Aurelius Crocodile Limited
Registered number 12867781

Annual report and financial statements
for the year ended 31 March 2025

Contents

COMPANY INFORMATION

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Strategic report

The directors present their Strategic Report for the year ended 31 March 2025.

Principal activities

Aurelius Crocodile Limited's (the "Company" and together with the subsidiaries, collectively referred to as the "Hallo Healthcare Group" or the "Group") principal continuing activities in the year ended 31 March 2025 included wholesaling primarily through AAH Pharmaceuticals Limited, ("AAH") and patient homecare through Lloyds Clinical Limited (formerly Lloyds Pharmacy Clinical Homecare Limited), ("LCL").

Review of the business

These financial statements present the results for the year ended 31 March 2025 and therefore commentary referring to 'this year' relates to the year ended 31 March 2025.

Continuing operations: The Group's revenue for the year, as shown in the Consolidated Income Statement amounted to £4.4 billion (31 March 2024: £4.3 billion). The Group's operating profit was £56.2 million (31 March 2024: £14.0 million). The Group's "Adjusted EBITDA" as reconciled on page 7 was £106.3 million (31 March 2024: £90.8 million). The operating profit of £56.2 million (31 March 2024: £14.0 million) was after charging the restructuring and exit charges amounting to £11.3 million (31 March 2024: £34.1 million). Further review of the Group's continuing operations is discussed on pages 5-7.

The shareholder's equity has decreased year-on-year as a result of the dividend payments by the parent company during the year, which is higher than the profit for the year.

Discontinued operations: The profit of £22.2 million (31 March 2024: £360.1 million) from discontinued operations was driven by the £31.8 million (31 March 2024: £449.0 million) gain on sale of discontinued operations.

The Consolidated Income Statement, as set out on page 29 shows a profit of £63.6 million for the year (31 March 2024: £354.6 million). This is primarily due to the gain on sale of subsidiaries amounting to £31.8 million (31 March 2024: gain of £449.0 million). The results of the discontinued operations, which have been included in the profit for the year in 2025 and 2024, are set out in note 3.

The Consolidated Statement of Financial Position has reduced in the current year as a result of key one-off movements being attributable to the payment of cash dividends net of sale of the digital business and also profits generated.

In February 2025, Expert Health Limited, along with its subsidiaries LPOD RX Limited and Algorithmic Health Ireland Limited were sold, as Hallo Healthcare Group successfully completed the divestment process of its digital business unit.

Also in February 2025, the Group disposed of its investment in LP HCS Limited. The Group's main priorities were to ensure a continued patient experience at the highest standards of safety and service, achieved through novation of contracts to third parties prior to disposal.

As disclosed in note 3, a total gain on disposal of £31.8 million has been recognised in the Income Statement in relation to the two disposals.

Strategic report *(continued)*

Review of the business (continued)

During the year, Hallo Healthcare Group continued to restructure, optimise and decentralise the remaining two business units, resulting in a cash-positive Group in respect of cash flows from operating activities.

Aurelius plans for Hallo Healthcare Group are to strengthen the standalone activities of the individual business units over the next twelve months, these business units being:

- Wholesale – AAH and subsidiaries;
- Homecare – LCL.

Wholesale

FY25 marked a highly successful year for AAH as a standalone business, building on the significant restructuring undertaken in the prior year. The consolidation of the wholesale portfolio through the acquisitions of Barclay Pharmaceuticals Limited and Pharmagen Limited in August 2023, along with the Company's exit from the Pharma Services (NI) Limited joint venture, laid the groundwork for a more focused and efficient operating model. These changes, alongside broader organisational realignment, positioned the business to outperform its key financial metrics in FY25 — delivering strong cash generation, improved profitability, and securing three major customer wins that further expanded market share.

A significant milestone during the year was the successful completion of Project 25 (P25) – a strategic transformation initiative focused on streamlining the wholesale operating model. Key outcomes of P25 included the closure of the Stoke distribution site and the consolidation of operations into the Tamworth channel, enabling greater operational efficiency and improved service levels across the network.

The company also completed the reorganisation of the Wholesale division, with the successful implementation of KVD 15, a structural realignment of the business to enhance agility, decision-making, and alignment across functions. These changes have strengthened the foundation for future growth and operational excellence.

Together, these developments reflect AAH's strong execution against its strategic agenda, resulting in a leaner, more agile, and better-positioned business. The Wholesale Group continues to hold a leading market position, supported by sustained operating profit into FY26.

Homecare

The year ending 31 March 2025 has seen continued revenue growth driven by a number of factors:

1. Increased High Tech patient numbers of 14.2%;
2. Expanded service offerings;
3. Growth in our nurse and compounded drug services.

Through the year there has also been investment in digital technology as we look to take the business through the next phase of growth. There has been an increased focus on our nurse services as well as compounding and this has been reflected in the improved financials.

The Homecare business achieved exceptional year on year growth, with operating profits of £11.7m (2024: £3.7m) a rise of 214% year on year and underlying EBITDA increase of £11.5m to £21.0m (2024: £9.5m). Lloyds Clinical Limited achieved an overall profit for the year, after taxation, of £15.3m (2024: £12.8m), 19.9% growth year on year.

Strategic report *(continued)*

Review of the business (continued)

Future developments

All these business units have defined, as part of the annual budgeting process, further efficiency enhancement programmes for the next financial year.

Hallo Healthcare Group expects to maintain a positive Adjusted EBITDA in the year ended 31 March 2026 following the divestment of the digital and healthcare services business units and continued overhead optimisation. However, cost and market dynamics will continue to be a challenge and need to be closely monitored by the Group. In particular, Management is closely monitoring the ongoing generics market pressure which impacts the wholesale business.

Key performance indicators (KPIs)

The board monitors the Group's progress in implementing its strategy by reference to a suite of key performance indicators.

The key financial metrics for the Group are provided in the table below:

	31 March 2025 £million	31 March 2024 £million	Change
Revenue from continuing operations	**4,394**	4,254	3.3%
Profit for the year	**64**	355	(82.0%)
Adjusted EBITDA (continuing operations)	**106**	91	17.1%
Shareholder’s equity	**39**	94	(58.5%)

These are discussed further below. Non-financial metrics are included in the non-financial and sustainability information statement on pages 10-17.

Revenue

The Group’s revenue for the year, as shown in the consolidated income statement amounted to £4.4 billion (31 March 2024: £4.3 billion for continuing operations and £0.8 billion for discontinued operations). Key drivers behind the business unit revenues are discussed in the review of the business section above.

Operating profit

The Group’s operating profit for continuing operations for the year, as shown in the consolidated income statement amounted to £56.2 million. Key drivers behind the business unit profit margins are discussed in the review of the business section above.

Profit for the year

The Group generated a profit of £63.6 million for the year. This is mainly due to the gain of £31.8 million on sale of subsidiaries. This gain arises from the successful sales strategy relating to the digital and healthcare services business units as discussed in the review of the business.

Strategic report *(continued)*

Key performance indicators (KPIs) (continued)

Adjusted EBITDA

Adjusted earnings before interest, income tax, depreciation, and amortisation ("Adjusted EBITDA") is defined as profit before interest, income tax, depreciation, amortisation and certain one-off items as explained below. The Group believes adjusted EBITDA to be a key indicator of underlying operational performance, adjusting operating profit for several non-cash items and other items deemed not to have an impact on the sustained operating performance of the business. Adjusted EBITDA is an appropriate measure since it represents to users a normalised, comparable operating profit, excluding the effects of the accounting estimates, non-cash items and non-recurring items as mentioned below. The definition for adjusted EBITDA as defined above is consistent with the definition applied in previous years. This measure is not defined in UK-adopted International Accounting Standards, which forms the basis of the presentation of these financial statements. Since this is an indicator specific to the Group's operational structure, it may not be comparable to adjusted metrics used by other companies. Adjusted EBITDA is not intended to be a substitute for metrics determined in accordance with UK adopted International Accounting Standards. It has been reconciled to the operating profit below:

	31 March 2025 £million	31 March 2024 £million
Operating profit from continuing operations	**56**	14
Depreciation of property, plant and equipment	**28**	22
Amortisation of intangible assets	**11**	18
Impairment of property, plant and equipment	**-**	3
Restructuring and exit charges	**11**	34
Adjusted EBITDA (continuing operations)	**106**	91

During the prior year, the Group decentralised its support centre and implemented business unit reporting. This project was focussed on strengthening business opportunities and improving patient experience. In such a heavily regulated industry, patient safety is of utmost importance to the Group, and having a separate Board of Directors in each business unit improves governance and decision-making for the benefit of all stakeholders. This project commenced during the prior year and was completed towards the end of the 2025 financial year and was a key driver for the increased level of Adjusted EBITDA.

Shareholder's equity

Shareholder's equity at 31 March 2025 decreased to £39.3 million compared to £94.3 million at 31 March 2024. This is due to the dividends of £119.0 million being paid, which was partially offset by the profit for the year of £63.6 million. The dividends were paid out of the proceeds from the divestment of the digital and healthcare services business units, and retained earnings.

Principal risks and uncertainties

The Group is subject to a number of key risks. Risks are formally reviewed by the boards of the individual business units and appropriate processes are put in place to monitor and mitigate them. The principal risks and uncertainties include:

Regulation and government

The Group operates in highly regulated markets; any changes to those requirements or non-compliance could have a negative impact on business performance. For example, we are subject to a range of regulations around pricing margin traceability and storage conditions, inflation (including minimum wage requirements), data, privacy regulations, workforce tax frameworks (including those applicable to healthcare providers and the workforce), health, safety and environmental standards. This includes regular inspections by the business units' regulators including the Care Quality Commission ("CQC"), the Scottish Care Inspectorate, NHS Improvement, the General Pharmaceutical Council, the MHRA and the Home Office in respect of our clinical homecare activities and our licensing to buy, sell and distribute medicines within the UK.

Strategic report *(continued)*

Principal risks and uncertainties (continued)

The Group is implementing mitigating actions including policies, ways of working and training across a range of areas (including data protection and monitoring) and continues seeking clarification from the government regarding ongoing negotiations to enhance the trading agreement.

Competition

The Group operates in a market which is highly competitive, particularly around price, service levels, product availability, enhancing services, pricing to customers and vendors and ease of doing business. There is also competition around recruiting and retaining talent and also downward pressure on margins with the additional risk that the Group will not meet customer expectations. To mitigate these risks, the Group monitors the market to understand customer and supplier expectations, identify whether their needs are being met and to evolve and enhance its value proposition and service offering to remain competitive.

Cost management

The Group may face increased costs in several ways including poor management of change programmes, sub optimal purchasing from vendors, failure of systems that impact our operations and costs of hiring and retaining talent. The Group has implemented a robust programme of talent management, purchasing processes and controls, as well as oversight from its board on strategic matters.

As a result of past divestment programmes, the business had to be mindful of the need to flex the cost base in response to a reduction in overall volumes through its distribution network as well as the impact of lower activity levels across the wider cost base. Consequently, a number of initiatives have been successfully implemented to address these challenges and maintain a cost effective and competitive cost base.

IT and cyber security

The Group is aware of its IT and cyber risks and their potential to disrupt the business and that of its customers. An IT outage or cyber security incident could affect the Group's operational performance or reputation through an inability to process customer orders, operate its warehouses, dispatch goods, and subsequently invoice customers for goods delivered. The Group continues to invest in its IT infrastructure as part of its plan to manage and reduce these risks to acceptable levels.

Financial risk management

The Group is exposed to a variety of financial risks, which include liquidity, credit, foreign currency, and interest rate risks. The Group has employed a programme that seeks to manage and limit any adverse effects of these risks on the financial performance of the Group, which are described in more detail below.

The directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board, although use is made of a central treasury function which arranges the overall funding requirements of the Group. This central function operates within a framework of clearly defined policies and procedures which have been approved by the directors and reports to the board on a monthly basis. The policies approved by the board cover funding and hedging instruments, exposure limits and a system of authority for the approval and execution of transactions.

Liquidity risk

This is the risk of the Group failing to meet its financial obligations as a result of insufficient cash being available. This risk comes from unexpected cash outflows or expected inflows that may not materialise. Cash flow requirements are monitored through projections which are compiled on a periodic basis across the Group. The Group participates in the banking arrangements, which are arranged with the assistance of the central treasury function. The Group funds its operations through a mix of retained earnings, borrowings and leasing that is designed to ensure that each company within the Group has sufficient funds for its day-to-day operations and other activities. The Asset Backed Loan agreement is the key source of financing the cash requirements of the Group.

Strategic report *(continued)*

Financial risk management (continued)

Credit risk

In the course of the Group's business, trade and other receivables, and other financial assets at amortised cost are exposed to the credit risk of its counterparties. The Group has implemented policies that require appropriate credit checks on potential customers before sales are made. The finance and sales teams also liaise with customers on a regular basis to ensure that key issues are identified at an early stage.

Foreign currency and interest rate risks

The Group is engaged in international businesses through investments and financial transactions. Consequently, the Group is affected by foreign currency risk and uses instruments from time to time to manage this risk. The Group also has both interest-bearing assets and liabilities, these being managed within the Group.

Statement by the directors on the performance of their statutory duties in accordance with s172(1) of the Companies Act 2006

This statement describes how the directors complied with section 172(1) (a)-(f) of the Companies Act 2006 to promote the success of the Group for the benefit of its stakeholders.

The nature of our highly regulated business requires that we consider the long-term consequences of our decisions. Our shareholders have invested capital to drive shareholder value. The Directors' report describes the board's role in managing the business, our reputation, risks and balancing stakeholder needs for the long-term. The Group's other key stakeholders are as follows:

Customers and suppliers

We build strong relationships with our customers and suppliers to promote mutually beneficial, sustainable long-term profit growth. Engagement with customers and suppliers is primarily through formal and informal review meetings and, where appropriate conferences that bring suppliers and customers together to discuss shared concerns. Key areas of focus include close coordination to ensure availability of product in a safe and secure supply chain and innovation and expanding e-commerce to automate the supply chain and supporting prompt payment. The boards of each business unit are briefed on customer and supplier metrics and feedback, opportunities and issues through regular board and management meeting reporting.

Colleagues

Our people play a crucial role in implementing our strategy, with many of them dedicated to serving our customers and suppliers all while embodying our shared principles.

There are many ways we engage with and listen to our people across the Group including employee surveys, conferences, and forums including huddles where colleagues can interact with their Executive Leadership Team, receive updates on strategic initiatives, and acknowledge and celebrate outstanding performance.

We are committed to creating a culture where everyone feels heard, valued, and empowered to contribute their ideas. We promote a diverse and inclusive workforce through thorough hiring procedures, training for managers, support networks to encourage a sense of belonging and understanding, as well as opportunities for employees to provide feedback on policies and processes.

The health and wellness of our colleagues is of great importance, and we provide support in all aspects of life, including physical, mental, and financial health. This includes offering employees' access to an extensive range of health and wellbeing resources, such as The Health Assured website and app which is a dedicated online health and wellbeing portal, providing 24/7 access to wellbeing support.

Employees are actively encouraged to voice any concerns they might have. We have established Whistleblowing Policies and confidential reporting lines, which allows employees to raise their concerns confidentially and without the fear of facing negative consequences or retaliation.

Strategic report *(continued)*

Statement by the directors on the performance of their statutory duties in accordance with s172(1) of the Companies Act 2006 (continued)

Our commitment to safety and inclusivity extends to collaborating with trade unions to ensure that we create a secure and welcoming workplace for all.

The boards of each business unit receive reports on opportunities and concerns raised by colleagues through regular board, and management meeting reporting.

Employment of disabled persons

Wherever possible, disabled persons are given the same consideration for employment opportunities as other applicants and training and promotion prospects are identical. Special consideration is given to continuity of employment in the case of an employee who becomes disabled, with suitable retraining for alternative employment, if practicable.

Government and regulators

We operate in a highly regulated industry, and patient safety is critical. Government entities, including the Department of Health, determine reimbursement levels for the supply chain, including ourselves. We engage with the government and regulators through sector organisations such as the Healthcare Distribution Association, the National Clinical Homecare Association and the Pharmaceutical Services Negotiating Committee. We also independently engage with stakeholders by responding to consultations, and participate in forums to inform about, educate on and discuss changes to the sector with policy makers.

Key areas of engagement include educating relevant stakeholders around the impact of changes in laws and regulations on the supply chain. The boards of each business unit are updated on developments through regular board and management meeting reporting and takes these into account when making decisions.

Communities and the environment

We engage with local communities to build trust and understand the issues that are important to them. Key areas of focus include how we can support local causes and issues, create opportunities to recruit, help to look after the environment (refer to the Directors' report) and engage with communities through social media.

Key decisions made in the year

As discussed in the business review, the Directors made the decision to divest out of the healthcare services and digital business units. The Directors balanced their responsibilities to all stakeholders in making the decision to wind down the healthcare services business unit, ensuring continuity of patient experience and safety through the novation of contracts to third parties prior to disposal. As disclosed in note 3, a gain on disposal of £31.8m has been recognised.

Non-financial and sustainability information statement

The Group recognises the significant impact that climate-related risks and opportunities (CRROs) may have on the Group's business and wider society. This report details our climate-related disclosures in respect of governance, identification and management of risks and opportunities.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

Governance

Aurelius Crocodile's Statutory Board of Directors is composed of Aurelius Directors and senior leaders. It meets annually to approve the company's accounts, or otherwise on an ad-hoc basis for decision-making when there is a particular need. The Board is supported by the Aurelius Supervisory Committee, which meets monthly to review business performance across the Group. The Supervisory Committee operates in an advisory capacity only and is not responsible for any decision-making. It helps to provide the Board and the business units with oversight and assessments of the most significant risks to business performance.

Admenta UK Limited (AUL) is a subsidiary of Aurelius Crocodile. Most of the Group's governance processes are driven by AUL as the immediate parent company of the subsidiary companies AAH and LCL, with only the most critical risks escalated to Aurelius Crocodile through the Aurelius Supervisory Committee. The AUL Board meets quarterly, with standing attendees including AUL Statutory Directors, the General Counsel, and the Governance and Compliance Manager. During FY25, the CEO of each AUL group business unit was appointed to the AUL Board of Directors. Subject matter experts from the subsidiaries may be invited to attend when a specific topic/proposal requires their presentation. The meetings primarily focus on statutory decisions and resolutions, and clinical and regulatory compliance topics from across the Group. Related to these areas, the AUL Board also provides overall strategic direction, oversight, and accountability for sustainability matters (including climate-related issues) across the Group. The management of climate-related issues are mostly led by each of the business units and departments. Each business unit prepares an update for the quarterly statutory board meeting, with a dedicated section to report on any relevant sustainability topics. This has been further progressed from last year due to the efforts taken by each business unit to develop their own sustainability strategies. In future, progress against goals and targets for addressing climate-related issues will also be integrated into the standing agenda as each subsidiary develops their respective climate strategies.

Based on business specific needs, each subsidiary has adopted its own approach to how sustainability-related issues, including climate change, are integrated within its governance structure. These approaches have ensured that relevant persons, committees or teams have been assigned responsibilities for identifying, assessing and managing climate-related risks and opportunities at the subsidiary level, with the Chief Executive Officer for each subsidiary then holding overall accountability for escalation to AUL and above. Each subsidiary has also set regular cadences for considering climate-related issues within the business, both at the committee or team level and Board level, with reporting to AUL then occurring at least quarterly.

Management of risks and opportunities and integration of risk management processes

As mentioned above, climate-related risks and opportunities are currently identified, assessed and managed at the subsidiary-level, and then reported up through the Group via respective governance structures. This is the second year of completing a climate-related risk identification exercise across the Group, which, going forward, will be refreshed each year by Aurelius Crocodile in preparation for complying with the UK CFD requirements. This will build on any interim assessments undertaken by each subsidiary as part of their own risk identification processes.

The exercise conducted last year, and again in this year's refresh, has focused on identifying the most critical issues for each subsidiary and ensuring that these are recognised and addressed by their Executive Leadership Teams. The process, which an independent consultant supported, used qualitative scenario analysis to evaluate climate-related risks and opportunities across each subsidiary's value chain, focusing on business models and strategies through the lenses of different climate scenarios and broader macro drivers. Risks and opportunities were assessed using likelihood and impact thresholds from the subsidiaries' internal risk management frameworks, where available, and relevant short-, medium- and long-term future time periods. There has also been consideration given to the measures in place or that could be implemented by each subsidiary to respond to the most material issues identified, and each will consider setting annual targets and metrics for managing and tracking progress against these. This year, in line with Government guidance, the analysis was refreshed to incorporate progress made on mitigation actions and strategies, and to allow any new perspectives or risks/opportunities that could be faced. To comply with the UK CFD requirements, this scenario analysis will be renewed at least every three years, or when there is a significant change in a subsidiary or new developments in climate science and predictions.

Climate-related scenarios

Aurelius Crocodile has conducted a qualitative physical and transition scenario analysis to evaluate the materiality of the identified climate-related issues and prioritise the most significant issues across the Group. The process and its associated assumptions are described over the next sections.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

Likelihood and impact ratings were used to evaluate climate-related risks and opportunities for each subsidiary, with impact here primarily focusing on potential financial impacts for the purposes of this financial disclosure. For AAH, a quantitative rating system from internal risk management frameworks were used to assess climate-related issues, whilst a qualitative rating system was used for Lloyds Clinical. This means that 'material' climate-related risks or opportunities for these subsidiaries are defined in the same way as all other enterprise risks, helping to integrate climate into their broader risk frameworks and everyday risk management processes. This approach identifies the most material impacts to revenue generation for both subsidiaries, which have been aggregated up for the Group.

In line with UK CFD requirements, short-, medium-, and long-term time horizons were defined to assess both subsidiary's climate-related risks and opportunities. The reference years for future time horizons varied by subsidiary based on their respective strategies, and as such, the table below outlines the range of years considered across the assessments to identify the most material issues for Aurelius Crocodile. The selected time horizons are in line with the subsidiaries' Carbon Reduction Plans and expected asset lifetimes, and the NHS' Net Zero and interim emissions reduction targets. Ensuring alignment to the NHS' targets is relevant for both subsidiaries, either through their requirements as NHS suppliers, or to improve the strength of bids for commissioned services.

Time horizon	Year	Rationale
Short-term	2027	NHS suppliers are required to publicly report climate targets and emissions and publish a Carbon Reduction Plan for Scope 1, 2 and 3 emissions by 2027
Medium-term	2030 to 2032	Recognised medium-term horizon for assessing climate-related risks and opportunities, aligned with goals of the Paris Agreement to limit global warming to no more than 1.5°C by reducing emissions by ~45% by 2030
Long-term	2040 to 2045	NHS' Net Zero target

The scenarios outlined in the table below were selected for the analysis. These were chosen as they align with the targets of the Paris Agreement, reflecting a global average temperature increase between 1.5 to 2°C, and cover a recommended >3°C ('business as usual') pathway for physical risks only. These are sufficiently varied to cover a range of possible futures relevant to the subsidiaries, including a mix of more probable and extreme outcomes.

Type	Provider	Scenario	Warming by 2100	Description
Physical	Intergovernmental Panel on Climate Change (IPCC)	SSP1-2.6	1.8°C	A world that moves toward sustainability, with a strong emphasis on environmental protection, equity, and international cooperation. Global warming is limited to 1.5-2°C by 2100 compared to the preindustrial period.
		SSP5-8.5	4.4°C	A world focused on economic growth and technological progress, driven primarily by fossil fuels. Severe global average temperature rise of greater than 4°C by 2100.
Transition	Network for Greening the Financial System (NGFS)	Net Zero 2050	1.4°C	An ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050. Assumes that ambitious climate policies are introduced immediately.
		Delayed Transition	1.6°C	Assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. Negative emissions are limited. The level of action differs across countries and regions.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

Overview of process

Last year, to identify relevant climate-related risks and opportunities for each subsidiary, a literature review was conducted to understand relevant macro drivers for each of their markets, and how these could evolve over time due to climate change. A list of different physical and transition-related issues that could impact each subsidiary's business model and value chain, in the context of their current strategies, were identified which were then prioritised at a high-level based on likelihood and financial impact. A cross-functional workshop was then conducted with each subsidiary to understand how the identified issues may develop for key aspects of the business under the selected climate scenarios, over the short-, medium-, and long-term. The risks and opportunities were discussed understand the potential changes to revenues, additional costs, impacts to assets, and any mitigation strategies in place, and then scored based on financial impact and likelihood with differing time horizons, and in line with the relevant thresholds from internal risk management frameworks.

Building on this foundation, a follow-up workshop was conducted this year with each subsidiary to refine the analysis. This included a review of the previously identified risks and opportunities, now incorporating any mitigation actions undertaken in FY25, and any and strategic plans for the future. The risks were rescored based on how they are currently perceived to manifest under varying climate scenarios, providing an updated view of the subsidiaries' climate-related risk landscape and strategic resilience.

The final step was to aggregate these exposures at a Group level to evaluate the potentially material impacts on the value of Aurelius Crocodile's investments. These are reported in detail in the next section.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

Material climate-related risks and opportunities identified

Climate-related transition risks & opportunities

This table details the most significant transition risks and opportunities across the Group in four major categories: Technology, Policy, Market, and Legal and Reputational. It also considers the actual and potential financial impacts of these on subsidiaries' business models and strategies, as well as the time horizon when the issues may materialise. Financial impacts and likelihood are considered under two NGFS scenarios, Net Zero 2050 (1.4°C) and Delayed Transition (1.6°C), across short- (2027), medium- (2030 to 2032) and long-term (2040 to 2045) time horizons. Through assessing existing mitigating activities, the Group is considered resilient within both climate-related scenarios. However, further initiatives will be explored where deemed necessary to increase resilience to the most material issues identified.

Risk / Opportunity	Impact on business models and strategies	Time horizon	Resilience and mitigation across the Group
Technology			
Risk	High costs and technological barriers for subsidiaries associated with transitioning fleets to EVs. Possible investment risks related to physical space and charging infrastructure required to support fleets	Short to Medium	• Subsidiaries are working with vehicle leasing manufacturers to understand and trial the suitability of EVs. • Due to limited advancement of green technology in commercial vehicles, subsidiaries have transitioned their fleet to smaller short wheelbase vans • Subsidiaries are undergoing a procurement exercise for their fleet of cars and considering the options for hybrid vehicles as the leases are coming up for renewal • Aurelius Crocodile will support its subsidiaries to reduce fleet emissions in the shorter term through route optimisation and promoting the use of lower-carbon transport • Improved driver coaching is also being considered by subsidiaries • Investments into onsite energy will be considered where needed to meet EV fleet demands
Opportunity	Technology moves at a speed where EVs increase in mileage capacity and come down in both price and power charge requirements.	Medium to Long	
	Longer-term property strategies for subsidiaries focused on upgrading aged assets and optimising the size and location of buildings for both employee commuting and distribution activities	Long	• Although this is a longer-term opportunity and consideration, particularly when leases approach renewal or expiry, the Group will take initial steps to determine appropriate strategies. This may include reviewing homeworking policies to optimise office sizes and determining locations for centralising warehouses or distribution centres
Policy			
Risk	Sudden changes to legislation, for example, packaging or sustainability requirements, increase the cost of finished goods for the Group's subsidiaries.	Medium	• Increased costs can be passed through to the customer and will be tracked by subsidiaries to determine the best strategy for this • Each subsidiary monitors changes in UK/EU legislation and can engage with its supply chain on these. For example, the UK has implemented the Plastic Packaging Tax, however plastic packaging used for the immediate packaging of licensed human medicine is currently exempt • Subsidiaries have processes and monitoring in place to reduce collateral damage

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

Market			
Risk	Subsidiaries face increasing costs associated with servicing their contracts, particularly as requests for sustainable practices and reporting increase.	Short to Medium	• All subsidiaries with public contracts have implemented and publicly disclosed a Carbon Reduction Plan, which currently meets most requirements • The Group will record additional requests within contracts to identify other focus areas (e.g., water, waste, reporting) • Subsidiaries are aware of the requirements associated to comply with NHS criteria and the increasing need for credentials and reporting
	Manufacturers and suppliers do not engage with the low carbon transition and move to low carbon strategy and processes at a slower rate than subsidiaries, impeding the Group's progress on Net Zero targets	Short	• Subsidiaries have started to engage with upstream and downstream stakeholders (suppliers, customers and waste providers) on sustainability, which can support progress on Net Zero • Subsidiaries are working on their respective strategies to implement new processes and services to achieve carbon savings. This has included trials with select customers to determine appetite for lower carbon offerings and exploring reductions in delivery service. Customer sentiments will be tracked over time to understand the potential for this opportunity to evolve in the longer term
Opportunity	Customers increasingly factor climate into decisions and are open to changes to the subsidiaries' processes and services, allowing for lower costs and emissions reductions.	Medium to Long	
Reputational			
Opportunity	As part of employee proposition, sustainability is integral to attracting and retaining talent. Sustainability initiatives implemented by subsidiaries could attract new talent and facilitate new partnerships with suppliers or customers	Short	• All subsidiaries with public contracts have implemented and publicly disclosed a Carbon Reduction Plan. Emissions measurement and reporting will be further developed across the Group in FY26 • Subsidiaries are referencing environmental commitments in other external collateral and supporting employees to benefit from other environmental initiatives, as well as considering including sustainability statements in job descriptions to attract sustainability conscious prospective applicants

Climate-related physical risks

This table describes the most significant future physical risks across the Group, including their actual and potential impacts and materiality time horizons. The analysis uses specialist scenario modelling software, Spectra, which covers the following acute and chronic physical risks: flooding (river, surface and coastal), storms, wildfires, subsidence, landslides, water stress and drought, and extreme heat. Financial impacts and likelihood are estimated using damage functions, which relate hazard severity to predicted asset damage. The scenarios used are IPCC SSP1-2.6 (1.8°C) and SSP5-8.5 (4.4°C) for future time horizons of short- (2027), medium- (2030 to 2032) and long-term (2040 to 2045) time horizons.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

<table>
<tr><th>Risk</th><th>Time horizon</th><th>Impact on business models and strategies, including resilience and mitigation</th></tr>
<tr><td>Floods</td><td>Medium</td><td rowspan="2">Aurelius Crocodile's subsidiaries are exposed to impacts from physical risks across their operations, including disruption to upstream and downstream supply chains and direct damage to infrastructure and equipment. Aside from potentially affecting costs, revenues and asset values, the supply of medicines to patients could also be impacted. Historically, the Group has been exposed to impacts from some physical risks, and increasing trends with climate change could lead to further problems. These may be exacerbated by occurring in parallel with changes in product types (i.e., more temperature-sensitive drugs) and product shortages due to shifting supply and demand.

Based on scenario analysis conducted across critical UK sites within the Group, the most significant issues, based on future trends alone, are indicated as flooding and storms (with results shown to the left). Some of the key risks discussed with stakeholders at each subsidiary included:

• Extreme weather events leading to disruption or damage to either sites or transport (used directly by the subsidiary, or third-party, such as couriers), resulting in downtime, additional costs, and potentially stock write-offs
• Increasing weather events affecting global manufacturers and disrupting the supply of stock to sites
• Existing HVACs have limited capacity and may be unable to operate effectively during periods of extreme external temperatures.
• Investment risks associated with upgrading infrastructure, such as HVAC systems, to maintain operational requirements under future climate change

The Group is considered resilient within the selected climate-related scenarios; however, mitigation measures will be reviewed and upgraded where needed with future trends in mind. Some of the measures already implemented by subsidiaries include:

• BCPs for different services and sites, covering various failure triggers relevant to climate
• Regular maintenance schedule for buildings and fleets, including temperature and cold store testing
• Stop work procedures and monitoring to mitigate health and safety risks during extreme weather events
• Processes for managing stock shortages and prioritising the most critical customer deliveries
• More contingency trailers with dual temperature control are expected, with approximately a 12-month rollout
• Refit and automation upgrades at some sites</td></tr>
<tr><td>Storms</td><td>Short</td></tr>
</table>

Metrics and targets

Aurelius Crocodile's impact on climate change is less significant than the impact of its subsidiaries, however, it recognises the need to play its part in reducing GHG emissions. With this considered, the company measures and reports on its emissions annually and identifies operational improvements across the portfolio to improve energy management and increase how much is recycled. Based on the material climate-related issues identified during this year's assessment, Aurelius Crocodile will aim to work with its subsidiaries to develop key performance indicators for other relevant topics for the Group, including energy, water and other physical risk exposures, land use, and waste management.

Strategic report *(continued)*

Non-financial and sustainability information statement (continued)

As suppliers to the NHS, both of Aurelius Crocodile's subsidiaries (AAH and Lloyds Clinical) have set Net Zero targets aligned to the NHS' 2045 target, and other associated metrics and targets where necessary, as part of their own Carbon Reduction Plans. These have been completed in accordance with PPN 06/21.

To track progress against the Group's decarbonisation commitments, Aurelius Crocodile measures and reports annually on its GHG emissions from Scope 1 and 2 electricity, gas and transport, under the Streamlined Energy and Carbon Reporting (SECR) regulations. An overview of these emissions is provided in the Directors' Report. Outside of SECR reporting requirements, the next step for the company will be to improve its understanding of the Group's Scope 3 (value chain) emissions. This will be developed over the next year as its subsidiaries continue to collate data on Scope 3 categories, which, at a minimum, will include the subsets of emission sources or activities required within the published reporting standard for Carbon Reduction Plans. AAH have already met these requirements and will strive to expand reporting on other Scope 3 categories, whilst Lloyds Clinical is planning to establish a full baseline carbon footprint (including Scope 3) with support from an independent consultant in the future.

This report was approved by the board of directors on 29 September 2025 and signed on behalf of the board by:

Signed by:
Martyn Cryer
A00DB7548885447...

M Cryer
Director

Registered office:
6th Floor
33 Glasshouse Street
London
W1B 5DG
United Kingdom

Directors' report

The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2025.

Results and dividends

The results for the year are set out on page 29. During the year, the Group paid dividends of £119.0 million (2024: £387.9 million). After the year end, up to the date of signature, the directors approved dividend distributions to the shareholders and paid dividends in the amount of £10.0 million.

Financial instruments

Financial instruments of the business are detailed in the Strategic Report and note 23 of the financial statements.

Directors

The directors who served the Company during the year and up to the date of the financial statements were as follows:

M Cryer	
D Mueser	
D Alldread	(appointed 2 September 2024)

Qualifying third party indemnity provisions

Liability insurance, a qualifying third-party indemnity provision for the purposes of the Companies Act 2006 was provided for the UK directors by Admenta UK Limited. On the date of approval of the financial statements, liability insurance was also in force.

Donations

There were no political or charitable donations made in the year (2024: none).

Future developments

Future developments of the business are detailed in the Strategic Report.

Employee involvement

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. There are many ways we engage with and listen to our people including employee surveys, conferences, and forums including huddles where colleagues can interact with business unit Executive Leadership Teams and receive updates on strategic initiatives, and acknowledge and celebrate outstanding performance.

We are committed to creating a culture where everyone feels heard, valued, and empowered to contribute their ideas. We promote a diverse and inclusive workforce through thorough hiring procedures, training for managers, support networks to encourage a sense of belonging and understanding, as well as opportunities for employees to provide feedback on policies and processes.

Directors' report *(continued)*

Statement of Corporate Governance Arrangements

The Board of Directors (the "Board") is responsible for driving the strategy of all subsidiaries of the Group. Within a framework of effective governance, accountability and transparency, the Board must have regard to the interests of its shareholders, colleagues, patients and customers, suppliers and the wider community, in the way in which decisions are considered, made and executed.

The Board has ensured that there remains in place a robust governance framework to support appropriate and transparent management and decision-making processes both at the Group level, and across all of the subsidiaries within the Group. This framework enables the Board to be assured of the quality of its services, and of the effectiveness with which the Board is alerted to risks to the achievement of its overall purpose and priorities. This understanding is underpinned by our internal policy framework which ensures that the way in which we operate is fully aligned with the expectations of our shareholders and is based on the Wates Corporate Governance Principles for Large Private Companies.

Purpose and Leadership

The oversight function of corporate governance is performed by the Board and the individual statutory boards of each subsidiary within the Group. The Board is responsible for fostering the Group's culture and values and to ensure long term success for each of the Group's business units.

The Board ensures that the Group's strategy is well defined and implemented throughout the Group. Alongside this, the statutory boards of the relevant subsidiaries have continued to develop business unit specific governance frameworks, which include for example regular statutory board meetings covering key governance, compliance, and clinical governance topics, individual delegations of authority and business unit specific policy and risk management frameworks.

Board composition and Director responsibilities

The Board is structured to ensure a balance of skills and experience. Most of the Group's governance processes are driven by Admenta UK Limited (AUL) as the immediate parent company of the subsidiary companies AAH and LCL. Terms of reference are in place for the Statutory Board of AUL which sets out matters which have been delegated to the boards of the subsidiary companies, and a schedule of matters reserved for the AUL Board.

Further to this, the Group had in place during the year a Group Quality & Clinical Risk Committee as part of its governance framework. The committee had clear authorities delegated to it by the Board set out in the committee terms of reference . The Quality & Clinical Risk Committee provided advice and oversight of quality, regulatory and clinical risk topics across the business units.

The corporate governance framework is supported by other internal and external sources of assurance. These include our internal local policy framework, clear delegations of authority, risk management and compliance programmes, standard operating procedures, and internal assurance functions.

Opportunity and risk

The Board is responsible for achieving long-term sustainable success of the Group by identifying opportunities to create sustainable value for stakeholders as well as identifying and mitigating risks.

The Group's risk management processes are integrated into strategic planning, ensuring the Board is prepared to respond to potential challenges. Each of the Group's business units maintains as part of their governance framework a corporate risk register, and where relevant a clinical risk registers. These are reviewed and updated regularly to ensure risks are captured, assessed and mitigating actions put in place and monitored. Regular reporting to the senior leadership teams and statutory boards of each of the business units ensures a culture of risk awareness.

In identifying opportunities, the Group encourages a culture of innovation where employees are empowered to propose new ideas and initiatives.

Directors' report *(continued)*

Statement of Corporate Governance Arrangements (continued)

Remuneration

Executive remuneration structures are aligned to the long-term sustainable success of each company, taking into account pay and conditions elsewhere in the Group. To help secure and retain high-quality management and workforce, remuneration is aligned with performance, behaviours and the achievement of company strategy.

Stakeholder relationships and engagement

The success of our business is dependent on the support of all our stakeholders. Building positive relationships with stakeholders that share our values is important to us. Working together towards shared goals assists us in delivering long term sustainable success supporting the UK health care system. Further detail on how the Board has considered and has regard to the interests of its stakeholders, including shareholders, colleagues, customers, suppliers, communities and government and regulators is set out in the Section 172 statement in the strategic report.

Shareholders

The ultimate parent undertaking and controlling party of the Group is Aurelius GP Partners Limited (formerly Aur GP Holdco (UK) Limited).

Going concern

The consolidated financial statements have been prepared on a going concern basis. In determining the appropriate basis of the financial statements, the directors are required to assess whether adequate financial resources are available for the Group to continue to operate as a going concern for a period of not less than 12 months after the approval of these statutory financial statements. In making this assessment, the directors considered a number of factors, including the business strategy and the forecasts prepared by Management for the Group and the Parent Company.

The Group delivered an operating profit of £56.2 million for the year and had net assets of £39.3 million at the year end. Furthermore, the Aurelius Crocodile Group, which includes the Aurelius Elephant Limited group ("AEL Group"), refinanced the existing asset-backed loan ("ABL") facility in September 2025 for a minimum period of three years. Under the terms of the revised loan, the Group can borrow up to £350m against eligible receivables (up from £275m). The loan facilities are secured on qualifying accounts receivables of certain operating subsidiaries. Certain members of the AEL Group, are an obligor and guarantor to the loan facility and are bound by the Group's financing arrangements. Therefore, the Directors have also considered the financial performance and forecasts of the Group and its ability to comply with the Group's financing arrangements when assessing going concern.

The Directors have considered the forecasts for the period ending December 2026 which enables them to have the greatest visibility and granularity and therefore considered to be the period most relevant for this going concern assessment. For the purposes of the going concern assessment, the Group makes estimates of likely future cash flows which are based on assumptions including sales and margin assumptions, cost of labour and supplies and working capital movements. The assumptions are based on recent performance, external factors and management's knowledge and expertise of the cashflow drivers.

The ABL financial covenants require the AEL Group to maintain cash headroom of not less than £25 million at the close of each business day. The AEL Group has consistently achieved this.

The AEL Group Leverage/EBITDA ratio must not exceed 2.5. The AEL Group forecasts that this will be an average of 0.45 for the period through to December 2026. The Directors have performed a sensitivity analysis on the forecast and have determined EBITDA would need to fall by 67% (£51 million) or net debt would need to increase by 200% (£127m) to cause a breach in the EBITDA leverage covenant of the AEL Group.

Therefore, the Directors concluded that the ABL facility is sufficient to enable the Company and the Group to continue as a going concern for a period of at least 12 months from the approval of these financial statements and therefore provide a reasonable basis to support the going concern assertion for the financial statements.

Directors' report *(continued)*

Events after the end of the reporting period

The Company paid dividends of £10 million (2024: £59 million) in total to its parent company and received a dividend of £15 million from its subsidiary in May 2025.

Disclosure of information in the Strategic Report

The Company has chosen in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the Company's Strategic Report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The Strategic Report on pages 4-17 refers to the following: financial risk management and future developments.

Directors' Responsibility under Section 172 and Statement of engagement with suppliers, customers, and others in a business relationship with the Company

The Directors welcome the requirements under Section 172 and Sch. 7.11B(1) to Companies Act 2006. Comments on how the Directors have had regard for the interests of various stakeholders whilst making key decisions are contained on pages 9-10 in the Strategic Report.

Energy and Carbon Reporting

	31 March 2025	31 March 2024
Emissions resulting from activities including combustion of gas or consumption of fuel for transport (tCO2e)	**23,414**	26,539
Emissions resulting from the purchase of electricity, including for transport (tCO2e)	**3,028**	2,888
Energy consumed from activities involving the combustion of gas or the consumption of fuel for transport and the purchase of electricity for its own use, including for transport (kWh)	**100,472,402**	122,220,210
Intensity ratio (tCO2e/revenue £m)	**6.0**	6.9

Methodology used to calculate the information disclosed above:
Calculation method: activity data x emission factor = greenhouse gas emission
Emissions factor source: DESNZ, 2023 for all emissions factors-
https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
Intensity ratio is based on revenue (in £m) for the year ended 31 March 2025

During the assessment of data for the year ended 31 March 2025 energy and carbon reporting, it was noted that the disclosures for the year ended 31 March 2024 energy and carbon reporting were inaccurate. Therefore, the comparative figures in the table above have been restated.

Energy efficiency measures taken

Energy efficiency actions taken during the year ended 31 March 2025 included operational improvements across the portfolio to improve energy management and increase how much we recycle.

Disclosure of information to auditor

Each of the persons who are directors at the time when the Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Approved by the board of directors on 29 September 2025 and signed on behalf of the board by:

Signed by:
Martyn Cryer
A00DB7548885447...

M Cryer
Director

Registered office:
3rd Floor
33 Glasshouse Street
London
W1B 5DG
United Kingdom

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group's consolidated financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor’s report to the members of Aurelius Crocodile Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 2025 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Aurelius Crocodile Limited (“the Parent Company”) and its subsidiaries (“the Group”) for the year ended 31 March 2025 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Company Statement of Financial Position, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Aurelius Crocodile Limited *(continued)*

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector;
- Review of the minutes of Board and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in strategic report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment.

We also assessed the consistency of managements disclosures included as 'Other Information' on pages 11-17 with the financial statements and with our knowledge obtained from the audit.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Independent auditor's report to the members of Aurelius Crocodile Limited *(continued)*

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

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

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:
- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance (including General counsel);
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations

We obtained an understanding of the legal and regulatory frameworks applicable to the Group. The most significant of these laws and regulations were considered to be the applicable financial reporting framework, relevant tax compliance regulations and Medicines and Healthcare products Regulatory Agency (MHRA).

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements. We identified such laws and regulations to be the UK Companies Act, employment law, health and safety and pensions legislation.

Independent auditor's report to the members of Aurelius Crocodile Limited *(continued)*

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Involvement of tax specialists in the audit to assess the Company's compliance with relevant tax regulations; Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Enquiries with management, in-house legal counsel, internal audit and those charged with governance regarding any instances of non-compliance with laws and regulations.
- Review of internal audit reports and whistleblowing reports regarding any instances of non-compliance with laws and regulations.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiries with management, in-house legal counsel, internal audit and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Review of internal audit reports and whistleblowing reports regarding any known or suspected instances of fraud.
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud being management override of controls, non-routine journals impacting revenue and existence of wholesale revenue recorded at transactional level.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to relevant supporting documentation;
- Assessing significant estimates made by management for bias and
- Testing a sample of wholesale revenue recorded at transactional level and revenue journal entries throughout the year, which met a defined risk criteria, including revenue journals with non-routine or unusual account combinations and agreed these transactions to relevant supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Independent auditor's report to the members of Aurelius Crocodile Limited *(continued)*

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Sophie Michael
CD4490ED1C4942A

Sophia Michael (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
29 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Income Statement

For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Revenue	4	4,394,420	4,253,518
Cost of sales		(4,008,966)	(3,852,352)
Gross profit		385,454	401,166
Other operating income	5	9,203	8,310
Administration expenses		(338,453)	(395,461)
Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation		106,344	90,818
Restructuring and exit charges		(11,262)	(34,097)
Earnings Before Interest, Tax, Depreciation and Amortisation		95,082	56,721
Depreciation of Property Plant & Equipment and Right-of-Use assets		(27,597)	(22,545)
Amortisation of intangibles		(11,281)	(17,883)
Impairment of fixed assets, intangibles or lease Right-of-Use assets		-	(2,278)
Operating profit/(loss)	6	56,204	14,015
Finance income	9	1,312	284
Finance costs	9	(15,795)	(21,189)
Profit/(loss) before tax		41,721	(6,890)
Income tax (charge)/credit	10	(285)	1,412
Profit/(loss) for the year from continuing operations		41,436	(5,478)
Discontinued operations			
Profit for the year from discontinued operations	3	22,201	360,121
Profit for the year fully attributable to owners of the parent		63,637	354,643

The notes on pages 34 to 71 form part of these financial statements.

Consolidated Statement of Comprehensive Income

	Note	2025 £'000	2024 £'000
Profit for the year		63,637	354,643
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gains on defined benefit liability	20	568	1,266
Deferred tax on actuarial gains on defined benefit liability	10	(142)	(316)
		426	950
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange loss on translation		-	(46)
Other comprehensive income / (expense) for the year, net of income tax		426	904
Total comprehensive income for the year attributable to the owners of the company		64,063	355,547

The notes on pages 34 to 71 form part of these financial statements.

Consolidated Statement of Financial Position

at 31 March 2025

	Note	2025	2024
		£'000	**£'000**
Non-current assets			
Intangible assets	11	27,853	48,297
Property, plant and equipment	12	101,827	101,044
Defined benefit pension scheme assets	20	4,597	3,872
Deferred tax assets	14	257	-
		134,534	**153,213**
Current assets			
Inventories	15	275,388	293,534
Trade and other receivables	16	635,968	727,217
Cash and cash equivalents	17	59,893	90,123
		971,249	**1,110,874**
Total assets		**1,105,783**	**1,264,087**
Current liabilities			
Trade and other payables	18	(993,529)	(1,057,477)
Other interest-bearing loans and borrowings	19	-	(25,617)
Lease liabilities	19/24	(18,867)	(17,073)
		(1,012,396)	**(1,100,167)**
Net current (liabilities)/assets		**(41,147)**	**10,707**
Non-current liabilities			
Lease liabilities	19/24	(36,481)	(45,538)
Deferred tax liabilities	14	-	(5,206)
Provisions	21	(17,563)	(18,896)
		(54,044)	**(69,640)**
Total liabilities		**(1,066,440)**	**(1,169,807)**
Net assets		**39,343**	**94,280**
Equity			
Share capital	22	-	-
Retained earnings	22	39,343	94,280
Equity attributable to equity holders of the parent		**39,343**	**94,280**

The notes on pages 34 to 71 form part of these financial statements.

These consolidated financial statements of Aurelius Crocodile Limited were approved by the board of directors on 29 September………. 2025 and were signed on behalf of the board by:

Signed by:
Martyn Cryer
A00DB7548885447...

M Cryer
Director

Company registered number: 12867781

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital	Retained earnings	Total equity
	£'000	£'000	£'000
Balance at 1 April 2023	**56,073**	**70,560**	**126,633**
Profit for the year	-	354,643	354,643
Other comprehensive income for the year	-	904	904
Total comprehensive income for the year	**-**	**355,547**	**355,547**
Contributions by and distributions to owners:			
Share capital reduction	(56,073)	56,073	-
Dividends paid	-	(387,900)	(387,900)
Total contributions by and distributions to owners	**(56,073)**	**(331,827)**	**(387,900)**
Balance at 31 March 2024 and 1 April 2024	**-**	**94,280**	**94,280**
Profit for the year	-	63,637	63,637
Other comprehensive income for the year	-	426	426
Total comprehensive income for the year	**-**	**64,063**	**64,063**
Contributions by and distributions to owners:			
Dividends paid	-	(119,000)	(119,000)
Total contributions by and distributions to owners	**-**	(119,000)	(119,000)
Balance at 31 March 2025	**-**	**39,343**	**39,343**

The notes on pages 34 to 71 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Profit for the year		63,637	354,643
Adjustments for:			
Depreciation and amortisation	11, 12	43,470	46,621
Impairment of property, plant and equipment and intangibles	11, 12	-	7,557
Foreign exchange movements		-	(46)
Finance income	9	(1,312)	(284)
Finance expense	9	15,795	21,211
Loss on sale of fixed assets		2,055	2,214
Gain on sale of stores	3	-	(411,936)
Gain on disposal of subsidiaries		(31,837)	(37,033)
Release of lease liabilities of discontinued operations		-	(7,255)
Tax charge/(credit)	10	285	(1,377)
		92,093	(25,685)
Decrease in trade and other receivables	16	80,879	71,771
Decrease in inventories	15	16,668	53,637
(Decrease)/increase in trade and other payables	18	(28,252)	30,483
Decrease in provisions and employee benefits	20, 21	(1,403)	(11,617)
Employer contributions to the defined benefit pension schemes	20	(87)	(822)
		159,898	117,767
Tax (paid)/ refunded		(4,254)	474
Net cash generated from operating activities		155,644	118,241
Cash flows from investing activities			
Interest received		1,312	284
Proceeds from sale of property, plant and equipment		-	455,573
Proceeds from sale of subsidiaries, net of cash disposed	3	13,398	15,521
Acquisitions of property, plant and equipment	12	(18,555)	(15,181)
Acquisitions of intangible assets	11	(2,395)	(3,189)
Net cash (used in)/from investing activities		(6,240)	453,008
Cash flows from financing activities			
Interest paid		(13,667)	(17,816)
Dividends paid		(119,000)	(387,900)
Repayment of borrowings	19	(25,617)	(175,109)
Proceeds from new loans and borrowings		-	25,617
Payments of lease liabilities	24	(19,222)	(25,552)
Interest on leases paid	24	(2,128)	(3,703)
Net cash used in financing activities		(179,634)	(584,463)
Net decrease in cash		(30,230)	(13,214)
Cash at start of the period		90,123	103,337
Cash at end of the period	17	59,893	90,123

The notes on pages 34 to 71 form part of these financial statements.

Notes to the consolidated financial statements

1 Material accounting policies

Aurelius Crocodile Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 12867781 and the registered address is 3rd Floor 33 Glasshouse Street, London, W1B 5DG, United Kingdom.

The principal activities of the Company and its subsidiaries and the nature of the Group's operations are set out in the strategic report.

These financial statements are presented in Pounds Sterling, which is the currency of the primary economic environment in which the Group operates.

These Group financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IAS").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets and disposal groups held for sale are stated at the lower of their carrying amount and fair value less costs to sell. Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

1.2 Going concern

The consolidated financial statements have been prepared on a going concern basis. In determining the appropriate basis of the financial statements, the directors are required to assess whether adequate financial resources are available for the Group to continue to operate as a going concern for a period of not less than 12 months after the approval of these statutory financial statements. In making this assessment, the directors considered a number of factors, including the business strategy and the forecasts prepared by Management for the Group and the Parent Company.

The Group delivered an operating profit of £56.2 million for the year and had net assets of £39.3 million at the year end. Furthermore, the Aurelius Crocodile Group, which includes the Aurelius Elephant Limited group ("AEL Group"), refinanced the existing asset-backed loan ("ABL") facility in September 2025 for a minimum period of three years. Under the terms of the revised loan, the Group can borrow up to £350m against eligible receivables (up from £275m). The loan facilities are secured on qualifying accounts receivables of certain operating subsidiaries. Certain members of the AEL Group, are an obligor and guarantor to the loan facility and are bound by the Group's financing arrangements. Therefore, the Directors have also considered the financial performance and forecasts of the Group and its ability to comply with the Group's financing arrangements when assessing going concern.

The Directors have considered the forecasts for the period ending December 2026 which enables them to have the greatest visibility and granularity and therefore considered to be the period most relevant for this going concern assessment. For the purposes of the going concern assessment, the Group makes estimates of likely future cash flows which are based on assumptions including sales and margin assumptions, cost of labour and supplies and working capital movements. The assumptions are based on recent performance, external factors and management's knowledge and expertise of the cashflow drivers.

The ABL financial covenants require the AEL Group to maintain cash headroom of not less than £25 million at the close of each business day. The AEL Group has consistently achieved this.

The AEL Group Leverage/EBITDA ratio must not exceed 2.5. The AEL Group forecasts that this will be an average of 0.45 for the period through to December 2026. The Directors have performed a sensitivity analysis on the forecast and have determined EBITDA would need to fall by 67% (£51 million) or net debt would need to increase by 200% (£127m) to cause a breach in the EBITDA leverage covenant of the AEL Group.

Therefore, the Directors concluded that the ABL facility is sufficient to enable the Company and the Group to continue as a going concern for a period of at least 12 months from the approval of these financial statements and therefore provide a reasonable basis to support the going concern assertion for the financial statements.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.3 Basis of consolidation

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transactions gains or losses), arising from intra-group transactions, are eliminated. Intra-group transactions made between continuing and discontinued operations are eliminated wholly within the results from discontinued operations where the group intends to engage in similar transactions after the disposal.

1.4 Financial instruments

Financial assets and liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at their fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. The Group's financial assets include cash and trade and other receivables.

(ii) Subsequent measurement

The subsequent measurement of financial assets is at amortised cost using the effective interest rate method (EIR), less impairment. Financial assets are derecognised when the rights to receive cash flows from the assets have expired.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed utilising the group's historical credit loss experience, adjusted for factors that are specific to debtors and general economic conditions. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial liabilities

(iii) **Initial recognition and measurement**

The Group's financial liabilities include borrowings and trade and other payables. All financial liabilities are recognised initially at fair value.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

Financial instruments (continued)

(iv) **Subsequent measurement**

Subsequent to initial recognition financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

- Freehold 2% per annum
- Long leasehold improvements 2% or over the period of the lease if less than 50 years
- Short leasehold improvements 10% - 30% per annum or over the period of the lease
- Fixtures, fittings and equipment 10% - 30% per annum

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use- asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.6 Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised from the date they are available for use. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets as follows:

- Trademarks 33% per annum
- Software 33% per annum
- Customer relationships 20% - 33% per annum
- Licenses 33% per annum

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based either on the first-in first-out (Homecare business unit) or on the weighted average (wholesale business unit) principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Inventory impairment is assessed at each reporting date, and an impairment loss is recognised if the carrying amount of inventory exceeds its net realisable value. These impairment losses, which include the cost of selling the stock, are recorded within cost of goods sold in the income statement. When the reasons for previously recognised impairments no longer exist, reversals of impairment are made up to the original carrying amount, ensuring the stock value does not exceed cost.

1.8 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.9 Employee benefits

The Group contributes to group pension schemes operated by AUL Limited and Sangers (Northern Ireland) Limited, including defined benefit and defined contribution schemes.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Group determines the net interest on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset).

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs. The Group then calculates the current service cost for the remainder of the reporting period, post the amendment or curtailment, using the same actuarial assumptions as those used to remeasure the net defined benefit liability/(asset).

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on a settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group in connection with the settlement.

1.10 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.11 Revenue

Revenue comprises sales of goods and services at invoice or reimbursement value less discounts and excluding value added tax.

Revenue is recognised when control of the goods is transferred to the customer, provided that the amount of revenue can be reliably measured, and it is likely that economic benefits will flow to the Group. Service revenues are recognised when services are provided to the customer. Any deductions from sales such as returned goods, rebates, discounts allowed, and bonuses are deducted from gross revenue.

For the sale of goods, the customer obtains control at the point in time at which the goods are delivered. For both sales of merchandise and agency-related sales, customers are typically given a 3-day return window. Revenue is recognised immediately upon the dispatch of orders, reflecting the transfer of control of goods to the customer. However, where the company anticipates that a portion of goods may be returned (based on historical trends or contractual arrangements), a returns provision is accounted for.

In such cases, while revenue is recognised upon dispatch, a refund liability is simultaneously recognised to cover potential returns, and an asset is recorded for the receivable of stock to be recovered. This ensures that the potential impact of returns is accurately reflected in the financial statements. The refund liability represents the company's obligation to refund customers for returned goods, while the receivable reflects the expected value of inventory to be restocked. The cost of sales is also adjusted to account for the margin related to the potential return of goods, ensuring the financial impact is recognised based on the estimated gross margin of the returned items. The revenue generated is recorded at the time when the customer acquires control of the goods. The Group has taken the practical expedient to not adjust the consideration for the effects of a significant financing component where the Group expects that the period between the transfer of goods and services and when the customer pays for the goods or services to be one year or less. Additionally, we do not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less and for contracts for which we recognise revenue at the amount to which we have the right to invoice for services performed.

If the contract includes services, these services are recognised over time. The performance obligation is fulfilled continuously, as the services are provided throughout the duration of the contract. Revenue from the maintenance component is recognised on a straight-line basis over the service period, reflecting the continuous nature of service fulfilment.

If one party to the contract has satisfied its performance obligation, but the other party has not yet, then the contract is accounted for as either a contract liability or a contract asset, whereby an unconditional right to receive payment is presented separately as a trade receivable. As we usually satisfy our performance obligation to deliver goods or services first, which results in an unconditional right to receive payment, our contract balances are typically not material.

If the Group collects amounts in the interest of third parties, these do not represent revenue as they do not represent an inflow of economic benefits for the Group. Only the remuneration for arranging the transaction and not the total proceeds are recognised as revenue. The Group is considered to be the principal, if the Group has the ability to direct the use of the goods or services prior to transfer to a customer, is responsible for fulfilling the promise to the customer, and also bears the significant opportunities and risks associated with the sale of goods or the provision of services. Only in those cases is revenue recorded gross.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.12 Financing expenses and income

Financing expenses include interest payable on bank loans and overdrafts, finance charges on lease liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions and refinancing charges.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

1.13 Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference 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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.14 Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group determines the lease term as the non-cancellable term of the lease together with any period covered by the lease extension option (if it is reasonably certain to be executed) and any other period covered by a lease termination option (if it is reasonably certain not to be executed).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise,
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is presented as a separate line in the balance sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Notes to the consolidated financial statements *(continued)*

1 Material accounting policies *(continued)*

1.15 Leases (continued)

As a lessee *(continued)*

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented within the property, plant and equipment line in the balance sheet.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

1.16 Adoption of new and revised standards

With effect from 1 April 2024, the Group has adopted the following new IFRSs (including amendments thereto) and International Financial Reporting Interpretations Committee interpretations, that became effective for the first time. The new standards adopted have not had any material impact on the Group.

Standard/amendment	***Effective date***
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 (issued on 22 September 2022)	1 January 2024
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	1 January 2024
Classification of Non-Current Liabilities with Covenants – Amendments to IAS 1	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

New and revised standards in issue but not yet effective

The following standards and interpretations relevant to the Group are in issue but are not yet effective and have not been applied in the preparation of the financial statements.

Standard/amendment	***Effective date***
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Annual Improvements Volume 11	1 January 2026
Amendments to the Classification and Measurements of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Contracts Referencing Nature-interdependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in the Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The assessment of the impact of IFRS 18 on the presentation of the financial statements is it is expected that it will have a significant impact on the presentation of the consolidated statement of comprehensive income.. Excluding IFRS 18, the above standards are not expected to have a material impact on the consolidated financial statements of the Group in future periods.

Notes to the consolidated financial statements *(continued)*

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Management do not consider there to be any material critical judgements in applying the Group's accounting policies.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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 discussed below.

Defined benefit pensions – key source of estimation uncertainty

The cost of defined benefit post-employment plans and the carrying value of the defined benefit obligation are determined using actuarial calculations. Actuarial calculations involve making assumptions about discount rates, future wage and salary increases, the mortality rate and future pension increases. All assumptions are reviewed at each reporting date. When determining the appropriate discount rate, management uses the interest rates of first-class corporate bonds, and government gilts. The mortality rate is based on publicly available mortality tables for the UK. Future salary and pension increases are based on expected future inflation rates for the UK.

As part of the buy-out process, the Scheme Trustees entered into a bulk purchase annuity agreement. The agreement is an initial stage of a buy-out process in order to prospectively secure annuity policies for all members. The timing of the buy-out and future costs associated with it can vary. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is shown in note 20.

3 Discontinued operations

In February 2025, the Group divested its digital and healthcare services business units. Accordingly, these business units have been reported as discontinued operations in the current year and prior year. During the year ended 31 March 2024, the Group divested its retail business unit. The results of the retail business are also shown within discontinued operations in 2024.

The results of the discontinued operations, which have been included in the profit for the year 2025 and 2024, are as follows:

	Note	2025 £'000	2024 £'000
Revenue		378,912	823,326
Cost of sales		(332,583)	(702,247)
Other operating income		3	883
Distribution and administration costs		(56,290)	(207,934)
Finance costs		(49)	(2,841)
Loss before tax from ordinary activities		**(10,007)**	**(88,813)**
Gain on disposal of stores		-	411,936
Gain on disposal of subsidiaries		31,837	37,033
Profit before tax from discontinued operations		**21,830**	**360,156**
Income tax	10	371	(35)
Profit for the year from discontinued operations		**22,201**	**360,121**

Notes to the consolidated financial statements *(continued)*

3 Discontinued operations *(continued)*

The post-tax gain on disposal of stores was determined as follows

	2025 £'000	2024 £'000
Cash consideration received	-	454,806
Net assets disposed		
Property, plant and equipment	-	(151,176)
Lease liabilities disposed	-	115,910
Intangible assets	-	(12,009)
Provision	-	4,405
	-	(42,870)
Gain on disposal of stores	-	411,936

The pre-tax gain on disposal of subsidiaries was determined as follows

	2025 £'000	2024 £'000
Cash consideration received	42,034	37,113
Cash disposed of	(28,636)	(21,592)
Net cash inflow on disposal of subsidiaries	13,398	15,521
Net assets disposed other than cash		
Property, Plant and equipment	(79)	(14,665)
Intangible assets	(8,212)	(2,237)
Stock	(1,478)	(1,182)
Trade and other receivables	(9,123)	(15,909)
Trade and other payables	36,291	28,643
Lease liabilities	-	24,432
Deferred tax liabilities	1,040	-
Provision	-	2,430
	18,439	21,512
Pre-tax gain on disposal of subsidiaries	31,837	37,033

The cashflows from discontinued operations included in the consolidated cash flow statement for the year 2025 and 2024 are as follows.

Cash flows from / (used in) discontinued operations

	2025 £'000	2024 £'000
Net cash inflow from / (used in) operating activities	24,429	(478,197)
Net cash from investing activities (including cash inflows from the sale of subsidiaries)	(2,781)	469,106
Net cash (used in) / inflow from financing activities	(498)	9,693
	21,150	602

Notes to the consolidated financial statements *(continued)*

4 Revenue from contracts with customers

Disaggregation of revenue

	2025	**2024**
	£000	**£000**
Sale of goods - wholesale	3,007,943	2,924,747
Sale of goods - homecare	1,308,235	1,256,391
Rendering of services - wholesale	14,949	18,017
Rendering of services - homecare	63,293	54,363
	4,394,420	4,253,518
Primary geographical markets		
United Kingdom	4,394,420	4,253,518

Revenue is recognised at the point in time when the customer acquires control of the goods, or when the services are provided to the customer. Revenues disclosed above are from continuing operations.

5 Other operating income

	2025	**2024**
	£000	**£000**
Rental income	3	10
Promotional income	6,720	6,874
Other operating income	2,480	1,426
	9,203	8,310

Notes to the consolidated financial statements *(continued)*

6 Expenses and auditor's remuneration

Included in profit/loss from continuing operations are the following:

	2025 £000	2024 £000
Depreciation of property, plant and equipment (excluding right-of-use assets) (note 12)	7,310	7,296
Impairment of property, plant and equipment (note 12)	-	2,517
Depreciation of right-of-use assets (note 12)	20,287	15,697
Amortisation of intangible assets (note 11)	15,873	18,551
Impairment of intangible assets (note 11)	-	5,040
Loss on disposal of fixed assets	2,055	2,214
Staff costs (note 7)	167,164	288,741
Restructuring and exit charges	11,262	34,097
Cost of inventories recognised within cost of sales	4,008,966	3,852,352
Including: Write-down/ (write-back) of stocks to net realisable value	2,619	(1,459)

The restructuring costs from continuing operations of £11,262,000 (2024: £34,097,000) relate primarily to losses associated with the settling of the AUL Limited defined benefit plan, severance payments, and legal expenses. Included within Administrative costs from discontinued operations (note 3) are £nil in restructuring and exit charges (2024: £25,134,000).

Auditor's remuneration:

	2025 £000	2024 £000
Audit of the consolidated financial statements	632	500
Amounts receivable by the Company's auditor and its associates in respect of:		
Audits of financial statements of subsidiaries of the Company	1,533	2,060

There were no fees for non-audit services in either the current or previous year.

7 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Distribution staff	3,931	7,338
Administrative staff	479	710
	4,410	8,048

The aggregate payroll costs of these persons were as follows:

	2025 £000	2024 £000
Wages and salaries	149,459	259,914
Social security costs	13,749	20,480
Contributions to defined contribution plans	3,839	8,191
Define benefit pension scheme operating cost	117	156
	167,164	288,741

Notes to the consolidated financial statements *(continued)*

8 Directors' remuneration

	2025 £000	2024 £000
Emoluments	2,938	2,066
Group contributions to defined contribution pension scheme	10	9
	2,948	2,075

The number of directors who:

	2025	2024
Are members of a defined contribution scheme	1	1

The remuneration of two directors was paid by Aurelius Finance Company Limited, which is outside the Group and not recharged to the Company. The remuneration of one director, which was paid by the group, is disclosed in the above table. Since the remuneration presented in the above table relates to only one director, the highest paid directors' remuneration is not separately presented.

9 Finance income and expense

	2025 £000	2024 £000
Finance income		
Pension net interest income	558	105
Other finance income	754	179
	1,312	284
Finance expense		
Interest payable on loans	12,023	16,091
Interest on lease liabilities	2,128	1,608
Interest payable other	1,644	671
Refinancing cost	-	2,819
	15,795	21,189

Notes to the consolidated financial statements *(continued)*

10 Taxation

Income tax recognised in the income statement

Tax expense / (credit) excluding tax on sale of discontinued operations	**2025 £000**	**2024 £000**
Current tax		
Current year	3,494	31
Adjustment in respect of prior period	1,249	-
Current tax expense	4,743	31
Deferred tax		
Origination and reversal of temporary differences	1,397	(1,443)
Adjustment in respect of prior period	(5,855)	-
Deferred tax (credit)	(4,458)	(1,443)
Total tax expense / (credit) from continuing operations	285	(1,412)
Reconciliation of total tax expense / (credit)		
Total tax expense / (credit) from continuing operations	285	(1,412)
Current tax expense from discontinued operations	1,208	35
Deferred tax credit from discontinued operations	(1,579)	-
Total tax expense / (credit)	(86)	(1,377)

Income tax recognised in other comprehensive income

	2025 £000	**2024 £000**
Tax expense on actuarial gains/losses from defined benefit pension schemes	142	316
Total tax expense recognised in other comprehensive income	142	316

Reconciliation of effective tax rate

	2025 £000	**2024 £000**
Profit/(loss) before tax from continuing operations	41,721	(6,890)
Tax using the UK corporation tax rate of 25% (2024: 25%)	10,430	(1,723)
Effect of tax rates in foreign jurisdictions	75	(757)
Profit on sale of assets not taxable	-	(45)
Non-deductible expenses	701	(6,103)
Corporate interest restrictions	-	3,258
Losses utilised previously not recognised	(2,155)	-
Change in unrecognised deferred tax assets	(4,160)	494
Adjustments relating to prior years	(4,606)	3,464
Total tax expense / (credit) from continuing operations	285	(1,412)

Notes to the consolidated financial statements *(continued)*

11 Intangible assets

	Trademarks	Software	Customer relationships	Licenses	Total
	£000	£000	£000	£000	£000
Cost					
At 1 April 2023 (unaudited)	2,814	13,995	68,054	18,014	102,877
Additions	-	3,188	-	-	3,188
Transfer from tangible assets	-	994	-	-	994
Disposals (as restated*)	-	(3,365)	(6,300)	(18,014)	(27,679)
Other	-	-	22	-	22
At 1 April 2024 (as restated*)	**2,814**	**14,812**	**61,776**	**-**	**79,402**
Additions	-	2,395	-	-	2,395
Disposals	(2,814)	(14,296)	(8,359)	-	(25,469)
At 31 March 2025	**-**	**2,911**	**53,417**	**-**	**56,328**
At 1 April 2023 (unaudited)	1,271	4,494	9,042	6,005	20,812
Amortisation charge for the year – continuing operations	771	5,025	12,755	-	18,551
Impairment losses – discontinued operations	-	-	5,040	-	5,040
Transfer from tangible assets	-	134	-	-	134
Disposals (as restated*)	-	(1,128)	(6,299)	(6,005)	(13,432)
At 1 April 2024 (as restated*)	**2,043**	**8,524**	**20,538**	**-**	**31,105**
Amortisation charge for the year – continuing operations	-	225	11,056	-	11,281
Amortisation charge for the year – discontinued operations	771	3,821	-	-	4,592
Disposals	(2,814)	(12,328)	(3,361)	-	(18,503)
At 31 March 2025	**-**	**242**	**28,233**	**-**	**28,475**
Net book value					
At 31 March 2025	-	2,669	25,184	-	27,853
At 31 March 2024	771	6,288	41,238	-	48,297
At 31 March 2023	1,543	9,501	59,012	12,009	82,065

*The disposal of cost and accumulated amortisation within customer relationships in the comparative disclosure were each overstated by £9.694 million. The disposal figures have been restated to disclose the correct amounts. The cost was fully amortised, therefore there is no impact on the current or prior year income statement, retained earnings or net book value of intangible assets at 31 March 2024.

Notes to the consolidated financial statements *(continued)*

12 Property, plant and equipment

	Freehold	Long leasehold improve-ments	Short leasehold improve-ments	F, F & E	Right-of-use assets: Property	Right-of-use assets: Vehicles	Right-of-use assets: Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost								
At 1 April 2023 (unaudited)	5,017	1,812	6,654	31,660	59,998	20,948	150	126,239
Additions	383	514	4,655	9,629	15,540	18,258	-	48,979
Disposals	(235)	(1,378)	886	(2,425)	(22,284)	-	33	(25,403)
Transferred to intangible assets	-	-	-	(994)	-	-	-	(994)
At 1 April 2024	**5,165**	**948**	**12,195**	**37,870**	**53,254**	**39,206**	**183**	**148,821**
Additions	-	852	9,335	8,368	6,779	7,567	2	32,903
Disposals	(384)	-	(22)	(2,490)	(1,589)	(1,704)	(74)	(6,263)
At 31 March 2025	**4,781**	**1,800**	**21,508**	**43,748**	**58,444**	**45,069**	**111**	**175,461**
Depreciation and impairment								
At 1 April 2023 (unaudited)	130	128	2,918	7,662	7,666	7,971	19	26,494
Depreciation charge – continuing	125	162	1,562	5,447	7,879	7,768	50	22,993
Depreciation charge – discontinued	-	303	1	182	4,590	-	-	5,076
Impairment losses – continuing	39	-	230	2,248	-	-	-	2,517
Disposals	(4)	(303)	(965)	(1,882)	(6,048)	-	33	(9,169)
Transferred to intangible assets	-	-	-	(134)	-	-	-	(134)
At 1 April 2024	**290**	**290**	**3,746**	**13,523**	**14,087**	**15,739**	**102**	**47,777**
Depreciation charge – continuing	113	395	2,217	4,585	9,664	10,571	52	27,597
Disposals	(39)	-	(17)	(785)	-	(825)	(74)	(1,740)
At 31 March 2025	**364**	**685**	**5,946**	**17,323**	**23,751**	**25,485**	**80**	**73,634**
Net book value								
At 31 March 2025	**4,417**	**1,115**	**15,562**	**26,425**	**34,693**	**19,584**	**31**	**101,827**
At 31 March 2024	4,875	658	8,449	24,347	39,167	23,467	81	101,044
At 31 March 2023	4,887	1,684	3,736	23,998	52,332	12,977	131	99,745

Notes to the consolidated financial statements *(continued)*

12 Property, plant and equipment *(continued)*

Impairment loss
There was an impairment charge for continuing activities in the year of £nil (2024: £2,517,000). There was an impairment charge for discontinuing activities in the year of £nil (2024: £nil).

Security
There are no restriction of title or assets pledged as security.

13 Investments in subsidiaries

The Group and Company have the following investments in subsidiaries as at 31 March 2025:

Group subsidiaries

	Principal place of business	**Nature of business**	**Class of shares held**	**Ownership**
AAH Builders Suppliers Limited	United Kingdom	Dormant company	£1 Ordinary shares	100%
AAH Lloyds Insurance (IOM) Limited	Isle of Man	Insurance company	£1 Ordinary shares	100%
AAH Pharmaceuticals Limited	United Kingdom	Wholesale distribution	£1 Ordinary shares	100%
Admenta Pension Trustees Limited	United Kingdom	Dormant company	£1 Ordinary shares	100%
AUL Limited	United Kingdom	Holding company	£1 Ordinary shares	100%
Aurelius Elephant Limited	United Kingdom	Holding company	£0.0001 Ordinary shares	100%
Aurelius Fox Limited (*)	United Kingdom	Holding company	£0.0001 Ordinary shares	100%
Barclay Pharmaceuticals Limited	United Kingdom	Wholesale distribution	£1 Ordinary shares	100%
Hallo Healthcare Business Services UAB	Lithuania	Business service centre	EUR 1 Par value	100%
HHG Fox One Limited	United Kingdom	Holding company	£1 Ordinary shares	100%
Lloyds Clinical Limited (formerly Lloyds Pharmacy Clinical Homecare Limited)	United Kingdom	Healthcare services	£1 Ordinary shares	100%
Pharmagen Limited	United Kingdom	Wholesale services	£1 Ordinary shares	100%
Prima Brands Limited	Northern Ireland	Wholesale services	£1 Ordinary shares	100%
Sangers (Northern Ireland) Limited	Northern Ireland	Wholesale distribution	£1 Ordinary shares	100%

(*) denotes a direct investment held by the Company. All other listed investments are indirect investments of the Company.

Notes to the consolidated financial statements *(continued)*

13 Investments in subsidiaries (*continued)*

The following subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this Company has issued guarantees to the subsidiary companies under Section 479C of the Act:

Name of the subsidiary	Registered number	Country of registration
AUL Limited	03011757	United Kingdom

All the Group's subsidiaries except to those listed in the table below are registered in England and Wales and have the registered address at The Woods, Haywood Road, Warwick, CV34 5AH, United Kingdom:

Name	Registered office
Lloyds Clinical Limited (formerly Lloyds Pharmacy Clinical Homecare Limited)	Unit 4 Scimitar Park, Roydon Road, Harlow, Essex, CM19 5GU
Prima Brands Limited	2 Marshalls Road, Belfast, Northern Ireland, BT5 6SR
Sangers (Northern Ireland) Limited	2 Marshalls Road, Belfast, Northern Ireland, BT5 6SR
AAH Lloyds Insurance (IOM) Limited	Third Floor, St George's Court, Upper Church Street, Douglas, Isle of Man, IM1 1EE
Hallo Healthcare Business Services UAB	Juozo Balcikonio G.3, Vilnius, 08247, Lithuania

14 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31 March 2025			31 March 2024		
	Assets £000	Liabilities £000	Net £000	Assets £000	Liabilities £000	Net £000
Property, plant and equipment	1,000	-	1,000	4,893	-	4,893
Intangible assets	-	(6,218)	(6,218)	-	(10,005)	(10,005)
Provisions	102	-	102	874	-	874
Pensions	-	(1,208)	(1,208)	-	(968)	(968)
Tax losses	6,581	-	6,581	-	-	-
Tax assets / (liabilities)	7,683	(7,426)	257	5,767	(10,973)	(5,206)
Offset	(7,426)	7,426	-	(5,767)	5,767	-
Net deferred tax liabilities	**257**	**-**	**257**	**-**	**(5,206)**	**(5,206)**

During the current year the Group recognised a deferred tax asset of £257k (2024: £nil) and has a gross unrecognised deferred tax asset in respect of tax losses carried forward of £nil (2024: £27 million). The Group also has unrelieved interest expenses carried forward of £47.7 million (2024: £28 million). Deferred tax assets have only been recognised to the extent that it is considered probable that there will be sufficient future taxable profit available to utilise the losses or interest expenses.

Notes to the consolidated financial statements *(continued)*

14 Deferred tax assets and liabilities (continued)

Movement in deferred tax during the year

	1 April 2024	Recognised in income statement (continuing)	Recognised in income statement (discontinuing)	Transfers out	Transfers in	Recognised in OCI	31 March 2025
	£000	£000	£000	£000	£000	£000	£000
Property, plant and equipment	(4,893)	3,893	-	-	-	-	(1,000)
Intangible assets	10,005	(2,640)	(1,579)	(1,040)	1,472	-	6,218
Provisions	(874)	772	-	-	-	-	(102)
Pensions	968	98	-	-	-	142	1,208
Tax losses	-	(6,581)	-	-	-	-	(6,581)
	5,206	(4,458)	(1,579)	(1,040)	1,472	142	(257)

Transfers out relate to deferred tax balances disposed of through the sale of discontinued operations (see Note 3).

Movement in deferred tax during the prior year

	1 April 2023 (unaudited)	Recognised in income statement	Recognised in OCI	31 March 2024
	£000	£000	£000	£000
Property, plant and equipment	(9,714)	4,821	-	(4,893)
Intangible assets	18,034	(8,029)	-	10,005
Provisions	(2,447)	1,573	-	(874)
Pensions	460	192	316	968
	6,333	(1,443)	316	5,206

15 Inventories

	2025	2024
	£000	£000
Finished goods and goods for resale	275,388	293,534

Finished goods recognised as cost of sales in the year amounted to £4,008,966,000 (31 March 2024: £3,852,352,000) from continuing operations and £332,583,000 (2024: £702,247,000) from discontinued operations. An inventory provision of £3,294,000 was included in the finished goods and goods for resale at year end (2024: £4,847,000).

Notes to the consolidated financial statements *(continued)*

16 Trade and other receivables

	2025 £000	2024 £000
Trade receivables	473,541	551,089
Prepayments and accrued income	27,727	25,366
Other receivables	134,700	150,762
	635,968	727,217
Current	635,968	727,217

Of other receivables, £83,764,000 relates to vendor rebates and other vendor receivables (2024: £105,844,000) and £11,971,000 relates to VAT receivable (2024: £29,288,000).

The expected credit loss for trade receivables as at 31 March 2025 and 31 March 2024 was determined as follows:

31 March 2025	**Current** **£000**	**More than 30 days** **£000**	**More than 60 days** **£000**	**More than 90 days** **£000**	**Total** **£000**
Expected credit loss rate	0%	2%	6%	66%	
Gross carrying amount	464,029	4,354	2,169	9,758	**480,310**
Lifetime expected credit loss	57	105	125	6,482	**6,769**

31 March 2024	**Current** **£000**	**More than 30 days** **£000**	**More than 60 days** **£000**	**More than 90 days** **£000**	**Total** **£000**
Expected credit loss rate	0%	0%	31%	72%	
Gross carrying amount	544,527	4,068	952	6,585	**556,132**
Lifetime expected credit loss	30	6	292	4,715	**5,043**

The table below presents the movement in expected credit losses (ECL) for trade receivables in the year.

	2025 £000	2024 £000
ECL brought forward	5,043	4,098
Additions	3,661	2,338
Utilisations	(446)	(1,393)
Releases	(1,489)	-
Allowances carried forward	6,769	5,043

Notes to the consolidated financial statements *(continued)*

17 Cash and cash equivalents

	2025 £000	2024 £000
Cash per balance sheet	59,893	90,123
Cash per cash flow statement	59,893	90,123

18 Trade and other payables

	2025 £000	2024 £000
Current		
Trade payables	942,610	979,139
Other tax and social security	9,616	16,118
Corporation tax payable	504	69
Accruals	24,692	38,207
Other payables	16,107	23,944
	993,529	1,057,477

19 Interest-bearing loans and borrowings

This note provides information about the terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, see note 23.

	2025 £000	2024 £000
Non-current liabilities		
Lease liabilities	36,481	45,538
	36,481	45,538
Current liabilities		
Current portion of bank loans and overdrafts	-	25,617
Current portion of lease liabilities	18,867	17,073
	18,867	42,690
Total interest-bearing loans and borrowings	55,348	88,228
Amount due for settlement		
On demand or within one year	18,867	42,690
Between one and five years	28,506	36,866
After five years	7,975	8,672
	55,348	88,228

Notes to the consolidated financial statements *(continued)*

19 Interest-bearing loans and borrowings *(continued)*

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	31 March 2025 Fair value £000	31 March 2025 Carrying amount £000	31 March 2024 Fair value £000	31 March 2024 Carrying amount £000
Bank loans and overdrafts	GBP	**BOE rate +2 %**	2026	-	-	25,617	25,617
Lease liabilities	GBP	**fixed**	2028	55,348	55,348	62,611	62,611
				55,348	55,348	88,228	88,228

Certain members of the Group are a Joint Obligor and Guarantor to the Aurelius Elephant Limited asset-backed loan ("ABL") facility. In September 2025, the facility was refinanced for a minimum period of three years, increasing the maximum borrowing capacity from £275 million to £350 million. Under the terms of the facility, certain members of the Group, including AAH Pharmaceuticals Limited, may borrow against eligible receivables. The loan facilities are secured on qualifying accounts receivables of AAH Pharmaceuticals Limited and Lloyds Clinical Limited. Both the lender of the ABL and the Company have various registered charges on the shares and assets of the Group entities. The full list of these charges is available on the Companies House website.

Changes in liabilities from financing activities

	Bank loans and overdrafts £000	Lease liabilities £000	Total £000
At 1 April 2023 (unaudited)	175,109	78,164	253,273
Changes from financing cash flows			
Proceeds from new loans	25,617	-	25,617
Repayments of borrowings	(175,109)	-	(175,109)
Payments of lease liabilities	-	(25,552)	(25,552)
Interest paid	(17,816)	(3,703)	(21,519)
Total changes from financing cash flows	(167,308)	(29,255)	(196,563)
Non-cash changes			
Interest accrued	17,816	3,395	21,211
Disposals	-	(23,491)	(23,491)
New leases	-	33,798	33,798
Total non-cash changes	17,816	13,702	31,518
At 1 April 2024	**25,617**	**62,611**	**88,228**
Changes from financing cash flows			
Proceeds from new loans	-	-	-
Repayments of borrowings	(25,617)	-	(25,617)
Payments of lease liabilities	-	(19,216)	(19,216)
Interest paid	(12,023)	(2,128)	(14,151)
Total changes from financing cash flows	(37,640)	(21,344)	(58,984)
Non-cash changes			
Interest accrued	12,023	2,128	14,151
Disposals	-	(2,301)	(2,301)
New leases	-	14,254	14,254
Total non-cash changes	12,023	14,081	26,104
At 31 March 2025	**-**	**55,348**	**55,348**

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans

Defined contribution schemes

The Group operates defined contribution retirement benefit schemes for its employees. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amounts of forfeited contributions.

The total cost charged to profit or loss of £3,839,000 (31 March 2024: £8,191,000) represents contributions payable to these schemes by the Group at rates specified in the rules of the plans. As at 31 March 2025, contributions of £nil (31 March 2024: £nil) due in respect of the current reporting period had not been paid over to the schemes and are included in other payables.

Defined benefit schemes

AUL Limited Pension Fund

The Group participates in a group defined benefit scheme for qualifying employees operated by AUL. The scheme is funded and constituted as an independently administered fund with assets being held separately from those of the Group. In November 2021, Mckesson announced an agreement to sell AUL Limited and its subsidiaries to Aurelius. As part of the sale, it was agreed that the Scheme would align itself towards a buyout basis. Therefore, in conjunction with the sale, the following agreement was entered into.

On 26 October 2021, the Trustees entered into an agreement with AUL and McKesson Corporation to seek to buyout the Scheme with an annuity provider. Under the terms of this agreement, McKesson's parental guarantee has been released and additional funds totalling £12 million were paid into the Scheme in October 2021. A letter of credit securing a further £35 million was agreed between the Trustees, AUL and McKesson Corporation. The letter of credit was agreed to cover the costs of buyout and wind-up and any other associated fees. The Scheme commenced wind up with effect from 1 April 2022 to conclude after all benefits are secured.

With effect from 6 April 2022, the ownership of AUL changed from being part of the McKesson Corporation to being part of the Aurelius Group. The Trustees monitored this transaction with their advisers and are satisfied that due to the arrangements put in place to support the buy-out of the Scheme, this does not have an adverse impact.

As part of the buy-out process, the Trustees entered into a bulk purchase annuity agreement with Just Retirement Limited ('Just') on 14 December 2022. The contract with Just is an initial stage of a buy-out process in order to prospectively secure annuity policies for all members. Once the process is complete, members benefits will be bought out in full with Just.

There are two companies with employees enrolled in this Scheme: AAH Pharmaceuticals Limited (AAH) and Lloyds Pharmacy Limited (LPL). On 24 November 2023, Lloyds Pharmacy Limited was renamed to Diamond DCO Two Limited and sold to a third party, Sapphire 333 Limited. In January 2024, Lloyds Pharmacy went into a voluntary liquidation.

As LPL is not under the same control as AUL and AAH, the Scheme meets the criterion of the multi-employer pension plan.

All three entities are jointly obligated to fund the Scheme, and the assets contributed to the Scheme are used to cover employee benefits without regard to the employer. Consequently, the Scheme has been treated as a multi-employer pension plan at year end.

Through this Scheme the Group is exposed to a number of risks, the most significant of which are as follows:

Asset volatility

The Scheme liabilities are calculated using a discount rate set with reference to gilt yields; if Scheme assets underperform this yield, this will create a deficit. As a result of the agreement to sell AUL and wind-up the Scheme, the Scheme reduced the level of investment risk by investing more in assets that better match the liabilities.

Changes in gilt yields

A decrease in gilt bond yields will increase Scheme liabilities, although this will be matched by the valuation of the scheme's bulk annuity contract assets.

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

AUL Limited Pension Fund *(continued)*

Inflation risk

The majority of the Scheme's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, restrictions on the level of inflationary increases are in place to protect the Scheme against extreme inflation). The Scheme's assets are unaffected by (fixed interest bonds) inflation, meaning that an increase in inflation will not materially increase a deficit.

Life expectancy

The majority of the Scheme's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the Scheme's liabilities.

The Scheme is also exposed to the risk of insolvency of the bulk annuity provider. The Group and Trustees have agreed a strategy to wind-up the Scheme, which will fully remove all risks associated with the Scheme.

The Scheme is funded and constituted as an independently administered fund with the assets being held separately from those of the Group. The operating costs are borne by the Scheme.

The last full valuation was carried out as at 5 April 2020. The Scheme commenced wind-up on 1 April 2022; as such, there is no further requirement for full funding valuations, instead an annual estimate of solvency is required each year. The Scheme’s solvency funding estimate is calculated by the Scheme Actuary as a roll forward from the 5 April 2020 funding valuation. The valuation is updated to each accounting year end by a qualified independent actuary.

Statement of financial position

	2025 £000	2024 £000
Present value of defined benefit obligations	(192,500)	(212,600)
Fair value of plan assets	192,500	212,600
	-	-

Changes in the present value of the defined benefit obligation

	2025 £000	2024 £000
At the start of the period	212,600	234,900
Interest expense	9,071	8,910
Benefits paid	(12,856)	(12,849)
Actuarial loss	(16,315)	(18,361)
	192,500	212,600

Changes in fair value of the plan assets

	2025 £000	2024 £000
At the start of the period	212,600	234,900
Interest income	9,071	8,910
Benefits paid	(12,856)	(12,849)
Return on plan assets (less than) / in excess of interest on scheme assets	(16,315)	(18,361)
	192,500	212,600

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

***AUL Limited Pension Fund** (continued)*

Total costs for the year in relation to defined benefit plans

	2025 £000	2024 £000
Recognised in income statement		
Net interest credit	-	-
	-	-
Recognised in other comprehensive income		
Actuarial losses	-	-
	-	-

Fair value of major categories of plan assets

	2025 £000	2024 £000
Insurance contracts	180,800	204,500
Cash and cash equivalents	4,000	6,000
Other - Expected drawdown from letter of credit	7,700	2,100
	192,500	212,600

None of the Scheme assets are invested in the Group's financial instruments or in property occupied by, or other assets used by, the Group. The return on plan assets for the year ended 31 March 2025 was a loss of £7,244,000 (2024: loss of £9,451,000).

The Group has the facility to drawdown on the McKesson guarantee (supported by a letter of credit) to remove any deficit upon buyout, up to the value of £35 million. The McKesson guarantee is therefore treated as an asset to the extent that it is expected to be used.

Principal actuarial assumptions

The principal actuarial assumptions as at the statement of financial position date were:

	2025	2024
Discount rate (%)	5.2	4.4
Expected rate of salary increase (%)	N/A	N/A
Expected rate of increase in pensions (%)	3.1	3.3
Inflation assumptions (%)	3.3	3.6
Assumed life expectancies on retirement		
For a male aged 65 now	87.1	87.0
At 65 for a male aged 45 now	88.4	88.4
For a female aged 65 now	89.4	89.1
At 65 for a female aged 45 now	91.1	90.6

Sensitivity

The following sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is shown in the following table. The total value of the defined benefit obligation, due to changes in the weighted principal assumptions, is as follows.

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

AUL Limited Pension Fund *(continued)*

Sensitivity (continued)

	2025 **£'000**	**2024** **£'000**
Increase in discount rate of 0.5%	183,618	201,587
Decrease in discount rate of 0.5%	202,537	225,175
Increase in rate of pension progression of 0.5%	196,864	218,129
Decrease in rate of pension progression of 0.5%	188,234	207,118
Increase in rate of increase in salaries of 0.5%	192,500	212,600
Decrease in rate of increase in salaries of 0.5%	192,500	212,600
Increase in mortality of retiree of 10%	186,693	205,883
Decrease in mortality of retiree of 10%	199,136	220,337

Funding

The contributions, including administration expenses relating to expenses and levies to the Scheme, paid by the Group in the year amounted to £nil (2024: £nil), which includes £nil (2024: £nil) in respect of reducing the Scheme's funding deficit, which are included in the accounting results. All contributions and payments relating to administration expenses are excluded from the accounting results.

As the Scheme is closed to ongoing accrual there were no contributions in respect of additional accrued benefits during the year. The Fund is closed to new members and so the average age of the membership will increase over time. The weighted average duration of the defined benefit obligation is 10 years. The level of benefits provided by the Scheme depends on a member's length of service and their salary at their date of leaving the Scheme.

Contingent liability

The Group is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the scheme trustees and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

The Sangers (Northern Ireland) Limited Pension Fund

This is a career average defined benefit scheme with members of the scheme being certain employees of Sangers (Northern Ireland) Limited subsidiary. The defined benefit liability has been assumed by the Group based on it being the sponsoring employer for each member of the Scheme. Through this Scheme the Group is exposed to a number of risks, the most significant of which are as follows:

Asset volatility

The Scheme liabilities are calculated using a discount rate set with reference to corporate bond yields; if Scheme assets underperform this yield, this will create a deficit. The UK plans hold a significant proportion of assets in return seeking assets such as equities, property and diversified growth funds, which are expected to outperform bonds in the long-term while providing more volatility and risk in the short-term.

As the Scheme matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Group believes that due to the long-term nature of the Scheme liabilities and the strength of the supporting company a level of continuing investment in return seeking assets is appropriate.

Changes in bond yields

A decrease in corporate bond yields will increase Scheme liabilities, although this will be partially offset by an increase in the value of the Scheme's bond holdings.

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

The Sangers (Northern Ireland) Limited Pension Fund *(continued)*

Inflation risk

The majority of the Scheme's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, restrictions on the level of inflationary increases are in place to protect the Scheme against extreme inflation). The majority of the Scheme's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit. Benefits are accrued under a formula linked to career average earnings and this provides a degree of offset against the effects of inflation in the future.

Life expectancy

The majority of the Scheme's obligations are to provide benefits for the life of the members, so increases in life expectancy will result in an increase in the Scheme's liabilities.

The Scheme is funded and constituted as an independently administered fund with the assets being held separately from those of the Group. The operating costs are borne by the employer. A full actuarial valuation is carried out every 3 years as required by the pension regulator; the last full valuation was carried out as at 31 March 2023. The next full valuation will be as of 31 March 2026. The valuation is updated to each accounting year end by a qualified independent actuary.

Statement of financial position

	2025 £000	2024 £000
Present value of defined benefit obligations	(17,521)	(19,977)
Fair value of plan assets	22,118	23,849
	4,597	3,872

Changes in the present value of the defined benefit obligation

	2025 £000	2024 £000
At the start of the period	19,977	20,724
Current service costs	117	156
Contributions by employees	35	34
Interest expense	939	962
Benefits paid	(972)	(993)
Actuarial gain arising from changes in demographic assumptions	(98)	(912)
Actuarial gain arising from changes in financial assumptions	(2,385)	(504)
Experience (gain)/loss	(92)	510
	17,521	19,977

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

The Sangers (Northern Ireland) Limited Pension Fund *(continued)*

Changes in fair value of the plan assets

	2025 £000	2024 £000
At the start of the period	23,849	22,561
Interest income	1,125	1,065
Benefits paid	(972)	(993)
Contributions by employer	87	822
Contributions by employees	35	34
Return on plan assets in excess of / (less than) interest on scheme assets	(2,006)	360
	22,118	23,849

None of the Scheme assets are invested in the Group's financial instruments or in property occupied by, or other assets used by, the Group.

The actual return on scheme assets in the year was a credit of £900,000 (2024: was a credit of £1,400,000).

Total costs for the year in relation to defined benefit plans

	2025 £000	2024 £000
Recognised in income statement		
Current service cost	117	156
Net interest credit	(186)	(103)
	(69)	53
Recognised in other comprehensive income		
Actuarial losses	(568)	(1,266)

Fair value of major categories of plan assets

	2025 £000	2024 £000
Equity instruments (quoted)		
- L&G All World Equity Index Fund	2,493	3,904
Debt instruments (quoted)		
- L&G AAA-AA-A Corporate Bond over 15 Year Fund	6,629	6,479
- L&G 5-year Index Linked Gilts Fund	5,722	8,872
- L&G 5 to 15 year Index Linked Gilts Fund	2,923	-
- L&G over 15-year Gilts Fund	1,600	-
Property Fund (quoted)		
- L&G Managed Property Fund	-	1,708
Debt instrument		
- All active liquid credit (SF29)	501	-
Asset-backed securities	1,752	-
Cash and cash equivalents	498	2,886
	22,118	23,849

Notes to the consolidated financial statements *(continued)*

20 Retirement benefit plans *(continued)*

The Sangers (Northern Ireland) Limited Pension Fund *(continued)*

Principal actuarial assumptions

The principal actuarial assumptions as at the statement of financial position date (expressed as weighted averages) were:

	2025	**2024**
Discount rate (%)	5.8	4.8
Expected rate of salary increase (%)	2.5	2.5
Expected rate of increase in pensions (%)	2.5	2.5
Inflation assumptions (%)	3.3	2.3
Assumed life expectancies on retirement		
For a male aged 65 now	86.4	86.7
At 65 for a male aged 45 now	87.4	89.4
For a female aged 65 now	89.3	88.0
At 65 for a female aged 45 now	90.4	90.8

Sensitivity

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is shown in the table below. The total value of the defined benefit obligation, due to changes in the weighted principal assumptions, is as follows.

	2025	**2024**
	£'000	**£'000**
Increase in discount rate of 0.5%	16,536	18,773
Decrease in discount rate of 0.5%	18,608	21,312
Increase in rate of pension progression of 0.5%	18,250	20,757
Decrease in rate of pension progression of 0.5%	16,847	19,154
Increase in rate of increase in salaries of 0.5%	17,521	19,977
Decrease in rate of increase in salaries of 0.5%	17,521	19,977
Increase in mortality of retirees of 10%	17,224	19,590
Decrease in mortality of retirees of 10%	17,845	20,402

Funding

The contributions, including administration expenses relating to expenses and levies to the Scheme, paid by the Group in the year amounted to £87,000 (2024: £822,000), which includes £nil (2024: £727,000) in respect of reducing the scheme's funding deficit, which are included in the accounting results. All contributions and payments relating to administration expenses are excluded from the accounting results. The Group contributed £87,000 over the year to 5 April 2025 for the accrual of member benefits and expects to contribute £89,000 to the Scheme over the 12 months to 5 April 2026.

The Scheme is open to ongoing accrual and Group contributions during the year were at a rate of 15.2% pa of member pensionable salary prior to 1 October 2020 and 26.4% pa thereafter plus £nil in respect of the current deficit recovery plan (2024: £727,000).

The Scheme is closed to new members and so the average age of the membership will increase over time. The weighted average duration of the defined benefit obligation is 12 years (2024: 13 years). The level of benefits provided by the Scheme depends on a member's length of service and their career average salary adjusted for inflation to the date of leaving the Scheme.

Notes to the consolidated financial statements *(continued)*

21 Provisions

	Property provision £000	Restructuring provision £000	Other provision £000	Total £000
At 1 April 2023 (unaudited)	6,356	1,690	11,060	19,106
Provisions accrued during the year	2,606	3,714	1,465	7,785
Provisions used during the year	(3,142)	(1,690)	(3,490)	(8,322)
Change in discount rate	327	-	-	327
At 1 April 2024	**6,147**	**3,714**	**9,035**	**18,896**
Provisions accrued during the year	2,209	5,651	-	7,860
Provisions used during the year	-	(8,534)	(621)	(9,155)
Disposals	(38)	-	-	(38)
At 31 March 2025	**8,318**	**831**	**8,414**	**17,563**
Non-current	8,318	831	8,414	17,563
Current	-	-	-	-
	8,318	**831**	**8,414**	**17,563**

The property provisions represent an assessment of the costs to cover dilapidations. The assessment, which is undertaken at the end of each accounting period, is made on a property-by-property basis in conjunction with AUL's property services department.

It is expected that the property provision will be used during the remainder of the dilapidations and repair programme or until the assignment or disposal of the premises, with the majority of lease obligations expiring within the next 1 year and a maximum remaining period of up to 15 years.

The restructuring provision represents an assessment of the costs associated with the head office restructuring. Other provisions relate to the expected liability the group has to cover the excess on insurance claims.

Notes to the consolidated financial statements *(continued)*

22 Capital and reserves

Share capital

In thousands of shares	**Ordinary shares No. 000**
At 1 April 2023	**56,073**
Cancelled during the year	(56,073)
At 1 April 2024 and 31 March 2025	**-**

	2025 £000	**2024 £000**
Allotted, called up and fully paid		
1 (2024: 1) Ordinary share of £1 each	**-**	-
	-	**-**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Dividends

The Company paid dividends of £119,000,000 during the year (2024: £387,900,000)

After the year end, up to the date of signature, the directors approved dividend distributions to the shareholders and paid a dividend of £10,000,000 to the parent.

Retained earnings

This reserve records cumulative profits and losses, net of distributions to owners.

Notes to the consolidated financial statements *(continued)*

23 Financial instruments

The Group has exposure to the following risks arising from financial instruments: credit risk, liquidity risk, market risk, including currency risk and interest rate risk.

Financial risk management

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group.

Capital management

The Group's definition and management of capital focuses on capital employed. The Group's capital employed is reported in the consolidated balance sheet.

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The Board's policy is to retain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future growth. The directors regularly monitor the level of capital in the Group to ensure that this can be achieved. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

	2025	**2024**
	£000	**£000**
Total borrowings	(55,348)	(88,228)
Less: cash	59,893	90,123
Net (debt) / cash	4,545	1,895
Total equity – net assets	39,343	94,280

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligation. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Before accepting any new customer, a dedicated team responsible for the determination of credit limits uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, considering its financial position, past experience and other factors. individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Notes to the consolidated financial statements *(continued)*

23 Financial instruments *(continued)*

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk:

	2025 £000	2024 £000
Trade and other receivables (excluding VAT receivable)	596,270	672,563
Cash	59,893	90,123
	656,163	762,686

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company participates in the banking arrangements of the UK Group, which are arranged with the assistance of the central treasury function. The UK Group funds its operations through a mix of borrowings and leasing that is designed to ensure that the Company has sufficient funds for its day-to-day operations and other activities. Cash flow requirements are monitored through rolling projections which are compiled across the Group.

Maturity analysis for financial liabilities

The following table sets out the remaining contractual maturities of the Group's financial liabilities by type. The following are contractual undiscounted cash flows.

31 March 2025

	Fair value £000	Less than 1 year £000	2-5 years £000	More than 5 years £000	Total £000
Bank loans and overdraft	-	-	-	-	-
Lease liabilities	62,686	20,387	34,574	7,725	62,686
Trade payables	942,610	942,610	-	-	942,610
Other payables	16,107	16,107	-	-	16,107
Accruals	24,692	24,692	-	-	24,692
At 31 March 2025	**1,046,095**	**1,003,796**	**34,574**	**7,725**	**1,046,095**

31 March 2024

	Fair value £000	Less than 1 year £000	2-5 years £000	More than 5 years £000	Total £000
Bank loans and overdraft	25,617	25,617	-	-	25,617
Lease liabilities	62,611	17,073	45,045	7,950	70,068
Trade payables	979,139	979,139	-	-	979,139
Other payables	23,944	23,944	-	-	23,944
Accruals	38,207	38,207	-	-	38,207
At 31 March 2024	**1,129,518**	**1,083,980**	**45,045**	**7,950**	**1,136,975**

Notes to the consolidated financial statements *(continued)*

23 Financial instruments *(continued)*

Interest rate risk

The Group's interest rate risk arises from its variable and fixed rate instruments being loans with third parties and lease liabilities. Borrowings issued at variable rates exposes the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group monitors the levels of fixed to floating debt held to manage these risks and aims to ensure that it had appropriate cash facilities as discussed in Liquidity risk section above, to meet liabilities as they fall through.

At the balance sheet date, the interest rate profile of the Group's interest-bearing financial instruments were as follows:

	2025 £000	2024 £000
Variable rate instruments		
Financial liabilities	-	25,617
Fixed rate instruments		
Financial liabilities	55,348	62,611

Fair value of financial instruments

The carrying value of all financial assets measured at amortised cost is considered to be an appropriate approximation of fair value. The fair value of all financial liabilities reflects market interest rates being applied.

	Carrying value 2025 £000	Fair value 2025 £000	Carrying value 2024 £000	Fair value 2024 £000
Financial assets				
Cash	59,893	59,893	90,123	90,123
Trade and other receivables	596,270	596,270	672,563	672,563
	656,163	656,163	762,686	762,686
Financial liabilities				
Trade and other payables	993,529	993,529	1,041,290	1,041,290
Borrowings and lease liabilities	55,348	55,348	88,228	88,228
	1,048,877	1,048,877	1,129,518	1,129,518

Notes to the consolidated financial statements *(continued)*

24 Leases

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss:

	2025 £000	2024 £000
Depreciation expense on right-of-use assets	20,287	20,287
Interest expense on lease liabilities	2,128	3,395
Expenses relating to short-term leases	3,786	9,597
Income from sub-leasing right-of-use assets	-	(829)
	26,201	32,450

Amounts recognised in statement of cash flows

	2025 £000	2024 £000
Total cash outflows for leases	19,216	25,947
Total cash outflow for interest on lease liabilities	2,128	3,703

Leases as a lessee

The Group leases property and vehicles. Rental contracts for property and vehicles are typically made for a period ranging from 3 to 50 years.

The Group presents right-of-use assets as part of property, plant and equipment (see note 12).

Incremental borrowing rate
The range of weighted average incremental borrowing rates applied to lease liabilities recognised in the balance sheet is from 3.25% to 6.04% depending on the lease term.

The following table sets out a maturity analysis of the discounted value of the lease payments to be paid after the reporting date:

	2025 £000	2024 £000
Less than one year	18,867	17,073
Between one and five years	28,506	36,866
After five years	7,975	8,672
	55,348	62,611

Notes to the consolidated financial statements *(continued)*

25 Related parties

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel

The Group consider key management personnel to be the directors of the Group, their compensation is shown in note 8.

Other related party transactions

The Group entities entered into transactions with Aurelius subsidiaries outside of the Aurelius Crocodile Group are listed below:

The Group's subsidiaries are related to Rivus Fleet Solutions Limited as they were all companies invested in by AUR Portfolio III SE & Co KGaA (formerly Aurelius Equity Opportunities SE & Co KGaA).

Statement of comprehensive income:

	Professional services expense 2025 £000	Sublease rent expense 2025 £000	Professional services expense 2024 £000	Sublease rent expense 2024 £000
Entities with significant influence over the group or under common control:				
Aurelius Investment Lux One SARL	101	-	297	-
Aurelius Portfolio Management AG	2,952	-	2,545	-
Aurelius Investments Limited	-	4	-	4
Rivus Fleet Solutions Limited	-	-	4,417	-
	3,053	4	7,259	4

Statement of financial position:

	Amounts owed to related parties 2025 £000	Amounts owed to related parties 2024 £000
Entities with significant influence over the group or under common control:		
Aurelius Investment Lux One SARL	-	30
	-	30

Notes to the consolidated financial statements *(continued)*

26 Ultimate parent company and immediate parent

The immediate parent undertaking is Aurelius Investment Lux One S.A.R.L. a company registered in Luxembourg. The registered office address is 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

The ultimate parent undertaking of the Company is Aurelius European Opportunities IV, S.C.A. SICAV-RAIF, a Luxembourg fund. The controlling party of the Company is Aurelius Investment Lux One S.A.R.L., a company registered in Luxembourg whose registered office address is 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

The definition of significant control for the purpose of the UK "People with significant control register" is broader than the definition of control in IAS 24. For the purpose of the PSC register, the ultimate parent undertaking and controlling party of the Company is Aurelius GP Partners Limited (formerly Aur Gp Holdco (UK) Limited), a company registered in the United Kingdom. This company is the owner of the General Partner of Aurelius European Opportunities IV, S.C.A. SICAV-RAIF.

27 Subsequent events

The Company paid dividends of £10 million in total to its parent company and received a dividend of £15m from its subsidiary in May 2025.

Subsequent to the year end, in September 2025, the Aurelius Elephant Limited group refinanced its existing asset-backed loan ("ABL") facility. The revised facility, which has a minimum term of three years, increases the maximum borrowing capacity from £275 million to £350 million, secured against qualifying receivables of certain operating subsidiaries, including AAH Pharmaceuticals Limited & Lloyds Clinical Limited.

28 Contingent Liabilities

Certain members of the Group are a Joint Obligor and Guarantor to the Aurelius Elephant Limited asset-backed loan ("ABL") facility. In September 2025, the facility was refinanced for a minimum period of three years, increasing the maximum borrowing capacity from £275 million to £350 million. Under the terms of the facility, certain members of the Group, including AAH Pharmaceuticals Limited and Lloyds Clinical Limited, may borrow against eligible receivables. The loan facilities are secured on qualifying accounts receivables of AAH Pharmaceuticals Limited and Lloyds Clinical Limited.

In connection with the buyout and wind-up of the Group's pension scheme, a letter of credit of £35 million was put in place on 26 October 2021 between the Trustee, Admenta UK Limited and McKesson Corporation. The letter of credit was established to cover costs associated with the buyout and wind-up of the scheme, including any related fees. The scheme commenced wind-up on 1 April 2022, and the letter of credit remains in place until the completion of this process. No liability has arisen under this arrangement to date.

Barclays Bank plc has issued two letters of credit to the value of £7,015,470, the letters of credit are secured against a cash deposit equal to the total value of the two letters of credit. As at 31 March 2025, there is a charge over the bank accounts of AAH Lloyds Insurance (IOM) Limited in relation to this letter of credit facility.

Company Statement of Financial Position

at 31 March 2025

	Note	2025 £000	2024 £000
Fixed assets			
Investments	*34*	10,836	10,836
		10,836	10,836
Current assets			
Debtors falling due after more than one year	*35*	-	49,255
Debtors falling due within one year	*35*	52,885	848
Cash	*36*	4,261	4,639
		57,146	54,742
Total assets		67,982	65,578
Current liabilities			
Creditors falling due within one year	*37*	(10,719)	(534)
Total liabilities		(10,719)	(534)
Net assets		**57,263**	**65,044**
Equity			
Share capital	*38*	-	-
Retained earnings	*38*	57,263	65,044
Shareholder funds		**57,263**	**65,044**

As permitted by Section 408 of the Companies Act 2006, a separate profit or loss account of the Parent Company has not been presented. The Parent Company's profit for the year was £111.2 million, primarily due to dividends received in the year (2024: £396.3 million).

The notes on pages 74 to 80 form part of these financial statements.

These financial statements of Aurelius Crocodile Limited were authorised and approved by the board of directors on 29 September...... 2025 and were signed on behalf of the board by:

Signed by:
Martyn Cryer
A00DB7548885447...

M Cryer
Director

Company registered number: 12867781

Company Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 April 2023	56,073	611	56,684
Profit and total comprehensive income for the year	-	396,260	396,260
Contributions by and distributions to owners			
Dividends paid	-	(387,900)	(387,900)
Reduction of capital	(56,073)	56,073	-
Total contributions by and distributions to owners	(56,073)	(331,827)	(387,900)
Balance at 31 March 2024	**-**	**65,044**	**65,044**
Profit and total comprehensive income for the year	-	111,219	111,219
Contributions by and distributions to owners			
Dividends paid	-	(119,000)	(119,000)
Total contributions by and distributions to owners	-	(119,000)	(119,000)
Balance at 31 March 2025	**-**	**57,263**	**57,263**

The notes on pages 74 to 80 form part of these financial statements.

Notes to the financial statements

29 Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 30.

Measurement convention

The financial statements are prepared on the historical cost basis unless otherwise specified within these accounting policies and in accordance with FRS 102 and the Companies Act 2006.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Going concern

Going concern assessment of the Company is detailed in the notes to the Consolidated financial statements on page 34 and forms part of this accounting policy by reference.

Financial instruments

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts owed by group undertakings, other debtors and cash and bank balances, which are measured at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements *(continued)*

29 Accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Basic financial liabilities, which include trade creditors and amounts owed to group undertakings, are measured at their transaction price after transaction costs.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Notes to the financial statements *(continued)*

29 Accounting policies (continued)

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

30 Accounting estimates and judgements

In applying the Company's accounting policies, which are described in note 29, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management do not consider there to be any material critical judgements in applying the Company's accounting policies. In the process of applying the Company's accounting policies the directors have concluded that there are no key sources of estimation uncertainty on the amounts recognised in the financial statements.

31 Auditors' remuneration

Auditor's remuneration for the audit of the Company's and subsidiaries financial statements for the current and prior year are detailed in note 6 of these financial statements.

32 Employees

The Company has no employees other than the directors. The details of the remuneration of the directors are set out in note 8 of these financial statements.

33 Dividends

	2025 £000	**2024 £000**
Dividends paid	119,000	387,900

34 Investments

	Investments in subsidiary companies £000
Cost	
At 1 April 2024 and at 31 March 2025	10,836
Net book value	
At 31 March 2024	10,836
At 31 March 2025	**10,836**

Notes to the financial statements *(continued)*

34 Investments (continued)

The directors consider that the aggregate value of the Company's shares in its group undertakings as at the year-end is not less than the aggregate of the amounts at which the shares are included in the Company's balance sheet.

Details of the subsidiaries as at 31 March 2025 are listed in the notes to the Consolidated financial statements on pages 51-52 and form part of these financial statements by reference

35 Debtors

	2025 £000	2024 £000
Debtors falling due less than one year		
Amounts owed by group undertakings	52,818	848
Other debtors	67	-
	52,885	848
Debtors falling due more than one year		
Amounts owed by group undertakings	-	49,255
	52,885	50,103

The Amounts owed by group undertakings represents a loan from an indirect subsidiary and is repayable in July 2025. Interest is charged at 2% above the Bank of England rate, it changed from 3% to 2% from August 2023 in line with the new ABL. Refer to note 19 for further details on ABL.

36 Cash

	2025 £000	2024 £000
Cash at bank and in hand	4,261	4,639

37 Creditors

	2025 £000	2024 £000
Current		
Trade creditors	102	-
Amounts owed to group undertakings	10,000	30
Other taxation and social security	278	5
Accruals	339	499
	10,719	534

Current amounts owed to group undertakings are due on demand and represent interest-free loans.

Notes to the financial statements *(continued)*

38 Capital and reserves

Share capital

	Ordinary shares No. 000
At 1 April 2023	**56,073**
Reduction of capital	**(56,073)**
At 31 March 2024	-
At 31 March 2025	-

	2025 £000	**2024 £000**
Allotted, called up and fully paid		
1 (2024: 1) ordinary share of £1 each	**-**	-
	-	-

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

39 Financial instruments

	2025 £000	**2024 £000**
Financial assets		
Cash	4,261	4,639
Debt instruments measured at amortised cost	52,885	50,103
	57,146	54,742
Financial liabilities		
Financial liabilities measured at amortised cost	10,441	529
	10,441	529

Notes to the financial statements *(continued)*

40 Related parties

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Other transactions with the companies which have significant influence over the group and outside Aurelius Crocodile Limited group are listed below:

Statement of comprehensive income:

	Professional services expense 2025 £000	Sublease rent expense 2025 £000	Professional services expense 2024 £000	Sublease rent expense 2024 £000
Entities with significant influence over the group or under common control:				
Aurelius Investment Lux One SARL	67	-	61	-
Aurelius Investments Limited	-	1	-	1
	67	1	61	1

Statement of financial position:

	Amounts owed to related parties 2025 £000	Amounts owed to related parties 2024 £000
Entities with significant influence over the group or under common control:		
Aurelius Investment Lux One SARL	-	30
	-	30

41 Ultimate parent company and immediate parent company

The immediate parent undertaking is Aurelius Investment Lux One S.A.R.L. a company registered in Luxembourg. The registered office address is 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

The ultimate parent undertaking of the Company is Aurelius European Opportunities IV, S.C.A. SICAV-RAIF, a Luxembourg fund. The controlling party of the Company is Aurelius Investment Lux One S.A.R.L., a company registered in Luxembourg whose registered office address is 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

The definition of significant control for the purpose of the UK “People with significant control register” is broader than the definition of control in Section 9 of FRS 102. For the purpose of the PSC register, the ultimate parent undertaking and controlling party of the Company is Aurelius GP Partners Limited (formerly Aur Gp Holdco (UK) Limited), a company registered in the United Kingdom. This company is the owner of the General Partner of the Aurelius European Opportunities IV, S.C.A. SICAV-RAIF.

Notes to the financial statements *(continued)*

42 Post balance sheet events

The Company paid dividends of £10 million in total to its parent company and received a dividend of £15 million from its subsidiary in May 2025.

Subsequent to the year end, in September 2025, the Aurelius Elephant Limited group refinanced its existing asset-backed loan ("ABL") facility. The revised facility, which has a minimum term of three years, increases the maximum borrowing capacity from £275 million to £350 million, secured against qualifying receivables of certain operating subsidiaries, including AAH Pharmaceuticals Limited & Lloyds Clinical Limited.