

3 June 2026



FY26 Preliminary Results

Profits at the midpoint of current guidance. Back to B&M Basics execution on track

B&M European Value Retail plc (“the Group”), the UK’s leading variety goods value retailer, today announces its preliminary results for the 52 weeks to 28 March 2026.

Tjeerd Jegen, Chief Executive Officer, said:

“FY26 was a difficult year that saw profits fall due to a challenging market and execution issues. We launched our Back to B&M Basics plan in October to restore like-for-like sales growth at B&M UK, which was flat overall versus FY25 while showing sequential improvement. The past six months has seen us sharpen our pricing, improve on-shelf availability in best-selling brands and revamp our in-store promotions. We cleared discontinued lines well in Q4 and are now embarking on SKU count reductions across all our FMCG categories. Cash conversion remained strong in FY26 and net debt has fallen, returning Group leverage back within our 1.0 to 1.5x target range, and I am pleased to report adjusted EBITDA (pre-IFRS 16) at the midpoint of our current guidance.

FY27 remains a year of investment as we work hard to deliver growth under Back to B&M Basics and balance new store growth with investing in our store formats under Phase 2 of our strategic plan. We are confident we can offset rising energy costs in the year ahead through cost mitigation, the benefits of which will flow through to our bottom line once we have returned B&M UK like-for-like sales to growth. In the medium term, we continue to see no reason why B&M UK cannot return to double-digit EBITDA margins.”

Headline measures	FY26	FY25	Change
Group revenue	£5,775m	£5,571m	3.6%
Group adjusted EBITDA (pre-IFRS 16) ²	£459m	£620m	(25.9)%
Group adjusted EBITDA (pre-IFRS 16) ² margin %	8.0%	11.1%	(317) bps
Group adjusted profit before tax ²	£284m	£455m	(37.7)%
Adjusted diluted EPS ²	21.3p	33.5p	(36.4)%
Group post-tax free cash flow ³	£321m	£311m	3.0%
Net debt ⁴	£656m	£781m	(15.9)%
Ordinary dividends	9.6p	15.0p	(36.0)%

Statutory measures	FY26	FY25	Change
Group operating profit	£374m	£566m	(33.8)%
Group profit before tax	£227m	£431m	(47.3)%
Statutory diluted EPS	16.3p	31.8p	(48.8)%
Group cash generated from operations	£801m	£784m	2.2%

Highlights

- Group revenues increased by 3.6% to £5,775m (+3.4% constant currency⁵), driven by total value and volume growth in both B&M businesses and partially offset by a 0.3% revenue decline at Heron Foods
- B&M UK⁶ total sales growth of 2.9%. Like-for-like (“LFL”)¹ sales broadly flat (-0.1%), with positive value and volume LFL performance in General Merchandise offset by a narrowing decline in FMCG LFL sales. B&M UK LFL sales growth in Q4 of 0.1% (H2: -0.4%), reflecting continued FMCG improvement
- B&M France total sales growth of 13.4%, driven by 2.9% LFL sales, higher transaction volumes and 12 new store openings. B&M France gained market share, finishing FY26 with 8.4% share of the discount market versus 8.1% at the end of FY25⁷
- 64 gross new stores opened across the Group (33 net), with 41 in B&M UK (22 net), 12 in B&M France and 1 net closure in Heron (11 openings, 12 closures)
- Group adjusted EBITDA² (pre-IFRS 16) of £459m, down 25.9% (FY25: £620m), driven by lower trading margins⁸ and operating cost inflation in the UK. Group adjusted profit before tax² of £284m (FY25: £455m)
- Statutory profit before tax of £227m (FY25: £431m), including an impairment charge of £36m versus £3m in FY25
- Post-tax free cash flow³ of £321m (FY25: £311m), reflecting working capital inflows as inventory reduced through accelerated clearance activity and range refocus, in line with our Back to B&M Basics plan
- Net debt⁴ to adjusted EBITDA² (pre-IFRS 16) leverage ratio of 1.4x (FY25: 1.3x). Net debt including leases was 2.9x (FY25: 2.6x)
- The redomicile of our Group from Luxembourg to Jersey was completed on 27 February 2026, which simplifies our administrative processes and will enable greater flexibility in returning capital to shareholders, including share buybacks when excess cash is available
- Final dividend of 6.1p per Ordinary Share will be paid on 31 July 2026 to shareholders who are on the register at close of business on 12 June 2026, in line with our dividend payout ratio of 40% to 50%
- In B&M UK, we experienced a slower start to our garden season compared with last year, when unusually early warm weather drove double-digit LFL sales in April 2025. Better weather in late May this year has since driven a recovery in sales of seasonal categories
- B&M France has made a good start to FY27, with higher footfall and market share driving positive LFLs. Heron LFL sales have made a positive start to the year and we continue to make improvements to in-store merchandising and ranging to bring about a broader recovery in Heron’s sales performance

Fascia performance	Revenue £'m		Revenue growth %		Adjusted EBITDA (pre-IFRS 16) ² £'m		Adjusted EBITDA (pre-IFRS 16) ² margin %	
	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25
	B&M UK	4,615	4,483	2.9%	3.8%	395	545	8.6%
B&M France	616	542	13.4%	7.8%	53	48	8.7%	8.8%
Heron Foods	544	546	-0.3%	-0.6%	16	30	2.9%	5.5%

Future change in financial guidance metric

From FY27, the Group intends to use adjusted profit before tax (PBT) for financial guidance, rather than adjusted EBITDA (pre-IFRS 16). This change will bring our guidance in line with our UK industry peers and will aid comparison of financial performance across the sector. For FY26, we continue to reference adjusted EBITDA (pre-IFRS 16) given it is the current guidance metric and is the basis of targets in our FY26 management incentive programme.

The Group will provide adjusted PBT guidance with FY27 Interim results. For at least the next financial year, we will continue to reference EBITDA (pre-IFRS 16) but will reduce its prominence in our disclosures. Further commentary on adjusted items and reconciliation to statutory figures are provided below (see note 1 of the financial statements, alternative performance measures).

Results Presentation

An in-person presentation and Q&A for analysts in relation to these results will be held today at 09.30am (BST) at London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. Attendance is by invitation only and attendees must be registered in advance.

A simultaneous live webcast and presentation will also be available. Please use the following link:

<https://edge.media-server.com/mmc/p/5bjfwinh>

Post-event, a replay will be available on demand via the Investors section of our website at:

[Reports & Presentations | B&M Stores \(bandmretail.com\)](#) for analysts and investors only.

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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 plc

B&M European Value Retail plc is a variety retailer with 799 stores in the UK operating under the 'B&M' brand, 342 stores under the 'Heron Foods' and 'B&M Express' brands, and 147 stores in France also operating under the 'B&M' brand as at 28 March 2026. It is a constituent of the FTSE 250 index.

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

Notes:

1. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and 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 FY25. This 14-month approach has been adopted as it excludes the 2-month halo period which new stores experience following opening.
2. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 3 and 4 of the financial statements for further details.
3. 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 £801m (FY25: £784m). This statutory definition excludes payments for leased assets including the leasehold property estate.
4. Net debt comprises interest bearing loans and borrowings, overdrafts and cash and cash equivalents. Net debt was £656m at the year end (FY25: £781m), reflecting £998m (FY25: £1,148m) as the carrying value of gross debt netted against £342m of cash (FY25: £217m). See note 27 of the financial statements for more details.
5. 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.
6. References in this announcement to the B&M UK business include the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
7. Source: Circana Discount Destockage, Q1 2026.
8. Trading gross margin is considered to be a meaningful measure of profitability as it refers to the measure of gross margin used by management to commercially run the business. It differs to the statutory definition for B&M UK, which decreased 146 bps from 36.7% to 35.9%, due to technical accounting adjustments in relation to the allocation of gains and losses from derivative accounting, storage costs and commercial income.

Chief Executive's review

I am delighted to have been appointed as CEO in June 2025 and to be leading B&M at such an important time for our company. FY26 was a key transition year for B&M as we started to implement a comprehensive plan to restore our UK business to sustainable LFL sales growth following a prolonged period of underperformance, which had seen our grocery price proposition drift, our trading margins fall and on-shelf availability in key brands dip to unacceptable levels. This is clear in our FY26 results, where despite delivering Group revenue growth of 3.6% through new store openings and positive like-for-like sales at B&M France, flat sales at B&M UK and insufficient cost mitigation materially impacted Group profits.

Under our Back to B&M Basics plan, we have moved at pace to diagnose, devise and implement a set of immediate actions to correct drift in key elements of our UK retail execution relating to price, promotions, our ranges and on-shelf availability. Early results from the changes we have implemented have been encouraging:

- **Price:** we are now sharper on price following a realignment across our key FMCG lines in Q2 and further adjustments across our FMCG ranges since to maintain our price competitiveness.
- **Promotions:** Revamping our in-store promotions has helped us to deliver strong seasonal sales and trade customer moments more effectively, especially Christmas which resulted in 3% like-for-like sales growth in December 2025. We have continued to trade this front-of-store space with clearance lines, Valentine's Day, Easter and, more recently, elements of our Garden ranges.
- **Ranges:** results from our seven FMCG category trials to reduce SKU count have equipped us successfully to begin the rollout of leaner, sharper ranges across all FMCG categories, which we expect to complete in Q3 FY27. We cleared discontinued lines well in Q4 FY26, providing us with cleaner stocks from which to embark on this important adjustment that will remove complexity from our business and for our customers.
- **Availability:** on-shelf availability in our key brands has risen from 86% at H1 FY26 to 93% at H2 FY26 following changes to our replenishment processes, which are now fully implemented for these categories. Trials with store-specific automated stock alerts are on the way to extend this process to our entire FMCG ranges.

The year ahead will see further progress as we complete the full implementation of all Back to B&M Basics initiatives. We remain confident these actions can restore sustainable like-for-like sales growth at B&M UK while we embark on a multi-year plan of innovation, reinvestment and growth for our company.

Our business remains highly cash generative. We maintained our post-tax-free cash flow at a slightly higher level than last year despite lower profits (£321m in FY26 versus £311m in FY25). This reflects our ongoing working capital discipline and the inventory reduction we achieved through stock clearance in Q4, ahead of reducing our SKU count more broadly in the year ahead. At 1.4x, I am pleased to see our leverage ratio back within our target range of 1.0x to 1.5x at financial year end, despite our lower Group adjusted EBITDA (pre-IFRS 16) outcome. This is a solid financial base from which to move forward with our growth plan and enable future shareholder returns.

Building foundations for future growth

Back to B&M Basics is not the limit of our ambition. It is Phase 1 of a multi-year plan to deepen B&M's growth foundations while ensuring we evolve our offer as customer needs and preferences change.

Phase 2 includes smarter use of data and customer insights and simplifying many of our in-store processes in order to mitigate cost increases. It also involves flexing the format of our stores to best suit their location, especially town centre sites where the customer shop can vary and ensure our in-store experience for customers is one that drives footfall. At the same time, we see opportunities to update and upgrade our store base as part of a refresh cycle to ensure we offer our customers a great in store experience.

We are already preparing for Phase 2 through trialling new store formats that better reflect the customer base and shopping missions of our many different store locations. Drawing on geospatial and customer data, six format clusters have been identified that share similar characteristics, around which new store formats are being tailored. Within these, we are drawing on new layout and fit-out elements of our new Store 2.0 concept, for which we plan to open the first store at the end of Q2 FY27. Results from this will help determine investment options for our existing store estate in the year ahead based on demonstrated sales outcomes.

With these foundations in place, we also see a third phase of opportunity to accelerate growth by fully investigating longer-term opportunities in private label, and potentially eCommerce and loyalty programs, as well as further investing in the success of B&M France, which is performing well in a competitive marketplace.

Investing in our store estate

B&M continues to expand its retail presence and deliver our value retail proposition to a growing customer base. This year, we recommitted our long-term ambition of growing the UK estate to around 1,200 stores. For B&M UK, we expect an organic growth rate of circa 25-35 gross new stores annually, topping this up from time to time with opportunistic acquisitions as portfolios come to market. In the year ahead, we are as keen to invest in our existing store estate as we test and deploy new design concepts while ensuring we offer our customers a great in-store experience.

B&M France

We see an exciting growth runway for B&M France, which is performing well in a highly competitive marketplace. LFL sales continued to grow in FY26 (+2.9%) as we expanded our store estate and saw a rise in customer footfall. I was pleased to see B&M France gain market share during the year, ending FY26 with an 8.4% share of the discount market, up from 8.1% the year before. With 150 stores as of end-May, B&M France is less than a fifth the size of B&M UK. France has an addressable market that shares many similarities with the UK, both in size and cost-of-living challenges, and we see many years of growth ahead. Our organic growth rate is to open at least 15 new stores per year in France.

Investing in our people

Our people are our greatest asset. Without their hard work and dedication, we would not be able to bring the B&M store experience to five million customers each week in the UK alone. With close to 40,000 employees across our Group businesses, B&M is often a key employer in the communities it serves. In Bedford, UK, where our largest Distribution centre is located, B&M is the town's largest single employer after the NHS. Wherever we locate, we are committed to providing employment opportunities to all. B&M is one of the UK's largest providers of retail work experience, extending this opportunity to 3,172 individuals in FY26, more than 60% of which went on to become B&M employees.

How we embody our culture and values as a company is vitally important. Alongside B&M Back to Basics, we have recently restated our purpose, ambition and values to provide greater clarity and alignment across the business. These will begin rolling out across our stores, support centres and distribution centres over the coming months.

Our ambition is simple: to be everyone's favourite place to shop. Our purpose is the foundation of everything we do: we make everyday life more affordable, with every visit full of surprises.

Our colleagues continue to bring our values to life every day by delighting our customers, behaving like owners, working as one team, keeping things simple and agile, and creating opportunity for all. These values will play an important role in shaping our culture, supporting our strategy and helping us deliver a better experience for customers and colleagues alike.

Current trading and outlook

In B&M UK, we experienced a slower start to our garden season compared with last year, when unusually early warm weather drove double-digit LFL sales in April 2025. Better weather in late May this year has since driven a recovery in sales of seasonal categories. B&M France has made a good start to FY27, with higher footfall and market share driving positive LFLs. Heron LFL sales have made a positive start to the year and we continue to make improvements to in-store merchandising and ranging to bring about a broader recovery in Heron's sales performance.

FY26 underscored the importance of a cost-out mindset. One certainty of retail is that costs will always rise. In the past year, it was statutory costs in wages and environmental charges that challenged us. In the year ahead, the Middle East conflict will place upward pressure on our international freight, fuel and energy costs. We are confident we have sufficient levers to offset this impact with cost mitigation. Over time, these benefits will flow through to our bottom line once we have returned B&M UK LFL sales to growth. In the medium term, we continue to see no reason why B&M UK cannot return to double-digit EBITDA margins.

For our customers, value retailing has a vital role to play as cost-of-living pressures intensify. B&M stands ready to serve our current loyal customers alongside new ones as more people discover both the benefits and delights our stores can offer. Longer term, I strongly believe that the discount segment will continue to grow, both in the UK and in Continental Europe. B&M is well positioned to be a leading beneficiary of this. Our focus right now is ensuring we continue to prepare B&M for that growth opportunity and the benefits it offers all our stakeholders.

Tjeerd Jegen
Chief Executive Officer
2 June 2026

Financial review

Group financial performance

The current accounting period represents the 52 weeks trading to 28 March 2026 ('FY26') and the comparative period represents the 52 weeks to 29 March 2025 ('FY25').

£'m	FY26	FY25	YoY change
Revenue	5,775	5,571	3.6%
Adjusted EBITDA (pre-IFRS 16)¹	459	620	(25.9)%
Adjusted EBITDA (pre-IFRS 16) ¹ margin	8.0%	11.1%	(317) bps
Depreciation and amortisation (pre-IFRS 16)	(99)	(92)	8.4%
Operating impact of IFRS 16*	72	63	14.8%
Adjusted operating profit¹	432	591	(27.0)%
Finance costs relating to right-of-use assets	(84)	(77)	9.5%
Other net finance costs	(64)	(59)	9.0%
Adjusted profit before tax¹	284	455	(37.7)%
Adjusting items	(57)	(24)	129.0%
Statutory profit before tax	227	431	(47.3)%

*includes depreciation on right-of-use assets of £198m (FY25: £181m). FY26 total depreciation and amortisation was £297m (FY25: £273m)

Group revenue in FY26 increased by 3.6% year-on-year (3.4% on a constant currency basis²), with growth driven by total value and volume growth in B&M UK, continued strong trading momentum in B&M France, offset by a weak performance in Heron Foods.

Group gross profit margin decreased by 110 bps to 36.5% primarily driven by a reduction in B&M UK's trading gross margin in General Merchandise and price investment in FMCG categories.

Group adjusted operating costs ¹ increased by 11.7% to £1,646m (FY25: £1,473m). The rise reflects primarily an increase in statutory costs, which included increased National Minimum Wage (NMW) levels, higher National Insurance contributions and the new Extended Producer Responsibility (EPR) levy. Continued growth in our store estate also contributed to higher costs, with 33 net new stores opened during the year (a 2.6% YoY increase in store numbers).

While the significant statutory cost increases of FY26 are not expected to recur in FY27, the conflict in the Middle East continues to impact our cost base. These pressures - primarily across international freight, domestic distribution, and energy - are deemed significant but not material. We remain focused on offsetting these increases through internal cost-saving initiatives.

Group adjusted EBITDA (pre-IFRS 16)¹ decreased by 25.9% to £459m, representing a margin of 8.0%, driven by lower gross margins and increased operating costs. Adjusted profit before tax¹ declined by 37.7% to £284m, reflecting these operating impacts alongside an 8.4% increase in depreciation and amortisation from capital investments in our store and warehouse estate. This result was further impacted by higher financing costs, which include the full-year effect of elevated borrowing rates on debt issued in November 2024 and increased right-of-use asset finance costs. Statutory profit before tax reduced by 47.3% to £227m due to the underlying impacts and the impact of adjusting items.

Net adjusting items amounted to £57m, compared with £24m in the prior year. The primary driver of the increase was a £36m impairment of store leases and fixed assets across our three fascias reflecting the lower profitability across the estate. In the prior year, the value of impairments was not significant and therefore not considered meaningful for adjustment.

Fascia overview

B&M UK

£'m	FY26	FY25	YoY change
Revenue	4,615	4,483	2.9%
Adjusted EBITDA (pre-IFRS 16)¹	395	545	(27.6)%
Adjusted EBITDA (pre-IFRS 16) ¹ margin	8.6%	12.2%	(360) bps
Depreciation and amortisation (pre-IFRS 16)	(73)	(66)	9.9%
Operating impact of IFRS 16*	53	51	4.4%
Adjusted operating profit¹	375	530	(29.2)%
Finance costs relating to right-of-use assets	(61)	(58)	6.6%
Other net finance costs	5	7	(15.6)%
Adjusted profit before tax¹	319	479	(33.3)%
Adjusting items	-	-	0.0%
Statutory profit before tax	319	479	(33.3)%

*includes depreciation on right-of-use assets of £154m (FY25: £141m) - FY26 total depreciation & amortisation was £227m (FY25: £208m)

B&M UK³ total revenue increased by 2.9% to £4,615m, driven by store growth as like-for-like (LFL)⁴ revenues declined 0.1% year-on-year. Our LFL General Merchandise performance was positive on both value and volume, offset against a decline in FMCG.

General Merchandise delivered robust LFL sales growth, underpinned by strong performance across key seasonal ranges, specifically Gardening and Christmas. Growth was further supported by favourable weather at the start of the year, which accelerated demand for outdoor ranges during H1. Additionally, the Toy category maintained strong momentum throughout the year.

FMCG's LFL performance, while still negative, has improved year-on-year. This follows a downward price adjustment in our key value items (KVI) lines during Q2 and continued price investment since to ensure we maintain the attractiveness of our price position versus our competitors.

B&M UK revenues also included £30m of wholesale sales (FY25: £30m). The majority of wholesale sales are to our associate Centz Retail Holdings Limited, a chain of 55 variety goods stores in the Republic of Ireland.

B&M UK's trading gross margin⁵ decreased by 150 bps year-on-year to 35.2% (FY25: 36.7%). As previously guided, this was driven by lower product margins in General Merchandise seasonal ranges. While the year-on-year decline in General Merchandise eased in Q1, despite our largest-ever Q4 clearance event, overall performance was impacted by price investment in FMCG KVI lines which began in Q2 and impacted our H2 margin.

We opened 41 gross (22 net) new B&M UK stores in the year, in line with our target of between 40 and 45. In FY27, we expect net new store openings will be in line with our organic growth rate of between 25 and 35, as outlined in our FY26 Interim Results presentation.

Adjusted operating costs¹ increased to 27.4% of revenues compared to 25.2%, in FY25; and increased 11.7% on a year-on-year basis. This reflects a 2.8% year-on-year increase in store numbers; excluding this, our underlying cost base increased by 8.6%, which in turn reflects higher statutory costs due to the new EPR levy, the rise in the statutory NMW levels and increased National Insurance contributions.

Adjusted EBITDA (pre-IFRS 16)¹ decreased to £395m from £545m, with a margin of 8.6% down 360 bps, reflecting the impacts of the lower trading margin and cost increases, as described above. Adjusted operating profit¹ was £375m (FY25: £530m).

Both adjusted and statutory profit before tax decreased 33.3% to £319m (FY25: £479m), due to the aforementioned reduction in adjusted operating profit and the increase in finance costs relating to the right-of-use asset from the larger store estate.

B&M France

£'m	FY26	FY25	YoY change
Revenue	616	542	13.4%
Adjusted EBITDA (pre-IFRS 16)¹	53	48	11.8%
Adjusted EBITDA (pre-IFRS 16) ¹ margin	8.7%	8.8%	(12) bps
Depreciation and amortisation (pre-IFRS 16)	(13)	(12)	17.3%
Operating impact of IFRS 16*	15	12	22.7%
Adjusted operating profit¹	55	48	13.2%
Finance costs relating to right-of-use assets	(19)	(16)	16.7%
Other net finance costs	0	0	4,020.0%
Adjusted profit before tax¹	36	32	10.3%
Adjusting items	-	-	0.0%
Statutory profit before tax	36	32	10.3%

*includes depreciation on right-of-use assets of £35m (FY25: £32m) - FY26 total depreciation & amortisation was £48m (FY25: £43m)

Revenues grew 13.4% to £616m, with LFL sales up 2.9%. Performance was balanced across FMCG and General Merchandise, with customer transactions continuing to drive year-on-year growth.

The business continued its store expansion programme with 12 new store openings. The new stores are performing well and continue to demonstrate the potential for the B&M brand to trade effectively in a wide range of geographies and formats.

Adjusted operating expenses¹ increased by 13.7% or £27m to £222m which reflects the volume growth of 9% more stores and the elevated logistics costs arising from distribution centre upgrades made in the year.

Adjusted EBITDA (pre-IFRS 16)¹ increased 11.8% to £53m representing an adjusted EBITDA¹ margin of 8.7% (FY25: 8.8%). Adjusted operating profit¹ was £55m with a margin of 8.9% (FY25: 8.9%), reflecting the increased costs pressures discussed above.

Both adjusted and statutory profit before tax¹ for the year increased by 10.3% to £36m due to higher operating profits offset by increased IFRS 16 interest charges from the larger store estate.

Heron Foods

£'m	FY26	FY25	YoY change
Revenue	544	546	(0.3)%
Adjusted EBITDA (pre-IFRS 16)¹	16	30	(47.3)%
Adjusted EBITDA (pre-IFRS 16) ¹ margin	2.9%	5.5%	(257) bps
Depreciation and amortisation (pre-IFRS 16)	(13)	(14)	(6.5)%
Operating impact of IFRS 16*	4	(0)	82,914.4%
Adjusted operating profit¹	7	16	(60.5)%
Finance costs relating to right-of-use assets	(4)	(3)	14.8%
Other net finance costs	1	1	(31.1)%
Adjusted profit before tax¹	4	14	(73.8)%
Adjusting items	-	-	0.0%
Statutory profit before tax	4	14	(73.8)%

*includes depreciation on right-of-use assets of £10m (FY25: £10m) - FY26 total depreciation & amortisation was £22m (FY25: £23m)

Total revenue decreased 0.3% to £544m in what has been a challenging year. The LFL⁴ declines were lower than those recorded in FY25. However, Heron finished the year with 1 fewer store, with 11 new openings and 12 closures.

Gross margin fell slightly, as investment in price was made across key ambient and chilled product ranges.

Adjusted operating expenses¹ as a % of revenue increased to 28.6% from 26.3% due to cost inflation from the rise in NMW levels and National Insurance contributions. Adjusted EBITDA (pre-IFRS 16)¹ decreased by 47.3% to £16m, with an adjusted EBITDA (pre-IFRS 16)¹ margin of 2.9%, reflective of the above.

The variance in the Heron IFRS 16 adjustments line is as a result of the 10 sale & leaseback transactions undertaken by the business in the prior year (FY26: no sale and leaseback transactions).

Adjusted and statutory profit before tax¹ for the year was £4m, a decline of 73.8% from the prior year, which reflects the scale effects from the decline in revenue and due to the factors mentioned above.

Adjusting items

Adjusting items are excluded from our adjusted profit measures by virtue of their size and nature to provide a helpful perspective of the year-on-year performance of the Group. Total adjusting items in profit before tax result in a charge of £57m.

£'m	FY26	FY25
Profit before tax	227	431
Impairment charge	36	-
Significant infrastructure projects	7	4
Costs in relation to the redomicile project	7	-
External costs in relation to strategic business projects	4	-
Costs incurred in strategic leadership reset	4	-
Significant property transactions	-	5
Group Trading Director settlement	-	12
Non-underlying impact of foreign exchange	(1)	3
Adjusted profit before tax¹	284	455

In the current year, adjusting items include a £36m additional charge arising as a result of an assessment of individual store profitability across the three business segments. The impairments relate directly to the assets held by stores, including their lease assets. These have been treated as an adjusting item as they are one off in nature and are of meaningful magnitude. In the prior year the value of impairments was not significant and therefore not considered meaningful for adjustment.

Significant infrastructure projects of £7m include pre-operational and ramp up costs relating to the Ellesmere Port import centre and the dual running costs associated with the replacement of our Middlewich DC with the third-party operated site in Rugby. In the prior year, it also included the disruption costs related to our DC expansion project in France.

Costs in relation to the redomicile project includes any fees related to the relocation of the Group's Luxembourg entities to Jersey which completed in February/March 2026. The project had commenced in the prior year, although the costs incurred in that period were insubstantial and were therefore not adjusted.

External costs in relation to strategic business projects relate to external costs incurred in operating the Back to B&M Basics project, which is a significant strategic undertaking that required external input in its formative stages. We expect external costs relating to this project to be lower in FY27.

The strategic leadership reset costs relate to the significant changes within the senior leadership team during the current year.

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

Group net finance costs

Adjusted net finance charges¹ (excluding IFRS 16) rose £5m year-on-year to £64m. This was driven by the annualisation of the £250m bond issued in November 2024, which carries a higher 6.5% interest rate than the previous 3.625% bond.

The interest charge relating to lease liabilities under IFRS 16 was £84m (FY25: £77m) due to the additional leases associated with the store opening programme and higher discount rates in recent years.

Group tax

The tax charge in FY26 was £63m reflecting lower profits year-on-year and is an effective rate of 26%. This is also the effective rate we expect for FY27.

As a Group, we are committed to paying the appropriate tax in the territories in which we operate. B&M UK paid UK taxes totalling £664m in FY26, including £251m 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 £413m reflects 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 £164m, which was £155m lower year-on-year. Statutory diluted earnings per share was 16.3p (FY25: 31.8p), 48.8% lower year-on-year due to lower operating profits, increased adjusting items and interest charges.

Adjusted diluted earnings per share¹ was 21.3p (FY25: 33.5p), 36.4% lower due to the lower operating profits. Adjusted profit after tax (pre-IFRS 16)¹, which is also reported to allow investors to better understand the operating performance of the business (see note 3 of the financial statements), was £225m (FY25: £347m), and the adjusted (pre-IFRS 16) fully diluted earnings per share¹ was 22.4p (FY25: 34.5p).

Capital expenditure

Group net capital expenditure⁶ totalled £139m this year (FY25: £111m). Investment included £59m spent on 64 gross new stores across the Group's fascias (FY25: £53m on 70 stores) and a net £17m on infrastructure projects to support the continued growth of the business (FY25: £25m), with a further £14m one-off expenditure on the fit out of both our Ellesmere Port import centre and third party operated site in Rugby. There was also investment of £49m in maintenance works to ensure that our existing store estate and distribution centres are appropriately invested (FY25: £33m).

Post-tax free cash flow⁷ and net debt⁸

Post-tax-free cash flow⁷ increased to £321m (FY25: £311m), despite lower profits year-on-year. This improvement was driven by inventory management. Our total working capital inflow improved by £90m year-on-year as inventory levels decreased following accelerated clearance activity and line count reductions. This reflects our goal to refocus our ranges under the Back to B&M Basics strategy.

As a result, our net debt (pre-IFRS 16)⁸, decreased to £656m (FY25: £781m). The net debt (pre-IFRS 16)⁸ to adjusted EBITDA (pre-IFRS 16)¹ leverage ratio increased to 1.4x (FY25: 1.3x), but remains within our internal target of 1.0x to 1.5x. Net debt (including IFRS 16 lease liabilities)⁸ was £2,113m (FY25: £2,211m) meaning our net debt to adjusted EBITDA (post-IFRS 16)¹ ratio was 2.9x, an increase on the previous year (FY25: 2.6x).

Dividends

During the year, the Company declared and paid an interim ordinary dividend of 3.5p and subject to approval by shareholders at the AGM on 21 July 2026, a final ordinary dividend of 6.1p per share will be paid on 31 July 2026 to shareholders on the register of the Company at the close of business on 12 June 2026. The ex-dividend date will be 11 June 2026.

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

The dividend policy targets an ordinary dividend pay-out ratio of between 40% to 50% of after-tax adjusted earnings (post-IFRS 16). 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.

Peter Waterhouse

Interim Chief Financial Officer

2 June 2026

Notes:

1. Adjusted values are considered to be appropriate to exclude unusual, non-trading and/or non-recurring impacts on performance which therefore provides the user of the accounts with additional metrics to compare periods of account. See notes 2, 3 and 4 of the financial statements for further details.
2. Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
3. One-year like-for-like revenues relate to the B&M UK estate only (excluding wholesale revenues) and are based on either 52 weeks vs. 52 weeks or 13 weeks vs. 13 weeks comparison periods. They include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY25.
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 UK, which decreased 146 bps from 37.4% to 35.9%, due to technical accounting adjustments in relation to the allocation of gains and losses from derivative accounting, storage costs and commercial income.
6. 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.
7. 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 £801m (FY25: £784m). This statutory definition excludes payments for leased assets including the leasehold property estate.
8. Leverage ratio (pre and post-IFRS 16) is calculated as net debt divided by adjusted EBITDA. See note 27 of the financial statements for definition and net debt (pre and post-IFRS 16) reconciliation. This is a measure of the Group's ability to meet its payment obligations and is widely used by analyst and credit rating agencies.

Consolidated Statement of Comprehensive Income

Period ended		52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
	Note		
Revenue	2	5,775	5,571
Cost of sales		(3,670)	(3,479)
Gross profit		2,105	2,092
Administrative expenses		(1,731)	(1,526)
Operating profit	4	374	566
Share of profits in associates	11	1	1
Profit on ordinary activities before net finance costs and tax		375	567
Finance costs on lease liabilities	5	(84)	(77)
Other finance costs	5	(70)	(66)
Finance income	5	6	7
Profit on ordinary activities before tax		227	431
Income tax expense	9	(63)	(112)
Profit for the period	2	164	319
Other comprehensive income for the period			
Items which may be reclassified to profit and loss:			
Exchange differences on retranslation of subsidiary and associates		4	(2)
Fair value movement as recorded in the hedging reserve		(10)	(10)
Tax effect of other comprehensive income	9	(3)	(1)
Total other comprehensive income		(9)	(13)
Total comprehensive income for the period		155	306
Earnings per share			
Basic earnings per share attributable to ordinary equity holders (pence)	10	16.3	31.8
Diluted earnings per share attributable to ordinary equity holders (pence)	10	16.3	31.8

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	28 March 2026 £'m	*Restated 29 March 2025 £'m
Non-current assets			
Goodwill	12	921	920
Intangible assets	12	120	120
Property, plant and equipment	13	471	448
Right-of-use assets	14	1,153	1,159
Investments in associates	11	7	6
Other receivables	16	9	6
Deferred tax asset	9	6	5
		<u>2,687</u>	<u>2,664</u>
Current assets			
Cash at bank and in hand	17	342	217
Inventories	15	849	883
Trade and other receivables	16	59	79
Income tax receivable		23	11
Other financial assets	19	13	153
		<u>1,286</u>	<u>1,343</u>
Total assets		<u>3,973</u>	<u>4,007</u>
Equity			
Share capital	22	(101)	(100)
Share premium*		(2,474)	(2,474)
Retained earnings*		(184)	(153)
Hedging reserve		1	11
Other reserve		(10)	(10)
Merger reserve		1,979	1,979
Foreign exchange reserve		(9)	(5)
		<u>(798)</u>	<u>(752)</u>
Non-current liabilities			
Interest-bearing loans and borrowings	20	(982)	(977)
Lease liabilities	14	(1,240)	(1,242)
Deferred tax liabilities	9	(45)	(35)
Other financial liabilities	19	-	(0)
Provisions	21	(5)	(4)
		<u>(2,272)</u>	<u>(2,258)</u>
Current liabilities			
Interest-bearing loans and borrowings	20	(7)	(160)
Trade and other payables	18	(661)	(618)
Lease liabilities	14	(217)	(188)
Other financial liabilities	19	(3)	(13)
Income tax payable		(9)	(6)
Provisions	21	(6)	(12)
		<u>(903)</u>	<u>(997)</u>
Total liabilities		<u>(3,175)</u>	<u>(3,255)</u>
Total equity and liabilities		<u>(3,973)</u>	<u>(4,007)</u>

*The restatement relates to a reclassification between share premium and retained earnings. For more details, see note 1.

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 2 June 2026 and signed on their behalf by:
Tjeerd Jegen, Chief Executive Officer

Consolidated Statement of Changes in Shareholders' Equity

	Share capital £'m	Share premium £'m	Retained earnings £'m	Hedging reserve £'m	Other reserve £'m	Merger reserve £'m	Foreign exchange reserve £'m	Total equity £'m
Balance at 30 March 2024 as previously reported	100	2,481	125	(10)	10	(1,979)	7	734
Restatement of share premium	-	(7)	7	-	-	-	-	-
Restated balance at 30 March 2024*	100	2,474	132	(10)	10	(1,979)	7	734
Ordinary dividends declared	-	-	(149)	-	-	-	-	(149)
Special dividends declared	-	-	(151)	-	-	-	-	(151)
Restated effect of share options*	0	-	3	-	-	-	-	3
Total transactions with owners	0	-	(297)	-	-	-	-	(297)
Profit for the period	-	-	319	-	-	-	-	319
Other comprehensive income	-	-	(1)	(10)	-	-	(2)	(13)
Total comprehensive income for the period	-	-	318	(10)	-	-	(2)	306
Hedging gains & losses reclassified as inventory	-	-	-	8	-	-	-	8
Hedging gains & losses reclassified as finance costs	-	-	-	1	-	-	-	1
Restated balance at 29 March 2025*	100	2,474	153	(11)	10	(1,979)	5	752
Ordinary dividends declared	-	-	(133)	-	-	-	-	(133)
Effect of share options	1	-	3	-	-	-	-	4
Total transactions with owners	1	-	(130)	-	-	-	-	(129)
Profit for the period	-	-	164	-	-	-	-	164
Other comprehensive income	-	-	(3)	(10)	-	-	4	(9)
Total comprehensive income for the period	-	-	161	(10)	-	-	4	155
Hedging gains & losses reclassified as inventory	-	-	-	19	-	-	-	19
Hedging gains & losses reclassified as finance costs	-	-	-	1	-	-	-	1
Balance at 28 March 2026	101	2,474	184	(1)	10	(1,979)	9	798

*The restatement relates to a reclassification between share premium and retained earnings. For more details, see note 1.

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

Consolidated Statement of Cash Flows

Period ended	Note	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Cash flows from operating activities			
Cash generated from operations	23	801	784
Income tax paid		(65)	(109)
Net cash flows from operating activities		736	675
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(139)	(131)
Purchase of intangible assets	12	(3)	(2)
Proceeds from sale of property, plant and equipment		3	22
Receipts/(deposits) into short-term money market investments	19	150	(150)
Finance income received	5	6	7
Net cash flows from investing activities		17	(254)
Cash flows from financing activities			
Repayment of Group revolving credit facilities	20	-	(25)
Repayment of corporate bonds	20	(156)	-
Receipt due to newly issued corporate bonds	20	-	250
Receipt of loan facilities held in France	20	12	9
Repayment of loan facilities held in France	20	(7)	(5)
Repayment of the principal in relation to lease liabilities	14	(192)	(176)
Payment of interest in relation to right-of-use assets	14	(84)	(77)
Fees on refinancing	20	(0)	(4)
Other finance costs paid	5	(69)	(56)
Dividends paid to owners of the parent	29	(133)	(300)
Net cash flows from financing activities		(629)	(384)
Effects of exchange rate changes on cash and cash equivalents		1	(2)
Net increase in cash and cash equivalents		125	35
Cash and cash equivalents at the beginning of the period		217	182
Cash and cash equivalents at the end of the period		342	217
Cash and cash equivalents comprise:			
Cash at bank and in hand	17	342	217
		342	217

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 UK-adopted IFRS and EU-adopted IFRS accounting standards. Dual adoption of accounting standards is a result of three entities within the Group relocating to Jersey from Luxembourg. B&M European Value Retail plc migrated on 27 February 2026 and both B&M European Value Retail 1 Ltd and B&M European Value Retail 2 Ltd migrated on 18 March 2026.

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

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

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

The consolidated financial statements cover the 52-week period from 30 March 2025 to 28 March 2026 which is a different period to the parent company standalone accounts (from 1 April 2025 to 31 March 2026).

The year end for the Group, 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 29 March 2026 to 27 March 2027.

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

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

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings, together with the Group's share of the net assets and results of associated undertakings, for the period from 30 March 2025 to 28 March 2026. 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.

Restatement

We have voluntarily restated the prior year reserves balances to reflect alignment between the share premium balance between the parent company and the Group. This difference arose as previously in the Group financial statements the credit previously recognised in retained earnings for share options accounting was reclassified to share premium when employee share options were exercised. This was not reflected in the parent company. The reclassification aligns the presentation in the Group accounts with that of the parent company. The impact of the restatement is to increase retained earnings and decrease share premium by £7 million at 30 March 2024 and by £10 million at 29 March 2025. There was no impact on the profit for the period ended 29 March 2025 or on the net assets at 30 March 2024 or 29 March 2025.

Going concern

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. The scenarios considered as part of the going concern assessment are consistent with those used in the longer-term viability statement in the 'Principal risks and uncertainties' section of this Annual Report, such as a material deterioration in trading performance or a cyber attack. Having considered these factors the Board is satisfied the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements, meet its financial covenants and therefore it is appropriate to adopt the going concern basis in preparing the consolidated financial statements for the 52 weeks to 28 March 2026. There have been no significant post balance sheet changes to liquidity.

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 party's 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 (2025: <£1m).

The Group operates a small wholesale function which recognises revenue on despatch of the goods, which is when the performance obligation is satisfied and the invoice is raised. The invoice is raised at the same time the goods are despatched which satisfies the performance obligation. The revenue is considered collectable as the Group's wholesale customers are usually related parties to the Group (such as our associates) or are subject to credit checks before trade takes place. See note 2 for the split of wholesale sales to store sales.

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

Administrative expenses

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

Elements which are unusual and significant may be separated as a line item.

Goodwill

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

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

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

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

Segment reporting

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

Alternative performance measures

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

The APMs we report in these accounts are:

- Like-for-like sales (LFL)
- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Adjusted EBITDA
- Adjusted operating profit
- Adjusted profit before tax
- Adjusted profit after tax
- Adjusted earnings per share (EPS)
- Post-tax free cash flow

To aide comparability with the figures presented in previous periods, and as they are the measures used in respect of internal reporting, pre-IFRS 16 versions of these APMs have also been calculated, where appropriate.

Like-for-like sales 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 the prior period.

Interest, tax, depreciation and amortisation are as defined statutorily whilst the items we adjust for are those we consider not to be reflective of the underlying performance of the business as detailed in note 3. These adjustments include the non-underlying impact of foreign exchange (which chiefly comprises the fair value and foreign exchange impact of derivatives that have not been designated as part of a hedge accounting relationship and which are yet to mature), any significant impairment charge of assets as a result of an assessment of individual store profitability, and costs incurred in relation to significant projects, where such costs are considered to have had a meaningful impact in the presented period, which are non-recurring and do not relate to underlying trading.

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

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

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

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

Brands

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

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

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

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

Intangible assets

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

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

Computer software acquired	-	3 or 4 years
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Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Property, plant and equipment

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

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

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

Depreciation

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

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

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

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

Leases

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

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

When a lease contract is recognised, the business assesses the term for which we are reasonably certain to hold that lease, and the minimum lease payments over that term are discounted to give the initial lease liability. The initial right-of-use asset is then recognised at the same value, adjusted for incentives or payments made on the day that the lease was acquired. Under IFRS 16, variable payments that depend on index or rate are included in the measurement of the lease assets and liabilities. Other variable payments are recognised in profit or loss in the period in which the performance or use occurs.

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

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

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

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

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

Lease modifications are also recorded where there is a change in the expected cashflows associated with the lease, such as through a rent review. Unless the change affects the term, the discount rate is not recalculated. A lease

modification results in a recalculation of the lease liability with a corresponding adjustment made to the right-of-use asset.

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

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

Sale and leaseback transactions

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

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

Resulting gains or losses are recognised in administrative expenses.

Investments in associates

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

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

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

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

Impairment of non-financial assets

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

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's cash-generating units (CGUs) to which the individual assets are allocated. These budgets and forecast calculations are usually prepared in January and cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to the projected future cash flows after the fifth year. The Group's three-

year plan is usually approved in March. If due to the passage of time there are significant differences in the key assumptions between the forecast and plan, or if management consider that the forecast has a more sensitive level of headroom, then the impairment test will be additionally sensitised to the plan assumptions.

Indications of impairment might include (for goodwill and the brand assets, for instance) a significant decrease in the like-for-like sales of established stores or sustained negative publicity.

An asset's recoverable amount is the higher of an asset's or CGU's 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, 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 asset's or CGU's 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. The consolidated financial statements for the current year include an allocation of transport costs. Warehouse and distribution costs are not included in inventory.

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

Share options

The Group operates several equity-settled share option schemes.

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

A cost is recorded through the statement of comprehensive income in respect of the number of options outstanding and the fair value of those options. A corresponding credit is made to the retained earnings reserve and the effect of this can be seen in the statement of changes in equity. See note 8 for more details.

Taxation

Current income tax

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

Deferred tax

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

Financial instruments

The Group uses derivative financial instruments such as forward currency contracts to reduce its foreign currency risk, commodity price risk and interest rate risk. Derivative financial instruments are recognised at fair value. The fair value is derived using an internal model and supported by valuation reports from the issuing banks.

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

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

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

Financial assets

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost, fair value through profit or loss, or fair value through 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 ECL's. 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 ECL's associated with our financial assets carried at amortised cost.

Financial liabilities

Initial recognition and measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial derivatives held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group. Gains or losses on liabilities held-for-trading are recognised in profit and loss.

Other financial liabilities

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

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

Derecognition

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

Fair value of financial instruments

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

Refinancing

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

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

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

Cash and cash equivalents

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

The Group's cash and cash equivalents balance includes £38m (2025: £38m) 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 movement in derivatives held by the Group at the period end that are accounted for under hedge accounting and that represent effective hedges;
- **Other reserve** representing the statutory reserve brought forward from the apportionment of profit within each Luxembourg company. This was previously represented as the 'legal reserve' until the redomicile to Jersey completed early in 2026. Following the redomicile, the Board intends to recycle this reserve balance to the retained earnings reserve in FY27;
- **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 subsidiary's 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 plc (formerly B&M European Value Retail S.A.)
- B&M European Value Retail 1 Ltd (formerly B&M European Value Retail 1 S.à r.l.) (Jersey Holdco 1)
- B&M European Value Retail 2 Ltd (formerly B&M European Value Retail 2 S.à r.l.) (Jersey Holdco 2)
- 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 France SAS

Previously, B&M European Value Retail 2 S.à r.l. had a functional currency of the Euro but upon redomiciliation on 18 March 2026, the functional currency became pounds sterling.

The Group company whose functional currency is the Euro has 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 exchange rate during the period. Any resulting foreign exchange difference is cumulatively

recorded in the foreign exchange reserve with the annual effect being charged or credited to other comprehensive income.

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

Pension costs

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

Provisions

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

The property provision contains expected dilapidation costs, which covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, any stores which are planned or at risk of closure and those stores occupied but not under contract. At the period end, 148 stores were provided against (2025: 146). This year-on-year increase is reflective of the rolling number of out of contract leases which increases as the store estate increases, and against each of which we hold a small dilapidations provision.

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

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

Climate change considerations

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

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

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

Critical judgements and key sources of estimation uncertainty

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

Critical judgements

Investments in associates

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

Under IFRS 10 control is determined by:

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

Although 50% owned, B&M Group does not have majority, or casting, voting rights or other 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.

Impairment

The Group's impairment calculation reflects assumptions that are based upon management's judgement.

The key assumptions include, the anticipated like-for-like sales performance and gross margin rates which are based upon the historical performance of the entity and strategic decisions in relation to this entity. See note 12 for further details.

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

For the current financial year, the Group accounts are prepared under both EU-adopted IFRS and UK-adopted IFRS to comply with Disclosure and Transparency Rules. This is as a result of our Parent Company, B&M European Value Retail plc, redomiciling to Jersey from Luxembourg. This involved relocating the company's corporate structure from one jurisdiction to another while retaining its legal personality. Due to changes in Jersey law, for annual periods beginning on or after 1 April 2025, EU-IFRS will no longer need to be applied and UK-IFRS adoption only will apply.

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. The impact of these amendments on the Group's consolidated results or financial position is expected to be significant.

IASB effective for annual periods beginning on or after 1 January 2026

Standard	Summary of changes	EU endorsement status
Amendments to IFRS 9 Recognition of a Financial Asset or Financial Liability	The amendments provide an exception for the derecognition of financial liabilities, allowing companies to derecognise its trade payable before the settlement date, when it uses an electronic payment system that meets all of the exception criteria. This is expected to be effective for B&M for the year ended 27 March 2027.	Not yet endorsed.

IASB effective for annual periods beginning on or after 1 January 2027

Standard	Summary of changes	EU endorsement status
IFRS 18 Presentation and Disclosure in Financial Statements	<p>IFRS 18 replaces IAS 1 and introduces new presentation and disclosure requirements. It requires entities to categorise income and expenses into five defined groups and present a new operating profit subtotal, without affecting overall net profit. It also mandates disclosure of MPMs in a single note that are not subtotalled in the financial statements.</p> <p>Additionally, operating profit must be used as the starting point for cash flows under the indirect method. The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'. This is expected to be effective for B&M for the year ended 1 April 2028.</p>	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 operating segments for the purpose of making decisions about resource allocation and performance assessment.

For management purposes, the Group is organised into three operating segments, B&M UK, Heron UK and B&M France 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 Jersey 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 €1.1564/£ during the year, with the period-end rate being €1.1538/£ (2025: €1.1885/£ and €1.1955/£ respectively).

52 week period to 28 March 2026

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Revenue	4,615	544	616	-	5,775
EBITDA (note 3)	602	29	103	(62)	672
Depreciation and amortisation	(227)	(22)	(48)	-	(297)
Net finance expense	(56)	(3)	(19)	(70)	(148)
Profit/(loss) before tax	319	4	36	(132)	227
Income tax (charge)/credit	(83)	(0)	(9)	29	(63)
Segment profit/(loss)	236	4	27	(103)	164
Total assets	3,185	264	474	50	3,973
Total liabilities	(1,656)	(120)	(331)	(1,068)	(3,175)
Capital expenditure*	(110)	(15)	(17)	-	(142)

52 week period to 29 March 2025

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Revenue	4,483	546	542	-	5,571
EBITDA (note 3)	737	39	91	(27)	840
Depreciation and amortisation	(207)	(23)	(43)	-	(273)
Net finance expense	(51)	(2)	(16)	(67)	(136)
Profit/(loss) before tax	479	14	32	(94)	431
Income tax (charge)/credit	(123)	(3)	(8)	22	(112)
Segment profit/(loss)	356	11	24	(72)	319
Total assets	3,265	280	436	26	4,007
Total liabilities	(1,601)	(120)	(321)	(1,213)	(3,255)
Capital expenditure*	(103)	(14)	(16)	-	(133)

* Capital expenditure includes both tangible and intangible capital.

Revenue is disaggregated geographically as follows:

Period to	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Revenue due from UK operations	5,159	5,029
Revenue due from French operations	616	542
Overall revenue	5,775	5,571

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

As at	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
UK operations	2,392	2,381
French operations	282	271
Jersey operations*	7	7
Overall non-current assets	2,681	2,659

*Prior year was Luxembourg.

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

Period to	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Revenue due to sales made in stores	5,745	5,541
Revenue due to wholesale activities	30	30
Overall revenue	5,775	5,571

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 before tax and adjusted profit after tax are all non-IFRS measures and therefore a reconciliation from the statement of comprehensive income is set out below.

Period to	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Profit on ordinary activities before interest and tax	375	567
Add back depreciation and amortisation	297	273
EBITDA	672	840
Impairment charge	36	-
Costs in relation to significant infrastructure projects	7	4
Costs in relation to the redomicile project	7	-
External costs in relation to strategic business projects	4	-
Costs incurred in strategic leadership reset	4	-
Costs in relation to significant property transactions	-	5
Group trading director settlement	-	12
Non-underlying impact of foreign exchange	(1)	3
Adjusted EBITDA	729	864
Depreciation and amortisation	(297)	(273)
Adjusted operating profit	432	591
Interest costs related to lease liabilities (note 5)	(84)	(77)
Net other finance costs (note 5)	(64)	(59)
Adjusted profit before tax	284	455
Adjusted tax	(70)	(118)
Adjusted profit for the period	214	337

On a pre-IFRS 16 basis, the costs in relation to significant infrastructure projects adjusting item was £10m and the total of the pre-IFRS 16 adjusting items was £60m compared to the £57m above on a post-IFRS 16 basis (2025: £25m / £24m).

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

Period to	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
EBITDA (above)	672	840
Remove effects of IFRS 16 on EBITDA	(273)	(245)
EBITDA (pre-IFRS 16)	399	595
Adjusting items (above)	60	25
Adjusted EBITDA (pre-IFRS 16)	459	620
Pre-IFRS 16 depreciation and amortisation	(99)	(92)
Adjusted operating profit (pre-IFRS 16)	360	528
Net other finance costs	(64)	(59)
Adjusted profit before tax (pre-IFRS 16)	296	469
Adjusted tax	(71)	(122)
Adjusted profit (pre-IFRS 16) for the period	225	347

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

Adjusting items include gains and losses associated with any significant projects and the non-underlying impact of foreign exchange.

In reference to the captions in the tables above;

Impairment charge relates to the impairments of assets across the three segments as a result of an assessment of individual store profitability within those segments. These have been treated as an adjusting item as they are one-off in nature and of meaningful magnitude whilst not relating to underlying performance in the period.

The impairments relate directly to the assets held by the stores, including their lease asset, and an apportionment of assets held centrally.

The figure adjusted for includes both the gross impairment made (£42m) and the release against that impairment which represents a lower depreciation charge in the year (£6m), giving a net value of £36m. In the prior year, the value of impairments was gross £3m and therefore not considered meaningful for adjustment.

Costs in relation to significant infrastructure projects includes the pre-operational and ramp up costs of our Ellesmere Port Import Centre and the dual-running costs associated with the replacement of our Middlewich DC with a third-party operated site in Rugby. In the prior year, it also included the disruption costs related to our DC expansion project in France.

All projects are significant in nature, with Ellesmere Port representing the largest infrastructure project within the Group since Bedford opened in 2020, the Rugby site representing a significant project of relocating warehouse operations whilst incurring dual-running costs of running both sites during the crossover period and the French project representing a step change in the capacity of that segment.

In the prior period in France, the disruption costs experienced were calculated by reference to increased cost to serve per volume unit, which were driven by increased headcount required over a specific time period within the prior year. These costs were normalised prior to the prior year-end date.

The Ellesmere Port Import Centre is due to be fully operational early in FY27. The Rugby DC is scheduled to be fully operational and the Middlewich DC is scheduled to fully close early in FY27.

Costs in relation to the redomicile project includes any fees related to the redomicile of the Group's Luxembourg entities to Jersey.

This project is significant in nature and the costs in the current year were meaningful and non-recurring, and as such they have been included in our adjusting items for this period.

Whilst this project had commenced in the prior year, the cost incurred in that year of £1m were considered to be insubstantial and were therefore not included as an adjusting item for that period.

The project has now completed, with remaining costs relating only to the wind down costs of our Luxembourg operations which are not expected to be significant.

External costs in relation to strategic business projects relates to external costs incurred in operating the Back to B&M Basics project which is a significant strategic project that required external input into the formative stages of the project. External costs in relation to this project are expected to be lower in FY27.

Costs incurred in strategic leadership reset. The senior leadership team of the business has undergone significant changes during the year under review, and the costs associated with those changes have been meaningful. We do not expect meaningful costs in relation to leadership change in FY27. Further details around specifically the changes in our directors is also included in note 31.

Costs in relation to significant property projects includes the expenses associated with the acquisition of options in relation to several ex-Wilko and ex-Homebase stores. These deals completed in the year ended 29 March 2025 and no further expense has occurred in relation to these transactions in the current period.

Group trading director settlement represents the sum payable to the former Group trading director in respect of the revised agreements made with this director in June and December 2024. These agreements included specifying

his retirement as director of Group subsidiaries in March 2025, and his entitlement to £5m termination and £6m consultancy payments in relation to the periods in FY25 (after June 2024) and FY26 respectively, with the remainder of the presented adjusting item consisting of employer payroll taxes. No further costs were incurred in relation to this item in FY26.

Non-underlying impact of foreign exchange includes the fair value of derivatives which have yet to mature and any gains or losses in relation to foreign exchange on intercompany balances. In addition, this year also includes any foreign exchange that arises as a point-in-time adjustment on our stock, creditor or cash balances in relation to any stock which has not yet been sold, which arises as a timing difference, since we aim to fully operationally hedge for our stock purchased in dollars, and whilst our achieved rate is directly reflected in our cost price and margins in internal reporting, we cannot account for it in this way on a statutory basis.

The actual achieved rate is reflected in the reports reviewed by the management which are used in making pricing decisions and, as such, management consider that the timing difference adjusted for is not reflective of our underlying trading performance.

Any foreign exchange arising outside of our operational hedging programme has been included in the underlying figures presented.

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

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

52-week period to 28 March 2026

	Statutory figures £'m	Adjusting items £'m	Adjusted Figures £'m	Impact of IFRS 16 £'m	Adjusted (pre-IFRS 16) £'m
Revenue	5,775	-	5,775	-	5,775
Cost of sales	(3,670)	-	(3,670)	-	(3,670)
Gross profit	2,105	-	2,105	-	2,105
Depreciation and amortisation	(297)	-	(297)	198	(99)
Other administrative expenses	(1,434)	57	(1,377)	(270)	(1,647)
Operating profit	374	57	431	(72)	359
Share of profits in associates	1	-	1	-	1
Profit before interest and tax	375	57	432	(72)	360
Finance costs relating to right-of-use assets	(84)	-	(84)	84	-
Other finance costs	(70)	-	(70)	-	(70)
Finance income	6	-	6	-	6
Profit before tax	227	57	284	12	296
Income tax expense	(63)	(7)	(70)	(1)	(71)
Profit for the period	164	50	214	11	225

52-week period to 29 March 2025

	Statutory figures £'m	Adjusting items £'m	Adjusted figures £'m	Impact of IFRS 16 £'m	Adjusted (pre-IFRS 16) £'m
Revenue	5,571	-	5,571	-	5,571
Cost of sales	(3,479)	-	(3,479)	-	(3,479)
Gross profit	2,092	-	2,092	-	2,092
Depreciation and amortisation	(273)	-	(273)	181	(92)
Other administrative expenses	(1,253)	24	(1,229)	(244)	(1,473)
Operating profit	566	24	590	(63)	527
Share of losses in associates	1	-	1	-	1
Profit before interest and tax	567	24	591	(63)	528
Finance costs relating to right-of-use assets	(77)	-	(77)	77	-
Other finance costs	(66)	-	(66)	(0)	(66)
Finance income	7	-	7	-	7
Profit before tax	431	24	455	14	469
Income tax expense	(112)	(6)	(118)	(4)	(122)
Profit for the period	319	18	337	10	347

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

52-week period to 28 March 2026

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	375	7	55	(62)	375
Net finance charges	(56)	(3)	(19)	(70)	(148)
Profit/(loss) before tax	319	4	36	(132)	227
Adjusting items (above)	-	-	-	57	57
Adjusted profit/(loss) before tax	319	4	36	(75)	284
Net finance charges added back	56	3	19	70	148
Adjusted operating profit/(loss)	375	7	55	(5)	432
Depreciation and amortisation (pre-IFRS 16)	73	13	13	-	99
Impact of IFRS 16	(53)	(4)	(15)	-	(72)
Adjusted EBITDA (pre-IFRS 16)	395	16	53	(5)	459

52-week period to 29 March 2025

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Profit/(loss) before interest and tax	530	16	48	(27)	567
Net finance charges	(51)	(2)	(16)	(67)	(136)
Profit/(loss) before tax	479	14	32	(94)	431
Adjusting items (above)	-	-	-	24	24
Adjusted profit/(loss) before tax	479	14	32	(70)	455
Net finance charges added back	51	2	16	67	136
Adjusted operating profit/(loss)	530	16	48	(3)	591
Depreciation and amortisation (pre-IFRS 16)	66	14	12	-	92
Impact of IFRS 16	(51)	(0)	(12)	0	(63)
Adjusted EBITDA (pre-IFRS 16)	545	30	48	(3)	620

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

52-week period to 28 March 2026

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Profit/(loss) before tax	319	4	36	(132)	227
Add back depreciation and amortisation	227	22	48	-	297
Add back net finance charges	56	3	19	70	148
EBITDA	602	29	103	(62)	672
Adjusting items (above)	-	-	-	57	57
Adjusted EBITDA	602	29	103	(5)	729

52-week period to 29 March 2025

	B&M UK £'m	Heron Foods £'m	B&M France £'m	Corporate £'m	Total £'m
Profit/(loss) before tax	479	14	32	(93)	432
Add back depreciation and amortisation	207	23	43	-	273
Add back net finance charges	51	2	16	66	135
EBITDA	737	39	91	(27)	840
Adjusting items (above)	-	-	-	24	24
Adjusted EBITDA	737	39	91	(3)	864

Adjusted EPS and diluted EPS measures are reconciled in note 10.

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

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Cash flows from operating activities	801	784
Income tax paid	(65)	(109)
Purchase of property, plant and equipment	(139)	(131)
Purchase of intangible assets	(3)	(2)
Proceeds from sale of property, plant and equipment	3	22
Repayment of the principal in relation to lease liabilities	(192)	(176)
Payment of interest in relation to right-of-use assets	(84)	(77)
Post-tax free cash flow	321	311

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 Operating profit

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

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Auditor's remuneration	2	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)	3,670	3,479
Depreciation of owned property, plant and equipment	95	88
Amortisation (included within administration costs)	2	2
Impairment of owned property, plant and equipment	17	-
Depreciation of right-of-use assets	200	183
Impairment of right-of-use assets	25	3
Operating lease rentals	7	4
Sublet income	(2)	(2)
Other operational income	(8)	(9)
Loss/(profit) on sale of property, plant and equipment	1	(0)
Profit on sale and leasebacks	-	(0)
Loss on foreign exchange	2	1

5 Finance costs and finance income

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

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Interest on debt and borrowings	(67)	(63)
Ongoing amortisation of finance fees	(2)	(2)
Interest rate swap derivative	(1)	(1)
Total adjusted finance expense	(70)	(66)
Finance costs on lease liabilities	(84)	(77)
Total finance expense	(154)	(143)

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

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Cash		
Finance costs paid in relation to debt and borrowings	70	56
Finance costs paid in relation to lease liabilities	84	77
Fees paid in relation to refinancing	0	4
Finance costs paid	154	137
Non-cash		
Movement of accruals in relation to debt and borrowings	(3)	7
Capitalisation of paid fees in relation to new facilities	-	(4)
Ongoing amortisation of finance fees	2	2
Interest rate swap derivative	1	1
Total finance expense	154	143

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Interest income on loans and bank accounts	6	7
Total finance income	6	7

Total net adjusted finance costs are therefore:

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Total adjusted finance expense	(70)	(66)
Total finance income	6	7
Total net adjusted finance costs	(64)	(59)

6 Employee remuneration

Expense recognised for employee benefits is analysed below:

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Wages and salaries	744	719
Social security costs	84	56
Share-based payment expense	3	3
Pensions – defined contribution plans	13	12
Total remuneration	844	790

There are £2m of defined contribution pension liabilities owed by the Group at the period end (2025: £2m).

B&M France operates a scheme where they must provide a certain amount per employee to pay upon their retirement date. The accrual on this scheme at the period end was <£1m (2025: <£1m).

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

Period ended	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Sales staff	39,748	39,347
Administration	1,239	1,294
Total staff	40,987	40,641

7 Key management remuneration

Key management personnel and Directors' remuneration includes the following:

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Directors' remuneration:		
Short-term employee benefits	4	4
Termination payments	1	1
Benefits accrued under the share option scheme	0	0
Total	5	5
Key management expense (includes Directors' remuneration):		
Short-term employee benefits	10	13
Termination payments	2	7
Benefits accrued under the share option scheme	1	1
Pension	0	0
Other long-term benefits	0	1
Total	13	22
Amounts in respect of the highest paid director emoluments:		
Short-term employee benefits	2	2
Termination payments	-	1
Benefits accrued under the share option scheme	-	0
Total	2	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.

8 Share options

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

1) Long-Term Incentive Plan (LTIP) awards

The LTIP was re-adopted by the Board on 23 July 2024. No grant under this scheme can be made more than 10 years after this date.

Eligibility

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

Limits & pricing

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

Dividend credits

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

Vesting & exercise

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

LTIP Executive (“A”) awards

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

Award	EPS as at	50% paid at	42.5% paid at	12.5% paid at
LTIP 2019A	March-22	33.0p	N/A	27.0p
LTIP 2020A	March-23	30.0p	N/A	25.0p
LTIP 2021A	March-24	45.0p	N/A	37.0p
LTIP 2022A	March-25	50.0p	N/A	42.0p
LTIP 2023A	March-26	43.9p	N/A	37.9p
LTIP 2024A	March-27	47.4p	42.3p	38.3p
LTIP 2025A	March-28	41.9p	N/A	34.9p

Below the 12.5% boundary, no options vest. Diluted EPS is defined as adjusted (pre-IFRS 16) diluted EPS on all schemes until LTIP 2024A where it is adjusted diluted EPS, see note 10.

- 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
2019A-TSR	22 Aug 19	275,640.5	251p	0.37%	5	31%
2019A-EPS	22 Aug 19	275,640.5	361p	0.37%	5	31%
2020A-TSR	30 Jul 20	141,718	409p	-0.11%	5	48%
2020A-EPS	30 Jul 20	141,718	464p	-0.11%	5	48%
2021A-TSR	3 Aug 21	218,861	354p	0.23%	5	37%
2021A-EPS	3 Aug 21	218,861	560p	0.23%	5	37%
2022A-TSR	17 Nov 22	309,342	124p	3.16%	5	31%
2022A-EPS	17 Nov 22	309,342	386p	3.16%	5	31%
2023A-TSR	1 Aug 23	224,422	409p	4.75%	5	32%
2023A-EPS	1 Aug 23	224,422	548p	4.75%	5	32%
2024A-TSR	1 Aug 24	342,624	174p	4.04%	5	31%
2024A-EPS	1 Aug 24	342,625	456p	4.04%	5	31%
2025A-TSR	28 Jul 25	695,541	113p	4.03%	5	33%
2025A-EPS	28 Jul 25	695,542	227p	4.03%	5	33%
2021/B1	3 Aug 21	281,950	560p	0.12%	3	42%
2022/B1	3 Aug 22	396,877	437p	1.75%	3	32%
2022/B2	15 Dec 22	3,641	412p	1.75%	3	32%
2023/B1	1 Aug 23	414,833	548p	4.77%	3	31%
2024/B1	1 Aug 24	554,001	445p	3.77%	3	31%
2025/B1	28 Jul 25	1,024,887	227p	3.91%	3	31%

Scheme	Options at 29 Mar 25	Granted	Dividend credit	Forfeited	Exercised	Options at 28 Mar 26
2020A-TSR	214,392*	-	8,637	-	(223,029)	-
2020A-EPS	214,392*	-	8,637	-	(223,029)	-
2021A-TSR	183,080*	-	11,416	-	-	194,496*
2021A-EPS	100,916*	-	6,293	-	-	107,209*
2022A-TSR	379,685	-	-	(379,685)	-	-
2022A-EPS	379,685	-	-	(379,685)	-	-
2023A-TSR	198,417	-	12,166	(9,741)	-	200,842
2023A-EPS	198,418	-	12,166	(9,741)	-	200,843
2024A-TSR	187,297	-	10,712	(45,602)	-	152,407
2024A-EPS	187,298	-	10,712	(45,603)	-	152,407
2025A-TSR	-	695,541	11,543	(151,332)	-	555,752
2025A-EPS	-	695,542	11,543	(151,332)	-	555,753
2021/B1	5,569	-	-	-	(5,569)	-
2022/B1	385,746	-	15,533	(391)	(393,463)	7,425
2022/B2	4,411	-	178	-	(4,589)	-
2023/B1	360,108	-	22,070	(11,250)	-	370,928
2024/B1	492,657	15,391	31,701	(40,694)	-	499,055
2025/B1	-	1,024,887	19,886	(103,847)	-	940,926

Scheme	Options at 30 Mar 24	Granted	Dividend credit	Forfeited	Exercised	Options at 29 Mar 25
2019A-TSR	312,583*	-	6,467	-	(319,050)	-
2019A-EPS	312,583*	-	6,467	-	(319,050)	-
2020A-TSR	197,369*	-	17,023	-	-	214,392*
2020A-EPS	197,369*	-	17,023	-	-	214,392*
2021A-TSR	191,790	-	14,537	(23,247)	-	183,080*
2021A-EPS	191,790	-	8,013	(98,887)	-	100,916*
2022A-TSR	349,537	-	30,148	-	-	379,685
2022A-EPS	349,537	-	30,148	-	-	379,685
2023A-TSR	235,204	-	20,286	(57,073)	-	198,417
2023A-EPS	235,204	-	20,286	(57,072)	-	198,418
2024A-TSR	-	342,624	22,005	(177,332)	-	187,297
2024A-EPS	-	342,625	22,005	(177,332)	-	187,298
2021/B1	251,134	-	5,031	(2,182)	(248,414)	5,569
2022/B1	380,862	-	32,183	(27,299)	-	385,746
2022/B2	4,061	-	350	-	-	4,411
2023/B1	387,478	-	32,344	(59,714)	-	360,108
2024/B1	-	554,001	35,053	(96,397)	-	492,657

*These share options are in a two-year holding period.

2) Deferred Bonus Share Plan (DBSP) awards

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

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

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

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

There are annual awards of the scheme. The 2026 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 29 Mar 25	Granted	Dividend credit	Forfeited	Exercised	Options at 28 Mar 26
2022 Bonus allocation	352,507	-	14,199	-	(366,706)	-
2023 Bonus allocation	179,929	-	11,219	-	-	191,148
2024 Bonus allocation	266,096	-	16,593	-	-	282,689
2025 Bonus allocation	-	211,093	13,161	-	-	224,254

Scheme	Options at 30 Mar 24	Granted	Dividend credit	Forfeited	Exercised	Options at 29 Mar 25
2021 Bonus allocation	104,359	-	2,160	-	(106,519)	-
2022 Bonus allocation	324,517	-	27,990	-	-	352,507
2023 Bonus allocation	165,640	-	14,289	-	-	179,929
2024 Bonus allocation	-	244,969	21,127	-	-	266,096

The fair values of the presented schemes on inception were £0.6m (2025) £1.2m (2024), £0.8m (2023), £1.1m (2022) and £0.5m (2021).

3) Specific LTIP awards

The remuneration committee are able to award specific share schemes under the LTIP framework, where considered appropriate. In the prior year, there was one such scheme which was fully exercised in that period. There were no such schemes in the current year. Details given below.

Scheme	Options at 30 Mar 24	Granted	Dividend credit	Forfeited	Exercised	Options at 29 Mar 25
Buy-out Nov-24	36,601	-	1,341	-	(37,942)	-

The fair value of the presented scheme on inception was £0.1m.

The summary period-end position is as follows:

Period ended	28 March 2026	29 March 2025
Share options outstanding at the start of the year	4,290,603	4,227,618
Share options granted during the year (including via dividend credit)	2,890,819	1,870,495
Share options forfeited or lapsed during the year	(1,328,903)	(776,535)
Share options exercised in the year	(1,216,385)	(1,030,975)
Share options outstanding at the end of the year	4,636,134	4,290,603
Of which;		
Share options that are not vested	3,628,913	2,773,722
Share options that are in holding	999,796	1,511,312
Share options that are vested and eligible for exercise	7,425	5,569

All exercised options are satisfied by the issue of new share capital. The weighted average share price on exercise was £2.25 (2025: £4.26). All outstanding options have a £nil (2025: £nil) exercise price and the weighted average remaining contractual life is 2.3 years (2025: 1.9 years).

In the year, £3m has been charged to the consolidated statement of comprehensive income in respect to the share option schemes (2025: £3m). At the end of the year the outstanding share options had a carrying value of £7m (2025: £8m).

9 Taxation

The relationship between the expected tax expense based on the standard rate of corporation tax in the UK of 25% in both periods and the tax expense actually recognised in the consolidated statement of comprehensive income can be reconciled as follows:

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Current tax expense	57	105
Deferred tax charge	6	7
Total tax expense recorded in profit and loss	63	112
Current tax charge/(credit) in other comprehensive income	0	(0)
Deferred tax charge in other comprehensive income	3	1
Total tax charge recorded in other comprehensive income	3	1
Result for the year before tax	227	431
Expected tax charge at the standard tax rate	57	108
Effect of:		
Expenses not deductible for tax purposes	10	5
Income not taxable	(2)	(0)
Lease accounting	(2)	(1)
Foreign operations taxed at local rates	0	1
Current tax prior period adjustment	(2)	(1)
Deferred tax prior period adjustment	1	-
Hold over gains on fixed assets	(0)	1
Relating to share options	1	0
Other	0	(1)
Actual tax expense	63	112

Deferred taxation

Statement of financial position	28 March 2026 £'m	29 March 2025 £'m
Accelerated tax depreciation	(30)	(24)
Relating to intangible brand assets	(28)	(27)
Fair valuing of assets and liabilities (asset)	4	3
Fair valuing of assets and liabilities (liability)	(4)	(2)
Temporary differences relating to the tax accounting for leases (asset)	90	92
Temporary differences relating to the tax accounting for leases (liability)	(68)	(70)
Movement in provision	0	0
Relating to share options	1	2
Held over gains on fixed assets	(4)	(4)
Other temporary differences	0	0
Net deferred tax liability	(39)	(30)
Analysed as;		
Deferred tax asset	6	5
Deferred tax liability	(45)	(35)

Statement of comprehensive income	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Accelerated tax depreciation	(6)	(7)
Relating to intangible brand assets	(1)	-
Fair valuing of assets and liabilities	(2)	1
Temporary differences relating to the tax accounting for leases	1	0
Movement in provision	(0)	(0)
Relating to share options	(1)	(2)
Held over gains on fixed assets	-	(0)
Other temporary differences	0	0
Net deferred tax charge	<u>(9)</u>	<u>(8)</u>
Analysed as;		
Total deferred tax charge in profit or loss	(6)	(7)
Total deferred tax charge in other comprehensive income	(3)	(1)

At the period end there are £1m of unrecognised deferred tax assets within the Group in relation to a corporate interest restriction (2025: £1m) and there were no unrecognised deferred tax assets in respect of carried forward losses in our Jersey entities from before the redomicile from Luxembourg, since they cannot be utilised in the future due to the redomicile to Jersey (2025: £20m).

The deferred tax liability relating to the intangible brand has been recognised in respect of the temporary difference created by the recognition of the B&M brand at fair value on the business combination when the Group was formed.

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 Jersey legislation with its external tax specialists. This assessment was based upon our most recent country-by-country reporting and the methodology we intend to use in our future country-by-country and Pillar Two reporting and the most recent financial statements for the constituents of the Group. Based on the assessment, the Pillar Two effective tax rates in all the jurisdictions in which the Group have trading operations are above 15%, which is expected to continue in future years and other jurisdictions have been analysed to meet other safe harbour tests or are not expected to have significant impact. We therefore intend to apply the transitional safe harbour rules which will exempt the Group from applying the full Pillar Two rules from the first year of their application.

10 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 during the period.

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 8) which have a dilutive effect on both periods presented.

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

Period ended	28 March 2026 £'m	29 March 2025 £'m
Profit for the period attributable to owners of the parent	164	319
Adjusted profit for the period attributable to owners of the parent	214	337
Adjusted (pre-IFRS 16) profit for the period attributable to owners of the parent	225	347
	Thousands	Thousands
Weighted average number of ordinary shares for basic earnings per share	1,004,701	1,003,386
Dilutive effect of employee share options	1,219	1,869
Weighted average number of ordinary shares adjusted for the effect of dilution	1,005,920	1,005,255
	Pence	Pence
Basic earnings per share	16.3	31.8
Diluted earnings per share	16.3	31.8
Adjusted basic earnings per share	21.3	33.6
Adjusted diluted earnings per share	21.3	33.5
Adjusted (pre-IFRS 16) basic earnings per share	22.4	34.6
Adjusted (pre-IFRS 16) diluted earnings per share	22.4	34.5

11 Investments in associates

Period ended	28 March 2026 £'m	29 March 2025 £'m
Net book value		
Carrying value at the start of the period	6	5
Share of profits in associates since the prior year valuation exercise	1	1
Effect of foreign exchange on translation	(0)	(0)
Carrying value at the end of the period	7	6

The Group has a 50% interest in Multi-lines International Company Ltd (Multi-lines), a company incorporated in Hong Kong. The principal activity of the company is the purchase and sale of goods and their registered address is 29/F, Tower B, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong.

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

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

Period ended	28 March 2026 £'m	29 March 2025 £'m
Multi-lines		
Non-current assets	16	19
Current assets	60	56
Current liabilities	(72)	(71)
Net assets	<u>4</u>	<u>4</u>
Revenue	229	301
(Loss)/profit	<u>(0)</u>	<u>1</u>

Period ended	28 March 2026 £'m	29 March 2025 £'m
Centz		
Non-current assets	8	9
Current assets	33	28
Non-current liabilities	(6)	(6)
Current liabilities	(11)	(11)
Net assets	<u>24</u>	<u>20</u>
Revenue	68	65
Profit	<u>4</u>	<u>3</u>

The figures for both associates show 12 months to December 2025 (prior year: 12 months to December 2024), being the period used in the valuation of the associate.

12 Intangible assets

	Goodwill £'m	Software £'m	Brands £'m	Other £'m	Total £'m
Cost or valuation					
At 30 March 2024	921	13	114	1	1,049
Additions	-	2	-	-	2
Disposals	-	(0)	-	-	(0)
Effect of retranslation	(1)	(0)	-	(0)	(1)
At 29 March 2025	920	15	114	1	1,050
Additions	-	3	-	-	3
Disposals	-	(0)	-	-	(0)
Effect of retranslation	1	(1)	-	0	0
At 28 March 2026	921	17	114	1	1,053
Accumulated amortisation/impairment					
At 30 March 2024	-	7	0	-	7
Charge for the year	-	2	0	-	2
Disposals	-	(0)	-	-	(0)
Effect of retranslation	-	1	-	-	1
At 29 March 2025	-	10	0	-	10
Charge for the year	-	2	0	-	2
Disposals	-	(0)	-	-	(0)
Effect of retranslation	-	0	(0)	-	0
At 28 March 2026	-	12	0	-	12
Net book value at 28 March 2026	921	5	114	1	1,041
Net book value at 29 March 2025	920	5	114	1	1,040

At both period ends, no software was being developed that is not yet in use, and the Group was not committed to the purchase of any intangible assets.

Impairment review of intangible assets held with indefinite life

The Group holds the following assets with indefinite life:

	28 March 2026	28 March 2026	29 March 2025	29 March 2025
	Goodwill £'m	Brand £'m	Goodwill £'m	Brand £'m
B&M UK	807	99	807	99
Heron UK	88	14	88	14
B&M France	26	-	25	-

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 (2025: €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 28 March 2026 were;

The Group's pre-tax discount rate

This was calculated using an internal CAPM model which includes external estimates of the risk-free rate, cost of debt, equity beta and market risk premium. It is adjusted for which country the segment is in and how large the segment is. The pre-tax discount rates have decreased in both the UK and France during the year, which is reflective of changes in the risk-free rate.

The inflation rate for expenses

This is based upon the consumer price index for the relevant country, official reports from the relevant central bank, agreed legislation and management's assessment of the cost inflation related to ongoing initiatives within that segment.

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.

Change in gross margin

The standing assumption made by management is that forecast gross margin is the change in gross margin relative to 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	28 March 2026	29 March 2025
Pre-tax discount rate (B&M UK)	10.6%	11.3%
Pre-tax discount rate (Heron)	11.7%	13.1%
Pre-tax discount rate (B&M France)	10.3%	10.9%
Inflation rate for costs (B&M UK)	5.0%/ 2.0%*	2.8%/2.0%*
Inflation rate for costs (Heron)	1.0%/2.0%	2.8%/2.0%
Inflation rate for costs (B&M France)	1.0%	1.5%
Like-for-like sales growth (B&M UK)	2.8%/ 3.0%*	2.0%
Like-for-like sales growth (Heron)	1.6%/ 2.0%*	3.0%/2.0%*
Like-for-like sales growth (B&M France)	2.0%	3.5%
Change in gross margin (B&M UK)	75bps/125bps/170bps*	±0bps
Change in gross margin (Heron)	23bps	±0bps
Change in gross margin (B&M France)	(25)bps	±0bps
Terminal growth rate (B&M UK)	1.7%	1.0%
Terminal growth rate (Heron)	1.7%	1.7%
Terminal growth rate (B&M France)	1.4%	1.4%

* The first figure reflects the assumption in year one, the second figure reflects the assumption in year two for B&M UK's gross margin, with the final figure representing the long-term rate.

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

In each case, the results of the impairment tests on the continuing operations identified that the value-in-use was in excess of the carrying value of assets within each group of CGUs at the period-end dates. The headroom with the base case assumptions in B&M UK was £3,500m, Heron £16m and B&M France €938m (2025: £3,804m, £99m and €937m respectively).

Heron's value-in-use calculation identified a low level of headroom. The Directors consider that the forecast used in calculating Heron's value-in-use contained the most appropriate assumptions, and they are the assumptions reflected in the Group's internal approved plan for the entity, with additional risk factors applied to forecast costs and no allowance for any store growth resulting from capital investment (as this is not permitted in an impairment review).

Any further under-performance in relation to the entity will, however, indicate that an impairment will be required. Such scenarios include like-for-like sales of +0.6%, a margin reduction of 5bps, or cost inflation of 2.2%. Nil like-for-like would imply an impairment to Goodwill of £12m, whilst no margin growth leaves headroom of only £3m with all other inputs held.

Professional experts have also created a report to measure the entities fair value less costs to sell, with an indication that this valuation would require an immaterial impairment to Goodwill. Given that we are required to measure recoverable amount at the higher of the value-in-use and fair value less costs to sell, management's judgement is that it is appropriate that no goodwill impairment is currently required, although this will be monitored before or at the half year date and reported as part of those accounts.

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

To further quantify the sensitivity, the below tables demonstrate the point at which each impairment test would first fail for changes in each of the key assumptions in year one (except terminal growth rate from the end of year 5 and the discount rate which applies throughout), whilst assuming each other key assumption is held level (e.g. for inflation sensitivity, the like-for-like was not adjusted):

	28 March 2026	29 March 2025
B&M UK		
Pre-tax discount rate	23.4%	30.8%
Inflation rate for expenses	33.0%	60.6%
Like-for-like sales	(13.6)%	(19.8)%
Change in gross margin	(516)bps	(793)bps
Terminal growth rate	(30.9)%	(35.3)%
B&M France		
Pre-tax discount rate	37.6%	47.0%
Inflation rate for expenses	43.6%	88.9%
Like-for-like sales	(21.7)%	(23.8)%
Change in gross margin	<(1,000)bps	<(1,190)bps
Terminal growth rate	<(100)%	(40.8)%
Heron UK		
Pre-tax discount rate	12.7%	19.5%
Inflation rate for expenses	2.2%	14.8%
Like-for-like sales	0.6%	(3.5)%
Change in gross margin	(5)bps	(197)bps
Terminal growth rate	0.4%	(6.4)%

13 Property, plant and equipment

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Cost or valuation				
At 30 March 2024	107	36	637	780
Additions	6	20	105	131
Disposals	(7)	(14)	(3)	(24)
Effect of retranslation	(0)	(0)	(2)	(2)
At 29 March 2025	106	42	737	885
Additions	6	17	116	139
Disposals	(1)	(6)	(9)	(16)
Effect of retranslation	0	0	3	3
At 28 March 2026	111	53	847	1,011
Accumulated depreciation and impairment charges				
At 30 March 2024	22	18	319	359
Charge for the period	5	6	77	88
Disposals	(1)	(5)	(3)	(9)
Effect of retranslation	-	(0)	(1)	(1)
At 29 March 2025	26	19	392	437
Charge for the period	5	8	82	95
Impairment	1	-	16	17
Disposals	0	(4)	(8)	(12)
Effect of retranslation	0	0	3	3
At 28 March 2026	32	23	485	540
Net book value at 28 March 2026	79	30	362	471
Net book value at 29 March 2025	80	23	345	448

Under the terms of the loan and notes facilities in place at 28 March 2026, fixed and floating charges were held over £78m of the net book value of land and buildings, £30m of the net book value of motor vehicles and £323m of the net book value of the plant, fixtures and equipment (2025: £80m, £23m and £309m respectively).

At the period end, £4m of assets were under construction (2025: £7m).

Included within land and buildings is land with a cost of £5m (2025: £5m) which is not depreciated.

The gross carrying amount of fully depreciated property, plant and equipment that is still in use as at the period end was £232m (FY25: £165m).

Capital commitments

At the period end, there were £16m of contractual capital commitments not provided within the Group financial statements (2025: £14m).

Impairment

During the year, we have impaired a total of £17m of fixed assets in relation to property, plant and equipment held in the Group. This breaks down by segment to B&M UK £6m, Heron £11m, B&M France <£1m (2025: B&M UK £nil, Heron £nil, B&M France £nil).

The circumstances that have led to the impairment is poorer than expected store performance.

The total asset value tested for impairment was £27m (2025: £4m), this breaks down at a segment level to B&M UK £11m, Heron £10m, B&M France £3m (2025: B&M UK <£1m, Heron £2m, B&M France £2m).

The key assumptions used were those used in our goodwill impairment test, see note 12, and the impairment would not be materially impacted by any reasonably possible changes to these assumptions.

14 Right-of-use assets

	Land and buildings £'m	Motor vehicles £'m	Plant, fixtures and equipment £'m	Total £'m
Net book value				
As at 30 March 2024	1,088	4	9	1,101
Additions	228	14	9	251
Modifications	24	-	-	24
Disposals	(26)	(0)	(0)	(26)
Impairment	(3)	-	-	(3)
Depreciation	(176)	(4)	(3)	(183)
Foreign exchange	(5)	(0)	0	(5)
As at 29 March 2025	1,130	14	15	1,159
Additions	212	6	20	238
Modifications	11	-	-	11
Disposals	(36)	(0)	(0)	(36)
Impairment	(25)	-	-	(25)
Depreciation	(189)	(5)	(6)	(200)
Foreign exchange	6	0	0	6
As at 28 March 2026	1,109	15	29	1,153

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 £3m (2025: £5m) in relation to low value leases and <£1m (2025: <£1m) in relation to short-term leases for which the Group applied the practical expedient under IFRS 16.

The Group expensed <£1m (2025: <£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 (2025: £2m) in relation to subletting right-of-use assets.

Impairment

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 and central property leases. No impairments have been reversed in the presented periods.

The segmental splits of the impairments were B&M UK £15m, Heron £9m, B&M France £1m (2025: B&M UK £1m, Heron £2m, B&M France <£1m).

The total asset value tested for impairment was £56m (2025: £13m), this breaks down at a segment level to B&M UK £31m, Heron £13m, B&M France £12m (2025: B&M UK £4m, Heron £3m, B&M France £6m).

The key assumptions used were those used in our goodwill impairment test, see note 12, and the impairment would not be materially impacted by any reasonably possible changes to these assumptions.

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

	28 March 2026 £'m	29 March 2025 £'m
Lease liabilities brought forward	1,430	1,357
Cash		
Repayment of the principal in relation to right-of-use assets	(192)	(176)
Payment of interest in relation to right-of-use assets	(84)	(77)
Non-cash		
Interest charge	84	77
Effects on lease liability relating to lease additions, modifications and disposals	211	254
Effects of foreign exchange	8	(5)
Total cash movement in the year	(276)	(253)
Total non-cash movement in the year	303	326
Movement in the year	27	73
Lease liabilities carried forward	1,457	1,430
Of which current	217	188
Of which non-current	1,240	1,242

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:

	28 March 2026	29 March 2025
Weighted average discount rate		
Property	5.8%	5.5%
Equipment	5.8%	5.5%
All right-of-use assets	5.8%	5.5%
Effect on finance costs with a change of 50bps to the discount rate	£'m	£'m
Property	7	7
Equipment	0	0
All right-of-use assets	7	7

Sale and leasebacks

During the year, the business did not undertake any sale and leasebacks (2025: 11 properties and one tranche of trailers).

The details of the prior period transactions were as follows:

	29 March 2025 £'m
Consideration received	11
Net book value of the assets disposed	(6)
Costs of sale when specifically recognised	-
Profit per pre-IFRS 16 accounting standards	5
Opening adjustment to the right-of-use asset	(5)
Profit recognised in the statement of comprehensive income	0
Initial right-of-use asset recognised	6
Initial lease liability recognised	(11)

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

15 Inventories

	28 March 2026 £'m	29 March 2025 £'m
As at		
Goods for resale	849	883

Included in the amount above was a net charge of £4m related to inventory provisions (2025: £<1m net charge). In the period to 28 March 2026, £3,670m (2025: £3,479m) was recognised as an expense for inventories and £33m of supplier rebates were received (2025: £33m).

16 Trade and other receivables

	28 March 2026 £'m	29 March 2025 £'m
Non-current		
Other receivables	9	6
Total non-current receivables	<u>9</u>	<u>6</u>
Current		
Trade receivables	6	7
Deposits on account	1	5
Provision for impairment	(0)	(0)
Net trade receivables to non-related parties	<u>7</u>	<u>12</u>
Prepayments	32	37
Related party receivables	4	3
Other tax	2	9
Other receivables	14	18
Total current receivables	<u>59</u>	<u>79</u>

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.

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

Period ended	28 March 2026 £'m	29 March 2025 £'m
Provision for impairment at the start of the period	(0)	(2)
Impairment during the period	(0)	(0)
Utilised/released during the period	0	2
Balance at the period end	<u>(0)</u>	<u>(0)</u>

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	28 March 2026 £'m	29 March 2025 £'m
Current	5	5
1-30 days past due	0	1
31-90 days past due	0	1
Over 90 days past due	1	0
Balance at the period end	<u>6</u>	<u>7</u>

17 Cash and cash equivalents

As at	28 March 2026 £'m	29 March 2025 £'m
Cash and cash equivalents	<u>342</u>	<u>217</u>

The cash and cash equivalents balance includes £38m (2025: £38m) in respect of credit card receivables.

In the prior year, the Group also held £150m held in a short-term money market deposit which matured in July 2025 and was included in the current other financial assets caption, see note 19.

As at the period end the Group had available £265m of undrawn committed borrowing facilities (2025: £240m).

18 Trade and other payables

As at	28 March 2026 £'m	29 March 2025 £'m
Current		
Trade payables	410	395
Other tax and social security payments	106	81
Accruals and deferred income	99	105
Related party trade payables	19	7
Other payables	27	30
Total current payables	661	618

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 26.

The Group had supply chain financing facilities in place during the year. The facilities are operated by major banking partners with high credit ratings and are limited to £70m (2025: £70m) total exposure at any one time.

The exposure at the period end was £17m, out of our total trade payable balance of £410m (2025: £12m, out of £395m) and at the period end date £10m of this balance had been drawn down by our suppliers (2025: £2m). The average balance over the year was £26m (2025: £24m).

The payment due dates on all the supplier finance arrangements are 60 days after the invoice date, which is the same as comparable trade payables for suppliers not on the supplier finance arrangements (2025: same).

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements.

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

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

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

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

19 Other financial assets and liabilities

Other financial assets

As at	28 March 2026 £'m	29 March 2025 £'m
Current financial assets at fair value through profit and loss:		
Foreign exchange forward contracts	7	2
Current financial assets held at amortised cost:		
Money market deposit	-	150
Current financial assets at fair value through other comprehensive income:		
Foreign exchange forward contracts	<u>6</u>	<u>1</u>
Total current other financial assets	<u>13</u>	<u>153</u>
Total other financial assets	<u>13</u>	<u>153</u>

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.

In the prior year, the money market deposit reflects £150m placed on a 7-month term with a fixed interest rate applied. The funds were returned in July 2025 as intended and were used to repay our £156m high yield bond notes at that time, see note 20.

Other financial liabilities

As at	28 March 2026 £'m	29 March 2025 £'m
Current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	1	7
Current financial liabilities at fair value through other comprehensive income:		
Foreign exchange forward contracts	<u>2</u>	<u>6</u>
Total current other financial liabilities	<u>3</u>	<u>13</u>
Non-current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	-	0
Non-current financial liabilities at fair value through profit and loss:		
Foreign exchange forward contracts	<u>-</u>	<u>0</u>
Total non-current other financial liabilities	<u>0</u>	<u>0</u>
Total other financial liabilities	<u>3</u>	<u>13</u>

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	Level 1	Level 2	Level 3
	£'m	£'m	£'m	£'m
28 March 2026				
Foreign exchange contracts	10	-	10	-
29 March 2025				
Foreign exchange contracts	(10)	-	(10)	-

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

20 Financial liabilities - borrowings

The table below relates to the net cash amounts of the borrowing facilities, with the figures inclusive of amortised fees.

As at	28 March	29 March
	2026	2025
	£'m	£'m
Current		
High yield bond notes	-	155
B&M France loan facilities	7	5
Total	<u>7</u>	<u>160</u>
Non-current		
High yield bond notes	744	742
Term facility bank loan	222	222
B&M France loan facilities	16	13
Total	<u>982</u>	<u>977</u>

Bond repayment

On 13 July 2025, the Group drew the £150m of cash placed on money market deposit in the prior period and repaid the remaining £156m of high yield bond notes (2020) on their maturity date.

Increasing the revolving credit facility limit

On 3 July 2025, the Group increased its revolving credit facility by £25m to £250m. Transactions fees of <£1m were incurred and were expensed directly to the statement of comprehensive income within finance costs.

Bond refinancing

In the prior period, on 19 November 2024, the Group issued £250m of high yield bond notes, maturing in November 2031 with an interest rate of 6.5%. £150m of cash received from these high yield bond notes was placed on money

market deposit and was ring-fenced for the purpose of repaying the remaining £156m of high yield bond notes (2020), as mentioned above.

Extension of senior loan facilities

In the prior period, in March 2025, the Group and the banking syndicate confirmed the activation of the second and final 1-year extension, extending the maturity date of the banking facilities to March 2030.

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 bond notes which are each held at amortised cost. The three tranches of bonds were issued in November 2021, November 2023 and November 2024, with £3m, £4m and £3m, respectively, of fees capitalised at inception.

The maturities, which only relate to the position as at 28 March 2026, and gross cash amounts of these facilities are included in the table below.

	Interest rate	Maturity	28 March 2026 £'m	29 March 2025 £'m
	%			
Revolving facility loan	2.00% + SONIA	N/A	-	-
Term facility bank loan A	2.25% + SONIA	Mar-30	225	225
High yield bond notes (2020)	3.625%	N/A	-	156
High yield bond notes (2021)	4.000%	Nov-28	250	250
High yield bond notes (2023)	8.125%	Nov-30	250	250
High yield bond notes (2024)	6.500%	Nov-31	250	250
B&M France – BNP Paribas	3.30-3.97%	Feb-28 to Aug-29	6	8
B&M France – Caisse d'Épargne	2.60%	Nov-29	1	1
B&M France – CIC	0.71-2.75%	Jan-27 to Dec-29	4	4
B&M France – Crédit Agricole	0.81-3.18%	Jan-28 to Mar-31	5	0
B&M France - Crédit Lyonnais	0.69-3.65%	Mar-27 to Jul-29	5	4
B&M France – Societe Generale	2.70%	May-30	2	-
Total			998	1,148

The revolving facility of £250m is committed until March 2030.

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

All B&M France facilities have gross values in Euros, and the values above have been translated at the period-end rates of €1.1538/£ (2025: €1.1955/£).

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

	28 March 2026 £'m	29 March 2025 £'m
As at		
Borrowings brought forward	1,137	910
Cash		
Net repayment of Group revolving credit facilities	-	(25)
Repayment of corporate bonds	(156)	-
Receipt due to newly issued corporate bonds	-	250
Receipt of loan facilities held in France	12	9
Repayment of loan facilities held in France	(7)	(5)
Capitalised fees on refinancing	-	(4)
Non-cash		
Foreign exchange on loan balances	1	(0)
Ongoing amortisation of finance fees	2	2
Total cash movement in the year	(151)	225
Total non-cash movement in the year	3	2
Movement in the year	(148)	227
Borrowings carried forward	989	1,137
Of which current	7	160
Of which non-current	982	977

21 Provisions

	Property provisions £'m	Other £'m	Total £'m
At 30 March 2024	6	4	10
Provided in the period	2	9	11
Utilised during the period	(0)	(3)	(3)
Released during the period	(1)	(1)	(2)
At 29 March 2025	7	9	16
Provided in the period	2	3	5
Utilised during the period	(0)	(8)	(8)
Released during the period	(2)	-	(2)
At 28 March 2026	7	4	11
At 28 March 2026			
Current liabilities	2	4	6
Non-current liabilities	5	-	5
At 29 March 2025			
Current liabilities	3	9	12
Non-current liabilities	4	-	4

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

The other provisions caption includes the portion of the Group Trading Director settlement which was provided against in the prior period and fully released in the current period, and disputes in relation to our insured liability claims in both years. A prudent amount has been set aside for each insurance claim as per legal advice received by the Group with the claims individually non-significant and averaging £10k per claim (2025: £10k per claim).

The Group is subject to an ongoing investigation by the UK Environment Agency in relation to its historical compliance with the UK Waste Electrical and Electronic Equipment Regulations and Batteries and Accumulators Regulations. The investigation primarily relates to the period 2014–2022 and, whilst the Group expects an outflow in respect of this period, the amount is not expected to be material and no provision has been made as at 28 March 2026.

22 Share capital

Allotted, called up and fully paid	Shares	£'m
<i>B&M European Value Retail plc ordinary shares of 10p each</i>		
As at 30 March 2024	1,002,790,896	100
Release of shares related to employee share options	1,030,975	0
As at 29 March 2025	1,003,821,871	100
Release of shares related to employee share options	1,216,385	1
As at 28 March 2026	1,005,038,256	101

Ordinary shares

Each ordinary share ranks pari passu with each other ordinary share and each share carries one vote. The Group parent is authorised to issue up to an additional 2,968,400,351 ordinary shares.

23 Cash generated from operations

Period ended	52 weeks ended 28 March 2026 £'m	52 weeks ended 29 March 2025 £'m
Profit before tax	227	431
Adjustments for:		
Net interest expense	148	136
Depreciation on property, plant and equipment	95	88
Impairment of property, plant and equipment	17	3
Depreciation on right-of-use assets	200	183
Impairment of right-of-use assets	25	3
Amortisation of intangible assets	2	2
Profit on sale and leasebacks	-	(0)
Loss/(profit) on disposal of property, plant and equipment	1	(0)
Share option expense	3	3
Change in inventories	38	(109)
Change in trade and other receivables	18	(3)
Change in trade and other payables	40	41
Change in provisions	(6)	7
Share of profits from associates	(1)	(1)
(Profit)/loss resulting from fair value of financial derivatives	(6)	3
Cash generated from operations	801	784

24 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 plc	Jersey	May 2014	Parent	Holding company
B&M European Value Retail 1 Ltd	Jersey	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 Ltd	Jersey	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 France SAS	France	November 1977	100%	General retail
Centz N.I. Limited	UK	January 2021	100%	Property management

Registered offices

- The Jersey entities are all registered at 26 New Street, St Helier, Jersey, JE2 3RA.
- Centz N.I. Limited is 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 France is registered at 8 rue du Bois Joli, 63800 Cournon d'Auvergne.

Redomicile

As part of the redomicile project detailed in note 1, the three Luxembourg entities within the Group redomiciled to Jersey in the current year; B&M European Value Retail plc on 27 February 2026 and both B&M European Value Retail 1 Ltd and B&M European Value Retail 2 Ltd on 18 March 2026. B&M European Value Retail plc, B&M European Value Retail 1 Ltd, B&M European Value Retail 2 Ltd in prior year were registered as 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., respectively.

Associates

The Group has a 50% interest in Multi-lines International Company Limited, a company incorporated in Hong Kong, and a 22.5% interest in Centz Retail Holdings Limited, a company incorporated in the Republic of Ireland. The share of profit or loss from the associates is included in the consolidated statement of comprehensive income, see note 11.

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 plc, registered in Jersey following completion of the redomicile project this year, detailed in note 3.

25 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 \$661m of hedged derivatives mature (2025: \$648m). The difference to profit before tax if none of our forwards had been hedge accounted during the year would have been a loss of £17m (2025: £2m profit) and a pre-tax gain in other comprehensive income of £9m (2025: £2m profit).

The net effective hedging loss transferred to the cost of inventories in the year was £19m (2025: net loss of £8m). At the period end, the amount of outstanding US Dollar contracts covered by hedge accounting was \$590m (2025:

\$698m), which mature over the next 12 months (2025: 15 months). The change in fair value of the hedging instruments used as the basis for recognising hedge ineffectiveness was £nil (2025: £nil), achieved effectiveness was 100% (2025: 100%).

Foreign currency sensitivity

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

As at	Change in USD rate	28 March 2026 £'m	29 March 2025 £'m
Effect on profit before tax	+2.5%	(10)	(10)
	-2.5%	10	10
Effect on other comprehensive income	+2.5%	(11)	(13)
	-2.5%	11	14

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

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

Interest rate risk

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

The Group's interest rate risk arises mainly from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

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

As at	Basis point increase / decrease	28 March 2026 £'m	29 March 2025 £'m
Effect on profit before tax	+50	(1)	(1)
	-50	1	1

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

Credit risk

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

The Group's principal financial assets are cash, derivatives and trade receivables. The prior year also included money market deposits. The credit risks associated with cash, money market deposits and derivatives are limited as the

main counterparties are banks with high credit ratings (A long term and A-1 short term (Standard & Poor) or better, (2025: 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 revolving credit facility. The following table shows the liquidity risk maturity of financial liabilities grouping based on their remaining period at the balance sheet date. The amounts disclosed are the contractual undiscounted cash flows:

	Within 1 year £'m	Between 1 and 2 years £'m	Between 2 and 5 years £'m	More than 5 years £'m	Total £'m
28 March 2026					
Interest-bearing loans	66	65	870	262	1,263
Lease liabilities	283	273	660	602	1,818
Trade payables	429	-	-	-	429
29 March 2025					
Interest-bearing loans	222	64	425	769	1,480
Lease liabilities	265	258	653	627	1,803
Trade payables	402	-	-	-	402

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	
	28 March 2026 £'m	29 March 2025 £'m	28 March 2026 £'m	29 March 2025 £'m
	As at			
High yield bond notes (2020)	-	154	-	155
High yield bond notes (2021)	235	231	249	249
High yield bond notes (2023)	254	260	247	247
High yield bond notes (2024)	237	244	247	247

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

As at	28 March	29 March
	2026	2025
Financial assets	£'m	£'m
Fair value through profit and loss		
Forward foreign exchange contracts	7	2
Fair value through other comprehensive income		
Forward foreign exchange contracts	6	1
Loans and receivables		
Cash and cash equivalents	342	217
Money market deposit	-	150
Trade receivables	11	15
Other receivables	14	18

As at	28 March	29 March
	2026	2025
Financial liabilities	£'m	£'m
Fair value through profit and loss		
Forward foreign exchange contracts	1	7
Fair value through other comprehensive income		
Forward foreign exchange contracts	2	6
Amortised cost		
Lease liabilities	1,457	1,430
Interest-bearing loans and borrowings (excluding corporate bonds)	245	239
Trade payables	429	402
Other payables	27	30

26 Related party transactions

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

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

Ropley Properties Ltd, Triple Jersey Ltd, TJL UK Ltd, Rani Investments, Fulland Investments Limited, Golden Honest International Investments Limited, Hammond Investments Limited, Joint Sino Investments Limited and Ocean Sense Investments Limited, all landlords of properties occupied by the Group, and Rani 1 Holdings Limited, Rani 2 Holdings Limited and SSA Investments, Bondholders and beneficial owners of equipment hired to the Group, are directly or indirectly owned by Bobby Arora, formerly a key member of the management team, his family, or his family trusts (together, the Arora related parties). These entities have ceased to be related parties as at 30 March 2025, on Bobby Arora's exit from the business. Transactions have continued with these entities but are excluded in the current period from the related party tables below since they are no longer related parties two days into the current period and the transactions during that period were immaterial.

The overall position at the prior year end is summarised in the table below:

	52 weeks ended
	29 March
	2025
	£'m
SSA Investments (4.000%, 2021 bonds)	99
Total	99

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

	Expense to 29 March 2025 £'m	Accrual on 29 March 2025 £'m
SSA Investments	4.0	1.5
Total	4.0	1.5

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

Period ended	28 March 2026 £'m	29 March 2025 £'m
Sales to associates of the Group		
Centz Retail Holdings Limited	30	29
Total sales to related parties	30	29
	28 March 2026 £'m	29 March 2025 £'m
Purchases from associates of the Group		
Multi-lines International Company Ltd	250.1	234.3
Purchases from parties related to key management personnel		
Fulland Investments Limited	-	0.3
Golden Honest International Investments Limited	-	0.2
Hammond Investments Limited	-	0.3
Joint Sino Investments Limited	-	0.2
Ocean Sense Investments Limited	-	0.3
Total purchases from related parties	250.1	235.6

There are no leases held with related parties at the end of this period. At the end of prior period, the IFRS 16 lease figures in relation to the following related parties, which were all related to key management personnel, were as follows:

Period ended 29 March 2025	Depreciation charge £'m	Interest charge £'m	Total charge £'m	Right-of-use asset £'m	Lease liability £'m	Net liability £'m
Rani Investments	0	0	0	0	(0)	(0)
Ropley Properties	2	1	3	6	(8)	(2)
TJL UK Limited	1	0	1	9	(11)	(2)
Triple Jersey Limited	9	4	13	57	(68)	(11)
Total	12	5	17	72	(87)	(15)

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

As at	28 March 2026 £'m	29 March 2025 £'m
Trade receivables from associates of the Group		
Centz Retail Holdings Ltd	4	2
Multi-lines International Company Ltd	-	1
Total related party trade receivables	4	3

As at	28 March 2026 £'m	29 March 2025 £'m
Trade payables to associates of the Group		
Multi-lines International Company Ltd	19	5
Trade payables to companies owned by key management personnel		
Ropley Properties Ltd	-	0
TJL UK Limited	-	0
Triple Jersey Ltd	-	2
Total related party trade payables	19	7

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 £11m (2025: £14m) held within a supply chain facility. See note 18 for more details. The facility is operated by major banking partners with high credit ratings and is limited to £70m total exposure at any one time.

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.

There would be no impact on the Group if the facility became unavailable and there are no fees or charges payable by the Group in regards to this arrangement.

As these invoices continue to be part of the normal operating cycle of the Group, the scheme does not change the recognition of the invoices subject to the scheme, 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.

The business has not recorded any impairment of trade receivables relating to amounts owed by related parties in any of the presented periods. This assessment is through examining the financial position of the related party and the market in which the related party operates.

As at the prior year end, the future lease commitments on the Arora related party properties were:

As at	29 March 2025 £'m
Not later than one year	17
Later than one year and not later than two years	17
Later than two years and not later than five years	40
Later than five years	31
Total	<u>105</u>

See note 11 for further information on the Group's associates.

For further details on the transactions with key management personnel, see note 7 and the Directors' remuneration report.

27 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 defines net debt as: external interest-bearing loans and borrowings less cash and short-term deposits.

The interest-bearing loans figure used is the gross amount of cash borrowed at that time, as opposed to the carrying value under the amortised cost method. The difference between pre and post IFRS 16 net debt is the inclusion of our full lease liability in the latter.

Short-term deposits includes any term deposits held with a maturity of less than one year.

	28 March 2026 £'m	29 March 2025 £'m
As at		
Interest-bearing loans and borrowings (note 20)	998	1,148
Less: cash (note 17)	(342)	(217)
Less: short-term deposits (note 19)	-	(150)
Net debt (pre-IFRS 16)	656	781
Total lease liabilities (note 14)	1,457	1,430
Net debt (post-IFRS 16)	2,113	2,211

The Group's leverage ratio is defined as net debt divided by EBITDA (note 3) and calculates to be 2.9 on a post-IFRS 16 basis and 1.4 on a pre-IFRS 16 basis (2025: 2.6 and 1.3, respectively).

28 Post balance sheet events

On 10 April 2026, the Group announced that Helen Cowing had stepped down from her role as interim Chief Financial Officer and that Peter Waterhouse, previously B&M Finance Director, will be her successor as interim Chief Financial Officer, with effect immediately.

Also on 10 April 2026, the Group announced that Peter Pritchard has been appointed to the Board as a Non-Executive Director, with effect immediately.

29 Dividends

An interim dividend of 3.5 pence per share (£35.2m) was declared in November 2025 and has been paid.

A final dividend of 6.1 pence per share (£61.3m), giving a full year dividend of 9.6 pence per share (£96.5m), is proposed.

Relating to the prior year;

An interim dividend of 5.3 pence per share (£53.2m) was declared in November 2024 and has been paid.

A special dividend of 15.0 pence per share (£150.6m), was declared in January 2025 and has been paid.

A final dividend of 9.7 pence per share (£97.4m), giving a full year dividend of 15.0 pence per share (£150.6m), was declared in July 2025 and has been paid.

30 Contingent liabilities and guarantees

As at 28 March 2026, B&M European Value Retail plc, B&M European Value Retail 1 Ltd, B&M European Value Retail 2 Ltd, 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 plc. The amounts outstanding as at the period end were £225m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £750m for the notes, with the balance held in B&M European Value Retail plc.

As at 29 March 2025, B&M European Value Retail S.A., B&M European Value Retail 1 S.à r.l., B&M European Value Retail 2 S.à r.l., B&M European Value Retail Holdco 1 Ltd, B&M European Value Retail Holdco 2 Ltd, B&M European Value Retail Holdco 3 Ltd, B&M European Value Retail Holdco 4 Ltd, EV Retail Ltd, B&M Retail Ltd, Heron Food Group Ltd and Heron Foods Ltd were all guarantors to both the loan and notes agreements which were formally held within B&M European Value Retail S.A. The amounts outstanding as at the period end were £225m for the loans, with the balance held in B&M European Value Retail Holdco 4 Ltd, and £906m for the notes, with the balance held in B&M European Value Retail S.A.

For details relating to the UK Waste Electrical and Electronic Equipment Regulations and Batteries and Accumulators Regulations provision, please see note 21.

31 Directors

The Directors that served during the period were:

T Hall (Chair)

T Jegen (CEO) (appointed 16 June 2025)

A Russo (CEO) (retired 30 April 2025)

H Cowing (Interim CFO) (appointed 1 December 2025, resigned 10 April 2026)

M Schmidt (CFO) (resigned 1 December 2025)

P MacKenzie

H Lasry

O Tant

N Shouraboura

E Sutherland (appointed 20 January 2025)

Tjeerd Jegen was appointed as Chief Executive Officer with effect from 16 June 2025.

Alex Russo served as Chief Executive Officer of the B&M Group from September 2022 until his retirement from the Board on 30 April 2025.

As previously announced by the Group on 20 October 2025, Mike Schmidt stepped down from his role as Chief Financial Officer.

On 12 November 2025, Helen Cowing was appointed as interim Chief Financial Officer and was appointed to the Board on 1 December.

On 10 April 2026, the Group announced that Helen Cowing had stepped down from her role as interim Chief Financial Officer and that Peter Waterhouse, previously B&M Finance Director, will be her successor as interim Chief Financial Officer, with effect immediately.

Also on 10 April 2026, the Group announced that Peter Pritchard has been appointed to the Board as a Non-Executive Director, with effect immediately.

All directors served for the whole period except where indicated above.