**5**	2
Dividend income from associates	12	**1**	-
Net cash flows from investing activities		**(118)**	(87)
Cash flows from financing activities			
Receipt of Group revolving credit facilities	21	**25**	-
Repayment of old bank loan facilities	21	**(300)**	-
Receipt of new bank loan facilities	21	**225**	-
Repayment of corporate bonds	21	**(239)**	-
Receipt due to newly issued corporate bonds	21	**250**	-
Repayment of Heron facilities	21	**-**	(3)
Net receipt of French facilities	21	**3**	-
Repayment of the principal in relation to lease liabilities	15	**(171)**	(168)
Payment of interest in relation to right-of-use assets	15	**(69)**	(61)
Fees on refinancing	21	**(15)**	-
Other finance costs paid	6	**(41)**	(36)
Dividends paid to owners of the parent	30	**(348)**	(366)
Net cash flows from financing activities		**(680)**	(634)
Effects of exchange rate changes on cash and cash equivalents		**(3)**	3
Net (decrease)/increase in cash and cash equivalents		**(55)**	64
Cash and cash equivalents at the beginning of the period		**237**	173
Cash and cash equivalents at the end of the period		**182**	237
Cash and cash equivalents comprise:			
Cash at bank and in hand	18	**182**	237
		182	237

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1 General information and basis of preparation

The consolidated financial statements have been prepared in accordance with EU IFRS.

The Group's trade is general retail, with continuing trading taking place in the UK and France. The Group has been listed on the London Stock Exchange since June 2014.

The financial statements set out below does not constitute the Group's statutory accounts for the 53 weeks ended 30 March 2024 or 52 weeks ended 25 March 2023 but is derived from those accounts. Statutory accounts for the 52 weeks ended 25 March 2023 have been delivered to the Luxembourg Business Register, and those for the 53 weeks to 30 March 2024 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified and (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their reports.

Copies of full accounts will be sent to shareholders in due course. Additional copies will be available from our registered office at 3, rue Gabriel Lippmann, L-5365 Luxembourg Grand-Duchy of Luxembourg or online at www.bandmretail.com.

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The measurement basis and principal accounting policies of the Group are set out below and have been applied consistently throughout the consolidated financial statements.

The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest million (£'m), except when otherwise indicated.

The consolidated financial statements cover the 53-week period from 26 March 2023 to 30 March 2024 which is a different period to the parent company standalone accounts (from 1 April 2023 to 31 March 2024). This exception is permitted under article 1712-12 of the Luxembourg company law of 10 August 1915, as amended, because the Directors believe that;

- the consolidated financial statements are more informative when they cover the same period as used by the main operating entity, B&M Retail Ltd; and
- it would be unduly onerous to rephase the year end in that subsidiary to match that of the parent company.

The year end for B&M Retail Ltd, in any year, will not be more than six days prior to the parent company year end. The next accounting period for the Group will be a 52-week period, from 31 March 2024 to 29 March 2025.

B&M European Value Retail S.A. (the "Company") is at the head of the Group and there is no consolidation that takes place above the level of this company.

The principal accounting policies of the Group are set out below.

Restatement of the Consolidated statement of financial position

Following the amendments made to IAS 12 *'Income Taxes'* by the IASB in the paper *'Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12',* the Group has restated it's deferred tax balances which arise from the differences between our statutory reporting and local tax treatment of leases.

Under the amendments the Group is required to separately record deferred tax assets and deferred tax liabilities on each component of the overall balance sheet difference, where previously the Group had reported a net position. So, for any one lease there will be a separate deferred tax asset relating to the difference arising from the lease liability, and a separate deferred tax liability relating to the difference arising from the right-of-use asset.

This has resulted in a change in the presentation of the balances that comprise our deferred tax asset and liability in note 10, *Tax*, where we break out the prior year balance previously described as *Temporary differences relating to the tax accounting for leases* at an asset value of £24m, into two separate balances as follows;

	As restated £'m
Temporary differences relating to the tax accounting for leases (asset)	93
Temporary differences relating to the tax accounting for leases (liability)	(69)

In carrying out this review it was also noted that under IAS 12 the Group should net deferred tax assets and liabilities where we have a legally enforceable right to do so and where they relate to income taxes levied by the same tax authority. This has resulted in a restatement to our Consolidated statement of financial position as follows;

	As previously reported £'m	As restated £'m
Deferred tax asset	30	4
Deferred tax liability	(43)	(17)

As the restatement is a net-off of the deferred tax asset and deferred tax liability position, the net position remains unchanged. As such, there is no impact on the Consolidated statement of comprehensive income, Consolidated statement of changes in shareholders' equity or the Consolidated statement of cash flows.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings, together with the Group's share of the net assets and results of associated undertakings, for the period from 26 March 2023 to 30 March 2024. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting. The results of companies acquired are included in the Consolidated statement of comprehensive income from the acquisition date.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangements with the other vote holders of the investee;

- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary, excluding the situations as outlined in the basis of preparation.

Going concern

As a value retailer, the Group is well placed to withstand volatility within the economic environment. The Group's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the Group will trade within its current banking facilities.

In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities including the Group's principal risks and uncertainties. The Board also considered the Group's current cash position, the repayment profile of its obligations, its financial covenants and the resilience of its 12-month cash flow forecasts to a series of severe but plausible downside scenarios. Having considered these factors the Board is satisfied the Group has adequate resources to continue its successful growth (see also the going concern and viability statements in the 'Principal risks and uncertainties' section of this annual report).

There have been no significant post balance sheet changes to liquidity.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Revenue

Under IFRS 15 Revenue is recognised when all the following criteria are met:

- the parties to the contract have approved the contract;
- the Group can identify each parties rights regarding the goods to be transferred;
- the Group can identify the payment terms;
- the contract has commercial substance; and
- it is probable that the Group will collect the consideration we are entitled to in respect to the goods to be transferred.

In the vast majority of cases the Group's sales are made through stores and the control of goods is immediately transferred at the same time as the consideration is received via our tills. Therefore, revenue is recognised at this point.

The Group sells a small quantity of gift vouchers for use in the future and, as such, a small amount of deferred revenue is recognised. At the period end, the value held on the balance sheet was <£1m (2023: <£1m).

The Group operates a small wholesale function which recognises revenue when goods are delivered and an invoice is raised. The revenue is considered collectable as the Group's wholesale customers are usually related parties to the Group (such as our associates) or are subject to credit checks before trade takes place. See note 2 for the split of wholesale sales to store sales.

Revenue is the total amount receivable by the Group for goods supplied, in the ordinary course of business, excluding VAT and trade discounts, and after deducting returns and relevant vouchers and offers.

Administrative expenses

Administrative expenses include all running costs of the business, except those relating to inventory (which are expensed through cost of sales), tax, interest and other comprehensive income. Transport and warehouse costs are included in this caption.

Elements which are unusual and significant, such as material restructuring costs, may be separated as a line item.

Goodwill

Goodwill is initially measured at cost, being the excess of the fair value of consideration transferred over the fair value of the net identifiable assets acquired and liabilities assumed at the date of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the relevant cash-generating units (CGUs) that are expected to benefit from the combination.

The CGUs are individual stores and the groups of CGUs are the store portfolios in each operational segment.

Goodwill is tested for impairment at least once per year and specifically at any time where there is any indication that it may be impaired. Internally generated goodwill is not recognised as an asset.

Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Executive Directors of the Group. The Executive Directors are responsible for assessing the performance of the business for the purpose of making decisions about resources to be allocated.

Alternative performance measures

The Group reports a selection of alternative performance measures (APMs) as detailed below and in note 3, as the Directors believe that these measures provide additional information that is useful to the users of our accounts.

The APMs we report in these accounts are:

- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Adjusted EBITDA
- Adjusted operating profit
- Adjusted profit
- Adjusted earnings per share (EPS)
- Post-tax free cash flow

To aide comparability with the figures presented in previous periods, pre-IFRS 16 versions of these APMs have also been calculated, where appropriate.

Interest, tax, depreciation and amortisation are as defined statutorily whilst the items we adjust for are those we consider not to be reflective of the underlying performance of the business as detailed in note 3. These adjustments include the fair value and foreign exchange impact of derivatives yet to mature, that have not been designated as part of a hedge accounting relationship, foreign exchange on intercompany balances, which do not relate to underlying trading, and costs incurred in relation to significant projects, which are non-recurring and do not relate to underlying trading.

Underlying performance has been determined so as to align with how the Group financial performance is monitored on an ongoing basis by management. In particular, this reflects certain adjustments being made to consider an adjusted operating profit measure of performance.

Adjusted finance costs reflect the ongoing charges associated with our debt structure and exclude one-off effects of refinancing.

The Directors believe that our adjusted APMs provide users of the account with measures of performance which are appropriate to the retail industry and presented by peers and competitors. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with an additional metric to compare periods of account.

The APMs used are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

Brands

Brands acquired by the business are amortised if the corresponding agreement is specifically time limited, or if the fair valuation exercise (carried out for brands acquired via business combinations) identifies a fair lifespan for the brand. This amortisation is charged to administrative expenses.

Otherwise, brands are considered to have an indefinite life on the basis that they form part of the CGUs within the Group which will continue in operation indefinitely, with no foreseeable limit to the period over which they are expected to generate net cash inflows.

Where brands are considered to have an indefinite life they are reviewed at least annually for impairment or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is impaired accordingly with the impairment charged to administration expenses.

Intangible assets

Intangible assets acquired separately, including computer software, are measured on initial recognition at cost comprising the purchase price and any directly attributable costs of preparing the asset for use.

Following initial recognition, assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when an asset is available for use and is calculated on a straight-line basis to allocate the cost of the asset over its estimated useful life as follows:

Computer software acquired - 3 or 4 years

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost comprises purchase price and directly attributable costs. Unless significant or incurred as part of a refit programme, subsequent expenditure will usually be treated as repairs or maintenance and expensed to the statement of comprehensive income.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

Freehold land is not depreciated. For all other property, plant and equipment, depreciation is calculated on a straight-line basis to allocate cost, less residual value of the assets, over their estimated useful lives as follows:

Leasehold buildings	-	Life of lease (max 50 years)
Freehold buildings	-	2% - 4% straight line
Plant, fixtures and equipment	-	10% - 33% straight line
Motor vehicles	-	12.5% - 33% straight line

Residual values and useful lives are reviewed annually and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Leases

The Group applies the leasing standard, IFRS 16, to all contracts identified as leases at their inception, unless they are considered a short-term lease (with a term less than a year) or where the asset is of a low underlying value (<£5k). Assets which may fall into these categorisations include printers, vending machines and security cameras, and the lease expense is within administrative expenses.

The Group has lease contracts in relation to property, equipment, fixtures & fittings and vehicles. A contract is classified as a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a lease contract is recognised, the business assesses the term for which we are reasonably certain to hold that lease, and the minimum lease payments over that term are discounted to give the initial lease liability. The initial right-of-use asset is then recognised at the same value, adjusted for incentives or payments made on the day that the lease was acquired. Any variable lease costs are expensed to administrative costs when incurred.

The date that the lease is brought into the accounts is the date from which the lease has been effectively agreed by both parties as evidenced by the Group's ability to use that property.

The right-of-use asset is subsequently depreciated on a straight-line basis over the term of that lease, or useful life (whichever is shorter) with the charge being made to administrative costs. The lease liability attracts interest which is charged to finance costs, and is measured at amortised cost using the effective interest method.

Right-of-use assets may be impaired if, for instance, a lease becomes onerous. Impairment costs are charged to administrative costs.

Lease modifications are recorded where there is a change in the expected cashflows associated with a lease, such as through a rent review. When a lease modification occurs the lease liability is recalculated and an equivalent adjustment is made to the right-of-use asset, unless that asset would be reduced below zero, in which case the excess is expensed in administrative costs. The recalculation is carried out with an unchanged discount unless the change has affected management's assessment of the term of the lease.

If there is a significant event, such as the lease reaching its expiry date, the likely exercise of a previously unrecognised break clause, or the signing of an extension lease, the lease term is re-assessed by management as to how long we can reasonably stay in that property, and a new lease agreement or modification (if the change is made before the expiry date) is recognised for the re-assessed term, with a recalculated discount rate.

Lease modifications are also recorded where there is a change in the expected cashflows associated with the lease, such as through a rent review. Unless the change affects the term, the discount rate is not recalculated. A lease modification results in a recalculation of the lease liability with a corresponding adjustment made to the right-of-use asset.

The discount rate used is individual to each lease. Where a lease contract includes an implicit interest rate, that rate is used. In the majority of leases this is not the case and the discount rate is taken to be the incremental borrowing rate as related to that specific asset. This is a calculation based upon the external market rate of borrowing for the Group, as well as several factors specific to the asset to be discounted.

The Group separates lease payments between lease and non-lease components (such as service charges on property) at the point at which the lease is recognised. Non-lease components are charged through administrative expenses.

Sale and leaseback transactions

The Group recognises a sale and leaseback transaction when the Group sells an asset that has been previously recognised in property, plant and equipment, and subsequently leases it back as part of the same or a linked transaction.

Management use the provisions of IFRS 15 to assess if a sale has taken place, and the provisions of IFRS 16 to recognise the resulting lease, with the liability and discount rate calculated in line with our lease policy and the asset subject to an adjustment based upon the net book value of the disposed asset, the opening lease liability, the consideration received and the fair value of the asset on the date it was sold.

Resulting gains or losses are recognised in administrative expenses.

Onerous leases

A lease is considered onerous when the economic benefits of occupying the leased properties are less than the obligations payable under the lease.

When a lease is classified as onerous, the right-of-use asset associated with the lease is impaired to £nil value and non-rental costs that are likely to accrue before the end of the contract are provided against.

Investments in associates

Associates are those entities over which the Group has significant influence, but which are neither subsidiaries nor interests in joint ventures. Investments in associates are recognised initially at cost and subsequently accounted for using the equity method. However, any goodwill or fair value adjustment attributable to the Group's share of associates is included in the amount recognised as investment in associates.

All subsequent changes to the share of interest in the equity of the associate are recognised in the Group's carrying amount of the investment, including a reduction in the carrying amount equal to any dividend received. Changes resulting from the profit or loss generated by the associate are reported in "share of profits/(losses) of associates" in the Consolidated statement of comprehensive income and therefore affect net results of the Group. These changes include subsequent depreciation, amortisation and impairment of the fair value adjustments of assets and liabilities.

Items that have been recognised directly in the associate's other comprehensive income are recognised in the consolidated other comprehensive income of the Group. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the investor resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the consolidated financial statements of associates have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required (for goodwill or indefinite life assets), the Group estimates the asset's recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's cash-generating units (CGUs) to which the individual assets are allocated. These budgets and forecast calculations are prepared in December and usually cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to the projected future cash flows after the fifth year. The Group's three-year plan is usually approved in March. If due to the passage of time there are significant differences in the key assumptions between the forecast and plan, or if management consider that the forecast has a more sensitive level of headroom, then the impairment test will be additionally sensitised to the plan assumptions.

Indications of impairment might include (for goodwill and the brand assets, for instance) a significant decrease in the like-for-like sales of established stores, sustained negative publicity or a drop off in visits to our website and social media accounts.

An asset's recoverable amount is the higher of an assets or CGUs fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and acquired brands with indefinite lives, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or CGUs recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income, except for impairment of goodwill which is not reversed.

Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items, using the weighted average method.

Stock purchased in foreign currency is booked in at the hedge rate applicable to that stock (if effectively hedged) or the underlying foreign currency rate on the date that the item is brought into stock.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. Transport, warehouse and distribution costs are not included in inventory.

The Group receives supplier rebates which are included in the cost of inventory balance (and which therefore ultimately flow through to cost of sales). These rebates are recognised on an accruals basis according to actual sales levels achieved at the end of each period.

Share options

The Group operates several equity-settled share option schemes.

The schemes have been accounted for under the provisions of IFRS 2 and, accordingly, have been fair valued on their inception date using appropriate methodology (the Black Scholes and Monte Carlo models).

A cost is recorded through the statement of comprehensive income in respect of the number of options outstanding and the fair value of those options. A corresponding credit is made to the retained earnings reserve and the effect of this can be seen in the statement of changes in equity. See note 9 for more details.

Taxation

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is highly probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Financial instruments

The Group uses derivative financial instruments such as forward currency contracts to reduce its foreign currency risk, commodity price risk and interest rate risk. Derivative financial instruments are recognised at fair value. The fair value is derived using an internal model and supported by valuations by third party financial institutions.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the statement of comprehensive income. Effectiveness of the derivatives subject to hedge accounting is assessed prospectively at inception of the derivative, and at each reporting period end date prior to maturity.

Where a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset, such as an item of inventory, the associated gains and losses are recognised in the initial cost of that asset.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is reclassified in the statement of other comprehensive income immediately.

Financial assets

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost, fair value through profit or loss, or fair value though other comprehensive income.

A financial asset is measured at amortised cost using the effective interest rate if it meets both of the following conditions: it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Under IFRS 9 trade receivables, without a significant financing component, are classified and held at amortised cost, being initially measured at the transaction price and subsequently measured at amortised cost less any impairment loss.

IFRS 9 includes an 'expected loss' model ('ECL') for recognising impairment of financial assets held at amortised cost. The Group has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group performs the calculation of expected credit losses separately for each customer group. The balances involved are immaterial for further disclosure.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income comprise derivative financial instruments entered into by the Group that are designated as hedging instruments in hedge relationships as defined by IFRS 9. Financial assets at fair value through other comprehensive income are carried in the statement of financial position at fair value with changes in fair value recognised in other comprehensive income.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in profit and loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired and the entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full and either (a) the entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
The Group assesses at each reporting date, on a forward-looking basis the ECLs associated with our financial assets carried at amortised cost.

Financial liabilities

Initial recognition and measurement
Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other financial liabilities. The entity determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial derivatives held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term.

This category includes derivative financial instruments entered into by the Group. Gains or losses on liabilities held-for-trading are recognised in profit and loss.

Other financial liabilities
After initial recognition, interest-bearing loans and borrowings, trade and other payables and other liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to mark-to-market valuations obtained from the relevant bank (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

Refinancing
Where bank borrowings are refinanced, the Group assesses whether the transaction results in new facilities or a modification of the previous facilities.

Where the transaction results in a modification of the facilities, the Group assesses whether that modification is substantial by reference both to whether the present value of the cash flows of the new facilities is more than 10% different to the present value of the cash flows of the previous facilities and by reference to any qualitative differences between the old and new agreements.

Where a modification is substantial, the Group derecognises the original liability and recognises a new liability for the modified facilities with any transaction costs expensed to the income statement. Where the modification is non-substantial, the Group amends the carrying amount of the liability to reflect the updated cash flows and amends the EIR from the modification date.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand, less bank overdrafts to the extent the Group have the right to offset and settle these balances net.

The Group’s cash and cash equivalents balance includes £54m (2023: £31m) of credit card receivables due to be received within three working days of the year-end date.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares;
- "Share premium" represents the excess of the consideration made for the shares, over and above the nominal valuation of those shares;
- "Retained earnings reserve" represents retained profits;
- “Hedging reserve” representing the fair value of the derivatives held by the Group at the period end that are accounted for under hedge accounting and that represent effective hedges;

- “Legal reserve” representing the statutory reserve required by Luxembourg law as an apportionment of profit within each Luxembourg company (up to 10% of the standalone share capital);
- "Merger reserve" representing the reserve created during the reorganisation of the Group in 2014; and
- “Foreign exchange reserve” represents the cumulative differences arising in retranslation of the subsidiaries and associate’s results.

Foreign currency translation

These consolidated financial statements are presented in pounds sterling.

The following Group companies have a functional currency of pounds sterling:

- B&M European Value Retail S.A.
- B&M European Value Retail 1 S.à r.l. (Lux Holdco)
- B&M European Value Retail Holdco 1 Ltd (UK Holdco 1)
- B&M European Value Retail Holdco 2 Ltd (UK Holdco 2)
- B&M European Value Retail Holdco 3 Ltd (UK Holdco 3)
- B&M European Value Retail Holdco 4 Ltd (UK Holdco 4)
- EV Retail Ltd
- B&M Retail Ltd
- Opus Homewares Ltd
- Heron Food Group Ltd
- Heron Foods Ltd
- Cooltrader Ltd
- Heron Properties (Hull) Ltd
- Centz N.I. Limited

The following Group companies have a functional currency of the Euro:

- B&M European Value Retail 2 S.à r.l. (SBR Europe)
- B&M France SAS
- B&M European Value Retail Germany GmbH (Germany Holdco)

The Group companies whose functional currency is the Euro have been consolidated into the Group via retranslation of their results in line with IAS 21 ‘Effects of Changes in Foreign Exchange Rates’. The assets and liabilities are translated into pounds sterling at the period end exchange rate. The revenues and expenses are translated into pounds sterling at the average monthly exchange rate during the period. Any resulting foreign exchange difference is cumulatively recorded in the foreign exchange reserve with the annual effect being charged/credited to other comprehensive income.

Transactions entered into by the company in a currency other than the currency of the primary economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

Pension costs

The Group operates a defined contribution scheme and contributions are charged to profit or loss in the period in which they are incurred.

Provisions

Provisions are recognised when a present obligation (legal or constructive) exists as a result of a past event and where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are discounted where the time value of money is considered to be material.

The property provision also contains expected dilapidation costs, which covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, any stores which are planned or at risk of closure and those stores occupied but not under contract. At the period end, 109 stores were provided against (2023: 105).

We do not provide against stores which are under contract and not considered at risk of closure (comprising the majority of the estate) as management consider that such a provision would be minimal as a result of regular store maintenance and limited fixed fit out costs.

We also provide against the terminal dilapidation expense on our major distribution centres, which is built up over the term of the leases held over those distribution centres.

Climate change considerations
In preparing the financial statements, the Group has considered the impact of climate change, particularly in the context of the TCFD disclosures and the Group's ESG strategy included in the Annual Report.

The Group's existing fixed asset replacement programme is phased over several years and therefore any changes in the requirements associated with climate change would not have a material impact in any given year. The costs expected to be incurred in connection with the Group's commitments are included within the Group's budget used to support the going concern and viability assessments and the impairment reviews of non-current assets.

Given the identified risks are expected to be present in the medium to long-term, the impact of climate change on the going concern and viability of the Group over the next three years is not expected to be material and is therefore not currently classified as a key source of estimation of uncertainty.

Critical judgements and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial information was prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Critical judgements

Investments in associates

Multi-lines International Company Ltd (Multi-lines), which is 50% owned by the Group, has been judged by management to be an associate rather than a subsidiary or a joint venture.

Under IFRS 10 control is determined by:

- Power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect the amount of the investor's returns.

Although 50% owned, B&M Group does not have voting rights or substantive rights. Therefore, the level of power over the business is considered to be more in keeping with that of an associate than a joint-venture and, therefore, it has been treated as such within these consolidated financial statements.

Hedge accounting

The Group hedge accounts for stock purchases made in US Dollars.

There is significant management judgement involved in forecasting the level of dollar purchases to be made within the period that the forward hedge has been bought for.

Management takes a cautious view that no more than 80% of the operational hedging in place can be subject to hedge accounting, due to forecast uncertainties, and assesses every forward hedge taken out, on inception, if that figure should be reduced further by considering general purchasing trends, and discussion of specific purchasing decisions.

Estimation uncertainty

There are no areas of estimation uncertainty where management consider that there is a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Standards and interpretations not yet applied by the Group

The following amendments to accounting standards and interpretations, issued by the International Accounting Standards Board (IASB), have not yet been applied by the Group in the period. None of these are expected to have a significant impact on the Group's consolidated results or financial position:

<u>IASB effective for annual periods beginning on or after 1 January 2024</u>

Standard	Summary of changes	EU endorsement status
Amendments to IAS 1 Presentation of Financial Statements	The amendment requires an entity to have the right to defer settlement of the liability for at least 12 months after the reporting date in order to classify a liability as non-current. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.	Endorsed on 19 December 2023 Effective from 1 January 2024.
Amendments to IFRS 16 Lease Liability in a Sale and Leaseback	The amendment requires a seller-lessee to subsequently measure such leaseback liabilities in a way that does not recognise any amount of gain or loss that relates to the right-of-use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease. The amendments do not depend on an index or rate.	Endorsed on 20 November 2023. Effective from 1 January 2024.

<u>IASB effective for annual periods beginning on or after 1 January 2025</u>

Standard	Summary of changes	EU endorsement status
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. It also requires the disclosure of information that enables users of	Not yet endorsed.

Standard	Summary of changes	EU endorsement status
	financial statements to understand the impact of a currency not being exchangeable.	
Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements	The amendments introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk.	Not yet endorsed.

<u>IASB effective for annual periods beginning on or after 1 January 2027</u>

Standard	Summary of changes	EU endorsement status
IFRS 18 Presentation and Disclosure in Financial Statements	The standard requires the presentation of two new defined subtotals in the income statement – operating profit and profit before financing and income taxes and defined categories (operating, investing and financing). The disclosure of APMs that are not subtotalled in the financial statements must be specified.	Not yet endorsed.

2 Segmental information

IFRS 8 Operating Segments requires the Group's segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker to assess performance and allocate resources across each reporting segment.

The chief operating decision maker has been identified as the Executive Directors who monitor the operating results of the retail segments for the purpose of making decisions about resource allocation and performance assessment.

For management purposes, the Group is organised into three operating segments, UK B&M, UK Heron and France B&M segments comprising the three separately operated business units within the Group.

Items that fall into the corporate category, which is not a separate segment but is presented to reconcile the balances to those presented in the main statements, include those related to the Luxembourg or associate entities, Group financing, corporate transactions, any tax adjustments and items we consider to be adjusting (see note 3).

The average Euro rate for translation purposes was €1.1587/£ during the year, with the period-end rate being €1.1694/£ (2023: €1.1581/£ and €1.1360/£ respectively).

53 week period to 30 March 2024	**UK B&M £'m**	**UK Heron £'m**	**France B&M £'m**	**Corporate £'m**	**Total £'m**
Revenue	**4,410**	**560**	**514**	**-**	**5,484**
EBITDA (note 3)	**743**	**50**	**89**	**(17)**	**865**
Depreciation and amortisation	**(195)**	**(23)**	**(40)**	**-**	**(258)**
Profit/(loss) before interest and tax	**548**	**27**	**49**	**(17)**	**607**
Net finance expense	**(48)**	**(1)**	**(14)**	**(46)**	**(109)**
Income tax (charge)/credit	**(127)**	**(6)**	**(9)**	**11**	**(131)**
Segment profit/(loss)	**373**	**20**	**26**	**(52)**	**367**
Total assets	**2,905**	**284**	**413**	**23**	**3,625**
Total liabilities	**(1,491)**	**(119)**	**(307)**	**(974)**	**(2,891)**
Capital expenditure*	**(97)**	**(15)**	**(14)**	**-**	**(126)**

52 week period to 25 March 2023 (restated†)	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Revenue	4,067	485	431	-	4,983
EBITDA (note 3)	680	41	76	(20)	777
Depreciation and amortisation	(182)	(22)	(38)	-	(242)
Profit/(loss) before interest and tax	498	19	38	(20)	535
Net finance expense	(45)	(3)	(11)	(40)	(99)
Income tax (charge)/credit	(87)	(3)	(6)	8	(88)
Segment profit/(loss)	366	13	21	(52)	348
Total assets	2,856	295	385	25	3,561
Total liabilities	(1,443)	(119)	(277)	(1,002)	(2,841)
Capital expenditure*	(77)	(11)	(10)	-	(98)

* Capital expenditure includes both tangible and intangible capital.
† Restated due to a change in the presentation of deferred tax. See note 1 for more details.

Adjusted operating profit by segment is equal to the profit before interest and tax figures given above.

Revenue is disaggregated geographically as follows:

Period to	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Revenue due from UK operations	**4,970**	4,552
Revenue due from French operations	**514**	431
Overall revenue	**5,484**	4,983

Non-current assets (excluding deferred tax and financial instruments) are disaggregated geographically as follows:

As at	**30 March 2024 £'m**	25 March 2023 £'m
UK operations	**2,315**	2,240
French operations	**254**	243
Luxembourg operations	**5**	8
Overall	**2,574**	2,491

The Group operates a small wholesale operation, with the relevant disaggregation of revenue as follows:

Period to	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Revenue due to sales made in stores	**5,454**	4,940
Revenue due to wholesale activities	**30**	37
Revenue due to online activities	**-**	6
Overall revenue	**5,484**	4,983

3 Reconciliation of non-IFRS measures from the statement of comprehensive income

The Group reports a selection of alternative performance measures as detailed below. The Directors believe that these measures provide additional information that is useful to the users of the accounts.

EBITDA, adjusted EBITDA, adjusted operating profit and adjusted profit are all non-IFRS measures and therefore a reconciliation from the statement of comprehensive income is set out below.

Period to	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Profit on ordinary activities before interest and tax	**607**	535
Add back depreciation and amortisation	**258**	242
EBITDA	**865**	777
Costs in relation to the acquisition of Wilko stores	**9**	-
Online project costs	**-**	2
Reverse the fair value and foreign exchange impact of derivatives yet to mature	**(2)**	17
Foreign exchange on intercompany balances	**0**	0
Adjusted EBITDA	**872**	796
Depreciation and amortisation	**(258)**	(242)
Adjusted operating profit	**614**	554
Interest costs related to lease liabilities (see note 6)	**(69)**	(61)
Net other finance costs (see note 6)	**(44)**	(38)
Adjusted profit before tax	**501**	455
Adjusted tax	**(132)**	(91)
Adjusted profit for the period	**369**	364

Adjusted EBITDA (pre-IFRS 16), adjusted operating profit (pre-IFRS 16) and adjusted profit (pre-IFRS 16) are also non-IFRS measures and are reconciled as follows:

Period to	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
EBITDA (above)	**865**	777
Remove effects of IFRS 16 on EBITDA	**(243)**	(223)
EBITDA (pre-IFRS 16)	**622**	554
Adjusting items (above)	**7**	19
Adjusted EBITDA (pre-IFRS 16)	**629**	573
Pre-IFRS 16 depreciation and amortisation	**(82)**	(76)
Adjusted operating profit (pre-IFRS 16)	**547**	497
Net other finance costs	**(44)**	(38)
Adjusted profit before tax (pre-IFRS 16)	**503**	459
Adjusted tax	**(133)**	(93)
Adjusted profit (pre-IFRS 16) for the period	**370**	366

The effects of IFRS 16 on EBITDA caption reflects the difference between IAS 17 and IFRS 16 accounting and largely consists of the additional rent expense the Group would have incurred under the IAS 17 standard.

Adjusting items are the fair value and foreign exchange impact of derivatives yet to mature, the foreign exchange impact of the retranslation of intercompany balances and significant project gains or losses which may be included if incurred, as they have been in the current year in relation to the acquisition of several Wilko store leases, and in the prior year in relation to our online trial (which had ceased by the prior year-end date).

Adjusted tax represents the tax charge per the statement of comprehensive income as adjusted only for the effects of the adjusting items detailed above.

The following table reconciles the statutory figures to the adjusted and adjusted (pre-IFRS 16) figures in the statutory profit and loss format on a line-by-line basis.

53-week period to 30 March 2024	**Statutory figures £'m**	Adjusting items £'m	**Adjusted figures £'m**	Impact of IFRS 16 £'m	**Adjusted (pre-IFRS 16) £'m**
Revenue	**5,484**	-	**5,484**	-	**5,484**
Cost of sales	**(3,449)**	-	**(3,449)**	-	**(3,449)**
Gross profit	**2,035**	-	**2,035**	-	**2,035**
Depreciation and amortisation	**(258)**	-	**(258)**	176	**(82)**
Other administrative expenses	**(1,169)**	7	**(1,162)**	(243)	**(1,405)**
Operating profit	**608**	7	**615**	(67)	**548**
Share of losses in associates	**(1)**	-	**(1)**	-	**(1)**
Profit before interest and tax	**607**	7	**614**	(67)	**547**
Finance costs relating to right-of-use assets	**(69)**	-	**(69)**	69	**-**
Other finance costs	**(50)**	1	**(49)**	-	**(49)**
Finance income	**10**	(5)	**5**	-	**5**
Profit before tax	**498**	3	**501**	2	**503**
Income tax expense	**(131)**	(1)	**(132)**	(1)	**(133)**
Profit for the period	**367**	2	**369**	1	**370**

52-week period to 25 March 2023	Statutory figures £'m	Adjusting items £'m	Adjusted figures £'m	Impact of IFRS 16 £'m	Adjusted (pre-IFRS 16) £'m
Revenue	4,983	-	4,983	-	4,983
Cost of sales	(3,182)	-	(3,182)	-	(3,182)
Gross profit	1,801	-	1,801	-	1,801
Depreciation and amortisation	(242)	-	(242)	166	(76)
Other administrative expenses	(1,023)	19	(1,004)	(223)	(1,227)
Operating profit	536	19	555	(57)	498
Share of profits in associates	(1)	-	(1)	-	(1)
Profit before interest and tax	535	19	554	(57)	497
Finance costs relating to right-of-use assets	(61)	-	(61)	61	-
Other finance costs	(40)	-	(40)	-	(40)
Finance income	2	-	2	-	2
Profit before tax	436	19	455	4	459
Income tax expense	(88)	(3)	(91)	(2)	(93)
Profit for the period	348	16	364	2	366

The tables below give the reconciliation between the operating profit and adjusted EBITDA (pre-IFRS 16) by segment:

53-week period to 30 March 2024	**UK B&M £'m**	**UK Heron £'m**	**France B&M £'m**	**Corporate £'m**	**Total £'m**
Profit/(loss) before interest and tax	**548**	**27**	**49**	**(17)**	**607**
Adjusting items (above)	-	-	-	7	7
Adjusted operating profit/(loss)	**548**	**27**	**49**	**(10)**	**614**
Depreciation and amortisation (pre-IFRS 16)	59	13	10	-	82
Impact of IFRS 16	(51)	(4)	(12)	-	(67)
Adjusted EBITDA	**556**	**36**	**47**	**(10)**	**629**

52-week period to 25 March 2023	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	498	19	38	(20)	535
Adjusting items (above)	-	-	-	19	19
Adjusted operating profit/(loss)	498	19	38	(1)	554
Depreciation and amortisation (pre-IFRS 16)	52	12	12	-	76
Impact of IFRS 16	(48)	(1)	(8)	-	(57)
Adjusted EBITDA	502	30	42	(1)	573

The segmental split in EBITDA and adjusted EBITDA reconciles as follows:

53-week period to 30 March 2024	**UK B&M £'m**	**UK Heron £'m**	**France B&M £'m**	**Corporate £'m**	**Total £'m**
Profit/(loss) before interest and tax	**548**	**27**	**49**	**(17)**	**607**
Add back depreciation and amortisation	**195**	**23**	**40**	**-**	**258**
EBITDA	**743**	**50**	**89**	**(17)**	**865**
Adjusting items (above)	**-**	**-**	**-**	**7**	**7**
Adjusted EBITDA	**743**	**50**	**89**	**(10)**	**872**

52-week period to 25 March 2023	UK B&M £'m	UK Heron £'m	France B&M £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	498	19	38	(20)	535
Add back depreciation and amortisation	182	22	38	-	242
EBITDA	680	41	76	(20)	777
Adjusting items (above)	-	-	-	19	19
Adjusted EBITDA	680	41	76	(1)	796

Adjusted EPS and diluted EPS measures are reconciled in note 11.

Post-tax free cash flow is reconciled to the Consolidated statement of cash flows as follows:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Cash flows from operating activities	**862**	866
Income tax paid	**(116)**	(84)
Purchase of property, plant and equipment	**(123)**	(93)
Purchase of intangible assets	**(3)**	(5)
Proceeds from sale of property, plant and equipment	**2**	9
Repayment of the principal in relation to lease liabilities	**(171)**	(168)
Payment of interest in relation to right-of-use assets	**(69)**	(61)
Post-tax free cash flow	**382**	464

Adjusted EBITDA and related measures are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

4 Reconciliation of the 52-week results from the 53-week adjusted results

Group management consider that presenting an adjusted 52-week result is helpful to the users of this annual report in order to directly compare like-for-like periods.

Therefore, we present a reconciliation to an adjusted 52-week statement of comprehensive income derived from the adjusted 53-week statement of comprehensive income by removing the final week of the financial year. The adjusting items are those detailed in note 3.

Adjusted	**53 weeks ended 30 March 2024 £'m**	**Week 53 £'m**	**52 weeks ended 23 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Revenue	**5,484**	**112**	**5,372**	4,983
Cost of sales	**(3,449)**	**(70)**	**(3,379)**	(3,182)
Gross profit	**2,035**	42	**1,993**	1,801
Operating costs	**(1,406)**	**(29)**	**(1,377)**	(1,228)
Adjusted EBITDA (pre-IFRS 16)	**629**	13	**616**	573
Depreciation and amortisation (pre-IFRS 16)	**(82)**	**(2)**	**(80)**	(76)
Operating impact of IFRS 16	**67**	**1**	**66**	57
Adjusted operating profit	**614**	12	**602**	554
Adjusting items	**(7)**	**(0)**	**(7)**	(19)
Profit before interest and tax	**607**	12	**595**	535
Finance costs relating to right-of-use assets	**(69)**	**(1)**	**(68)**	(61)
Other net finance costs	**(40)**	**(1)**	**(39)**	(38)
Profit before tax	**498**	**10**	**488**	436

5 Operating profit

The following items have been charged in arriving at operating profit:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Auditor's remuneration	**1**	1
Payments to auditors in respect of non-audit services:		
Other assurance services	**0**	0
Cost of inventories recognised as an expense (included in cost of sales)	**3,449**	3,182
Depreciation of owned property, plant and equipment	**79**	71
Amortisation (included within administration costs)	**2**	4
Depreciation of right-of-use assets	**177**	167
Impairment of right-of-use assets	**5**	2
Operating lease rentals	**1**	5
Loss/(profit) on sale of property, plant and equipment	**1**	(1)
Gain on sale and leasebacks	**-**	(1)
Loss/(gain) on foreign exchange	**7**	(10)

6 Finance costs and finance income

Finance costs include all interest-related income and expenses. The following amounts have been included in the continuing profit line for each reporting period presented:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Interest on debt and borrowings	**(47)**	(38)
Ongoing amortisation of finance fees	**(2)**	(2)
Interest swap derivative	**(0)**	-
Total adjusted finance expense	**(49)**	(40)
Release of remaining unamortised fees on previous facilities	**(1)**	-
Total other finance expense	**(50)**	(40)
Finance costs on lease liabilities	**(69)**	(61)
Total finance expense	**(119)**	(101)

The finance expense reconciles to the statement of cash flows as follows:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Cash		
Finance costs paid in relation to debt and borrowings	**41**	36
Finance costs paid in relation to lease liabilities	**69**	61
Fees paid in relation to refinancing	**15**	-
Finance costs paid	**125**	97
Non-cash		
Movement of accruals in relation to debt and borrowings	**6**	2
Capitalisation of paid fees in relation to new facilities	**(15)**	-
Release of remaining unamortised fees on previous facilities	**1**	-
Ongoing amortisation of finance fees	**2**	2
Interest swap derivative	**(0)**	-
Total finance expense	**119**	101

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Interest income on overpaid corporation tax	**1**	-
Interest income on loans and bank accounts	**4**	2
Total adjusted finance income	**5**	2
Gain on tender of corporate bonds	**5**	-
Total finance income	**10**	2

Total net adjusted finance costs are therefore:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Total adjusted finance expense	**(49)**	(40)
Total adjusted finance income	**5**	2
Total net adjusted finance costs	**(44)**	(38)

7 Employee remuneration

Expense recognised for employee benefits is analysed below:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Wages and salaries	**657**	583
Social security costs	**47**	39
Share-based payment expense	**3**	3
Pensions – defined contribution plans	**10**	9
Total remuneration	**717**	634

There are £1m of defined contribution pension liabilities owed by the Group at the period end (2023: £1m).

B&M France operates a scheme where they must provide a certain amount per employee to pay upon their retirement date. The accrual on this scheme at the period end was £1m (2023: £1m).

The average monthly number of persons employed by the Group during the period was:

Period ended	**53 weeks ended 30 March 2024**	Restated* 52 weeks ended 25 March 2023
Sales staff	**39,928**	39,735
Administration	**1,187**	1,155
Total staff	**41,115**	40,890

* The staff figures presented in the prior year annual report have been restated following recalculation. Previously sales staff numbers were presented as 42,299 with 1,206 administration staff, giving 43,505 in total.

8 Key management remuneration

Key management personnel and Directors' remuneration includes the following:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Directors' remuneration:		
Short-term employee benefits	**4**	4
Benefits accrued under the share option scheme	**1**	1
Pension	**0**	0
Total	**5**	5
Key management expense (includes Directors' remuneration):		
Short-term employee benefits	**14**	9
Benefits accrued under the share option scheme	**1**	2
Pension	**0**	0
Total	**15**	11
Amounts in respect of the highest paid director emoluments:		
Short-term employee benefits	**3**	2
Benefits accrued under the share option scheme	**0**	1
Pension	**0**	0
Total	**3**	3

The emoluments disclosed above are of the Directors and key management personnel who have served as a Director within any of the continuing Group companies.

9 Share options

The Group operates three equity-settled share option schemes which split down to various tranches. Details of these schemes follow.

1) Long-Term Incentive Plan (LTIP) awards

The LTIP was adopted by the Board on 29 May 2014. No grant under this scheme can be made more than 10 years after this date.

Eligibility
Employees and Executive Directors of the Group are eligible for the LTIP and the awards are made at the discretion of the remuneration committee.

Limits & pricing
A fixed number of options are offered to each participant, with the pricing set at £nil. The options offered to each individual cannot exceed a total value of 250% of the participants base salary where the value is measured as the market value of the shares on grant multiplied by the number of options awarded, with the whole scheme limited to 10% of the share capital in issue.

Dividend credits
All participants in any LTIP awards granted after 1 April 2018 are entitled to a dividend credit, where the notional dividend they would have received on the maximum number of shares available under their award is converted into new share options and added to the award based upon the share price on the date of the dividend. These additional awards have been reflected in the tables below.

Vesting & exercise
The share options are subject to a set of conditions measured over a three-year performance period as follows:

LTIP Executive ("A") awards

- 50% of the awards are subject to a TSR performance condition, where the Group's TSR over the performance period is compared with a comparator group. The awards vest on a sliding scale where the full 50% is awarded if the Group falls in the upper quartile, 12.5% vests if the Group falls exactly at the median, and 0% below that.

- 50% of the awards are subject to a diluted EPS performance target. The awards vest on a sliding scale based upon the EPS as follows:

Award	**EPS as at**	50% paid at	12.5% paid at
LTIP 2017A	March-20	24.0p	19.0p
LTIP 2018A	March-21	28.0p	23.0p
LTIP 2019A	March-22	33.0p	27.0p
LTIP 2020A	March-23	30.0p	25.0p
LTIP 2021A	March-24	45.0p	37.0p
LTIP 2022A	March-25	50.0p	42.0p
LTIP 2023A	March-26	43.9p	37.9p

Below the 12.5% boundary, no options vest. diluted EPS is defined as adjusted (pre-IFRS 16) diluted EPS, see note 11.

- The performance period is the three years ending the period end specified in the EPS table above.
- Once the performance period concludes, the calculated number of share options remaining are then subject to a two-year holding period.
- The share options vest at the conclusion of the holding period.

LTIP Restricted ("B") awards

- Group EBITDA must be positive in each year of the LTIP.
- The awards also have an employee performance condition attached.

Vested awards can be exercised up to the tenth anniversary of grant.

Tranches

There have been several awards of the LTIP, with the details as follows.

Note that the LTIP Executive awards have been split into the element subject to the TSR (50%) and the element subject to the EPS (50%) since these were valued separately.

The TSR awards market condition has been included in the fair value calculation for those awards while all non-market conditions have not been included. Expected volatility has been calculated based upon the historic share price volatility of the Group and those of comparable companies.

The key information used in the valuation of these tranches is as follows:

Scheme	Date of grant	Original options granted	Fair value of each option	Risk free rate	Expected life (years)	Volatility
2017A-TSR	7 Aug 17	40,610	272p	0.52%	5	32%
2017A-EPS	7 Aug 17	40,610	351p	0.52%	5	32%
2018A-TSR	22 Aug 18	226,672.5	240p	0.97%	5	29%
2018A-EPS	22 Aug 18	226,672.5	409p	0.97%	5	29%
2019A-TSR	22 Aug 19	275,640.5	251p	0.37%	5	31%
2019A-EPS	22 Aug 19	275,640.5	361p	0.37%	5	31%
2020A-TSR	30 Jul 20	141,718	409p	-0.11%	5	48%
2020A-EPS	30 Jul 20	141,718	464p	-0.11%	5	48%
2021A-TSR	3 Aug 21	218,861	354p	0.23%	5	37%
2021A-EPS	3 Aug 21	218,861	560p	0.23%	5	37%
2022A-TSR	17 Nov 22	309,342	124p	3.16%	5	31%
2022A-EPS	17 Nov 22	309,342	386p	3.16%	5	31%
2023A-TSR	1 Aug 23	224,422	409p	4.75%	5	32%
2023A-EPS	1 Aug 23	224,422	548p	4.75%	5	32%
2018/B1	23 Jan 18	19,264	400p	0.25%	3	32%
2018/B2	20 Aug 18	236,697	406p	0.25%	3	30%
2019/B1	20 Aug 19	369,061	348p	0.47%	3	30%
2019/B2	18 Sep 19	2,678	373p	0.47%	3	30%
2020/B1	30 Jul 20	303,092	463p	-0.12%	3	39%
2021/B1	3 Aug 21	281,950	560p	0.12%	3	42%
2022/B1	3 Aug 22	396,877	437p	1.75%	3	32%
2022/B2	15 Dec 22	3,641	412p	1.75%	3	32%
2023/B1	1 Aug 23	414,833	548p	4.77%	3	31%

Scheme	**Options at 25 Mar 23**	**Granted**	**Dividend credit**	**Forfeited**	**Exercised**	**Options at 30 Mar 24**
2018A-TSR	**230,321***	**-**	**3,978**	**-**	**(234,299)**	**-**
2018A-EPS	**297,452***	**-**	**5,138**	**-**	**(302,590)**	**-**
2019A-TSR	**293,188***	**-**	**19,395**	**-**	**-**	**312,583***
2019A-EPS	**293,188***	**-**	**19,395**	**-**	**-**	**312,583***
2020A-TSR	**185,124**	**-**	**12,245**	**-**	**-**	**197,369***
2020A-EPS	**185,124**	**-**	**12,245**	**-**	**-**	**197,369***
2021A-TSR	**251,037**	**-**	**11,899**	**(71,146)**	**-**	**191,790**
2021A-EPS	**251,037**	**-**	**11,899**	**(71,146)**	**-**	**191,790**
2022A-TSR	**327,851**	**-**	**21,686**	**-**	**-**	**349,537**
2022A-EPS	**327,851**	**-**	**21,686**	**-**	**-**	**349,537**
2023A-TSR	**-**	**224,422**	**10,782**	**-**	**-**	**235,204**
2023A-EPS	**-**	**224,422**	**10,782**	**-**	**-**	**235,204**
2020/B1	**302,339**	**-**	**4,789**	**(2,817)**	**(304,311)**	**-**
2021/B1	**257,138**	**-**	**15,921**	**(21,925)**	**-**	**251,134**
2022/B1	**408,264**	**-**	**24,705**	**(52,107)**	**-**	**380,862**
2022/B2	**3,809**	**-**	**252**	**-**	**-**	**4,061**
2023/B1	**-**	**414,833**	**18,058**	**(45,413)**	**-**	**387,478**

Scheme	Options at 26 Mar 22	Granted	Dividend credit	Forfeited	Exercised	Options at 25 Mar 23
2017A-TSR	27,557*	-	-	-	(27,557)	-
2017A-EPS	18,071*	-	-	-	(18,071)	-
2018A-TSR	202,465*	-	19,613	8,243†	-	230,321*
2018A-EPS	280,368*	-	25,327	(8,243)†	-	297,452*
2019A-TSR	279,393.5	-	24,963	(11,168.5)	-	293,188*
2019A-EPS	279,393.5	-	24,963	(11,168.5)	-	293,188*
2020A-TSR	169,361	-	15,763	-	-	185,124
2020A-EPS	169,361	-	15,763	-	-	185,124
2021A-TSR	229,660.5	-	21,376.5	-	-	251,037
2021A-EPS	229,660.5	-	21,376.5	-	-	251,037
2022A-TSR	-	309,342	18,509	-	-	327,851
2022A-EPS	-	309,342	18,509	-	-	327,851
2017/B1	53,576	-	-	-	(53,576)	-
2017/B2	13,379	-	-	-	(13,379)	-
2018/B2	38,289	-	-	-	(38,289)	-
2019/B1	391,522	-	10,023	(1,937)	(399,608)	-
2019/B2	3,403	-	107	-	(3,510)	-
2020/B1	297,103	-	24,247	(19,011)	-	302,339
2021/B1	271,020	-	22,204	(36,086)	-	257,138
2022/B1	-	396,877	23,532	(12,145)	-	408,264
2022/B2	-	3,641	168	-	-	3,809

*These share options have vested and are in a two-year holding period.
† There was a rebalancing between the EPS and TSR awards after the final analysis of the performance conditions of this scheme. The overall shares options vesting on the scheme does not change, only the split between TSR and EPS.

2) Deferred Bonus Share Plan (DBSP) awards

The DBSP was adopted by the Board on 30 July 2018. No grant under this scheme can be made more than 10 years after this date.

The DBSP differs from the LTIP awards in that there are no vesting conditions.

The scheme has been set up in order to allocate a specified proportion of the Executive Director's annual bonus into £nil price share options which are then placed in holding for three years.

As there are no vesting conditions, these awards have been valued at the amount of the bonus to be converted into share options under the scheme.

There are annual awards of the scheme. The 2024 award will be made after this set of statutory accounts have been published and will therefore be reported in the next annual report.

Scheme	Options at 25 Mar 23	Granted	Dividend credit	Forfeited	Exercised	Options at 30 Mar 24
2020 Bonus allocation	**59,673**	**-**	**1,031**	**-**	**(60,704)**	**-**
2021 Bonus allocation	**97,885**	**-**	**6,474**	**-**	**-**	**104,359**
2022 Bonus allocation	**304,382**	**-**	**20,135**	**-**	**-**	**324,517**
2023 Bonus allocation	**-**	**155,365**	**10,275**	**-**	**-**	**165,640**

Scheme	Options at 26 Mar 22	Granted	Dividend credit	Forfeited	Exercised	Options at 25 Mar 23
2019 Bonus allocation	72,909	-	-	-	(72,909)	-
2020 Bonus allocation	54,591	-	5,082	-	-	59,673
2021 Bonus allocation	89,550	-	8,335	-	-	97,885
2022 Bonus allocation	-	278,466	25,916	-	-	304,382

The fair values of the presented schemes on inception were £0.8m (2023), £1.1m (2022), £0.5m (2021), £0.2m (2020) and £0.2m (2019).

3) Specific LTIP awards

The remuneration committee are able to award specific share schemes under the LTIP framework, where considered appropriate. There are two such schemes at the year end, both relating to the buy-out of executive share option schemes held prior to appointment with the business. Both schemes have no vesting conditions but are time limited with details given below.

Scheme	Options at 25 Mar 23	Granted	Dividend credit	Forfeited	Exercised	Options at 30 Mar 24
Buy-out Nov-23	**34,330**	**-**	**927**	**-**	**(35,257)**	**-**
Buy-out Nov-24	**34,330**	**-**	**2,271**	**-**	**-**	**36,601**

Scheme	Options at 26 Mar 22	Granted	Dividend credit	Forfeited	Exercised	Options at 25 Mar 23
Buy-out Nov-23	-	32,392	1,938	-	-	34,330
Buy-out Nov-24	-	32,392	1,938	-	-	34,330

The fair values of the presented schemes on inception were both £0.1m.

The summary period-end position is as follows:

Period ended	**30 March 2024**	25 March 2023
Share options outstanding at the start of the year	**4,144,323**	3,170,633
Share options granted during the year (including via dividend credit)	**1,285,010**	1,692,106
Share options forfeited or lapsed during the year	**(264,554)**	(91,517)
Share options exercised in the year	**(937,161)**	(626,899)
Share options outstanding at the end of the year	**4,227,618**	4,144,323
Of which;		
Share options that are not vested	**2,576,597**	2,499,574
Share options that are in holding	**1,651,021**	1,644,749
Share options that are vested and eligible for exercise	**-**	-

All exercised options are satisfied by the issue of new share capital. The weighted average share price on exercise was £5.52 (2023: £3.59). All outstanding options have a £nil (2023: £nil) exercise price and the weighted average remaining contractual life is 1.7 years (2023: 2.1 years).

In the year, £3m has been charged to the Consolidated statement of comprehensive income in respect to the share option schemes (2023: £3m). At the end of the year the outstanding share options had a carrying value of £7m (2023: £6m).

10 Taxation

The relationship between the expected tax expense based on the standard rate of corporation tax in the UK of 25% (2023: 19%) and the tax expense actually recognised in the Consolidated statement of comprehensive income can be reconciled as follows:

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Current tax expense	**122**	84
Deferred tax charge	**9**	4
Total tax expense recorded in profit and loss	**131**	88
Current tax credit in other comprehensive income	**(1)**	-
Deferred tax credit in other comprehensive income	**(0)**	(5)
Total tax credit recorded in other comprehensive income	**(1)**	(5)
Result for the year before tax	**498**	436
Expected tax charge at the standard tax rate	**124**	83
Effect of:		
Expenses not deductible for tax purposes	**6**	3
Income not taxable	**(1)**	(2)
Lease accounting	**(0)**	(1)
Foreign operations taxed at local rates	**1**	2
Changes in the rate of corporation tax	**0**	1
Adjustment in respect of prior years	**0**	2
Hold over gains on fixed assets	**(0)**	0
Other	**1**	0
Actual tax expense	**131**	88

Deferred taxation

Statement of financial position	30 March 2024 £'m	Restated* 25 March 2023 £'m
Accelerated tax depreciation	**(17)**	(11)
Relating to intangible brand assets	**(27)**	(27)
Fair valuing of assets and liabilities (asset)	**2**	3
Fair valuing of assets and liabilities (liability)	**(2)**	(1)
Temporary differences relating to the tax accounting for leases (asset)	**90**	93
Temporary differences relating to the tax accounting for leases (liability)	**(68)**	(69)
Movement in provision	**1**	0
Relating to share options	**4**	3
Held over gains on fixed assets	**(4)**	(4)
Losses carried forward	**-**	-
Other temporary differences	**0**	0
Net deferred tax liability	**(21)**	(13)
Analysed as;		
Deferred tax asset	**4**	4
Deferred tax liability	**(25)**	(17)

*Restated to reflect a change in the presentation of deferred tax, see note 1 for further details.

Statement of comprehensive income	53 weeks ended 30 March 2024 £'m	52 weeks ended 25 March 2023 £'m
Accelerated tax depreciation	**(7)**	(5)
Relating to intangible brand assets	**(0)**	1
Fair valuing of assets and liabilities	**(2)**	8
Temporary differences relating to the tax accounting for leases	**(1)**	(0)
Movement in provision	**0**	(0)
Relating to share options	**1**	(0)
Held over gains on fixed assets	**-**	(0)
Brought forward losses	**-**	(3)
Other temporary differences	**(0)**	(0)
Net deferred tax charge	**(9)**	1
Analysed as;		
Total deferred tax charge in profit or loss	**(9)**	(4)
Total deferred tax credit in other comprehensive income	**0**	5

At the period end, there are £2m of unrecognised deferred tax assets within the Group, in relation to a corporate interest restriction (2023: none).

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has performed an assessment of the potential exposure to Pillar Two income taxes under Luxembourg legislation. This assessment is based upon our recent and ongoing county-by-country reporting and the most recent financial statements for the constituents of the Group. Based on the assessment the Pillar Two effective tax rates in all of the jurisdictions in which the Group operates are above 15%. We will therefore apply the transitional safe harbour rules which will exempt the Group from applying the full Pillar Two rules.

11 Earnings per share

Basic earnings per share (EPS) amounts are calculated by dividing the net profit or loss for the financial period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at each period end.

Diluted EPS amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during each year plus the weighted average number of ordinary shares that would be issued on conversion of any dilutive potential ordinary shares into ordinary shares.

Adjusted (and adjusted (pre-IFRS 16)) basic and diluted EPS are calculated in the same way as above, except using adjusted profit attributable to ordinary equity holders of the parent, as defined in note 3.

There are share option schemes in place (see note 9) which have a dilutive effect on both periods presented.

The following reflects the income and share data used in the EPS computations:

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Profit for the period attributable to owners of the parent	**367**	348
Adjusted profit for the period attributable to owners of the parent	**369**	364
Adjusted (pre-IFRS 16) profit for the period attributable to owners of the parent	**370**	366

	Thousands	Thousands
Weighted average number of ordinary shares for basic earnings per share	**1,002,392**	1,001,593
Dilutive effect of employee share options	**2,282**	1,730
Weighted average number of ordinary shares adjusted for the effect of dilution	**1,004,674**	1,003,323

	Pence	Pence
Basic earnings per share	**36.6**	34.8
Diluted earnings per share	**36.5**	34.7
Adjusted basic earnings per share	**36.8**	36.3
Adjusted diluted earnings per share	**36.7**	36.2
Adjusted (pre-IFRS 16) basic earnings per share	**36.9**	36.5
Adjusted (pre-IFRS 16) diluted earnings per share	**36.8**	36.5

12 Investments in associates

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Net book value		
Carrying value at the start of the period	**8**	8
Dividends received	**(1)**	-
Share of profits and losses in associates since the prior year valuation exercise	**(1)**	(1)
Effect of foreign exchange on translation	**(1)**	1
Carrying value at the end of the period	**5**	8

The Group has a 22.5% holding in Centz Retail Holdings Limited (Centz), a company incorporated in Ireland. The principal activity of the company is retail sales and their registered address is 5 Old Dublin Road, Stillorgan, Co. Dublin.

The Group has a 50% interest in Multi-lines International Company Ltd (Multi-lines), a company incorporated in Hong Kong. The principal activity of the company is the purchase and sale of goods and their registered address is 8/F, Hope Sea Industrial Centre, No. 26 Lam Hing Street, Kowloon Bay, Hong Kong.

None of the entities have discontinued operations or other comprehensive income, except that on consolidation both entities have a foreign exchange translation difference.

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Multi-lines		
Non-current assets	**13**	14
Current assets	**76**	69
Non-current liabilities	**-**	-
Current liabilities	**(86)**	(75)
Net assets	**3**	8
Revenue	**242**	252
Loss	**(3)**	(3)

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Centz		
Non-current assets	**11**	16
Current assets	**27**	24
Non-current liabilities	**(11)**	(10)
Current liabilities	**(9)**	(13)
Net assets	**18**	17
Revenue	**64**	71
Profit	**2**	3

The figures for both associates show 12 months to December 2023 (prior year: 12 months to December 2022), being the period used in the valuation of the associate.

13 Intangible assets

	Goodwill £'m	Software £'m	Brands £'m	Other £'m	Total £'m
Cost or valuation					
At 26 March 2022	920	14	116	1	1,051
Additions	-	3	2	-	5
Disposals	-	(7)	(4)	-	(11)
Effect of retranslation	1	0	0	0	1
At 25 March 2023	**921**	**10**	**114**	**1**	**1,046**
Additions	**-**	**3**	**-**	**-**	**3**
Disposals	**-**	**(0)**	**-**	**-**	**(0)**
Remeasure	**-**	**-**	**0**	**-**	**0**
Effect of retranslation	**(0)**	**(0)**	**-**	**(0)**	**(0)**
At 30 March 2024	**921**	**13**	**114**	**1**	**1,049**
Accumulated amortisation / impairment					
At 26 March 2022	-	10	1	-	11
Charge for the year	-	1	3	-	4
Disposals	-	(6)	(4)	-	(10)
Effect of retranslation	-	0	0	-	0
At 25 March 2023	**-**	**5**	**0**	**-**	**5**
Charge for the year	**-**	**2**	**0**	**-**	**2**
Disposals	**-**	**(0)**	**-**	**-**	**(0)**
Effect of retranslation	**-**	**(0)**	**-**	**-**	**(0)**
At 30 March 2024	**-**	**7**	**0**	**-**	**7**
Net book value at 30 March 2024	**921**	**6**	**114**	**1**	**1,042**
Net book value at 25 March 2023	921	5	114	1	1,041

At the period end, no software was being developed that is not yet in use (2023: same), and the Group was not committed to the purchase of any intangible assets (2023: same).

Impairment review of intangible assets held with indefinite life

The Group holds the following assets with indefinite life:

	30 March 2024 Goodwill £'m	**30 March 2024 Brand £'m**	25 March 2023 Goodwill £'m	25 March 2023 Brand £'m
UK B&M	**807**	**99**	807	99
UK Heron	**88**	**14**	88	14
France B&M	**26**	**-**	26	-

Not all items in the brand classification have an indefinite life as some are time limited. The brand intangible assets that have been identified as having an indefinite life are designated as such as management believe that these assets will hold their value for an indefinite period of time. Specifically, the B&M and Heron brands represent leading brands in their sectors with significant histories and growth prospects.

The B&M France goodwill is held in Euros, with an underlying balance of €30m (2023: €30m).

In each case the goodwill and brand assets have been allocated to one group of CGUs, being the store estate within the specific segment to which those assets relate.

The Group performs impairment tests at each period end. The impairment test involves assessing the net present value of the expected cash flows in relation to the stores within each CGU according to a number of assumptions to calculate the value-in-use for the group of CGUs.

The key assumptions in assessing the value-in-use as at 30 March 2024 were;

The Group's discount rate
This was calculated using an internal CAPM model which includes external estimates of the risk-free rate, cost of debt, equity beta and market risk premium. It is adjusted for which country the segment is in and how large the segment is. Discount rates have decreased during the year, largely due to a decrease in the equity risk premium.

The inflation rate for expenses
This is based upon the consumer price index for the relevant country, as well as official reports from the appropriate central bank.

Like-for-like sales growth
This is an estimate made by management which encompasses the historical sales trends of the entity and management's assessment of how each segment will perform in the context of the current economic environment.

Gross margin
The standing assumption made by management is that forecast gross margin will be similar to that experienced in the prior year, and the result is subsequently sensitised to the gross margin input to demonstrate the robustness of the projection against this assumption.

Terminal growth rate
An estimate made by management based upon the expected position of the business at the end of the five-year forecast period, in the context of the macro growth level of the economic environment in which that segment operates.

The assumptions were as follows:

As at	**30 March 2024**	25 March 2023
Discount rate (B&M UK)	**10.2%**	12.7%
Discount rate (Heron)	**11.2%**	14.7%
Discount rate (B&M France)	**12.4%**	14.7%
Inflation rate for costs (B&M UK and Heron)	**3.0%/2.0%***	8.0%/1.0%*
Inflation rate for costs (B&M France)	**3.0%/2.0%***	6.0%/4.0%/2.0%*
Like-for-like sales growth (B&M UK)	**1.5%/2.0%***	2.0%
Like-for-like sales growth (Heron)	**4.0%/2.0%***	5.0%/2.0%
Like-for-like sales growth (B&M France)	**6.5%/2.0%***	7.0%/2.0%
Gross margin (all)	**±0bps**	±0bps
Terminal growth rate (B&M UK)	**1.0%**	0.5%
Terminal growth rate (Heron)	**1.7%**	1.0%
Terminal growth rate (B&M France)	**1.4%**	1.2%

* The first figure reflects the assumption in year one (and in the prior year, year two for French inflation), with the following figure representing the long-term rate.

These assumptions are reflected for five years in the CGU forecasts and beyond this a perpetuity calculation is performed using the assumptions made regarding terminal growth rates.

In each case, the results of the impairment tests on the continuing operations identified that the value-in-use was in excess of the carrying value of assets within each group of CGUs at the period-end dates. The headroom with the base case assumptions in B&M UK was £4,611m, Heron £256m and B&M France €637m (2023: £3,380m, £83m and €248m respectively).

No indicators of impairment were noted in the segments and the impairment tests were sensitised with reference to the key assumptions for reasonable possible scenarios.

These scenarios specifically included:

- A drop off in sales or gross margin, modelling flat long-term like-for-like sales and terminal growth rates.
- Sales prices failing to keep pace with inflation such that the local inflation rates increase 50bps without a corresponding increase in like-for-like sales.
- A deterioration of the credit environment, leading to a significantly increased cost of capital of 20%.

To further quantify the sensitivity, the below tables demonstrate the point at which each impairment test would first fail for changes in each of the key assumptions when applied to all years, except any specific year one or two assumptions noted above, whilst assuming each other key assumption is held level (e.g. for inflation sensitivity, the like-for-like was not adjusted):

	30 March 2024	25 March 2023
B&M UK		
Discount rate	**32.5%**	53.9%
Inflation rate for expenses	**12.7%**	12.8%
Like-for-like sales	**(7.0)%**	(5.4)%
Gross margin	**(217)bps**	(234)bps
Terminal growth rate	**(46.1)%**	Not sensitive
B&M France		
Discount rate	**53.8%**	72.0%
Inflation rate for expenses	**12.6%**	8.0%
Like-for-like sales	**(6.9)%**	(3.0)%
Gross margin	**(261)bps**	(152)bps
Terminal growth rate	**(55.9)%**	Not sensitive
Heron		
Discount rate	**24.1%**	22.4%
Inflation rate for expenses	**7.1%**	3.9%
Like-for-like sales	**(2.6)%**	(0.5)%
Gross margin	**(100)bps**	(56)bps
Terminal growth rate	**(17.7)%**	(17.6)%

14 Property, plant and equipment

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Cost or valuation				
At 26 March 2022	110	25	506	641
Additions	7	6	80	93
Disposals	(18)	(5)	(47)	(70)
Effect of retranslation	-	0	3	3
At 25 March 2023	**99**	**26**	**542**	**667**
Additions	**8**	**13**	**102**	**123**
Disposals	**(0)**	**(3)**	**(6)**	**(9)**
Remeasure	**(0)**	**0**	**0**	**0**
Effect of retranslation	**-**	**(0)**	**(1)**	**(1)**
At 30 March 2024	**107**	**36**	**637**	**780**
Accumulated depreciation and impairment charges				
At 26 March 2022	28	13	237	278
Charge for the period	4	5	62	71
Disposals	(15)	(2)	(46)	(63)
Effect of retranslation	-	0	1	1
At 25 March 2023	**17**	**16**	**254**	**287**
Charge for the period	**5**	**4**	**70**	**79**
Disposals	**(0)**	**(2)**	**(4)**	**(6)**
Remeasure	**-**	**0**	**0**	**0**
Effect of retranslation	**-**	**(0)**	**(1)**	**(1)**
At 30 March 2024	**22**	**18**	**319**	**359**
Net book value at 30 March 2024	**85**	**18**	**318**	**421**
Net book value at 25 March 2023	82	10	288	380

Under the terms of the loan and notes facilities in place at 30 March 2024, fixed and floating charges were held over £85m of the net book value of land and buildings, £18m of the net book value of motor vehicles and £285m of the net book value of the plant, fixtures and equipment (2023: £82m, £10m and £257m respectively).

At the period end, £4m of assets were under construction (2023: £3m).

Included within land and buildings is land with a cost of £6m (2023: £6m) which is not depreciated.

Capital commitments

There were £11m of contractual capital commitments not provided within the Group financial statements as at 30 March 2024 (2023: £7m).

15 Right-of-use assets

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Net book value				
As at 26 March 2022	1,053	8	5	1,066
Additions	130	2	3	135
Modifications	32	-	-	32
Disposals	(18)	(0)	(0)	(18)
Impairment	(2)	-	-	(2)
Depreciation	(160)	(4)	(3)	(167)
Foreign exchange	9	0	1	10
As at 25 March 2023	**1,044**	**6**	**6**	**1,056**
Additions	**231**	**2**	**6**	**239**
Modifications	**28**	**-**	**-**	**28**
Disposals	**(35)**	**(0)**	**(0)**	**(35)**
Impairment	**(5)**	**-**	**-**	**(5)**
Depreciation	**(170)**	**(4)**	**(3)**	**(177)**
Foreign exchange	**(5)**	**(0)**	**(0)**	**(5)**
As at 30 March 2024	**1,088**	**4**	**9**	**1,101**

The vast majority of the Group's leases are in relation to the property comprising the store and warehouse network for the business. The other leases recognised are trucks, trailers, company cars, manual handling equipment and various fixtures and fittings. The leases are separately negotiated and no sub-group is considered to be individually significant nor to contain individually significant terms.

The Group recognises a lease term appropriate to the business expectation of the term of use for the asset which usually assumes that all extension clauses are taken, and break clauses are not, unless the business considers there is a good reason to recognise otherwise.

At the period end, there was one property with a significant unrecognised extension clause for which the Group has full autonomy over exercising in 2040. On the date of recognition of the relevant right-of-use asset, in March 2020, the extension period liability had a net present value of £30m.

There are no material covenants imposed by our right-of-use leases.

In the year the Group expensed £4m (2023: £3m) in relation to low value leases and <£1m (2023: <£1m) in relation to short-term leases for which the Group applied the practical expedient under IFRS 16.

The Group expensed <£1m (2023: <£1m) in relation to variable lease payments. The agreements are ongoing and future payments are expected to be in line with those expensed recently.

The Group received £2m (2023: £2m) in relation to subletting right-of-use assets.

The impairments noted in the table above are recorded when the carrying value of a right-of-use asset exceeds the value in use of that asset. These arise when we exit a store before the related lease has come to an end, or as the outcome of our annual store impairment review. All impairments are in relation to store leases. No impairments have been reversed in the presented periods.

The segmental splits of the impairments were B&M UK £2m, Heron £2m, B&M France <£1m (2023: B&M UK <£1m, Heron £1m, B&M France <£1m).

The current and future cashflows for the right-of-use assets are:

	30 March 2024 £'m	25 March 2023 £'m
This year	**237**	229
Within 1 year	**242**	229
Between 1 and 2 years	**235**	217
Between 2 and 3 years	**222**	200
Between 3 and 4 years	**205**	184
Between 4 and 5 years	**179**	166
Between 5 and 10 years	**506**	486
More than 10 years	**125**	141
Total	**1,714**	1,623

The change in lease liability reconciles to the figures presented in the Consolidated statement of cashflows as follows:

	30 March 2024 £'m	25 March 2023 £'m
Lease liabilities brought forward	**1,301**	1,310
Cash		
Repayment of the principal in relation to right-of-use assets	**(171)**	(168)
Payment of interest in relation to right-of-use assets	**(69)**	(61)
Non-cash		
Interest charge	**69**	61
Effects on lease liability relating to lease additions, modifications and disposals	**232**	150
Effects of foreign exchange	**(5)**	9
Total cash movement in the year	**(240)**	(229)
Total non-cash movement in the year	**296**	220
Movement in the year	**56**	(9)
Lease liabilities carried forward	**1,357**	1,301
Of which current	**170**	177
Of which non-current	**1,187**	1,124

Discount rates

Where, as in most cases, a discount rate implicit to the lease is not available, discount rates are calculated for each lease with reference to the underlying cost of borrowing available to the business and several other factors specific to the asset.

We have calculated the weighted average discount rates and sensitivity to a 50bps change in the discount rate to the interest charge as follows:

	30 March 2024	25 March 2023
Weighted average discount rate		
Property	**5.2%**	4.7%
Equipment	**7.3%**	4.2%
All right-of-use assets	**5.2%**	4.7%

Effect on finance costs with a change of 50bps to the discount rate	**£'m**	£'m
Property	**7**	6
Equipment	**0**	0
All right-of-use assets	**7**	6

Sale and leaseback

During the year, the business has not undertaken any sale and leasebacks (2023: two).

The details of the prior period transactions were as follows:

	25 March 2023 £'m
Consideration received	4
Net book value of the assets disposed	(3)
Costs of sale when specifically recognised	(0)
Profit per pre-IFRS 16 accounting standards	1
Opening adjustment to the right-of-use asset	(0)
Profit recognised in the statement of comprehensive income	1
Initial right-of-use asset recognised	1
Initial lease liability recognised	(2)

The pre-IFRS 16 profit is higher because the provisions of IFRS 16 require that a portion of the profit relating to the sale and leaseback is instead recognised as a reduction in the opening right-of-use asset, and therefore the benefit is released over the term of the contract.

16 Inventories

As at	**30 March 2024 £'m**	25 March 2023 £'m
Goods for resale	**776**	764

Included in the amount above was a net release of £3m related to inventory provisions (2023: £3m net release). In the period to 30 March 2024, £3,449m (2023: £3,182m) was recognised as an expense for inventories and £31m of supplier rebates were received (2023: £26m).

17 Trade and other receivables

	30 March 2024 £'m	25 March 2023 £'m
Non-current		
Other receivables	**5**	6
Total non-current receivables	**5**	6
Current		
Trade receivables	**9**	9
Deposits on account	**3**	2
Provision for impairment	**(2)**	(2)
Net trade receivables to non-related parties	**10**	9
Prepayments	**32**	26
Related party receivables	**2**	2
Other tax	**10**	5
Other receivables	**22**	10
Total current receivables	**76**	52

Trade receivables are stated initially at their fair value and then at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying amount is determined by the Directors to be a reasonable approximation of fair value.

There are no individually non-related significant balances held at the current period end. See note 27 in respect of balances held with related parties.

The following table sets out an analysis of provisions for impairment of trade receivables:

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Provision for impairment at the start of the period	**(2)**	(2)
Impairment during the period	**(1)**	(0)
Utilised/released during the period	**1**	0
Effect of foreign exchange	**-**	(0)
Balance at the period end	**(2)**	(2)

Trade receivables are non-interest-bearing and are generally on terms of 30 days or less.

The following table sets out a maturity analysis of trade receivables, including those which are current:

As at	**30 March 2024 £'m**	25 March 2023 £'m
Current	**6**	6
1-30 days past due	**1**	1
31-90 days past due	**0**	0
Over 90 days past due	**2**	2
Balance at the period end	**9**	9

18 Cash and cash equivalents

As at	**30 March 2024 £'m**	25 March 2023 £'m
Cash at bank and in hand	**182**	237
Cash and cash equivalents	**182**	237

The cash and cash equivalents balance includes £54m (2023: £31m) in respect of credit card receivables.

As at the period end the Group had available £220m of undrawn committed borrowing facilities (2023: £142m).

19 Trade and other payables

As at	**30 March 2024 £'m**	25 March 2023 £'m
Current		
Trade payables	**380**	371
Other tax and social security payments	**37**	80
Accruals and deferred income	**101**	63
Related party trade payables	**33**	11
Other payables	**21**	16
Total current payables	**572**	541

Trade payables are generally on 30-day terms and are not interest-bearing. The carrying value of trade payables approximates to their fair value. For further details on the related party trade payables, see note 27.

The Group had supply chain financing facilities in place during the year. The facilities are operated by major banking partners with high credit ratings and are limited to $50m total exposure at any one time.

The exposure at the period end was $19m (2023: $nil), the average balance over the year was $18m (2023: $13m).

The purpose of the arrangement is to enable our participating suppliers, at their discretion, to draw down against their receivables from the Group prior to their usual due date.

From the Group's perspective, the invoices subject to these schemes are treated in the same way as those not subject to these schemes. That is that they are approved under our usual processes (and cannot be drawn down against until they have been approved) and paid on the usual due date, which is in line with the payment terms of our other international suppliers. We do not benefit from the margin charged by the banks for any early draw down, and the banks do not benefit from additional security when compared to the security originally enjoyed by the supplier. There is no impact on potential liquidity risk as the cash flow timings and amounts are unchanged for those invoices in the schemes against those not in these schemes.

There would be no impact on the Group if the facilities became unavailable and there are no fees or charges payable by the Group in regard to these arrangements.

As these invoices continue to be part of the normal operating cycle of the Group, the schemes do not change the recognition of the invoices subject to them, so they continue to be recognised as trade payables, with the associated cash flows presented within operating cash flows and without affecting the calculation of Group net debt.

20 Other financial assets and liabilities

Other financial assets

As at	**30 March 2024 £'m**	25 March 2023 £'m
Current financial assets at fair value through profit and loss:		
Foreign exchange forward contracts	**2**	1
Current financial assets at fair value through other comprehensive income:		
Foreign exchange forward contracts	**2**	0
Total current other financial assets	**4**	1
Non-current financial assets at fair value through profit and loss:		
Foreign exchange forward contracts	**0**	-
Non-current financial assets at fair value through other comprehensive income:		
Foreign exchange forward contracts	**1**	-
Total non-current other financial assets	**1**	-
Total other financial assets	**5**	1

Financial assets through profit or loss reflect the fair value of those derivatives that are not designated as hedge relationships but are nevertheless intended to reduce the level of risk for expected sales and purchases.

Other financial liabilities

As at	**30 March 2024 £'m**	25 March 2023 £'m
Current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	**4**	8
Current financial liabilities at fair value through other comprehensive income:		
Foreign exchange forward contracts	**6**	5
Total current other financial liabilities	**10**	13
Non-current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	**0**	-
Total non-current other financial liabilities	**0**	-
Total other financial liabilities	**10**	13

The other financial liabilities through profit or loss reflect the fair value of those foreign exchange forward contracts that are not designated as hedge relationships but are nevertheless intended to reduce the level of risk for expected sales and purchases.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at the reporting dates, the Group held the following financial instruments carried at fair value on the balance sheet:

	Total £'m	**Level 1 £'m**	**Level 2 £'m**	**Level 3 £'m**
30 March 2024				
Foreign exchange contracts	**(5)**	**-**	**(5)**	**-**
25 March 2023				
Foreign exchange contracts	(12)	-	(12)	-

The financial instruments have been valued by the issuing bank, using a mark to market method. The bank has used various inputs to compute the valuations, which include inter alia the relevant maturity date and strike rates, the current exchange rate, fuel prices and relevant interbank floating interest rate levels.

21 Financial liabilities – borrowings

As at	**30 March 2024 £'m**	25 March 2023 £'m
Current		
Revolving facility bank loan	**25**	-
Term facility bank loan	**-**	78
B&M France loan facilities	**4**	3
Total	**29**	81

Non-current		
High yield bond notes	**650**	646
Term facility bank loan	**221**	219
B&M France loan facilities	**10**	8
Total	**881**	873

Bond refinancing

On 23 November 2023, the Group refinanced part of its existing £400m high yield bond notes (2020). £244m of bonds were redeemed at 98%, resulting in a gain of £5m recognised as a financial gain in the Consolidated statement of comprehensive income in the period. The remaining £156m of the high yield bond notes (2020) have a maturity date of July 2025.

On the same date, the Group issued £250m of high yield bond notes, maturing in November 2030 with an interest rate of 8.125%.

Transaction fees of £4m were capitalised and are included in the carrying value of these bonds. An interest rate swap derivative was taken at the start of the process to hedge exposure to movements in long-term SONIA rates. This hedge was considered to be fully effective and as such the fair value movements of £8m are included in other comprehensive income and the hedging reserve. The £8m value on the hedging reserve recycles through to the other finance costs caption on the Consolidated statement of comprehensive income on a straight line basis over the term of the bond.

The 2020 bonds which were redeemed carried £1m in fees incurred on inception, which were yet to be amortised. These have been released through other finance costs on the Consolidated statement of comprehensive income.

These transactions included the sale of bonds by related parties, see note 27 for more details.

Extension of senior loan facilities

In the prior period, the Group completed an extension of its term facility bank loan.

The previous £300m term facility was drawn down in July 2020 with £4m of fees capitalised into the balance at that time. The agreement included a revolving facility of £155m and was due to mature in April 2025.

This was extended with new facilities totalling £450m due to mature in March 2028. These comprise a term loan of £225m and a revolving facility of £225m and the agreement also includes the availability of two 1-year extension terms, subject to mutual consent with the banking syndicate. The cashflows associated with the net repayment of £75m took place in the current year.

An assessment was made by management with the conclusion that the transaction represents an extension and not a significant modification. As such, the remaining £2m of unamortised capitalised fees have remained on the balance sheet and will be amortised over the extended term. There were £3m of fees associated with the term facility extension which have also been capitalised into the loan balance.

In the current year, in March 2024, the Group and the banking syndicate confirmed the activation of the first of these 1-year extensions. As such, the facilities now have a maturity date of March 2029.

Other borrowings

The carrying values given above include fees incurred on refinancing which are to be amortised over the terms of those facilities. More details of these are given below.

The Group holds three tranches of high yield bonds which are each held at amortised cost.

The three tranches of bonds were issued in July 2020, November 2021 and November 2023, with £4m, £3m and £4m, respectively, of fees capitalised at inception. The July 2020 bonds were partly repaid in November 2023, resulting in a £1m release of the remaining amortised fees on that portion of the issue.

A number of these bonds have been sold or purchased by related parties, see note 27.

All other loans are carried at their gross cash amount. The maturities, which only relate to the position as at 30 March 2024, and gross cash amounts of these facilities are included in the table below.

	Interest rate %	**Maturity**	**30 March 2024 £'m**	25 March 2023 £'m
Revolving facility loan	1.75% + SONIA	Apr-24	**25**	-
Term facility bank loan A	2.00% + SONIA	Mar-29	**225**	300
High yield bond notes (2020)	3.625%	Jul-25	**156**	400
High yield bond notes (2021)	4.000%	Nov-28	**250**	250
High yield bond notes (2023)	8.125%	Nov-30	**250**	-
B&M France – BNP Paribas	0.75-3.97%	Sept-24 to Nov-28	**5**	3
B&M France – Caisse d'Épargne	0.75-2.60%	Aug-24 to Nov-29	**1**	2
B&M France – CIC	0.71-0.75%	Sept-24 to Jan-27	**1**	2
B&M France – Crédit Agricole	0.39-0.81%	Sept-25 to Jan-28	**1**	1
B&M France - Crédit Lyonnais	0.68-3.65%	Nov-24 to Mar-29	**5**	3
B&M France - Société Générale	N/A	N/A	**-**	0
Total			**919**	961

The term facility bank loans and the high yield bond notes have carrying values which include transaction fees allocated on inception.

All B&M France facilities have gross values in Euros, and the values above have been translated at the period-end rates of €1.1694/£ (2023: €1.1360/£).

The movement in the loan liabilities during the year breaks down as follows:

As at	**30 March 2024 £'m**	25 March 2023 £'m
Borrowings brought forward	**954**	956
Cash		
Receipt of Group revolving credit facilities	**25**	-
Repayment of old bank loan facilities	**(300)**	-
Receipt of new bank loan facilities	**225**	-
Repayment of corporate bonds	**(239)**	-
Receipt due to newly issued corporate bonds	**250**	-
Net repayment of Heron facilities	**-**	(3)
Net receipt of French facilities	**3**	0
Capitalised fees on refinancing	**(7)**	-
Non-cash		
Foreign exchange on loan balances	**(0)**	0
Gain on tender	**(5)**	-
Refinancing fees accrued	**1**	(1)
Release of remaining unamortised fees on previous facilities	**1**	-
Ongoing amortisation of finance fees	**2**	2
Finance fees on the loss on the derivative swap on refinancing	**0**	-
Total cash movement in the year	**(43)**	(3)
Total non-cash movement in the year	**(1)**	1
Movement in the year	**(44)**	(2)
Borrowings carried forward	**910**	954
Of which current	**29**	81
Of which non-current	**881**	873

22 Provisions

	Property provisions £'m	**Other £'m**	**Total £'m**
At 26 March 2022	11	4	15
Provided in the period	1	2	3
Utilised during the period	(1)	(2)	(3)
Released during the period	(6)	(0)	(6)
At 25 March 2023	**5**	**4**	**9**
Provided in the period	**2**	**4**	**6**
Utilised during the period	**(1)**	**(3)**	**(4)**
Released during the period	**(0)**	**(1)**	**(1)**
At 30 March 2024	**6**	**4**	**10**
Current liabilities 2024	**2**	**4**	**6**
Non-current liabilities 2024	**4**	**-**	**4**
Current liabilities 2023	2	4	6
Non-current liabilities 2023	3	-	3

The property provision relates to the expected future costs on specific leasehold properties. This is inclusive of onerous leases and dilapidations on these properties. The timing in relation to utilisation is dependent upon the individual lease terms.

The other provisions principally relate to disputes concerning insured liability claims. A prudent amount has been set aside for each claim as per legal advice received by the Group. These claims are individually non-significant and average £10k per claim (2023: £9k per claim).

23 Share capital

Allotted, called up and fully paid	**Shares**	£'m
B&M European Value Retail S.A. ordinary shares of 10p each		
As at 26 March 2022	1,001,226,836	100
Release of shares related to employee share options	626,899	0
As at 25 March 2023	**1,001,853,735**	**100**
Release of shares related to employee share options	**937,161**	**0**
As at 30 March 2024	**1,002,790,896**	**100**

Ordinary shares

Each ordinary share ranks pari passu with each other ordinary share and each share carries one vote. The Group parent is authorised to issue up to an additional 2,969,431,326 ordinary shares.

24 Cash generated from operations

Period ended	**53 weeks ended 30 March 2024 £'m**	52 weeks ended 25 March 2023 £'m
Profit before tax	**498**	436
Adjustments for:		
Net interest expense	**109**	99
Depreciation on property, plant and equipment	**79**	71
Depreciation on right-of-use assets	**177**	167
Impairment of right-of-use assets	**5**	2
Amortisation of intangible assets	**2**	4
Gain on sale and leaseback	**-**	(1)
Loss/(gain) on disposal of property, plant and equipment	**1**	(1)
Share option expense	**3**	3
Change in inventories	**(14)**	103
Change in trade and other receivables	**(23)**	1
Change in trade and other payables	**29**	(30)
Change in provisions	**1**	(6)
Share of losses from associates	**1**	1
(Profit)/loss resulting from fair value of financial derivatives	**(6)**	17
Cash generated from operations	**862**	866

25 Group information and ultimate parent undertaking

The financial results of the Group include the following entities.

Company name	Country	Date of incorporation	Percent held within the Group	Principal activity
B&M European Value Retail S.A.	Luxembourg	May 2014	Parent	Holding company
B&M European Value Retail 1 S.à r.l.	Luxembourg	November 2012	100%	Holding company
B&M European Value Retail Holdco 1 Ltd	UK	December 2012	100%	Holding company
B&M European Value Retail Holdco 2 Ltd	UK	December 2012	100%	Holding company
B&M European Value Retail Holdco 3 Ltd	UK	November 2012	100%	Holding company
B&M European Value Retail Holdco 4 Ltd	UK	November 2012	100%	Holding company
B&M European Value Retail 2 S.à r.l.	Luxembourg	September 2012	100%	Holding company
EV Retail Limited	UK	September 1996	100%	Holding company
B&M Retail Limited	UK	March 1978	100%	General retail
Opus Homewares Limited	UK	April 2003	100%	Property management
Heron Food Group Ltd	UK	August 2002	100%	Holding company
Heron Foods Ltd	UK	October 1978	100%	Convenience retail
Cooltrader Ltd	UK	September 2012	100%	Dormant
Heron Properties (Hull) Ltd	UK	February 2003	100%	Dormant
B&M European Value Retail Germany GmbH	Germany	November 2013	100%	Ex-holding company
B&M France SAS	France	November 1977	100%	General retail
Centz N.I. Limited	UK	January 2021	100%	Property management

During the prior year, on 17 January 2023, Retail Industry Apprenticeships Ltd was dissolved and ceased to be a member of the Group.

Registered offices

- The Luxembourg entities are all registered at 3 rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg.
- Centz N.I. Limited are registered at Murray House, 4 Murray Street, Belfast, United Kingdom, BT1 6DN.
- The other UK entities are all registered at The Vault, Dakota Drive, Estuary Commerce Park, Speke, Liverpool, L24 8RJ.
- B&M European Value Retail Germany GmbH are registered at Am Hornberg 6, 29614, Soltau.
- B&M France are registered at 8 rue du Bois Joli, 63800 Cournon d'Auvergne.

Associates

The Group has a 50% interest in Multi-lines International Company Limited, a company incorporated in Hong Kong, and a 22.5% interest in Centz Retail Holdings Limited, a company incorporated in the Republic of Ireland. The share of profit or loss from the associates is included in the statement of comprehensive income, see note 12.

Ultimate parent undertaking

The Directors of the Group consider the parent and the ultimate controlling related party of this Group to be B&M European Value Retail S.A., registered in Luxembourg.

26 Financial risk management

The Group uses various financial instruments, including bank loans, related party loans, finance company loans, cash, equity investment, derivatives and various items, such as trade receivables and trade payables that arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, currency risk, cash flow interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below. In order to manage the Group's exposure to those risks, in particular the Group's exposure to currency risk, the Group enters into forward foreign currency contracts. No transactions in derivatives are undertaken of a speculative nature.

Market risk
Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and commodity price risk. Commodity price risk is not considered material to the business as the Group is able to pass on pricing changes to its customers.

The Group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled 'interest rate risk' below.

Currency risk
The Group is exposed to translation and transaction foreign exchange risk arising from exchange rate fluctuations on its purchases from overseas suppliers.

In relation to translation risk, this is not considered material to the business as amounts owed in foreign currency are short term of up to 30 days and are of a relatively modest nature. Transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts.

The majority of the Group's sales are to customers in the UK and France and there is no material currency exposure in this respect. A proportion of the Group's purchases are priced in US Dollars and the Group generally uses forward currency contracts to minimise the risk associated with that exposure.

Approach to hedge accounting

As part of the Group's response to currency risk the currency forwards taken out are intended to prudently cover the majority of our stock purchases forecast for that period. However, the Group only hedge accounts for that part of the forward contract that we are reasonably certain will be spent in the forecast period, allowing for potential volatility. Therefore, management always consider the likely volatility for a period and assign a percentage to each tranche of forwards purchased, usually in the range 50-80%, and never more than 80%.

Effectiveness of the hedged forward is then assessed against the Group hedge ratio, which has been set by management at 80% as a reasonable guide to the certainty level we expect the hedged portions of our forwards to at least achieve. If they fail, or are expected to fail, to meet this ratio of effectiveness then they are treated as non-hedged items, and immediately expensed through administrative expenses in profit and loss.

Ineffectiveness can be caused by exceptional volatility in the market, by the timing of product availability, or the desire to manage short-term company cash flows, for instance, when a large amount of cash is required at relatively short notice.

Where a hedged derivative matures efficiently, the fair value is transferred to inventory and subsequently to cost of sales when that item is sold. If the Group did not hedge account, then the difference is that the gain or loss in other comprehensive income would be presented in profit or loss and the assets and liabilities presented under the classification fair value through other comprehensive income would be at fair value through profit or loss.

In the period, the Group has had $605m of hedged derivatives mature (2023: $634m). The difference to profit before tax if none of our forwards had been hedge accounted during the year would have been a loss of £3m (2023: £7m loss) and a pre-tax loss in other comprehensive income of £1m (2023: £28m loss).

The net effective hedging loss transferred to the cost of inventories in the year was £15m (2023: net gain of £49m). At the period end, the amount of outstanding US Dollar contracts covered by hedge accounting was $693m (2023: $641m), which mature over the next 19 months (2023: 15 months). The change in fair value of the hedging instruments used as the basis for recognising hedge ineffectiveness was £nil (2023: £2m), achieved effectiveness was 100% (2023: 97%).

Foreign currency sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in US Dollar period-end exchange rates with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income (net of tax) is largely due to changes in the fair value of our foreign exchange derivatives and revaluation of creditors and deposits held on account with our US Dollar suppliers.

As at	**Change in USD rate**	**30 March 2024 £'m**	25 March 2023 £'m
Effect on profit before tax	**+2.5%**	**(7)**	(11)
	-2.5%	**8**	12
Effect on other comprehensive income	**+2.5%**	**(13)**	(13)
	-2.5%	**14**	13

Profit before tax and other comprehensive income are not sensitive to the effects of a reasonably possible change in the Euro period-end exchange rates.

These calculations have been performed by taking the period-end translation rate used in the accounts and applying the changes noted above. The balance sheet valuations are then directly calculated. The valuation of the foreign exchange derivatives were projected based upon the spot rate changing and all other variables being held equal.

Interest rate risk
Interest rate risk is the risk of variability of the Group cash flows due to changes in the interest rate. The Group is exposed to changes in interest rates as a portion of the Group's bank borrowings are subject to a floating rate based on SONIA.

The Group's interest rate risk arises mainly from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group's exposure to interest rate fluctuations is not considered to be material, however the Group has used interest rate swaps to minimise the impact in the current year, in relation to the final pricing of our bond issue (see note 21).

If floating interest rates had been 50 basis points higher/lower throughout the year with all other variables held constant, the effect upon calculated pre-tax profit for the year would have been:

As at	**Basis point increase / decrease**	**30 March 2024 £'m**	25 March 2023 £'m
Effect on profit before tax	**+50**	**(1)**	(1)
	-50	**1**	1

This sensitivity has been calculated by changing the interest rate for each interest payment and accrual made by the Group over the period, by the amount specified in the table above, and then calculating the difference that would have been required.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group's principal financial assets are cash, derivatives and trade receivables. The credit risks associated with cash and derivatives are limited as the main counterparties are banks with high credit ratings (A long term and A-1 short term (Standard & Poor) or better, (2023: A, A-1 (or better) respectively). The principal credit risk arises therefore from the Group's trade receivables.

Credit risk is further limited by the fact that the vast majority of sales transactions are made through the store registers, direct from the customer at the point of purchase, leading to a low trade receivables balance.

In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history. Provisions against bad debts are made where appropriate.

Liquidity risk
Any impact on available cash and therefore the liquidity of the Group could have a material effect on the business as a result.

The Group's borrowings are subject to semi-annual banking covenants against which the Group has had significant headroom to date with no anticipated issues based upon forecasts made. Short-term flexibility is achieved via the Group's rolling credit facility. The following table shows the liquidity risk maturity of financial liabilities grouping based on their remaining period at the balance sheet date. The amounts disclosed are the contractual undiscounted cash flows:

	Within 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**More than 5 years**	**Total**
	£'m	**£'m**	**£'m**	**£'m**	**£'m**
30 March 2024					
Interest-bearing loans	**82**	**207**	**603**	**286**	**1,178**
Lease liabilities	**242**	**235**	**606**	**631**	**1,714**
Trade payables	**413**	**-**	**-**	**-**	**413**
25 March 2023					
Interest-bearing loans	117	40	480	489	1,126
Lease liabilities	229	217	550	627	1,623
Trade payables	382	-	-	-	382

Fair value
The fair value of our corporate bonds, which are all financial liabilities held at amortised cost, has been determined by using the relevant quoted bid price for those bonds. These differ to the carrying values as shown below.

	Fair Value (Level 1)		**Carrying Value**	
	30 March 2024	25 March 2023	**30 March 2024**	25 March 2023
As at	**£'m**	£'m	**£'m**	£'m
High yield bond notes (2020)	**152**	374	**155**	398
High yield bond notes (2021)	**231**	210	**248**	248
High yield bond notes (2023)	**269**	N/A	**247**	N/A

The fair value of the other financial assets and liabilities of the Group are not materially different from their carrying value. Refer to the table below. These all represent financial assets and liabilities measured at amortised cost except where stated as measured at fair value through profit and loss or fair value through other comprehensive income.

As at **Financial assets**	**30 March 2024 £'m**	25 March 2023 £'m
Fair value through profit and loss		
Forward foreign exchange contracts	**2**	1
Fair value through other comprehensive income		
Forward foreign exchange contracts	**3**	0
Loans and receivables		
Cash and cash equivalents	**182**	237
Trade receivables	**12**	11
Other receivables	**22**	10

As at **Financial liabilities**	**30 March 2024 £'m**	25 March 2023 £'m
Fair value through profit and loss		
Forward foreign exchange contracts	**4**	8
Fair value through other comprehensive income		
Forward foreign exchange contracts	**6**	5
Amortised cost		
Lease liabilities	**1,357**	1,301
Interest-bearing loans and borrowings (excluding corporate bonds)	**260**	308
Trade payables	**413**	382
Other payables	**21**	16

27 Related party transactions

The Group has transacted with the following related parties over the periods:

Multi-lines International Company Limited, a supplier, and Centz Retail Holdings Limited, a customer, are associates of the Group.

Ropley Properties Ltd, Triple Jersey Ltd, TJL UK Ltd, Rani Investments, Fulland Investments Limited, Golden Honest International Investments Limited, Hammond Investments Limited, Joint Sino Investments Limited and Ocean Sense Investments Limited, all landlords of properties occupied by the Group, and Rani 1 Holdings Limited, Rani 2 Holdings Limited and SSA Investments S.à.r.l. (SSA Investments), bondholders and beneficial owners of equipment hired to the Group, are directly or indirectly owned by the recently retired director Simon Arora, his family, or his family trusts (together, the 'Arora related parties').

In the current period, significant related party transactions occurred, with Simon Arora, SSA Investments, Rani 1 Investments and Rani 2 Investments each selling their full holdings of, respectively, £35m, £13m, £50m and £50m in the 2020 3.625% corporate bonds as part of the tender exercise that took place in November 2023.

There were significant related party transactions in the prior period, with SSA Investments purchasing a total of £43m of our 4.00% corporate bonds and £13m of our 3.625% corporate bonds in June 2022, and Simon Arora purchasing £35m of our 3.625% corporate bonds over December 2022 and January 2023.

Purchases have been made in prior periods and the overall position is summarised in the table below with all related party bondholders being Arora related parties.

	53 weeks ended 30 March 2024 £'m	52 weeks ended 25 March 2023 £'m
Simon Arora (3.625%, 2025 bonds)	**-**	35
SSA Investments (3.625%, 2025 bonds)	**-**	13
SSA Investments (4.000%, 2028 bonds)	**99**	99
Rani 1 Investments (3.625%, 2025 bonds)	**-**	50
Rani 2 Investments (3.625%, 2025 bonds)	**-**	50
Total	**99**	247

The expense incurred during the year, and the accrual at the end of the year are shown in the table below:

	Expense to 30 March 2024 £'m	**Accrual on 30 March 2024 £'m**	Expense to 25 March 2023 £'m	Accrual on 25 March 2023 £'m
Simon Arora	**0.8**	**-**	0.3	0.3
SSA Investments	**4.3**	**1.5**	4.0	1.6
Rani 1 Investments	**1.2**	**-**	1.8	0.4
Rani 2 Investments	**1.2**	**-**	1.8	0.4
Total	**7.5**	**1.5**	7.9	2.7

The following table sets out the total amount of trading transactions with related parties included in the statement of comprehensive income:

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Sales to associates of the Group		
Centz Retail Holdings Limited	**27**	34
Total sales to related parties	**27**	34

Period ended	**30 March 2024 £'m**	25 March 2023 £'m
Purchases from associates of the Group		
Multi-lines International Company Ltd	**259.0**	193.7
Purchases from parties related to key management personnel		
Fulland Investments Limited	**0.3**	0.2
Golden Honest International Investments Limited	**0.2**	0.2
Hammond Investments Limited	**0.3**	0.2
Joint Sino Investments Limited	**0.2**	0.2
Ocean Sense Investments Limited	**0.2**	0.2
SSA Investments	**0.0**	0.1
Total purchases from related parties	**260.2**	194.8

The IFRS 16 lease figures in relation to these related parties, which are all related to key management personnel, are as follows:

	Depreciation charge £'m	**Interest charge £'m**	**Total charge £'m**	**Right-of-use asset £'m**	**Lease liability £'m**	**Net liability £'m**
Period ended 30 March 2024						
Rani Investments	**0**	**0**	**0**	**0**	**(0)**	**(0)**
Ropley Properties	**2**	**1**	**3**	**7**	**(10)**	**(3)**
TJL UK Limited	**1**	**0**	**1**	**10**	**(12)**	**(2)**
Triple Jersey Limited	**9**	**3**	**12**	**53**	**(64)**	**(11)**
Total	**12**	**4**	**16**	**70**	**(86)**	**(16)**

	Depreciation charge £'m	Interest charge £'m	Total charge £'m	Right-of-use asset £'m	Lease liability £'m	Net liability £'m
Period ended 25 March 2023						
Rani Investments	0	0	0	1	(1)	(0)
Ropley Properties	2	1	3	8	(11)	(3)
TJL UK Limited	1	0	1	10	(12)	(2)
Triple Jersey Limited	8	3	11	46	(57)	(11)
Total	11	4	15	65	(81)	(16)

There was one lease entered into by the Group during the current period with the Arora related parties (2023: nil). The total expense on this lease in the period was <£1m (2023: nil). There were no conditionally exchanged leases with Arora related parties in the current period with a long stop completion date (2023: <£1m, three leases).

The following tables set out the total amount of trading balances with related parties outstanding at the period end.

As at	**30 March 2024 £'m**	25 March 2023 £'m
Trade receivables from associates of the Group		
Centz Retail Holdings Ltd	**2**	2
Total related party trade receivables	**2**	2

As at	**30 March 2024 £'m**	25 March 2023 £'m
Trade payables to associates of the Group		
Multi-lines International Company Ltd	**32**	7
Trade payables to companies owned by key management personnel		
Rani Investments	**-**	0
Ropley Properties Ltd	**0**	1
TJL UK Limited	**1**	1
Triple Jersey Ltd	**0**	2
Total related party trade payables	**33**	11

Outstanding trade balances at the balance sheet dates are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party trade receivables or payables.

The balance with Multi-lines International Company Ltd includes $18m (2023: $nil) held within a supply chain facility. See note 19 for more details.

The business has not recorded any impairment of trade receivables relating to amounts owed by related parties as at 30 March 2024 (2023: no impairment). This assessment is undertaken each year through examining the financial position of the related party and the market in which the related party operates.

The future lease commitments on the Arora related party properties are:

As at	**30 March 2024 £'m**	25 March 2023 £'m
Not later than one year	**16**	14
Later than one year and not later than two years	**15**	13
Later than two years and not later than five years	**39**	35
Later than five years	**33**	35
Total	**103**	97

See note 12 for further information on the Group's associates.

For further details on the transactions with key management personnel, see note 8 and the remuneration report.

28 Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current or prior period.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group uses the following definition of net debt:

External interest-bearing loans and borrowings less cash and short-term deposits.

The interest-bearing loans figure used is the gross amount of cash borrowed at that time, as opposed to the carrying value under the amortised cost method.

As at	**30 March 2024 £'m**	25 March 2023 £'m
Interest-bearing loans and borrowings (note 21)	**919**	961
Less: Cash and short-term deposits (note 18)	**(182)**	(237)
Net debt	**737**	724

29 Post balance sheet events

On 29 May 2024, shareholders appointed Nadia Shouraboura as a further Independent Non-Executive Director to the Board of Directors of the Company, with immediate effect and until the Annual General Meeting to be held on 23 July 2024. Nadia's CV is included in the annual management report for the financial year ended March 2024.

On 4 June 2024, the Group's Nomination Committee and Board of Directors agreed that Tiffany Hall be proposed as the successor to Peter Bamford in the role as Chair of the Board of Directors. As such, Peter Bamford does not intend to stand for re-election at the AGM in July 2024.

30 Dividends

An interim dividend of 5.1 pence per share (£51.1m) was declared in October 2023 and has been paid.

A special dividend of 20.0 pence per share (£200.6m), was declared in January 2024 and has been paid.

A final dividend of 9.6 pence per share (£96.3m), giving a full year dividend of 14.7 pence per share (£147.4m), is proposed.

Relating to the prior year;

An interim dividend of 5.0 pence per share (£50.1m) was declared in November 2022 and has been paid.

A special dividend of 20.0 pence per share (£200.4m), was declared in January 2023 and has been paid.

A final dividend of 9.6 pence per share (£96.2m), giving a full year dividend of 14.6 pence per share (£146.3m), was declared in July 2023 and has been paid.

31 Contingent liabilities and guarantees

As at 30 March 2024, B&M European Value Retail S.A., B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Ltd, B&M Retail Ltd, Heron Food Group Ltd and Heron Foods Ltd are all guarantors to both the loan and notes agreements which are formally held within B&M European Value Retail S.A. The amounts outstanding as at the period end were £250m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £656m for the notes, with the balance held in B&M European Value Retail S.A.

As at 25 March 2023, B&M European Value Retail S.A., B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Ltd, B&M Retail Ltd, Heron Food Group Ltd and Heron Foods Ltd are all guarantors to both the loan and notes agreements which are formally held within B&M European Value Retail S.A. The amounts outstanding as at the period end were £300m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £650m for the notes, with the balance held in B&M European Value Retail S.A.

32 Directors

The Directors that served during the period were:

P Bamford (Chairman)
A Russo (CEO)
M Schmidt (CFO)
R McMillan
T Hall
P MacKenzie
O Tant
S Arora (retired 21 April 2023)
H Lasry (appointed 22 September 2023)
C Bradley (retired 25 July 2023)

On 23 January 2024, Peter Bamford announced he will be resigning as Chairman of the Group before the end of our next financial year, 29 March 2025.

On 22 March 2024, the Group announced the appointment of Nadia Shouraboura as a Non-Executive Director, with effect from 29 May 2024.

On 4 June 2024, the Group's Nomination Committee and Board of Directors agreed that Tiffany Hall be proposed as the successor to Peter Bamford in the role as Chair of the Board of Directors. As such, Peter Bamford does not intend to stand for re-election at the AGM in July 2024.

All Directors served for the whole period except were indicated above.