



The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

26 June 2025

Marlowe plc

Preliminary Unaudited Results for the year ended 31 March 2025

Marlowe plc ("**Marlowe**", the "**Group**" or the "**Company**"), a leading testing, inspection and certification service provider, announces its preliminary full year results for the year ended 31 March 2025 ("**FY25**").

On 3 June 2024, the Group announced the completion of the sale of certain Governance, Risk & Compliance ("**GRC**") software and services assets ("**Divestment**") for an Enterprise Value of £430 million in cash. Subsequently, on 12 September 2024, the Group announced the demerger of its Occupational Health division ("**Demerger**") and subsequent registration as a separate public limited company under the name Optima Health plc.

Marlowe's continuing operations since 23 September 2024 now comprise the Testing, Inspection & Certification ("**TIC**") division on which the Group's forward strategy is focussed.

Financial performance

ADJUSTED RESULTS – CONTINUING OPERATIONS	FY25 (Unaudited)	FY24 (Unaudited)	Change
Revenue	£304.5m	£292.3m	4%
Adjusted EBITDA ^{1,2}	£32.8m	£31.6m	4%
Adjusted EBITDA margin ^{1,2}	10.8%	10.8%	-
Adjusted operating profit ²	£20.3m	£19.2m	6%
Adjusted earnings per share - basic ²	15.3p	10.4p	47%
Net cash/(debt) (excluding lease liabilities)	£22.2m	£(176.6)m	

STATUTORY RESULTS – CONTINUING OPERATIONS	FY25 (Unaudited)	FY24 (Unaudited)
Revenue	£304.5m	£292.3m
Operating profit/(loss) ³	£5.0m	£(3.2)m
Profit/(loss) before tax ³	£2.8m	£(9.2)m
Earnings/(loss) per share – basic ³	5.0p	(6.0)p

STATUTORY RESULTS – GROUP	FY25 (Unaudited)	FY24 (Audited)
Revenue	£373.0m	£503.2m
Operating profit ³	£7.9m	£9.6m
Profit/(loss) before tax ³	£144.9m	£(10.9)m
Earnings/(loss) per share – basic ³	159.7p	(10.6)p
Net debt	£(1.0)m	£(202.9) m

¹ Earnings before interest, taxes, depreciation and amortisation (“EBITDA”)

² Explanation of non-IFRS measures are contained within the Financial Review and note 2 and 3

³ Further details shown in consolidated statement of comprehensive income

STRATEGY AND TRADING PERFORMANCE – CONTINUING OPERATIONS

A leading TIC service provider

- Marlowe’s forward-looking strategy is to focus on the highly regulated business-critical service markets across TIC with strong recurring revenues based on non-discretionary customer spend and underpinned by regulatory and insurance requirements
- The primary organic focus in the near term remains on driving margin enhancement and organic growth
- The TIC service markets remain highly fragmented, and bolt-on acquisitions continue to present an attractive route to delivering additional shareholder value as shown by the acquisition of SludgeTek post year-end

Strategic review creating significant shareholder value

- Following the strategic review announced in November 2023, the Company completed the Divestment on 3 June 2024 for an enterprise value of £430 million
- The Group has since returned an aggregate of approximately £223 million to shareholders, with £150.3 million via a special dividend, equating to £1.55 per ordinary share, paid on 5 July 2024 and good progress made on the share buyback programme which commenced on the same day, returning approximately a further £72 million to shareholders as at 25 June 2025
- In addition to the Divestment, the Group subsequently completed the Demerger of its Occupational Health activities (“OH”) on 23 September 2024, creating a separate public limited company under the name Optima Health plc
- On 5 June 2025 and subsequent to the year end, Mitie Group plc (“**Mitie**”), announced that it had reached an agreement on the terms of an unanimously recommended cash and share offer with Marlowe’s board, to acquire the entire issued and to be issued ordinary share capital of Marlowe (the “**Acquisition**”). Based on Mitie’s closing share price of 160 pence as of 4 June 2025, the Acquisition represents a total implied value of 466 pence per Marlowe Share, valuing the entire issued and to be issued ordinary share capital of Marlowe at approximately £366 million. This represents a premium of approximately 39% to the volume weighted average price per Marlowe Share of 335 pence during the three-month period ended on 3 June 2025
- In light of the ongoing Acquisition, the Board does not expect to commence the additional £15 million share buyback programme announced on 28 April 2025 that was due to begin after completion of the initial £75 million programme

FINANCIAL REVIEW – CONTINUING OPERATIONS

- **Revenue from continuing operations up 4% to £304.5 million**
 - Organic growth of 4%¹ reflecting mid-single digit growth in Fire Safety & Security and low single digit growth in Water & Air Hygiene
- **Adjusted EBITDA from continuing operations was £32.8 million (FY24: £31.6 million)**
 - Adjusted EBITDA margins remained at 10.8% (FY24: 10.8%)
 - Whilst the Group achieved good margin enhancement in its Fire Safety & Security business, there were margin decreases in our Water & Air Hygiene business which we are aiming to improve through ongoing operational efficiencies
 - Head office costs during the year were £4.1 million (FY24: £3.6 million)
- **Statutory operating profit from continuing operations was £5.0 million** (FY24 Statutory operating loss of £3.2 million). This improvement reflects the successful conclusion of restructuring spend in the year

FINANCIAL REVIEW - THE GROUP

- **Group revenue, including discontinued operations, was £373.0 million** reflecting the Divestment and the Demerger in the year
- **Statutory profit before tax of £144.9 million (FY24: loss before tax of £10.9 million)**
 - The increase in the period primarily reflects the £141.4 million profit on the Divestment
 - Total finance costs of £4.4 million (FY24: £20.5 million) comprises the utilisation of the prior debt facility for the first two months of the period, which was fully settled following the Divestment, and IFRS 16 lease interest largely residing in the continuing operations
- **Statutory earnings per share of 159.7 pence** (FY24: loss per share 10.6 pence)
- **Strong balance sheet**
 - Net cash (excluding leases) at 31 March 2025 was £22.2 million (31 March 2024 net debt (excluding leases) of £176.6 million). The movement reflects the £430 million Divestment, settlement of the old debt facility, payment of the £150.3 million special dividend and the good progress made on the share buyback programme in the year
 - The Group generated £41.2 million of cash from both discontinued and continuing operations in the period before interest and tax (FY24 of £55.3 million). This is after £4.1 million of acquisition and disposal costs largely relating to the Demerger
- **Successful execution of integration programme**
 - Finalised integration programmes with all costs associated with restructuring investments now concluded

CURRENT TRADING AND OUTLOOK

- Marlowe operates in highly attractive and regulated business-critical service markets across TIC
- No further restructuring costs expected in FY26 from continuing operations
- We have continued to make good progress with the ongoing share buyback programme. Since the 31 March 2025 we have returned an additional £6.2 million to shareholders acquiring 1.9 million ordinary shares as at 25 June 2025. The Group has now returned an aggregate of approximately £72 million to shareholder as part of this programme
- Bolt-on acquisition remains an attractive route to deliver additional shareholder value

¹ Based on an adjusted prior year comparable of £293.5 million which includes performance of acquisitions made in the prior year

- Trading since year-end has been broadly in line with Board expectations. However, as expected, the increase in national insurance costs and the national minimum wage from 1 April 2025 has placed pressure on margins at the start of the year

Lord Ashcroft KCMG PC, Interim Non-Executive Chair, commented:

"Marlowe has undergone significant strategic change over the past year, repositioning the Group to focus solely on the attractive UK compliance services market. Following the £430 million divestment of certain GRC software and service assets in June 2024 and the demerger of our Occupational Health division in September 2024, Marlowe now consists entirely of its market leading Testing, Inspection and Certification (TIC) businesses in Fire Safety & Security and Water & Air Hygiene."

"The recommended offer for Marlowe by Mitie represents excellent value for Marlowe Shareholders and offers the opportunity to participate in further potential value creation through the new Mitie shares to be issued. When taken together with the 210 pence per share distribution in September 2024 through the demerger of Optima Health, and the 155 pence special dividend paid in July 2024, the total value to Marlowe Shareholders equates to 831 pence per share, based on Mitie's share price on 4 June 2025. This represents a 164.5 percent premium to the Marlowe share price low of 314 pence on 7 December 2023, prior to my appointment to the Marlowe Board in March 2024."

"Marlowe has today published its full year results presentation, which is available on the Marlowe plc website."

For further information:

Marlowe plc

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BUSINESS REVIEW

FY25 has been a year of significant strategic progress for Marlowe.

In November 2023, we announced a strategic review of the Group's structure, recognising that our operations had diversified into sectors with differing operational and financial characteristics. Following this announcement, we received an offer for a number of our Governance, Risk and Compliance (GRC) software and service businesses.

Accordingly, in February 2024, we announced a binding agreement to divest these assets for an enterprise value of £430 million, representing 121% of Marlowe's market capitalisation on the day prior to the announcement.

On 3 June 2024, we confirmed completion of the divestment and our intention to return up to £225 million of the proceeds to shareholders, comprising a £150.3 million special dividend and a share buyback programme of up to £75 million. During the period, we also repaid the Group's old £234m debt facility and replaced it with a smaller £50m facility which remained undrawn throughout the year. On 5 July 2024, we returned £150.3 million to shareholders by way of a special dividend, equating to £1.55 per ordinary share, and commenced the share buyback programme.

In addition, on 12 September 2024, we announced the demerger of our Occupational Health division, now registered as a separate public limited company under the name Optima Health plc. The demerger enables Marlowe, now a focused market leading Testing, Inspection and Certification (TIC) business, and Optima Health, the UK's leading provider of technology enabled corporate health and wellbeing solutions, to pursue distinct strategies and growth opportunities as standalone listed entities.

Our continuing TIC operations, comprising the Fire Safety & Security and Water & Air Hygiene business units, have made strong progress. Our operations are focused on ensuring the safety and regulatory compliance of our customers' premises, serving approximately 27,000 customers across the UK. The TIC sector was Marlowe's initial area of focus and continues to benefit from strong structural growth drivers, underpinned by regulation, legislation and high levels of recurring income. Additionally, the markets in which we operate in are highly fragmented and acquisition remains an attractive route to deliver shareholder value.

On 5 June 2025, and subsequent to the year-end, the Group and Mitie announced that their respective Boards had reached agreement on a recommended cash and share offer for Mitie to acquire the entire issued and to be issued ordinary share capital of Marlowe (the "Acquisition"). The Acquisition implies a total value of 466 pence² per Marlowe share, valuing the Group at approximately £366 million and representing a premium of around 39% to the volume-weighted average share price of 335 pence over the three-month period ended 3 June 2025.

It is intended that the Acquisition will be implemented by means of a Court-approved scheme of arrangement under Part 26 of the Companies Act, subject to the approval of Marlowe Shareholders and the other conditions set out in the full announcement of the Acquisition published on 5 June 2025. Subject to these conditions, the Scheme is expected to become effective in the third quarter of 2025. The Marlowe Directors intend to recommend unanimously that shareholders vote in favour of the Scheme at the Court Meeting and General Meeting.

Nonetheless, Marlowe has a refocused strategy, strong operational momentum following FY25 and a clear capital allocation framework.

Financial results

Revenue from continuing operations grew 4% to £304.5 million benefitting from organic growth of 4% and a small contribution from acquisition made at the start of the prior year.

² Based on Mitie's closing share price of 160 pence as of 4 June 2025

Adjusted EBITDA from continuing operations was up 4% to £32.8 million (FY24: £31.6 million). In our TIC division adjusted EBITDA margins improved to 12.1% (FY24: 12.0%) in a period of significant integration and transformation.

Statutory operating profit from continuing operations was £5.0 million (FY24: operating loss £3.2 million), largely reflecting a 7% increase in gross profit and lower acquisition and restructuring costs.

The Group delivered strong cash generation in the year, with free cash flow remaining a key focus for the Board and management. Including discontinued operations, the Group generated £48.7 million of cash from operations before adjusting items, representing a cash conversion of 105%. This performance reflects disciplined cash management, including a working capital inflow of £6.5 million.

Attractive and resilient business model

Marlowe operates in compliance-led markets that are essential, non-discretionary, and resilient across the economic cycle. Our Fire Safety & Security and Water & Air Hygiene business units provide critical services to ensure the safety, regulatory adherence, and operational continuity of our customers' premises. Demand across both markets is underpinned by legislation that is evolving and becoming increasingly onerous, supported by greater regulatory enforcement and rising customer expectations around compliance and risk management.

Approximately 75% of our revenues are recurring, secured through multi-year contracts that offer strong visibility and stability. Our scale and national coverage enable us to serve over 27,000 customers, the majority of which are complex or multi-site organisations. These attributes, combined with broader trends in the professionalisation of procurement and consolidation of service contracts, position Marlowe as a trusted compliance partner of choice.

The markets we operate in also present attractive structural growth opportunities. Regulatory complexity and investment cycles, such as AMP8 in the water sector, continue to drive long-term demand for our services. Furthermore, both business units remain highly fragmented, providing significant scope for M&A activity.

Strong balance sheet and disciplined approach to capital allocation

The Group ended the financial year in a strong financial position. As at 31 March 2025, adjusted net cash (excluding lease liabilities) was £22.2m, compared to an adjusted net debt position (excluding lease liabilities) of £176.6 million as at 31 March 2024. This reflects the successful £430 million divestment of certain GRC businesses, the settlement of the Group's previous debt facility, and the return of capital to shareholders through a £150.3 million special dividend and £66.4 million of share buybacks executed under the £75 million programme announced in February 2024. This net cash position was supplemented by strong cash generation from continuing operations.

On 24 June 2024, Marlowe entered into a new three-year £50 million unsecured Revolving Credit Facility ("RCF"), with an uncommitted £50 million accordion feature, providing financial flexibility to support future growth.

Subsequent to the year-end, Marlowe completed the acquisition of SludgeTek for an expected enterprise value of £6.2 million. The acquisition strengthens the Group's position as a leading provider of wastewater rental solutions and is highly complementary to its existing Water & Air Hygiene operations.

Environmental, Social and Governance (ESG)

Marlowe's services play a direct role in supporting the ESG objectives of our customers, particularly in relation to environmental compliance, building safety and employee wellbeing. Our Water & Air Hygiene business unit contributes to better environmental outcomes by helping clients meet stringent quality standards and reduce risk, while Fire Safety & Security supports regulatory adherence and life safety.

During the year, the Group made further progress on its internal ESG priorities. We continue to focus on employee engagement, carbon emissions reporting, and the development of responsible business practices across our operations. A Group-wide ESG working group helps coordinate initiatives and reporting and is aligned to investor and customer expectations.

As a focused TIC business, we remain committed to operating responsibly, supporting our customers' compliance and sustainability goals, and embedding ESG considerations into our risk management and strategic planning.

Board Changes

Following the completion of the Divestment in June 2024, Alex Dacre transferred with the divested business and stepped down as Chief Executive of Marlowe. On the same date, Kevin Quinn resigned as Executive Chairman. Lord Ashcroft KCMG PC, who joined the Board on 18 March 2024, assumed the role of Non-Executive Chairman on an interim basis.

The Board would like to express its sincere thanks to Kevin for his significant contribution to Marlowe's development.

We were also pleased to welcome Julia Robertson to the Board as an Independent Non-Executive Director. Julia brings extensive leadership and sector experience.

Outlook

The year began broadly in line with the Board's expectations, with continued strong demand in the Group's core compliance markets. As expected, the increase in national insurance contributions and the rise in the national minimum wage from 1 April 2025 have placed pressure on margins at the start of the year.

Nevertheless, the Group's resilient operating model, high levels of recurring revenue, and essential service offering provide a strong foundation for continued progress.

TESTING, INSPECTION AND CERTIFICATION

Marlowe's TIC division delivered a resilient performance in FY25. The division, which comprises our Fire Safety & Security and Water & Air Hygiene businesses, generated revenue of £304.5 million (FY24: £292.3 million), driven by 4% organic growth and a modest contribution from acquisitions completed at the beginning of FY24. Adjusted EBITDA increased to £36.9 million (FY24: £35.2 million), with EBITDA margins improving to 12.1%. This performance reflects a year in which the Group focused on completing the final phase of its integration programme, while continuing to align systems, processes and teams across the division. The formal conclusion of major integration activity on 30 September 2024 marked the end of associated one-off restructuring costs. While the heavy structural work is now complete, ongoing investment in operational consistency, systems and process improvement continues as part of normal business activity.

Fire Safety & Security

Fire Safety & Security, which represents close to half of divisional revenues, delivered mid-single-digit organic revenue growth and high single-digit EBITDA growth. Growth was led by our mechanical fire protection operations, particularly in sprinkler systems, kitchen fire suppression, and smoke ventilation. Engineer productivity continued to improve, with revenue per day per fee earner reaching up to £800 in certain areas, supported by inhouse training, improved scheduling and route optimisation. Compliance performance remained strong, with customer compliance rates maintained at 98% and first-time fix rates increasing to 78%. Marlowe Academy continues to play a key role in building internal capability, reducing subcontractor reliance, and enabling experienced engineers to focus on complex installations. Subcontractor usage, which had increased during the prior year, has now normalised, positively supporting margins.

Performance within our passive fire operations, which had a more challenging start to the year, improved in the second half following changes in leadership and targeted reorganisation. Enhanced use of management data enabled a more detailed review of contract profitability and led to the reallocation of resources from lower-margin work to higher-yielding opportunities. We also continued to benefit from our strategic focus on critical national infrastructure customers, which helped maintain a strong installation order book and support overall resilience.

Operational productivity was supported by further investment in vehicle tracking and fuel monitoring technology, enabling us to drive behavioural improvements across our engineering workforce in areas such as route planning, driving efficiency, and fuel management. This has contributed to improved margin performance and

operational consistency. We are also currently evaluating investment in a next-generation route optimisation tool, which we expect to improve revenue per day per fee earner.

Looking ahead, continued developments in the regulatory and insurance landscape are expected to support underlying demand for the services provided by our Fire Safety & Security sector. The large integration programmes that concluded on 30 September 2024 enables the business to operate as a more cohesive and responsive platform in a changing market environment. We remain confident that our scale, value proposition and essential service offering will support us over time.

Water & Air Hygiene

Water & Air Hygiene, which accounts for just over half of divisional revenue, delivered low single-digit organic growth during the year. Adjusted EBITDA margins were impacted due to lower operational efficiency of our field engineers in the first half in the core Water business. However, margins improved in the second half as we aligned and improved our operating system.

The business is now structured into three core operational areas, Water, Risk & Compliance, and Environmental Engineering, all operating under the new umbrella brand Marlowe Environmental Services. This branding alignment has enabled the business to improve consistency in service delivery, increase internal collaboration, and present a clearer integrated proposition to customers, particularly those requiring multi-service compliance solutions.

During the year, a new Chief Financial Officer joined the Water & Air Hygiene business unit, bringing a renewed focus to financial discipline and control across the business. As part of this, a detailed review of legacy balance sheet items within the Water business unit was undertaken, leading to a one-off, non-cash adjustment. While this revision had no impact on ongoing trading performance or future cash generation, it marked a significant step in the broader programme of integration and commercial alignment. The insight gained through this process has strengthened financial governance and supports the wider transformation underway across the Water business.

Performance in the main Water operations was constrained in the first half by weaknesses in the existing operating system, which impacted productivity in certain regions. The underlying causes of regional variations in fee earner utilisation have now been identified. In response we are implementing tighter commercial controls across pricing, discounting, authority limits, and vehicle tracking, alongside improved scheduling to match engineer skills and proximity to jobs. Operationally, the business remained robust, maintaining compliance rates of 98% all Risk & Compliance services.

The Risk & Compliance operations, which includes asbestos surveying, air quality monitoring, training and UKAS-accredited testing services, performed in line with the Board's expectations. Strong demand from telecommunications, housing and education sectors continued to support growth, and we are starting to see benefit from our best-in-class in-house training facilities and compliance programmes.

Environmental Engineering delivered a strong performance, achieving high single-digit revenue growth and attractive EBITDA margins. The team focuses on the design, installation and optimisation of wastewater and clean water treatment systems, delivering tailored solutions to commercial, industrial and public sector clients. The recent acquisition of SludgeTek, a provider of wastewater rental solutions and dewatering services, enhances this offering further by extending our rental fleet and in-house expertise. The breadth and flexibility of our engineering capability, ranging from pump services and greywater reuse to full-system builds and chemical dosing, is a clear differentiator, particularly in regulated and high-risk sectors such as utilities and healthcare. Our in-house chemical production capabilities and proprietary solutions also contribute to operational speed, margin control and service responsiveness.

Marlowe Environmental Services' ability to deliver these services under a single, accountable brand positions it strongly as customers increasingly look to consolidate supply chains. This is particularly relevant as compliance and environmental standards continue to tighten. The upcoming AMP8 regulatory cycle, running from 2025 to 2030, represents a record £104 billion investment into water infrastructure, and is expected to drive long-term demand for treatment, testing and engineering services across the UK. Combined with continued regulatory focus on workplace safety, indoor air quality, and property risk management, the structural backdrop for the Water and Air Hygiene business unit remains highly supportive. The foundations laid in FY25, including

improved commercial control, organisational alignment, strategic investment and enhanced financial governance, have strengthened the business and reinforced its market position.

FINANCIAL REVIEW

Overview

Revenue was £373.0 million (FY24: £503.2 million) reflecting the Divestment and Demerger in the year, and 4% growth in continuing operations.

Statutory profit before tax was £144.9 million (FY24 loss before tax £10.9 million) largely reflecting £141.4 million profit recognised from the Divestment. The profit recognised from the Divestment is largely exempt from corporation tax due to substantial shareholder exemption with the exception of IMSM which was acquired within 12 months of the disposal. Statutory basic earnings per share was 159.7 pence (FY24 loss per share of 10.6 pence).

Acquisition and disposal costs totalled £4.1 million (FY24: £7.8 million) largely reflecting the Demerger that took place in the year. These costs are one-off in nature. Other adjusting items include restructuring costs, amortisation of acquired intangibles, share-based payments (including SAYE schemes) and fair value losses in contingent consideration and acquisition related incentive schemes

Total finance costs decreased to £4.4 million (FY24: £20.5 million) and largely reflects the utilisation of the old debt facility in the first two months of the year before repaying in full and retiring the old debt facility. This has since been replaced with a £50 million RCF which remained undrawn at year end.

Following the Divestment and the Demerger of the Occupational Health division, our financial results for FY24 have been restated to classify these businesses as discontinued operations. The rest of this report is therefore mainly focused on our continuing operations which comprise the TIC division and head office costs.

Revenue from continuing operations increased by 4% to £304.5 million (FY24: £292.3 million), with a statutory operating profit of £5.0 million compared to a statutory operating loss of £3.2 million in the comparable prior period. Adjusted EBITDA from continuing operations was £32.8 million (FY24: £31.6 million) reflecting the increase in revenues while maintaining margins.

Non-IFRS measures

IFRS measures ensure that the financial statements contain all the information and disclosures required by all accounting standards and regulatory obligations that apply to the Group. The financial statements also include measures which are not defined by generally accepted accounting principles such as IFRS. We believe this information, along with comparable IFRS measures, is useful as it provides investors with a basis for measuring the performance of the Group on an underlying basis. The Board and our managers use these financial measures to evaluate our operating performance. Non-IFRS financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Similarly, non-IFRS measures as reported by us may not be comparable with similar measures reported by other companies.

Due to the nature of acquisitions, costs associated with those acquisitions, subsequent integration costs and the non-cash element of certain charges, the Directors believe that adjusted measures provide shareholders with a useful representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group.

A reconciliation between statutory operating profit and EBITDA from continuing operations is shown below:

	FY25 (Unaudited) £'m	FY24 (Unaudited) £'m
Continuing operations		
Operating profit/(loss)	5.0	(3.2)
Amortisation of acquisition intangibles	6.1	6.3
Depreciation and amortisation of non-acquisition intangibles	12.5	12.4
EBITDA	23.6	15.5

A reconciliation between adjusted and statutory performance measure for the continuing operations is shown below:

Year ending 31 March 2025	Profit before tax (Unaudited) £'m	Operating profit (Unaudited) £'m	EBITDA (Unaudited) £'m
Continuing operations			
Statutory reported	2.8	5.0	23.6
Restructuring costs	5.2	5.2	5.2
Amortisation of acquired intangibles	6.1	6.1	-
Share-based payments (including SAYE schemes)	2.0	2.0	2.0
Fair value losses in contingent consideration and acquisition related incentive schemes	2.0	2.0	2.0
Exceptional finance costs	0.1	-	-
Adjusted reported	18.2	20.3	32.8

Year ending 31 March 2024	(Loss)/profit before tax (Unaudited) £'m	Operating (loss)/ profit (Unaudited) £'m	EBITDA (Unaudited) £'m
Continuing operations			
Statutory reported	(9.2)	(3.2)	15.5
Acquisition and disposal costs (including strategic review costs)	5.1	5.1	5.1
Restructuring costs	8.3	8.3	8.3
Amortisation of acquired intangibles	6.3	6.3	-
Share-based payments (including SAYE schemes)	(0.1)	(0.1)	(0.1)
Fair value losses in contingent consideration and acquisition related incentive schemes	2.8	2.8	2.8
Exceptional finance costs	0.1	-	-
Adjusted reported	13.3	19.2	31.6

Adjusting items

There were no acquisition and disposal costs (including strategic review costs) in the period for continuing operations as the Group did not undertake any business acquisitions. The prior period costs of £5.1 million were the costs associated with the Strategic Review and the four bolt-on acquisitions that took place at the start of FY24.

Restructuring costs, which relate to the integration of acquired businesses, have been a key component in delivering shareholder value by enhancing the future returns generated from acquisitions. For continuing operations, restructuring costs totalled £5.2 million in FY25 (FY24: £8.3 million). This includes £2.1 million incurred in the first half of the year with the final phase of integration activity, and a £3.1 million non-cash revision to the carried forward balances within the Water and Air Hygiene business unit. As part of completing the integration process, the Group conducted a detailed review of certain balance sheet items. The revision primarily reflects a reassessment of the recoverability of historic balances. While this resulted in a one-off impact in FY25, it does not affect the Group's ongoing trading performance or future cash generation. Although the Group completed the acquisition of SludgeTek after the year end, we do not anticipate this acquisition will give rise to any restructuring costs. In the absence of further acquisitions, no additional restructuring costs are expected.

Amortisation of acquired intangible assets for the year was £6.1million (FY24: £6.3 million). Non-cash share-based payment (including SAYE schemes) charge for the period was £2.0 million (FY24: gain £0.1 million) and largely relates to the charge for executive share-based plans.

A £2.0 million loss (FY24: £2.8 million) was recognised in relation to movements in contingent consideration in FY25, which are considered part of the Group's investing activities and not reflective of underlying trading performance.

Further details on the items considered when arriving at adjusted performance measures can be found in Note 3.

Earnings per share

Basic adjusted earnings per share are calculated as adjusted profit for the continuing operations for the year less a standard tax charge divided by the weighted average number of shares in issue in the year. Basic earnings per share reflect the actual tax charge.

Earnings per share (EPS) – Continuing Operations	FY25 (Unaudited)	FY24 (Unaudited)
Basic adjusted earnings per share	15.3p	10.4p
Basic earnings/(loss) per share	5.0p	(6.0)p

Weighted average number of shares in issue was 88,360,741 (FY24: 96,418,045) with the reduction reflecting the ongoing share buyback programme where the Company purchased 16,510,507 in the year. Following the cancellation of the shares repurchased, Marlowe had 80,439,317 ordinary shares of 50 pence each in issue as at 31 March 2025.

Interest

Total finance costs for the continuing operations amounted to £2.2 million in the period (FY24: £6.0 million). This primarily reflects the apportioned interest relating to the utilisation of the previous debt facility at the start of the reporting year which has since been retired and interest costs from lease liabilities.

Taxation

UK Corporation Tax is calculated at 25% of the estimated assessable profit for the year.

Statement of financial position

The Group maintains a strong balance sheet with net assets as at 31 March 2025 of £189.5 million (31 March 2024: £437.5 million). At the same date total assets were £287.1 million (31 March 2024: £890.3 million), and total liabilities were £97.6 million (31 March 2024: £452.8 million). Total assets primarily consist of intangible assets of £149.2 million and trade and other receivables of £69.1 million. Total liabilities include current trade payables of £64.2 million and deferred tax liabilities of £9.1 million which largely relate to intangible assets.

Cash flow, net debt and financing

The primary movements in net debt during the period reflect the completion of the Divestment and the associated return of capital to shareholders. This was supported by a renewed focus on cash generation, resulting in a cash conversion of 105%.

	FY25 (Unaudited) £m
Cash generated from Group operations before adjusting items	48.7
<i>Cash conversion³ (%)</i>	<i>105%</i>
Acquisitions & disposal	(4.1)
Restructuring costs (cash element)	(3.4)
Cash generated from Group operations before interest and tax	41.2
Lease repayments	(11.3)
Net finance costs paid	(3.4)
Income tax paid	(4.8)
Net capex	(8.4)
Net Divestment proceeds (net of cash from discontinued operations)	402.6
Purchase of subsidiary undertakings net of cash acquired	(0.7)
Proceeds from share issuance	0.3
Dividend	(150.3)
Share repurchases (inc. costs associated with repurchases ²)	(66.4)
Movement in net debt	198.8
Opening net debt (excluding leases)	(176.6)
Closing net cash (excluding leases)	22.2

During the period, Marlowe generated £48.7 million of cash from operations before adjusting items. A strong focus on improving accrued income and aged receivables led to a working capital inflow of £6.5 million, supporting an excellent cash conversion rate of 105%.

The Group had £11.3 million of lease expenses of which £10.8 million relates to continuing operations. Net capital expenditure totalled £8.4 million of which £5.3 million relates to the continuing operations.

In the period the Group repaid its old debt facility following the proceeds received on the completion of the Divestment. The Group then returned £150.3 million to shareholders via a dividend and subsequently £66.4 million via the share buyback programme⁴ in the period.

Net debt as at 31 March 2025, excluding inter alia £23.2 million of lease liabilities, amounted to £1.0 million (31 March 2024 net debt £202.9 million). Adjusted net cash (excluding lease liabilities) was £22.2 million (31 March 2024 net debt £176.6 million). Since the period end, the Group has returned a further £6.2 million to shareholders via the share buyback programme, as of 25 June 2024.

On 24 June 2024, the Group entered into a new unsecured 3-year Revolving Credit Facility ("RCF") of £50 million with an uncommitted accordion facility of £50 million, as at the year-end the facilities were undrawn.

Key Performance Indicators ('KPIs')

The Group uses many different KPIs at an operational level which are specific to the business and provide information to management. The Board uses KPIs that focus on the financial performance of the Group such as revenue, adjusted EBITDA, adjusted EPS and net cash generated from operations.

³ Against a Group adjusted EBITDA of £46.5 million reflecting both continuing and discontinued operations

⁴ Costs associated with repurchase of shares in the period amounted to £0.2 million

Unaudited consolidated statement of comprehensive income

For the year ended 31 March 2025

	Note	2025			2024		
		Continuing operations	Discontinued operations	Total	Continuing Operations	Discontinued operations	Total
		£'m	£'m	£'m	£'m	£'m	£'m
Revenue	2	304.5	68.5	373.0	292.3	210.9	503.2
Cost of sales		(180.5)	(41.4)	(221.9)	(176.9)	(108.6)	(285.5)
Gross profit		124.0	27.1	151.1	115.4	102.3	217.7
Administrative expenses excluding costs separately disclosed below		(103.7)	(15.4)	(119.1)	(96.2)	(55.4)	(151.6)
Acquisition and disposal costs (including strategic review)	3	-	(4.1)	(4.1)	(5.1)	(2.7)	(7.8)
Restructuring costs	3	(5.2)	(1.3)	(6.5)	(8.3)	(9.9)	(18.2)
Amortisation of acquired intangibles	3	(6.1)	(3.4)	(9.5)	(6.3)	(19.3)	(25.6)
Share based payments (including SAYE schemes)	3	(2.0)	-	(2.0)	0.1	-	0.1
Fair value losses in contingent consideration and acquisition related incentive schemes	3	(2.0)	-	(2.0)	(2.8)	(2.2)	(5.0)
Total administrative expenses		(119.0)	(24.2)	(143.2)	(118.6)	(89.5)	(208.1)
Operating profit/(loss)		5.0	2.9	7.9	(3.2)	12.8	9.6
Finance costs		(2.1)	(2.2)	(4.3)	(5.9)	(12.7)	(18.6)
Exceptional finance costs		(0.1)	-	(0.1)	(0.1)	(1.8)	(1.9)
Total finance costs		(2.2)	(2.2)	(4.4)	(6.0)	(14.5)	(20.5)
Profit on disposal of discontinued operations		-	141.4	141.4	-	-	-
Profit/(loss) before tax		2.8	142.1	144.9	(9.2)	(1.7)	(10.9)
Income tax credit/(charge)		1.6	(5.4)	(3.8)	3.4	(2.7)	0.7
Profit/(loss) for the year		4.4	136.7	141.1	(5.8)	(4.4)	(10.2)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive profit /(loss) for the year		4.4	136.7	141.1	(5.8)	(4.4)	(10.2)
Attributable to owners of the parent		4.4	136.7	141.1	(5.8)	(4.4)	(10.2)
Earnings/(loss) per share attributable to owners of the parent (pence)							
Total							
Basic (pence)	4	5.0	154.7	159.7	(6.0)	(4.6)	(10.6)
Diluted (pence)	4	5.0	154.3	159.3	(6.0)	(4.6)	(10.6)

Unaudited consolidated statement of changes in equity

For the year ended 31 March 2025

	Share capital £m	Share premium £m	Merger reserve £m	Capital Redemption reserve £m	Other reserves £m	Retained earnings /(deficit) £m	Total equity £m
Balance at 1 April 2023	47.9	384.8	9.9	-	4.6	(3.9)	443.3
Loss for the year	-	-	-	-	-	(10.2)	(10.2)
Total comprehensive loss for the year	-	-	-	-	-	(10.2)	(10.2)
Transaction with owners							
Share-based payments	-	-	-	-	(0.1)	-	(0.1)
Issue of shares during the year	0.5	1.4	2.6	-	-	-	4.5
Transfer from share premium to retained earnings	-	(384.9)	-	-	-	384.9	-
	0.5	(383.5)	2.6	-	(0.1)	384.9	4.4
Balance at 31 March 2024	48.4	1.3	12.5	-	4.5	370.8	437.5
Balance at 1 April 2024	48.4	1.3	12.5	-	4.5	370.8	437.5
Profit for the year	-	-	-	-	-	141.1	141.1
Total comprehensive profit for the year	-	-	-	-	-	141.1	141.1
Transaction with owners							
Share based payments	-	-	-	-	2.0	-	2.0
Issue of shares during the year	0.1	0.2	-	-	-	-	0.3
Transfer of Merger Reserve to Retained Earnings	-	-	(9.3)	-	-	9.3	-
Cash dividend paid to shareholders	-	-	-	-	-	(150.3)	(150.3)
Purchase and cancellation of own shares	(8.3)	-	-	8.3	-	(66.4)	(66.4)
Distribution of discontinued operations	-	-	-	-	-	(174.7)	(174.7)
	(8.2)	0.2	(9.3)	8.3	2.0	(382.1)	(389.1)
Balance at 31 March 2025	40.2	1.5	3.2	8.3	6.5	129.8	189.5

Unaudited consolidated statement of financial position

As at 31 March 2025

	Notes	2025 £'m	2024 £'m
ASSETS			
Non-current assets			
Intangible assets	6	149.2	343.2
Property, plant and equipment		9.7	10.1
Right of use assets		21.4	25.4
Deferred tax asset		3.7	4.4
Total non-current assets		184.0	383.1
Current assets			
Inventories		10.2	9.7
Trade and other receivables	7	69.1	98.0
Cash and cash equivalents	8	22.2	-
Current tax asset		1.6	1.3
Assets classified as held for sale		-	398.2
Total current assets		103.1	507.2
Total assets		287.1	890.3
LIABILITIES			
Current liabilities			
Trade and other payables		(64.2)	(83.5)
Financial liabilities - bank overdrafts	8	-	(25.8)
Financial liabilities - borrowings	8	-	(206.0)
Financial liabilities - lease liabilities	8	(8.3)	(9.4)
Provisions		(0.1)	(1.2)
Liabilities directly associated with assets classified as held for sale		-	(82.3)
		(72.6)	(408.2)
Non-current liabilities			
Trade and other payables		(0.3)	(0.7)
Financial liabilities - lease liabilities	8	(14.9)	(16.9)
Deferred tax liabilities		(9.1)	(26.0)
Provisions		(0.7)	(1.0)
		(25.0)	(44.6)
Total liabilities		(97.6)	(452.8)
Net assets		189.5	437.5

Unaudited consolidated statement of financial position

As at 31 March 2025

	Notes	2025 £'m	2024 £'m
EQUITY			
Share capital		40.2	48.4
Share premium account		1.5	1.3
Other reserves		6.5	4.5
Merger relief reserve		3.2	12.5
Capital Redemption Reserve		8.3	-
Retained earnings		129.8	370.8
Equity attributable to owners of parent		189.5	437.5

Unaudited consolidated statement of cash flows

For the year ended 31 March 2025

	Notes	2025 £'m	2024 £'m
Net cash generated from operating activities before interest and tax	10	41.2	55.3
Net finance costs		(3.4)	(17.8)
Income taxes paid		(4.8)	(2.0)
Net cash generated from operating activities		33.0	35.5
Cash flows from investing activities			
Purchases of property, plant and equipment and non-acquisition intangibles		(9.2)	(14.4)
Disposal of property, plant and equipment		0.8	1.4
Contingent consideration received		-	4.3
Purchase of subsidiary undertakings net of cash acquired		(0.7)	(31.7)
Disposal of non-core assets		457.8	-
Cash flows generated from/(used in) investing activities		448.7	(40.4)
Cash flows from financing activities			
Proceeds from share issues		0.3	1.5
Utilisation of debt facility		3.0	51.3
Repayment of debt facility		(209.0)	(36.3)
Repayment of debt upon purchase of subsidiary undertaking		-	(0.5)
Lease repayments		(11.3)	(11.9)
Dividend		(150.3)	-
Share buybacks		(66.4)	-
Cash flows (used in)/generated from financing activities		(433.7)	4.1
Net increase/(decrease) in cash and cash equivalents		48.0	(0.8)
Cash and cash equivalents at start of period		(25.8)	30.2
Cash and cash equivalents from discontinued operations		-	(55.2)
Cash and cash equivalents at the end of period		22.2	(25.8)
Cash and cash equivalents shown above comprise:			
Cash at bank		22.2	-
Bank overdrafts		-	(25.8)

Notes to the financial information for the year ended 31 March 2025

1. Basis of Preparation

Basis of preparation

The consolidated financial statements of Marlowe plc have been prepared in accordance with UK adopted international accounting standards ("IFRS") and the applicable legal requirements of the Companies Act 2006. The financial information for the year ended 31 March 2025 and 31 March 2024 does not constitute statutory financial information as defined in Section 434 of the Companies Act 2006 and does not contain all of the information required to be disclosed in a full set of IFRS financial statements. Statutory accounts for the year ended 31 March 2024 have been delivered to the registrar of companies and those for the year ended 31 March 2025 will be delivered to the registrar in due course. This announcement was approved by the Board of Directors and authorised for issue on 25 June 2025. Statutory accounts for the year ended 31 March 2025 have not yet been reported on by the Group's Independent Auditor, RSM UK Audit LLP. The financial statements have been prepared on a historical cost basis as modified by financial assets and liabilities measured at fair value through profit and loss. The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed later in this note. The consolidated financial statements are presented in pounds sterling and, unless stated otherwise, shown in pounds million to one decimal place.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance, financial position, its cash flows, liquidity position, principal risks and uncertainties affecting the business are set out in the Business Review.

The Group meets its day-to-day working capital requirements through its financing facilities which were due to expire in February 2025 but were fully extinguished on 5 June 2024 following the Divestment.

On 24 June 2024, a new financing facility was put in place allowing the Group to draw up to a maximum of £100 million subject to certain covenants. At 31 March 2025, there have been no drawdowns against the facility. Given that the underlying business is cash generating and having considered FY26 budgets and FY27 forecasts, the Directors are comfortable that the Group has adequate resources to meet its ongoing financing requirements.

Details of the Group's borrowing facilities are given in note 8 of the financial information. The Group's budget for 2026 and forecasts for 2027, show that the Group should be able to operate within the level of its new facility and comply with the relevant covenants.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the approval date of this report and accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements. In making this assessment, the Directors have considered the financing arrangements available to the Group and the Group's cashflow forecasts, taking into account significant but plausible downside trading scenarios.

2. Segmental analysis

The Group has been organised into one main reporting segment Testing, Inspection & Certification ("TIC"). At each reporting date, the Group reviews its reporting segments to determine if the segment disclosure continues to be appropriate.

As described in the business review, the Board announced in February 2024 that it had entered into a binding agreement for the sale of certain of the GRC software and services businesses. This included all assets from the Worknest, Health and Safety compliance and Elogbooks operating segments. The disposal completed on 31 May 2024 and the disposal group assets were classified as held for sale at 31 March 2024 and trading results classified as discontinued operations for the year ended 31 March 2024 and 31 March 2025.

Additionally, and as described in the business review, the Board announced in September 2024 the demerger of its Occupational Health divisions from Marlowe to form Optima Health plc as an independent company. The demerger completed on the 26 September 2024 and the demerged group assets and trading results were classified as discontinued operations for the year ended 31 March 2025.

During the year, there has not been a significant change to the underlying nature of the retained business. However, the disposal and demerger noted above has resulted in a change to the reportable segments with TIC being the only operating segment continuing. Other than this, the results and economic characteristics of the business remains consistent with the prior year and therefore continuing to disclose the reportable segment consistently is appropriate for year ended 31 March 2025.

Services per segment operate as described in the Strategic report and the judgments taken in aggregating the operating segment are disclosed in note 2. The key profit measures are revenue, adjusted EBITDA and adjusted profit before tax and are shown before acquisition and disposal costs (including strategic review costs), amortisation of acquired intangibles, share based payments (including SAYE schemes) and fair value gains/losses in contingent consideration.

The vast majority of trading of the Group is undertaken within the United Kingdom. Segment assets include intangibles, property, plant and equipment, inventories, receivables and cash. Central assets include deferred tax and head office assets. Segment liabilities comprise operating liabilities. Central liabilities include deferred tax, corporate borrowings and head office liabilities. Capital expenditure comprises additions to application software, property, plant and equipment. Segment assets and liabilities are allocated between segments on an actual basis.

Unaudited continuing operations for year ending 31 March

	TIC	2025 Head Office	Total	TIC	2024 Head Office	Total
Continuing operations	£'m	£'m	£'m	£'m	£'m	£'m
Revenue	315.9	-	315.9	303.7	-	303.7
Inter-segment elimination	(11.4)	-	(11.4)	(11.4)	-	(11.4)
Revenue from external customers	304.5	-	304.5	292.3	-	292.3
Segment adjusted operating profit/(loss)	24.6	(4.3)	20.3	23.2	(4.0)	19.2
Acquisition and disposal costs (including strategic review costs)			-			(5.1)
Restructuring costs			(5.2)			(8.3)
Amortisation of acquired intangibles			(6.1)			(6.3)
Share based payments (including SAYE schemes) and legacy long-term incentives			(2.0)			0.1
Fair value losses in contingent consideration and acquisition related incentive schemes			(2.0)			(2.8)
Operating profit/(loss)			5.0			(3.2)
Finance costs			(2.1)			(5.9)
Exceptional finance costs			(0.1)			(0.1)
Profit/(loss) before tax			2.8			(9.2)
Tax credit			1.6			3.4
Profit/(loss) after tax			4.4			(5.8)

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Segment assets	93.4	193.7	287.1	89.3	379.4	468.7
Segment liabilities	(82.4)	(15.2)	(97.6)	(79.6)	(266.1)	(345.7)
Capital expenditure	(6.0)	-	(6.0)	(3.8)	-	(3.8)
Depreciation and amortisation	(12.4)	(6.2)	(18.6)	(12.0)	(6.7)	(18.7)

	2025	2024
	£'m	£'m
Discontinued operations		
Revenue	69.5	214.9
Inter-segment elimination	(1.0)	(4.0)
Revenue from external customers	68.5	210.9
Segment adjusted operating profit	11.7	46.9
Acquisition and disposal costs (including strategic review costs)	(4.1)	(2.7)
Restructuring costs	(1.3)	(9.9)
Amortisation of acquired intangibles	(3.4)	(19.3)
Fair value losses in contingent consideration and acquisition related incentive schemes	-	(2.2)
Operating profit	2.9	12.8
Finance costs	(2.2)	(12.7)
Exceptional finance costs	-	(1.8)
Profit on disposal of discontinued operations	141.4	-
Profit/(loss) before tax	142.1	(1.7)
Tax charge	(5.4)	(2.7)
Profit/(loss) after tax	136.7	(4.4)
Segment assets	-	421.6
Segment liabilities	-	(107.1)
Capital expenditure	(3.2)	(10.7)
Depreciation and amortisation	(5.4)	(27.8)

The revenue from external customers was derived from the Group's principal activities primarily in the UK (where the Company is domiciled).

Reconciliation of segment adjusted operating profit to adjusted EBITDA

	TIC	2025 Head Office	Total	TIC	2024 Head Office	Total
	£'m	£'m	£'m	£'m	£'m	£'m
Continuing operations						
Segment adjusted operating profit/(loss)	24.6	(4.3)	20.3	23.2	(4.0)	19.2
Depreciation and amortisation of non-acquisition intangibles	12.3	0.2	12.5	12.0	0.4	12.4
Adjusted EBITDA	36.9	(4.1)	32.8	35.2	(3.6)	31.6

	2025	2024
	£'m	£'m
Discontinued operations		
Segment adjusted operating profit	11.7	46.9
Depreciation and amortisation of non-acquisition intangibles	2.0	8.5
Adjusted EBITDA	13.7	55.4

The above tables reconcile segment adjusted operating profit/(loss), which excludes separately disclosed acquisition and other costs, to the standard profit measure under IFRS (Operating Profit). This is the Group's Alternative Profit Measure used when discussing the performance of the Group. The Directors believe that adjusted EBITDA and operating profit is the most appropriate approach for ascertaining the underlying trading performance and trends as it reflects the measures used internally by senior management for all discussions of performance and also reflects the starting profit measure when calculating the Group's banking covenants.

Adjusted EBITDA is not defined by IFRS and therefore may not be directly comparable with other companies' adjusted profit measures. It is not intended to be a substitute, or superior to, IFRS measurements of profit.

Major customers

For the year ended 31 March 2025, no customers (31 March 2024: nil) individually accounted for more than 10% of the Group's total revenue.

3. Adjusting items

Due to the nature of acquisition and other costs in relation to each acquisition and the non-cash element of certain charges, the Directors believe that adjusted operating profit, adjusted EBITDA and adjusted measures of profit before tax and earnings per share provide shareholders with a more appropriate representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group. The adjusting items shown on the consolidated statement of comprehensive income and the rationale behind the Directors' view that these should be included as adjusting items are detailed below:

Adjusting item	Rationale
Acquisition and disposal costs	Acquisition and disposal costs (including strategic review costs) totalled £4.1 million during the year (FY24: £7.8 million). These costs are largely associated with the demerger of the Group's Occupational Health assets, completed in the first half of the year. The strategic review, conducted in the prior year (FY24), resulted in costs such as professional fees, legal fees, and staff-related expenses. These costs are non-recurring and not considered to be reflective of the underlying trading performance.
Restructuring costs	<p>Restructuring costs, being the costs associated with the integration of acquisitions, remain a key component of delivering shareholder value by increasing returns made on acquired businesses. Restructuring costs for the year ending 31 March 2025 were £6.5 million (FY24: £18.2 million) reflecting the finalisation of integration programmes within the first half of the year. As part of the finalisation of the integration process, the Group undertook a detailed review of certain balance sheet items within the Water & Air Hygiene business unit, which has resulted in a revision of £3.1 million in non-cash adjusting items. The revision primarily relates to the reassessment of the recoverability of certain aged balances, and while this resulted in a one-off FY25 impact, there is no impact upon the ongoing trading performance or future cash generation. The prior period results have not been restated as the impact of these adjustments was not material to any of the period affected. Although the Group completed the acquisition of SludgeTek after the year end, we do not anticipate this acquisition will give rise to any restructuring costs. In the absence of further acquisitions, no additional restructuring costs are expected.</p> <p>Restructuring costs primarily consisted of:</p>

	<ul style="list-style-type: none"> • The cost of duplicated staff roles and other duplicated operational costs during the integration and restructuring period; and • The redundancy cost of implementing the post completion staff structures; and • IT costs associated with the integration and transfer to Group IT systems, including costs of third-party software used in the delivery of customer contracts where there is a programme to transition such software to one of the Group's existing platforms; and • Reassessment of recoverability of aged balances
Amortisation of acquired intangibles	The amortisation charge is primarily in relation to acquired intangible assets resulting from fair value adjustments under IFRS 3. Given the overall size of the amortisation charge and it being non-cash in nature, this cost is adjusted for in deriving the Group's alternative performance measures. In accordance with IFRS 5, no amortisation was recorded for the GRC software and service assets during the period, as these assets were classified as held for sale. For transparency, we note that the Group does not similarly adjust for the related revenue and results generated from its business combinations in its alternative profit measures.
Share-based payments (including SAYE schemes)	Charges associated with share-based payment schemes, including SAYE schemes, have been included as adjusting items. Although share-based compensation remains an important component of employee and executive remuneration, management believes it is useful to exclude these expenses from adjusted profit measures to provide a clearer view of the long-term performance of our underlying business. Share-based compensation expenses are non-cash charges determined by various factors, including expectations of future performance, employee forfeiture rates, and, for payroll-related tax items, the share price. As a result, these charges do not necessarily reflect the actual value ultimately received from the awards. The cost of the SAYE schemes has been reclassified from administrative expenses to adjusting items, representing a change from the prior year's accounting policy. This change was made to achieve consistency in the treatment of share based payment schemes in the Group. The value of the reclassified SAYE costs totalled £0.4m during the year (FY24: £0.7m).
Fair value losses in contingent consideration and acquisition related incentive schemes	Movements in contingent consideration are considered to be part of the investing activities of the Group and are therefore not considered to be reflective of the underlying trading performance. Further, share based compensation expenses are not reflective of the value ultimately received by the recipients of the awards. In addition, certain legacy long terms incentives are considered to be part of the investing activities of the Group and non-recurring in nature.
Exceptional finance costs	Exceptional finance costs of £0.1m (FY24: £1.9m) relate to the non-cash unwinding of the discount applied to contingent consideration to reflect the time value of money. Therefore, it is not considered part of the underlying trading of the Group.

4. Earnings per ordinary share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the parent company (Marlowe PLC) as the numerator, i.e. no adjustments to profit were necessary in 2025 or 2024.

	2025	2024
Group		
Profit/(loss) after tax for the period	£141.1m	£(10.2)m
Basic earnings/(loss) per share	159.7p	(10.6)p
Fully diluted earnings/(loss) per share	159.3p	(10.6)p
Continuing		
Profit/(loss) after tax for the period	£4.4m	£(5.8)m
Basic earnings/(loss) per share	5.0p	(6.0)p
Fully diluted earnings/(loss) per share	5.0p	(6.0)p
Discontinued Operations		
Profit/(loss) after tax for the period	£136.7m	£(4.4)m
Basic earnings/(loss) per share	154.7p	(4.6)p
Fully diluted earnings/(loss) per share	154.3p	(4.6)p

	2025	2024
Weighted average number of shares in issue	88,360,741	96,418,045
Potential dilution of share options	224,214	-
Weighted average fully diluted number of shares in issue	88,584,955	96,418,045

As at 31 March 2025, nil options (31 March 2024: 579,564) were excluded from the diluted weighted-average number of ordinary shares calculation for the continuing operations because their effect would have been anti-dilutive.

Adjusted earnings per share

The Directors believe that the adjusted earnings per share provide a more appropriate representation of the underlying earnings derived from the Group's business. The adjusting items are shown in the table below:

Group	2025 £'m	2024 £'m
Profit/(loss) before tax for the period	144.9	(10.9)
Adjustments:		
Acquisition and disposal costs (including strategic review costs)	4.1	7.8
Restructuring costs	6.5	18.2
Amortisation of acquired intangibles	9.5	25.6
Share-based payments (including SAYE schemes)	2.0	(0.1)
Fair value losses in contingent consideration and acquisition related incentive schemes	2.0	5.0
Profit on disposal of discontinued operations	(141.4)	-
Exceptional finance costs	0.1	1.9
Adjusted profit before tax for the period	27.7	47.5

Continuing operations	2025 £'m	2024 £'m
Profit/(loss) before tax for the period	2.8	(9.2)
Adjustments:		
Acquisition and disposal costs (including strategic review costs)	-	5.1
Restructuring costs	5.2	8.3
Amortisation of acquired intangibles	6.1	6.3
Share-based payments (including SAYE schemes)	2.0	(0.1)
Fair value losses in contingent consideration and acquisition related incentive schemes	2.0	2.8
Exceptional finance costs	0.1	0.1
Adjusted profit before tax for the period	18.2	13.3

The adjusted earnings per share, based on weighted average number of shares in issue during the year, is calculated below:

Group	2025	2024
Adjusted profit before tax (£'m)	27.7	47.5
Tax at 25% (£'m)	(6.9)	(11.9)
Adjusted profit after taxation (£'m)	20.8	35.6
Adjusted basic earnings per share (pence)	23.5	36.9
Adjusted fully diluted earnings per share (pence)	23.5	36.9

Continuing operations	2025	2024
Adjusted profit before tax (£'m)	18.2	13.3
Tax at 25% (£'m)	(4.6)	(3.3)
Adjusted profit after taxation (£'m)	13.6	10.0
Adjusted basic earnings per share (pence)	15.3	10.4
Adjusted fully diluted earnings per share (pence)	15.3	10.4

5. Dividends

On 3rd June 2024, the Company declared a special dividend in respect of the prior year. The dividend of £1.55 per Marlowe ordinary share amounted to £150.3m and was paid on 5 July 2024. The Company has not declared any ordinary dividends in respect of the current year.

In September 2024, Marlowe Plc declared a non-cash dividend in the form of all of the shares held in its subsidiary, Optima Health PLC, to its shareholders. The dividend was measured at the carrying value of the subsidiary (£174.7m).

6. Intangible assets

	Goodwill £'m	Customer relationships £'m	Applications software £'m	Content database £'m	Trade name £'m	Total £'m
Cost						
1 April 2023	424.7	204.7	57.9	8.0	6.1	701.4
Acquired with subsidiary	22.3	10.8	-	-	0.8	33.9
Additions	-	-	10.7	-	-	10.7
Disposals	-	-	(0.6)	-	-	(0.6)
Reclassified as held for sale	(210.5)	(98.5)	(41.6)	(8.0)	(1.8)	(360.4)
31 March 2024	236.5	117.0	26.4	-	5.1	385.0
1 April 2024	236.5	117.0	26.4	-	5.1	385.0
Additions	-	0.9	2.6	-	-	3.5
Disposals	(118.8)	(60.3)	(23.9)	-	(5.1)	(208.1)
31 March 2025	117.7	57.6	5.1	-	-	180.4
Accumulated amortisation and impairment						
1 April 2023	-	42.4	12.2	1.9	0.8	57.3
Charge for the period	-	19.6	8.7	1.3	0.7	30.3
Disposals	-	-	(0.6)	-	-	(0.6)
Reclassified as held for sale	-	(27.2)	(14.4)	(3.2)	(0.4)	(45.2)
31 March 2024	-	34.8	5.9	-	1.1	41.8
1 April 2024	-	34.8	5.9	-	1.1	41.8
Charge for the period	-	8.3	2.2	-	0.3	10.8
Disposals	-	(13.1)	(6.9)	-	(1.4)	(21.4)
31 March 2025	-	30.0	1.2	-	-	31.2
Carrying amount						
31 March 2024	236.5	82.2	20.5	-	4.0	343.2
31 March 2025	117.7	27.6	3.9	-	-	149.2

7. Trade and other receivables

	2025 £'m	2024 £'m
Current		
Trade receivables	54.4	69.2
Less: provision for impairment of trade receivables	(1.3)	(2.1)
Trade receivables – net	53.1	67.1
Other receivables	0.6	1.0
Contract assets	1.5	3.1
Accrued income	9.5	20.9
Prepayments	4.4	5.9
	69.1	98.0

Revenue is recognised based on contracted terms with customers, in accordance with a contract's stage of completion, with any variable consideration estimated using the expected value method as constrained if necessary. If a contract is in dispute, management use their judgement based on evidence and external expert advice, where appropriate, to estimate the value of accrued income recoverable on the contract. Actual future outcome may differ from the estimated value currently held in the financial statements. The outcome of any amounts subject to dispute is not anticipated to have a material impact on the financial statements.

8. Net debt and borrowing facilities

	2025 £'m	2024 £'m
<i>Continuing Operations:</i>		
Cash at bank and in hand	22.2	-
Bank overdrafts due within one year	-	(25.8)
Bank loans due within one year	-	(206.0)
Leases due within one year	(8.3)	(8.5)
Leases due after one year	(14.9)	(14.8)
Net cash/ (debt) for continuing operations	(1.0)	(255.1)
<i>Discontinued Operations:</i>		
Cash at bank and in hand	-	55.2
Leases due within one year	-	(0.9)
Leases due after one year	-	(2.1)
Net cash/ (debt) for total Group	(1.0)	(202.9)

Borrowing facilities

As at 31 March 2025, the Group has a £50 million revolving credit facility and an additional uncommitted accordion facility of £50m with HSBC UK Bank PLC and Barclays Bank PLC which expires on 24 June 2027 but includes two 1-year extension options. £nil of the total facility was drawn as at 31 March 2025. All of the Group's borrowings are in Sterling.

During the year, the Group's prior facility was repaid in full on 5th June 2024 and fully extinguished following the divestment of certain GRC assets.

9. Called up share capital and share premium

Called up share capital

The issued ordinary share capital is as follows:

	Allotted, issued and fully paid £'m	Number of ordinary shares
1 April 2023	47.9	95,882,065
Share-based consideration for IMSM acquisition	0.3	597,609
Shares issued to employees vesting of SAYE scheme	0.2	327,262
31 March 2024	48.4	96,806,936
Shares issued to employees on vesting of SAYE scheme	-	49,913
Shares issued to employees on vesting of Marlowe plc Long Term Incentive Plan 2019	0.1	92,975
Cancellation of ordinary shares*	(8.3)	(16,510,507)
31 March 2025	40.2	80,439,317

*During the period, the Group purchased and cancelled 16,510,507 under the Share Buyback programme. Share capital has been reduced by the nominal value of these shares of £8.3 million, and a corresponding amount has been credited to the capital redemption reserve.

Share premium

In year ending 31 March 2024, the Company gained shareholder and court approval to release £384.9 million from the share premium account to retained earnings.

10. Cash generated from operations

	2025 £'m	2024 £'m
Profit/(loss) before tax	144.9	(10.9)
Depreciation of property, plant and equipment, depreciation of right of use assets and amortisation of non-acquisition intangibles	14.5	20.9
Amortisation of acquired intangibles	9.5	25.6
Loss on sale of fixed assets	(0.2)	(0.2)
Share based payments (including SAYE schemes)	2.0	(0.8)
Fair value losses in contingent consideration and acquisition related incentive schemes	2.0	5.0
Net finance costs	4.4	20.5
Gain on disposal of discontinued operations	(141.4)	-
Settlement of contingent consideration	(1.0)	(2.5)
(Increase) in inventories	(0.5)	-
Decrease/(increase) in trade and other receivables	6.6	(1.2)
Increase/(decrease) in trade and other payables	0.4	(1.1)
Net cash generated from operations before interest and tax	41.2	55.3

11. Discontinued operations

During the financial year, the Group completed two strategic exits in line with its strategy to refocus on its core Testing, Inspection & Certification (TIC) activities. On 31 May 2024, the Group disposed of its Governance, Risk & Compliance (GRC) software and services businesses, which had been classified as held for sale at 31 March 2024. On 26 September 2024, the Group completed the demerger of its Occupational Health business via a distribution in specie to shareholders which totalled £174.7 million.

Both the GRC and Occupational Health business lines are presented as discontinued operations in the current year, in accordance with IFRS 5. Although the Occupational Health business was not classified as held for sale at 31 March 2024 and was not presented as discontinued in the FY24 annual report, it has been treated as discontinued in FY25. As a result, the comparative figures for FY24 have been restated to reflect the reclassification of Occupational Health as a discontinued operation.

Revenue and expenses, and associated gains and losses, relating to the discontinued GRC and Occupational Health businesses have been disclosed separately on the face of the Consolidated Statement of Comprehensive Income.

At 31 March 2025, no assets or liabilities remained classified as held for sale. The following table summarises the GRC disposal group held at 31 March 2024:

	2024
	£'m
Intangible assets	315.2
Property, plant and equipment	0.7
Right of use assets	3.0
Trade and other receivables	24.1
Cash and cash equivalents	55.2
Assets classified as held for sale	398.2
Current tax liability	(2.8)
Trade and other payables	(54.4)
Financial liabilities - lease liabilities	(3.0)
Deferred tax liabilities	(21.6)
Provisions	(0.5)
Liabilities directly associated with assets classified as held for sale	(82.3)
Net Assets	315.9

Cash flows generated by the disposal group for the reporting periods under review until its disposal are as follows:

	2025	2024
	£'m	£'m
Operating activities	(0.3)	32.4
Investing activities	(1.1)	(31.3)
Financing activities	(42.3)	(10.3)
Cash used in discontinued operations	(43.7)	(9.2)

These cash flows include operating, investing and financing cash flows from the GRC business up to its disposal on 31 May 2024 and the Occupational Health business up to its demerger on 26 September 2024.

Reconciliation to cashflow statement

	2025
	£'m
Total sale consideration from GRC disposal	432.6
Less net cash in GRC businesses at disposal	(23.1)
Less net cash in OH businesses at demerger	0.6
Release of cash & cash equivalents classified as held for sale	55.2
Transaction costs incurred on disposal of discontinued operations	(7.5)
Cash inflow from disposal of non-core assets	457.8

Disposal of certain GRC businesses

The carrying amount of net assets on disposal at 31 May 2024 are shown below:

	31 May 2024 £'m
Intangible assets	316.2
Property, plant and equipment	0.7
Right of use assets	2.3
Trade and other receivables	24.7
Cash and cash equivalents	23.1
Assets classified as held for sale	367.0
Current tax liability	(3.2)
Trade and other payables	(42.4)
Provisions	(0.5)
Financial liabilities - lease liabilities	(2.4)
Deferred tax liabilities	(21.9)
Liabilities directly associated with assets classified as held for sale	(70.4)
Net Assets	296.6

The breakdown of the profit on disposal is shown below. There is no corporation tax payable on the profit on disposal as it is exempt from corporation tax under the substantial shareholding exemption with the exception of IMSM which was acquired within 12 months of the disposal.

	2025 £'m
Total sale consideration	432.6
Carrying amount of net assets disposed	(296.6)
Contingent consideration liabilities transferred to buyer at disposal	12.9
Transaction costs incurred on disposal	(7.5)
Profit on disposal before tax	141.4
Corporation tax on profit on disposal	-
Profit on disposal after tax	141.4

Demerger of the Occupational Health Division

On 26 September 2024, the Group completed the demerger of its Occupational Health business via a distribution in specie to shareholders.

The value of the net assets of the division at the point of disposal is set out below. No profit or loss on disposal is recognised. The distribution is reflected in the Consolidated statement of changes in equity as a distribution of discontinued operations.

The carrying amount of the net assets on disposal at 26 September 2024 are shown below.

	26 September 2024 £'m
Intangible assets	186.7
Property, plant and equipment	2.3
Right of use assets	2.0
Trade and other receivables	21.7
Cash and cash equivalents	9.4
Assets directly associated with discontinued operations	222.1
Current tax liability	(2.0)
Trade and other payables	(18.0)
Provisions	(0.7)
Contingent consideration payable	(1.1)
Borrowings	(10.0)
Financial liabilities - lease liabilities	(1.9)
Deferred tax liabilities	(13.7)
Liabilities directly associated with discontinued operations	(47.4)
Net Assets	174.7
	2025 £'m
Carrying amount of net assets disposed	174.7
Distribution of discontinued operations	174.7

Realisation of merger reserve

The merger reserve represents the premium on ordinary shares issued as consideration for the acquisition of shares in another company.

In the current year, the Group disposed of several entities where merger reserve had been recognised in the prior years. Therefore, the merger reserve related to these entities of £9.3 million was released to retained earnings during the year.

12. Related party transactions

There were no material related party transactions during the current or prior period.

13. Post balance sheet events

Return of capital

Since the year end date and as at 25 June 2025, the Group under the Share Buyback Programme has bought 1,920,143 ordinary shares of 50 pence each in the capital of the Company for a weighted average price of 321 pence for a total price of £6.2m. The shares acquired will, in due course, be cancelled.

Acquisition

On 2 April 2025 the Group acquired Sludge Tek Holdings Limited, a UK provider of specialist services to the Waste Management and Manufacturing sectors, for a total consideration of £6.2m, satisfied by the payment of £5.7m in cash on completion and £0.5m in cash payable subject to the achievement of certain performance targets by the acquired business 12 months post-acquisition. The fair value of the assets and liabilities in relation to this acquisition have not been presented as, due to them being recent acquisitions, the work is ongoing to perform the valuations.

Cash and share offer for Marlowe plc

On the 5 June 2025, Mitie Group plc ("Mitie"), announced that they had reached agreement of a recommended cash and share offer with Marlowe's board, to acquire the entire issued and to be issued ordinary share capital of Marlowe. Based on Mitie's closing share price of 160 pence as of 4 June 2025, the Acquisition represents a total implied value of 466 pence per Marlowe Share, valuing the entire issued and to be issued ordinary share capital of Marlowe at approximately £366 million.