

ZIGUP PLC

("ZIGUP" or the "Group" or the "Company")

**Results ahead of expectations with strong operational performance,
positive outlook for current year**

ZIGUP plc (LSE:ZIG), the leading integrated mobility solutions platform providing services across the vehicle lifecycle, is pleased to announce its results for the full year ended 30 April 2025.

Full Year results	Reported			Underlying¹		
12 months ended 30 April	2025	2024	Change	2025	2024	Change
	£m	£m		£m	£m	
Revenue	1,812.6	1,833.1	(1.1%)	1,555.0	1,520.6	2.3%
EBIT	136.5	195.1	(30.0%)	202.0	213.7	(5.5%)
Profit before tax	101.5	162.1	(37.4%)	166.9	180.7	(7.6%)
Earnings per share	35.6p	55.2p	(35.5%)	58.4p	61.4p	(4.9%)

¹ excludes vehicle sales revenue, exceptional items, amortisation of acquired intangible assets and adjustments to underlying depreciation. See GAAP reconciliation on page 4.

Other measures	2025	2024	Change
	£m	£m	
Net debt	836.7	742.2	12.7%
Fleet assets ²	£1.51bn	£1.30bn	16.2%
Leverage	1.8x	1.5x	0.3x
Underlying EBITDA	464.5	446.3	4.1%
ROCE	12.6%	14.5%	(1.9ppt)
Dividend per Share	26.4p	25.8p	2.3%

² referring to the net book value of vehicles for hire.

Martin Ward, CEO of ZIGUP, commented:

The Group has delivered a strong operational performance, reflecting a year of significant progress across the business, growing market share and benefitting from material improvements in customer service scores. We have an excellent market position as at least a top three player in each of our markets which are highly receptive environments for our differentiated mobility solutions. We are continually improving these with a technology-enabled and value-added offering which is attractive to a growing and increasingly diverse customer base. I am delighted with the progress made across the business and it sets us up very well for the coming year.

Spain has grown VOH well in excess of its market, and UK&I is positioning itself well for growth with a simpler customer journey and a healthy new business pipeline. With six new partners joining the mobility platform and many of our major insurance partner contracts having successfully renewed in the year, Claims & Services has good visibility after what has been a challenging industry dynamic this year.

Vehicle supply has normalised and the market headwinds of vehicle residual values and replacement hire lengths have been stable since the autumn. The refinancing undertaken in the year further enhances our financial capacity and allows us to be responsive to opportunities to generate attractive and sustainable shareholder value; we start the new financial year with confidence for underlying growth opportunities.

Key financial highlights

- Total revenue down 1.1%; underlying revenue up 2.3% supported by strong rental business performances
- Vehicle hire revenue rose 5.2%; Spain up 9.5% underpinned by strong VOH growth, UK&I up 2.0% with pricing actions offsetting a reduction in VOH in the final quarter
- Disposal profits down 15.2% to £52.5m (2024: £61.9m); total sales volumes of 34,500 (2024: 36,800); LCV residual values stable since October 2024, having moderated over H1, as previously guided
- Rental margin: Spain up 1.1ppts to 19.3%, UK&I up 0.2ppts to 15.7%; Claims & Services EBIT margin of 4.3% (2024: 6.0%) reflecting normalising hire durations early in year and H1 cyber incident
- Underlying PBT down 7.6% to £166.9m as disposal profits 15.2% lower and reduced Claims & Services profits only partially offset by rental profit growth of 9.1%
- Reported PBT of £101.5m (2024: £162.1m) includes £26.5m unwind of 2022 depreciation adjustment (2024: £nil); exceptional items of £20.6m includes £12.8m expected full costs of NewLaw withdrawing from personal injury market and £2.8m for H1 cyber incident
- Underlying EBITDA grew 4.1% to £464.5m (2024: £446.3m) due to strong operational performance; net capex outflow of £453.4m, principally replacement capex (£388.3m) with UK&I and Spain fleet ages reduced by 5.5 months and 2.7 months respectively as vehicle supply improving
- Strong balance sheet with prudent 1.8x leverage (2024: 1.5x), supported by fleet assets of £1.51bn (2024: £1.30bn) and £412m of facility headroom after refinancing actions
- Shareholder returns: 2.3% increase in full year dividend to 26.4p

Business highlights

- **Fleet growth:** Group fleet 131,600 vehicles (2024:128,600); improved supply has enabled Spanish fleet growth, plus significant reduction in UK&I fleet age to 28.5 mths as older vehicles defleeted
- **New wins & strong demand:** continued healthy Spanish environment, UK new business wins, insurance contract extensions & six new wins; new partner channels added for ChargedEV and fleet management
- **Simplified customer engagement:** Account management and sales channel simplification fully embedded in UK plus new Spanish CRM; reducing vehicle churn with existing customers and supporting over 250 new rentals from cross-sell referrals; ancillary income up 9% including fleet management
- **Talent development:** King's Award for Enterprise 2025 recognising our work in social mobility; growth in apprenticeships and early careers; average age of technicians reduced from 54 years to 41 years since FY2023
- **Customer service & digitalisation:** 'Customer First' programme delivering record Trustpilot and NPS scores; scaling up of customer self-service capability across UK rental and claims processing productivity; upgraded Spanish e-auction platform; RTA vehicle recovery product growth
- **Investment in facilities and new products:** Six new facilities operational in the year (three in Spain) with more scheduled for H1 FY2026; workshop investment including ADAS and plastic welding; enhanced product offerings including corporate car rental, micro-mobility, upgraded telematics and asset tracking

**All figures are underlying unless identified as reported. See GAAP reconciliation on page 4*

Outlook

We see good opportunities in FY2026, with robust demand for our mobility solutions across our markets. Our differentiated position and clear strategic framework will enable the business to drive sustainable growth in underlying revenues, profitability and cashflow and deliver attractive shareholder returns. We would expect this to include achieving mid/upper single digit underlying EBIT growth for our operating divisions, before taking into account disposal profits.

Analyst Briefing and Investor Meet presentation

A hybrid presentation for sell-side analysts and institutional investors will be held at 9.30am today, 9 July 2025. If you are interested in attending, please email Burson Buchanan on zigup@buchanancomms.co.uk to request the joining details. This presentation will also be made available via a link on the Company's website www.zigup.com.

The Company will also provide a roadshow presentation via the Investor Meet Company platform on Monday 14 July 2025 at 3.00pm for institutional and retail investors. Questions can be submitted pre-event up to 9.00am on 13 July 2025. Investors can sign up to Investor Meet Company for free and add to meet ZIGUP plc via the following link: <https://www.investormeetcompany.com/zipup-plc/register-investor>
Investors who already follow ZIGUP plc on the Investor Meet Company platform will automatically be invited.

This announcement is made on behalf of ZIGUP plc by Matt Barton.

For further information contact:

Ross Hawley, Head of Investor Relations

+44 (0) 1325 528769

Burson Buchanan

Chris Lane/Jamie Hooper/Verity Parker

+44 (0) 207 466 5000

Notes to Editors:

About ZIGUP

ZIGUP is the leading integrated mobility solutions provider, with a platform providing services across the vehicle lifecycle to help people keep on the move, smarter. The Group offers mobility solutions to businesses, fleet operators, insurers, OEMs and other customers across a broad range of areas from vehicle rental and fleet management to accident management, vehicle repairs, service and maintenance.

The mobility landscape is changing, becoming ever more connected and ZIGUP uses its knowledge and expertise to guide customers through the transformation, whether that is more digitally connected solutions or supporting the transition to lower carbon mobility through providing EVs, charging solutions and consultancy. We are proud to be a King's Award for Enterprise 2025 holder, recognised for our commitment to Promoting Opportunity and supporting social mobility. Awarded for our efforts to draw fresh young talent into our industry, we are dedicated to attracting and retaining the next generation of automotive technicians by offering accessible pathways for individuals from all backgrounds to succeed and thrive.

The Group's core purpose is to keep its customers mobile, smarter - through meeting their regular mobility needs or by servicing and supporting them when unforeseen events occur. With our considerable scale and reach, ZIGUP's mission is to offer an imaginative, market-leading customer proposition and drive enhanced returns for shareholders by creating value through sustainable compounding growth. The Group seeks to achieve this through the delivery of its new strategic framework of Enable, Deliver and Grow.

ZIGUP supports its customers through a network and diversified fleet of over 130,000 owned and leased vehicles, supporting over 1 million managed vehicles, with over 180 branches across the UK, Ireland and Spain and a specialist team of over 7,500 employees. We are a trusted partner to many of the leading insurance and leasing companies, blue chip corporates and a broad range of businesses across a diverse range of sectors. Our strength comes not only from our breadth of our award-winning solutions, but from our extensive network reach, our wealth of experience and continual focus on delivering an exceptional customer experience. Further information regarding ZIGUP plc can be found on the Company's website: www.zigup.com

Appendix: GAAP reconciliation tables

Consolidated income statement reconciliation

Year ended 30 April	Footnote (below)	Statutory 2025 £m	Adjustments 2025 £m	Underlying 2025 £m	Statutory 2024 £m	Adjustments 2024 £m	Underlying 2024 £m
Revenue	(a)	1,812.6	(257.6)	1,555.0	1,833.1	(312.5)	1,520.6
Cost of sales	(b)	(1,414.7)	284.1	(1,130.6)	(1,400.2)	312.5	(1,087.7)
Gross profit		397.9	26.5	424.4	432.9	–	432.9
Administrative expenses	(c)	(261.5)	38.9	(222.6)	(239.1)	18.6	(220.5)
Operating profit		136.4	65.4	201.8	193.8	18.6	212.4
Income from associates		0.2	–	0.2	1.3	–	1.3
EBIT		136.5	65.4	202.0	195.1	18.6	213.7
Finance income		1.5	–	1.5	0.6	–	0.6
Finance costs		(36.6)	–	(36.6)	(33.6)	–	(33.6)
Profit before taxation		101.5	65.4	166.9	162.1	18.6	180.7
Taxation	(d)	(21.6)	(14.2)	(35.8)	(37.1)	(4.5)	(41.6)
Profit for the year		79.8	51.2	131.1	125.0	14.1	139.1
Shares for EPS calculation		224.3m		224.3m	226.3m		226.3m
Basic EPS		35.6p		58.4p	55.2p		61.4p

Adjustments comprise:	Footnotes		
Revenue: sale of vehicles	(a)	(257.6)	(312.5)
Cost of sales: revenue sale of vehicles net down	(a)	257.6	312.5
Depreciation adjustment (Note 6)		26.5	–
Cost of sales	(b)	284.1	312.5
Gross profit	(a)+(b)	26.5	–
Exceptional items (Note 6)		20.6	–
Amortisation of acquired intangible assets (Note 6)		18.3	18.6
Administrative expenses	(c)	38.9	18.6
Adjustments to EBIT		65.4	18.6
Adjustments to profit before taxation		65.4	18.6
Tax on exceptional items (Note 6)		(3.1)	–
Tax on depreciation rate adjustments and amortisation of acquired intangibles		(11.1)	(4.5)
Tax adjustments	(d)	(14.2)	(4.5)
Adjustments to profit for the year		51.2	14.1

OPERATING REVIEW

A clear focus in FY2025

The Group has delivered a strong operational performance, reflecting a year of significant effort across the businesses, growing market share and material improvements in customer service. The financial performance reflects the benefits of our differentiated business model, delivering group underlying performance ahead of market expectations.

The structural growth drivers we identified at the time of the merger as long lasting, of the growth of outsourcing and preference for usership over ownership, remain robust. They are increasingly allied to a greater appreciation of the benefits of an experienced partner offering significant technology-enabled value-added services.

At the same time, we believe the headwinds which have impacted the Group's performance over the past couple of years are receding, with vehicle residual values and replacement hire lengths having substantially normalised and have been stable since the first half.

We have made good strategic progress within the business, initiated at the start of the year with our UK and Ireland organisational changes, the introduction of an Executive Committee focused on group strategy, and the new ZIGUP brand successfully launched. These have supported tangible outcomes and operational progress including a simplified customer journey supporting greater cross-selling. Our successful refinancing efforts through the year have extended our average maturity out into the 2030s and gives increased headroom and flexibility for future growth.

Strong market positioning in a highly receptive environment for our differentiated solutions

The markets in which we operate are resilient and we are very well positioned as a top-three participant in each with market shares of c.20%. This enables us to leverage the scale and strengths of our business model and nationwide presence in each of Spain, UK and Ireland.

In Spain, the market grew at 5% reflecting a combination of strong macro-economic conditions and the historically lower rental penetration than other European markets. Our positioning as the leading national provider of LCV rentals enabled us to grow significantly ahead of the rental market with a differentiated product offering and growing branch network addressing both large corporate fleets and smaller high-growth businesses.

In the UK, our business is supported by structural growth. LCV miles travelled have risen 10% over the past five years and now account for around 20% of total road miles travelled. This year we have seen the strongest new business pipeline for five years alongside robust demand from existing customers, over half of which we have supported for over a decade. Our specialist vehicle businesses again achieved very strong growth, with VOH up 19%.

The Claims & Services business operates across a number of verticals supporting the UK insurance market, which this year entered a softer cycle alongside consolidation activity amongst some of the larger players. Insurance partners are increasingly looking for technology-led solutions, including self-service portals and streamlined customer journeys reducing claims handling time. Our differentiated offering and industry leading customer feedback scores helped ensure we successfully confirmed contracts for all of the insurance partners who were going through a renewal cycle, including DLG, QBE and Tesco Insurance, and we added six more partners to the platform.

Vehicle supply has normalised with headwinds receding

Vehicle supply has essentially normalised in both our core markets, allowing for greater visibility and certainty of supply. We have the expertise to successfully manage what is a significant fleet recycling programme, where we have a growth capex focus in Spain and we are progressing well through the replacement programme in the UK.

In the UK, LCV residual values reduced over summer 2024, down from their historic highs in 2022, and have been stable since October 2024. This is a trend we have successfully forecast and highlighted a number of times, together with its impact on disposal profits.

Replacement hire durations across the claims industry also reduced early in the first half of the financial year, stabilising in the Autumn. This reflected lower volumes and improving capacity within repair networks and improving parts supply chains, but impacted our hire margin. We believe both of these headwinds have now largely passed, while the structural growth drivers remain constant and attractive.

Clear operational progress within the year enhancing the customer experience

Our business model is centred on delivering a customer experience which differentiates us from our peers and through this we develop long term trusted relationships with our partners and customers. Over the past year we have placed great emphasis internally on simplifying the customer journey, resulting in improved engagement scores and customer retention.

Our focus on customer service is reflected in the strength of our NPS scores across the business, with a consolidated score of 64 and Trustpilot scores close to double those of some industry peers. Excellence in customer service is central to our proposition and a key differentiator. We utilise feedback to improve our performance at the branch level, and report monthly KPIs to our partners.

We have continued to enhance the product offering such as specialised solutions ranging from a new refrigerated vehicle and a workforce protection solution for road tunnel use, where we were the only UK provider able to deliver such bespoke solutions. We have launched an asset-tracking product for customer equipment which integrates into our telematics and fleet management solutions, and enhanced the functionality and insights available on our customer portals.

We opened a further six branches and depots across our geographies in the year, responding to high levels of demand and growing fleet sizes. We see further opportunities across the Group to increase capacity and productivity, by getting closer to our customers and increase our responsiveness. Spain added a vehicle delivery centre and a further service centre to better manage branch capacity in both Madrid and Barcelona.

Our technology programmes seek to enhance the customer experience and to deliver efficiencies and the ability to scale further. In Spain, the combination of a new CRM system and the launch of the enhanced e-auction disposal site bring much greater functionality and insight to support customer engagement as the business expands its customer base. In the UK and Ireland, there has been significant adoption by policyholders of our new self-service portals for direct hire and repair solutions, which is being rolled out to more partners. Further RPA processes have targeted high-volume manual activities, allowing colleagues to focus on greater responsiveness to those cases needing intervention. Four more insurance partners joined our claims protocol in order to benefit from the operational efficiency of our dedicated portal and automated processing.

A number of larger scale programmes are also well underway, including a new rental platform in the UK&I which is moving into trial phase and a unified communications project which will deliver significant new functionality to our call centres. The rollout of ADAS testing in the workshops brings repair time efficiencies while new plastic welding solutions maximises reuse and lowers repair costs. A new secure control centre for our National Highways support team was recently launched, enhancing our capabilities and capacity to support agencies in their management of the UK road network.

Disciplined approach to investment opportunities across the Group

Strong market conditions and the range of opportunities open to the business require us to be highly disciplined in our investment decisions. Our strategic pillars of Enable, Deliver and Grow were introduced at the start of the year and have helped the businesses frame their priorities and align across the Group. We see scope for attractive returns from investments in our fleet; and when investing in our facilities. These deliver greater scale and efficiencies, such as the payback for plastic welding being under 12 months in a number of branches

Our disciplined investment approach also applies to our approach to specialist markets. We believe that the EV charging installation market is going through a period of consolidation, with the likely outcome being a handful of successful providers able to operate nationally. Our recent partnerships with Hive, Scottish Power and British Gas have given us the confidence to invest in our service offering, including our nationwide installer network. At the same time, the personal injury market appears increasingly less attractive and as a result we have made the decision to reduce our operational exposure and activities.

Supporting sustainability

Within our operations we have made meaningful progress on our internal targets to reduce emissions that we can control, to date principally through company car fleet migration and renewable electricity contracts. Our current focus is on minimising additional delivery journeys and introducing more EVs into our branch support fleet. We will look to refresh our near term emissions targets within FY2026, together with completing our double materiality assessment.

Programmes within the operations for repair and reuse have been supported by investments in plastic welding in the UK and in expanding the green parts usage in Spain, reducing the overall cost of repair.

For customers, our award-winning Drive to Zero programme has continued to gain traction with customers looking to integrate EVs within their commercial fleets, with e-LCVs on hire up over 80%. Actions in the year included preparing for the launch of an EV consultancy service, supporting fleet managers with data-driven analytics and targeted driver surveys to support migration plans. This runs alongside our online portal offering suitability analysis, EV open days and a broad range of EV charging solutions. We were recognised in the year for our EV leadership with awards including 'Sustainability Mobility Solution' (Spain) and 'Best Eco Initiative' (UK).

Our People

This year we embarked on a three-year people strategy, seeking to reinforce our group culture and build the framework to develop the talent pool required for long term sustainable growth, including a deeper and more diverse leadership pipeline. Our goal is to ensure an attractive workplace where colleagues feel engaged and valued. Key elements include enhancing our technical skills capability, succession planning and offering progression and support to deliver a high-performance culture. Once again, one third of roles filled in the year were filled internally, with the majority achieved through promotion.

We have energised our DE&I activity, including targeted recruitment strategies to reach more diverse talent pools and defined development pathways. We have also developed greater support for mental health within the workplace, in addition to an expanded wellbeing provision. Outcomes from these efforts include a strong response to the engagement survey, with participation over 80% in each region and overall satisfaction in line with the prior year at 75%.

The recognition through the King's Award for Enterprise for 2025 as one of only 10 awarded in the category for Excellence in Promoting Opportunity is a source of immense group-wide and personal pride. It reinforces the value of the investments we have made in building the skills for the future and the impact this is having on early careers for individuals from diverse backgrounds. We have over 400 early careers apprentices enrolled across the Group, supported by experienced mentors, contributing to a 13-year reduction in our average bodyshop technician age over the past three years.

Strong financial capacity and sustainable shareholder returns

Our refinancing actions this year have brought further capacity to the Group and were undertaken on an investment grade basis with improved commercial terms. In three transactions between October 2024 and April 2025 we extended our debt maturities out to 2034 and increased liquidity by £285m, providing further flexibility, with total available debt facilities at year end of £1.1bn.

Our balance sheet and business model is attractive to a broad range of lenders, offering exposure to a diverse customer base and an asset-backed profile supported by £1.5bn of vehicle fleet compared to net debt of £837m. This is combined with a conservative and long term value-oriented approach to capital allocation, appropriate for the industry in which we operate and where leverage is a natural part of the business model.

Leverage remained comfortably within our 1-2x target range, finishing the year at 1.8x, reflecting substantial investment in the fleet, in our branch network and supporting returns to shareholders. Our strong balance sheet provides the business with the ability to be both long term in our organic investment and agile in our approach to M&A and other investment opportunities.

The Board also views share buybacks as a useful element within our capital allocation framework alongside a progressive dividend and regularly reviews the relative merits of share repurchases against our other investment priorities throughout the year.

Given our continued confidence in the prospects for the business and the opportunities open to us in attractive market conditions, subject to shareholder approval, the Board has proposed a final dividend of 17.6p per share (2024: 17.5p) to be paid on 30 September 2025 to shareholders on the register as at close of business on 29 August 2025, bringing the total dividend to 26.4p (2024: 25.8p), a 2.3% increase on the prior year.

Financial review

Group revenue and EBIT

Year ended 30 April	2025 £m	2024 £m	Change £m	Change %
Revenue – vehicle hire	682.9	649.3	33.6	5.2%
Revenue – vehicle sales	257.6	312.5	(54.9)	(17.6%)
Revenue – claims and services	872.2	871.4	0.8	0.1%
Total revenue	1,812.6	1,833.1	(20.5)	(1.1%)
Rental profit	119.7	109.7	10.0	9.1%
Disposal profit	52.5	61.9	(9.4)	(15.2%)
Claims and services profit	38.1	51.4	(13.3)	(25.8%)
Corporate costs	(8.5)	(10.6)	2.1	(19.5%)
Underlying operating profit	201.8	212.4	(10.6)	(5.0%)
Income from associates	0.2	1.3	(1.1)	(86.9%)
Underlying EBIT	202.0	213.7	(11.7)	(5.5%)
<i>Underlying EBIT margin¹</i>	13.0%	14.1%		(1.1ppt)
Statutory EBIT	136.5	195.1	(58.6)	(30.0%)

Revenue

Total revenue of £1,812.6m was 1.1% lower than prior year while revenue excluding vehicle sales of £1,555.0m (2024: £1,520.6m), was 2.3% higher than the prior year.

Hire revenues increased 5.2% due to VOH growth in Spain coupled with careful pricing actions in the UK&I. Claims and services revenue growth of 0.1%, reflecting growth in fleet management services and repair services, partially offset by a reduction in credit hire volumes and credit hire duration.

Vehicle sales revenue decreased by 17.6% with 2,300 fewer vehicles sold in the year coupled with an expected reduction in residual values.

EBIT

Statutory EBIT decreased by 30.0%, while underlying EBIT of £202.0m reduced by 5.5% compared to the prior year; reflecting a decrease in disposal profits and lower claims and services profits. Statutory EBIT included a £26.5m charge for adjustments to depreciation rates (2024: £nil), amortisation of acquired intangible assets of £18.3m (2024: £18.6m) and other exceptional items of £20.6m (2024: £nil).

Rental profit increased £10.0m to £119.7m (2024: £109.7m) with a £1.9m increase in UK&I and a £8.0m increase in Spain.

Disposal profits for the year of £52.5m were 15.2% lower than the prior year due to reduction in sales volume with 34,500 vehicles sold (2024: 36,800) coupled with residual values starting to normalise in the UK and Spain following a period of values being higher than normal with market disruption to vehicle supply.

Claims and services profit decreased £13.3m to £38.1m (2024: £51.4m) reflecting decreases in credit hire volumes and hire duration as well as a £4.2m impact of the previously announced cyber incident during the first quarter of the year.

¹ Calculated as underlying EBIT divided by revenue (excluding vehicle sales)

UK&I Rental

Year ended 30 April	2025	2024	Change
Underlying financial results	£m	£m	%
Revenue – vehicle hire ²	392.1	384.4	2.0%
Revenue – vehicle sales	180.5	226.9	(20.5%)
Total revenue	572.6	611.4	(6.4%)
Rental profit	61.7	59.8	3.2%
<i>Rental margin %</i>	15.7%	15.5%	0.2ppt
Disposal profit	28.7	34.0	(15.6%)
Underlying EBIT	90.4	93.8	(3.6%)
<i>EBIT margin %³</i>	23.1%	24.4%	(1.3ppt)
<i>ROCE %</i>	12.5%	15.1%	(2.6ppt)
KPIs	(‘000)	(‘000)	%
Average VOH	43.9	45.1	(2.6%)
Closing VOH	43.1	43.8	(1.6%)
Average utilisation %	91%	91%	–

Highlights

Rental revenue rose 2.0% compared to the prior year, with underlying demand strong across all key rental product areas. Revenue growth was achieved through carefully managed pricing actions, together with a focus on maximising availability, with fleet utilisation consistent at 91%. Rental profits increased 3.2% to £61.7m (2024: £59.8m) demonstrating strength in the underlying business. Disposal profits of £28.7m were 15.6% lower, reflecting both lower PPUs and reduced volumes, after the higher defleets of the prior year.

Average VOH increased throughout H1 with a reduction in H2 reflecting seasonal off hires and a reprofiling of the fleet away from lower margin business. A receptive used vehicle market enabled the defleeting of certain older vehicle cohorts, helping reduce fleet age by 5.5 months over the year to 28.5 months. LCV residual values remained stable throughout the second half having normalised through the summer of 2024.

The One Road strategic programme simplifying sales and account management has been embedded across the UK&I operations, supporting better account engagement and maximising cross-hire opportunities. Over 250 new vehicle rentals came from cross-referrals between the specialist and core product teams. With new business enquiries at five-year highs as rental penetration in our markets continues to accelerate, growth has come through a combination of market share gains and greater outsourcing by large fleets. New business VOH grew 44% while existing customer VOH churn fell to a three-year low.

Blakedale’s and FridgeXpress’ fleets grew by over 20% and the Northgate car proposition expanded its fleet over three times. An increasing number have seen additional services ranging from vehicle fit-outs and telematics to fleet management (11% of vehicles) requested as part of the rental order. Overall, ancillary revenues grew 8.6% as customers recognised the benefit of our range of value-added services, both differentiating our offering and delivering profitable growth.

An asset-tracking product was launched and the first micro-mobility vehicle delivered to a longstanding public sector client. EVs on hire grew over 80% to nearly 1,800 while our ChargedEV business added Hive, Ayvens and Holmans to its partnerships, each focused on retail installations which grew 8%, alongside signing British Gas and Scottish Power in H1. Initiatives within the service workshops saw a significant reduction in technician attrition, with a resulting improvement in workshop capacity and turnaround times.

² Including intersegment revenue of £9.3m (2024: £9.2m)

³ Calculated as underlying EBIT divided by revenue (excluding vehicle sales)

Rental margin at 15.7% remains in line with our long term target and reflects the focus on efficiency both within the branches and between the UK and Ireland teams. The Customer First programme and increasing digitalisation has also allowed for greater customer self-service and analysis, including real-time and branch-level feedback, helping to deliver improving Trustpilot scores.

Rental business

Vehicle hire revenue was £392.1m (2024: £384.4m), an increase of 2.0%. A 4.7% increase in average revenue per vehicle reflected fleet mix and rate increases, partially offset by a 2.6% reduction in average VOH. Rental profits were £61.7m compared to £59.8m in the prior year.

Average VOH of 43,900 was 1,200 lower than the prior year, with average utilisation at 91% in line with prior year.

Our minimum term proposition accounted for 44% of average VOH (2024: 42%). The average term of these contracts is approximately three years, providing both improved visibility of future rental revenue and earnings, as well as lower transactional costs.

Rental margin has increased to 15.7% compared to 15.5% in the prior year. Margin was maintained through operating and cost efficiencies and increasing hire rates to offset cost inflation.

Management of fleet and vehicle sales

The closing rental fleet was 45,400 compared to 46,600 at 30 April 2024. During the year, 13,800 vehicles were purchased (2024: 10,900) and 15,300 vehicles were defleeted (2024: 15,900). The leased fleet increased by 200 vehicles (2024: 500 increase).

The average age of the fleet (excluding leased vehicles) was 28.5 months at the end of the year, a 5.5 month decrease from 30 April 2024 as we recycle the older cohorts of the fleet upon supply availability improving, to support the customer experience and reduce time in the workshop.

A total of 20,600 vehicles were sold during the year which was 7% lower than the prior year (2024: 22,200) taking account of 4,600 cars and other non-fleet vehicles (2024: 7,100) including those which had been defleeted from the Claims & Services fleet and sold via Van Monster.

Disposal profits of £28.7m (2024: £34.0m) decreased 15.6% compared to prior year due to a decrease in volumes, combined with a reduction in the PPU (£1,400 compared to £1,500 in the prior year). This reflected a reduction in residual values, which had been temporarily higher due to market supply restrictions which started to ease in FY2024.

Spain Rental

Year ended 30 April	2025	2024	Change
Underlying financial results	£m	£m	%
Revenue – vehicle hire	300.1	274.0	9.5%
Revenue – vehicle sales	75.6	84.5	(10.5%)
Total revenue	375.7	358.5	4.8%
Rental profit	58.0	50.0	16.2%
<i>Rental margin %</i>	19.3%	18.2%	1.1ppt
Disposal profit	23.7	27.8	(14.7%)
Underlying EBIT	81.8	77.8	5.1%
<i>EBIT margin %⁴</i>	27.3%	28.4%	(1.1ppt)
<i>ROCE %</i>	12.3%	14.2%	(1.9ppt)
KPIs	('000)	('000)	%
Average VOH	61.0	55.7	9.4%
Closing VOH	63.9	57.6	11.0%
Average utilisation %	91%	91%	–

Highlights

Rental revenue growth of 9.5% (up 12.3% in constant currency) reflected average VOH up 9.4%, together with pricing increases which helped to mitigate cost inflation, delivering rental profit growth of 16.2% to £58.0m (2024: £50.0m). Disposal profits were lower at £23.7m (2024: £27.8m) reflecting a 4.6% reduction in volume sold; residual values continue to normalise with PPUs still ahead of the long term historical average. Vehicle disposals are now managed through an upgraded e-auction IT platform which went live in H2, providing greater functionality and ability to manage disposals at scale.

The market environment was very positive throughout the year, supported by the resilient Spanish economy with strong interest in both flexible and minimum term rental solutions. Growth was achieved across a broad range of end-market sectors and customer profiles; strength in minimum term hire reflected greater longer term confidence and forward planning by customers, looking to secure vehicles supported by the significant service solution that Northgate offers. This service infrastructure is a key differentiation for the business, with a market leading branch network and value-added services offering hard to replicate at scale.

New vehicle supply was robust and allowed for growth capex from early in the year, enabling VOH growth in both our core rental offerings, and also a 50% increase in the online-only B2C business line, offering cars on extended hire duration. Average age of our fleet at the end of the year was 27.4 months, 2.7 lower than previous year. Ancillary services such as the enhanced telematics offering continued to grow strongly, up 23% on the prior year.

Rental margin at 19.3% was 1.1ppt higher than the prior year, reflecting both operational leverage, careful pricing actions and a number of cost improvement and efficiency programmes, offsetting increasing depreciation through fleet growth. These programmes included further work on the digitalisation of administration processes and enhancing green parts reuse to maximise the benefits of internally salvaging high-value parts.

There was high utilisation of the repair workshops throughout the year for both internal and corporate customers which benefitted from additional capacity from recent branch and depot openings. New Barcelona and Cadiz branches were opened at the start of the year, together with the Algeciras branch launched later in the year. In April we also launched a delivery hub in Madrid, to speed up the handover of new vehicles across our four branches in the area. This model will be replicated in other cities as part of a programme of optimising capacity and branch efficiencies.

⁴ Calculated as underlying EBIT divided by total revenue (excluding vehicle sales)

Rental business

Hire revenue increased 9.5% to £300.1m (2024: £274.0m), driven by the increase in average VOH and managed increases in pricing. Average VOH increased 9.4% and closing VOH increased 11.0% to 63,900.

Our minimum term proposition accounted for 38% (2024: 37%) of average VOH. The average term of these contracts is approximately three years, providing visibility of future rental revenue and earnings.

Rental profit increased by 16.2% in the year to £58.0m (2024: £50.0m) due to careful cost control offsetting higher depreciation charges and workshop costs due to higher available fleet. This resulted in a rental margin of 19.3%, 1.1ppt higher than the prior year.

Management of fleet and vehicle sales

The closing rental fleet was 71,900 compared to 65,100 vehicles at 30 April 2024. During the year 20,500 vehicles were purchased (2024: 17,600) and 13,700 vehicles were defleeted (2024: 13,900).

The average age of the fleet at the end of the year was 27.4 months, 2.7 months lower than at the same time last year, due to replacement of older vehicles with improved market supply.

A total of 13,800 (2024: 14,500) vehicles were sold during the year, 4.6% lower than the prior year due to lower defleeting activity in order to satisfy VOH growth.

Disposal profits of £23.7m (2024: £27.8m) decreased 14.7% due to the decrease in number of vehicles sold coupled with a decrease in LCV PPUs to £1,700 (2024: £1,900).

Claims & Services

Year ended 30 April	2025	2024	Change
Underlying financial results	£m	£m	%
Revenue – claims and services ⁵	882.4	882.3	–
Revenue – vehicle sales ⁶	50.6	77.9	(35.0%)
Total revenue	933.0	960.3	(2.8%)
Gross profit	160.2	171.0	(6.3%)
Gross margin % ⁷	18.2%	19.4%	(1.2ppt)
Operating profit	38.1	51.4	(25.8%)
Income from associates	0.2	1.3	(86.9%)
Underlying EBIT	38.3	52.7	(27.3%)
EBIT margin % ⁷	4.3%	6.0%	(1.7ppt)
ROCE %	17.6%	17.6%	–

Highlights

Claims and services revenue was in line with the prior year, while vehicle sales were 35% lower, reflecting the significant defleeting which had taken place in the prior year. A number of major customers extended or renewed contracts within the year as part of their renewal cycles and six new partners joined the platform or were preparing to go-live in the year.

Reflecting the broader market with drops in claims frequency, Auxillis experienced a quieter summer up to September. Replacement hire days normalised in the first half and then remained steady for the remainder of the year. Repair capacity and parts supply constraints improved as a result, allowing for shorter overall repair cycle durations. Four additional counterparties went into protocol, reflecting the confidence in the benefits this offers.

Across the businesses, investments in technology and processes helped to deliver operational efficiencies and improving customer experience such as self-service hire portals, increased use of API technology with insurer partners and third party handling agents as well as the introduction of 55 additional RPA processes focused on high-volume manual processes. Repair technologies such as ADAS testing and plastic welding were rolled out to all bodyshops, reducing both insurer repair costs and waste and emission profiles, as well as delivering strong returns and efficiencies.

FMG RS opened its 67th facility, in Dundee, filling a geographical gap in Scotland and has plans for further bodyshop capacity growth in the coming year as this business delivered strong profitable growth. These efforts resulted in Trustpilot and NPS scores being amongst the highest in the industry, a key metric for existing and potential insurer partners.

The result of our apprentice scheme scaling up its vehicle technician cohort has been a significant reduction in bodyshop vacancies and improved productivity. The King's Award was a reflection of the quality of our early careers programmes and its success in addressing industry-wide gaps in the automotive technical skills talent pool.

The combination of the quieter summer for our higher margin credit hire operations with hire durations also reducing and impact of the cyber incident in H1 (discussed below) were the drivers of the reduction in EBIT margin for the year to 4.3%; we believe the cyber incident is one-off in nature and the reduction in hire length has now materially normalised.

⁵ Including intersegment revenue of £10.2m (2024: £10.9m)

⁶ Including intersegment revenue of £49.1m (2024: £76.9m)

⁷ Gross profit margin calculated as underlying gross profit divided by total revenue (excluding vehicle sales). EBIT margin calculated as underlying EBIT divided by total revenue (excluding vehicle sales)

Revenue and profit

Revenue for the year (excluding vehicle sales) remained in line with prior year at £882.4m (2024: £882.3m) due to increased volumes in repair services and fleet management services, offset by a reduction in credit hire volumes and hire duration in comparison to the prior year.

Gross margin of 18.2% declined 1.2ppt (2024: 19.4%). EBIT decreased 27.3% to £38.3m reflecting decreases in credit hire volumes and hire duration as well as an estimated £4.2m trading impact of the cyber incident. This has then been partially offset by growth in the FMG RS business due to increases in repair volumes, technician efficiencies and higher paint margins, as well as increases in external repair volumes and average repair costs.

Management of fleet

The total fleet size was 14,300 vehicles at the end of the year, down from 16,500 in prior year with the lower fleet reflecting reduced credit hire lengths and volumes.

The average fleet age (including leased vehicles) was 14.7 months (2024: 16.0 months), reflecting the lower fleet holding period than in the rental businesses due to the different composition of the fleet and usage of those vehicles.

The core fleet is funded through a combination of fully owned and leased vehicles, with cross-hires being used for short term needs or during seasonal peak periods.

Cyber incident and NewLaw strategy

The cyber incident in May 2024 reflected the increasing level of sophistication and frequency of attempts globally to gain access to corporate infrastructure. As discussed in our interim report, we responded very swiftly and our ability to restore the majority of our businesses as fully operational within a week owes much to the protection and recovery processes we already had in place and the immense efforts of all of our operational teams. Other than the implications in respect of data protection, which were successfully and comprehensively mitigated, there was no breach of relevant law or regulation.

The impact on trading was estimated to be £4.2m with no ongoing consequences and the costs associated with managing this incident of £2.8m (2024: £nil) have been recognised as exceptional items.

We made a decision later in the year to exit the UK personal injury market accessed through NewLaw which no longer offers attractive returns. Non-cash costs of £12.8m reflecting a lower recoverability of assets have been recognised as exceptional items.

Group PBT and EPS

Year ended 30 April	2025 £m	2024 £m	Change £m	Change %
Underlying EBIT	202.0	213.7	(11.7)	(5.5%)
Net finance costs	(35.1)	(33.0)	(2.1)	6.2%
Underlying profit before taxation	166.9	180.7	(13.8)	(7.6%)
Statutory profit before taxation	101.5	162.1	(60.6)	(37.4%)
Underlying effective tax rate	21.5%	23.0%	–	(1.5ppt)
Underlying EPS	58.4p	61.4p	(3.0p)	(4.9%)
Statutory EPS	35.6p	55.2p	(19.6p)	(35.5%)

Profit before taxation

Underlying PBT was 7.6% lower than prior year, reflecting the lower EBIT in UK&I Rental and Claims & Services. Statutory PBT was 37.4% lower than the prior year, including £20.6m (2024: £nil) exceptional administrative expenses, amortisation of acquired intangibles of £18.3m (2024: £18.6m) and a £26.5m cost (2024: £nil) relating to adjustments to depreciation rates on certain fleet.

Exceptional items

Exceptional costs of £20.6m have been recognised in the year comprising of £12.8m following the decision to exit the personal injury market through NewLaw, £4.0m impairment to goodwill, £1.0m restructuring costs and £2.8m relating to the cyber incident in May 2024. Further details of exceptional items can be found in Note 6 of the financial statements.

Amortisation of acquired intangibles and depreciation rate changes

Amortisation of acquired intangibles and adjustments to underlying depreciation charges are not exceptional items as they are recurring. However, these items are excluded from underlying results in order to provide a better comparison of performance of the Group. The total amortisation of acquired intangibles in the year was £18.3m (2024: £18.6m).

Depreciation rate adjustments of £26.5m (2024: £nil) on vehicles purchased before FY2021 have been excluded from underlying results.

When a vehicle is acquired, it is recognised as a fixed asset at its cost net of any discount or rebate received. The cost is then depreciated evenly over its rental life, matching its pattern of usage down to the expected future residual value at the point at which the vehicle is expected to be sold, net of directly attributable selling costs.

Accounting standards require a review of residual values during a vehicle's useful economic life at least annually, with changes to depreciation rates being required if the expectation of future values changes significantly.

Matching of future market values of vehicles to net book value on the estimated disposal date requires significant judgement for the following reasons:

- Used vehicle prices are subject to short term volatility which makes it challenging to estimate future residual values;
- The exact disposal age is not known at the point at which rates are set and therefore the book value at disposal date is not certain; and
- Mileage and condition are the key factors in influencing the market value of a vehicle. These can vary significantly through a vehicle's life depending upon how the vehicle is used.

Due to the above uncertainties, a difference normally arises between the net book value of a vehicle and its actual market value at the date of disposal. Where these differences are within an acceptable range they are adjusted against the depreciation charge in the income statement. Where these differences are outside of the acceptable range, changes must be made to depreciation rate estimates to better reflect market conditions and the usage of vehicles.

Residual values increased significantly in the period from 2020 to 2023 due to the disruption of new vehicle supply supporting used vehicle values, and have started to normalise since then. As a result of the increase in used vehicle values and vehicles being held on the fleet longer than expected in order to mitigate shorter supply constraints, there were a number of vehicles on our fleet where the depreciated book value was below or very close to the expected residual value at disposal. In line with the requirements of accounting standards and as previously disclosed, a decision was made to reduce depreciation rates from 1 May 2022 on certain vehicles remaining on the fleet which were purchased before FY2021.

The phasing of the adjustment will change if these vehicles are held for a longer or shorter period than anticipated. The depreciation rate change is expected to impact the statutory income statement over the remaining holding period of those vehicles as follows:

£m	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Reduced depreciation	55.1	38.3	11.0	5.3	0.2	109.9
Reduced disposal profits	(8.5)	(38.3)	(37.5)	(20.6)	(5.0)	(109.9)
Updated expected impact on statutory EBIT	46.6	–	(26.5)	(15.3)	(4.8)	–
Previously expected impact on statutory EBIT	46.6	–	(24.8)	(18.2)	(3.6)	–

No further depreciation rate changes have been made on the existing fleet since. The updated phasing of the adjustment reflects our latest fleet plans with respect to this older fleet cohort.

The impact of the changing depreciation rates on this component of the fleet will re-phase statutory EBIT over a five-year period as outlined in the table above, but will have no impact on underlying results, no overall impact on statutory profit over the life of the fleet and no impact on cash.

Depreciation rates on vehicles purchased in FY2026 will be set based on management's best estimates of future residual values when those vehicles are sold, with holding periods ranging from 12 to 60 months.

Interest

Net underlying finance charges increased to £35.1m (2024: £33.0m) due to higher average debt compared to the prior year. Interest rates are significantly sheltered with 69% of borrowings held as fixed rate debt at 30 April 2025.

Taxation

The Group's underlying tax charge was £35.8m (2024: £41.6m) and the underlying effective tax rate was 21.5% (2024: 23.0%) which included some one-off adjustments to the tax charge due to the timing and composition of fleet replacements. The statutory effective tax rate was 21.3% (2024: 22.9%).

Earnings per share

Underlying EPS of 58.4p was 3.0p lower than prior year, reflecting decreased profits in the year partially offset by a 0.7p impact of the share buyback programme. Statutory EPS of 35.6p was 19.6p lower, reflecting the movement in underlying EPS, exceptional items and depreciation rates adjustments which are not included within the underlying results.

Share buyback programme

During the year the Group completed its previously announced £30m share buyback programme, purchasing 1,271,112 shares for a total consideration of £5.3m (2024: 7,104,291 shares were purchased for a total consideration of £24.9m).

Group balance sheet

Net assets at 30 April 2025 were £1,063.2m (2024: £1,043.4m), equivalent to net assets per share of 473p (2024: 465p). Net tangible assets at 30 April 2025 were £856.9m (2024: £816.4m), equivalent to a net tangible asset value of 381p per share (2024: 364p per share).

The calculations above are based on the number of shares in issue at 30 April 2025 of 246,091,423 (2024: 246,091,423) less treasury and own shares of 21,353,976 (2024: 21,748,799).

Gearing at 30 April 2025 was 97.6% (2024: 90.9%) and ROCE was 12.6% (2024: 14.5%).

Group cash generation

Year ended 30 April	2025 £m	2024 £m	Change £m
Underlying EBIT	202.0	213.7	(11.7)
Underlying depreciation and amortisation	262.5	232.6	29.9
Underlying EBITDA	464.5	446.3	18.2
Net replacement capex ⁸	(388.3)	(280.2)	(108.1)
Lease principal payments ⁹	(59.5)	(65.0)	5.5
Steady state cash generation	16.7	101.1	(84.4)
Working capital and non-cash items	49.0	(5.6)	54.6
Exceptional cash costs	(3.8)	–	(3.8)
Growth capex ⁸	(65.1)	(1.7)	(63.4)
Taxation	(18.3)	(33.4)	15.1
Net operating cash	(21.5)	60.4	(81.9)
Distributions from associates	0.5	2.0	(1.5)
Interest and other financing cash flows	(37.1)	(28.0)	(9.1)
Acquisition of business	–	(4.1)	4.1
Free cash flow	(58.1)	30.3	(88.4)
Dividends paid	(59.0)	(56.2)	(2.8)
Payments to acquire treasury shares	(5.3)	(24.9)	19.6
Add back: Lease principal payments ¹⁰	59.5	65.0	(5.5)
Net cash (consumed) generated	(62.9)	14.2	(77.1)

Steady state cash generation

Steady state cash generation reduced to £16.7m compared to prior year (2024: £101.1m), with strong underlying EBITDA offset by an increase in net replacement capex as improvements in vehicle supply enabled replacement of the fleet, reducing average fleet age.

Net capital expenditure

Net capital expenditure increased by £171.5m at £453.4m due to a £108.1m increase in net replacement capex and a £63.4m increase in growth capex.

Net replacement capex was £388.3m, which was £108.1m higher than in the prior year resulting in a reduction in fleet age. Net replacement capex was £77.4m higher in UK&I, £40.0m higher in Claims & Services and £9.3m lower in Spain.

Growth capex of £65.1m (2024: £1.7m) included £101.2m to grow the fleet size in Spain, partially offset by a £36.1m inflow in UK&I and Claims & Services where the fleets reduced in size as utilisation was maintained.

Lease principal payments of £59.5m (2024: £65.0m) decreased by £5.5m as legacy hire purchase contracts from acquisitions were run off.

⁸ Net replacement capex is total capex less growth capex. Growth capex represents the cash consumed in order to grow the fleet or the cash that is generated if the fleet size is reduced in periods of contraction

⁹ Lease principal payments are included so that steady state cash generation includes all maintenance capex irrespective of funding method

¹⁰ Lease principal payments are added back to reflect the movement on net debt

Free cash flow

Free cash flow decreased by £88.4m to an outflow of £58.1m (2024: £30.3m inflow).

Free cash flow is stated after taking account of investments that have been made in the year which will return future cash flow at a sustainable rate of return ahead of our cost of capital. This includes investment in net replacement capex of £388.3m, capex lease payments of £59.5m and growth capex of £65.1m.

Net cash (consumption) generation

Net cash consumed of £62.9m (2024: £14.2m generated) includes £59.0m of dividends paid (2024: £56.2m) and £5.3m (2024: £24.9m) for treasury shares purchased. Leverage has increased to 1.8x (2024: 1.5x) due to growth and replacement of the fleet.

Net debt

Net debt reconciles as follows:

	2025 £m	2024 £m
As at 30 April		
Opening net debt	742.2	694.4
Net cash consumed (generated)	62.9	(14.2)
Other non-cash items	31.2	75.1
Exchange differences	0.4	(13.1)
Closing net debt	836.7	742.2

Closing net debt increased by £94.5m in the year driven by net cash consumed, non-cash items and exchange differences. Other non-cash items consist of £33.0m of new leases acquired less £1.8m of other items.

Borrowing facilities

As at 30 April 2025 the Group had headroom on facilities of £412m (2024: £244m), with £706m drawn (net of available cash balances) against total facilities of £1,118m.

	Facility £m	Drawn £m	Headroom £m	Maturity	Borrowing cost
UK bank facilities	523	164	359	Apr 30	4.4%
Loan notes	481	481	–	Nov 27-Oct 34	2.4%
Asset financing facility	100	50	50	Apr 29	5.9%
Other loans	14	11	3	Nov 25	3.1%
	1,118	706	412		3.1%

The other loans drawn consist of £10m of local borrowings in Spain which were renewed for a further year in November 2024 and £0.5m of preference shares.

During the financial year ending 30 April 2025, the Group completed a debt refinancing programme over three transactions resulting in the Group's facility maturities being extended out to 2034 and increasing liquidity by £285m. In October 2024, the Group raised €190m (£160m) of additional loan notes at an average borrowing cost of 4.4% with maturities of 7 and 10 years. In December 2024, the Group arranged a £100m asset financing facility provided on a one-year rolling commitment with drawn debt repaid over 40 months. In April 2025, the Group completed a refinancing of the UK bank facilities. The facility size was increased by £25m, pricing terms were improved, together with extending the tenor out five years to April 2030 with options to extend for a further two years (subject to approval).

The above drawn amounts reconcile to net debt as follows:

	Drawn £m
Borrowing facilities	706
Unamortised finance fees	(7)
Leases	138
Net debt	837

The overall cost of borrowings at 30 April 2025 is 3.1% (2024: 3.5%).

The margin charged on bank debt is dependent upon the Group's net debt to EBITDA ratio, ranging from a minimum of 1.45% to a maximum of 3.00%. The net debt to EBITDA ratio at 30 April 2025 corresponded to a margin of 1.95% (2024: 1.95%).

The split of net debt by currency was as follows:

	2025 £m	2024 £m
As at 30 April		
Euro	649.9	522.2
Sterling	194.1	224.9
Borrowings and lease obligations before unamortised arrangement fees	844.0	747.1
Unamortised finance fees	(7.3)	(4.9)
Net debt	836.7	742.2

There are three financial covenants under the Group's facilities as follows:

As at 30 April	Threshold	2025	Headroom	2024
Interest cover	3x	7.1x	£112m (EBIT)	8.3x
Loan to value	70%	43%	£448m (Net debt)	41%
Debt leverage	3x	1.8x	£167m (EBITDA)	1.5x

The covenant calculations have been prepared in accordance with the requirements of the facilities to which they relate.

Dividend and capital allocation

Subject to approval, the final dividend proposed of 17.6p per share (2024: 17.5p) will be paid on 30 September 2025 to shareholders on the register as at close of business on 29 August 2025.

Including the interim dividend paid of 8.8p (2024: 8.3p), the total dividend relating to the year would be 26.4p (2024: 25.8p). The dividend is covered 2.2x by underlying earnings.

The Group's objective is to employ a disciplined approach to investment, returns and capital efficiency to deliver sustainable compounding growth. Capital will be allocated within the business in accordance with the framework outlined below:

- Funding organic growth
- Sustainable and growing dividend
- Inorganic growth
- Returning excess cash to shareholders

The Group plans to maintain a balance sheet within a target leverage range of 1.0x to 2.0x net debt to EBITDA, and during periods of significant growth net debt would be expected to be towards the higher end of this range. This is consistent

with the Group's objective of maintaining a balance sheet that is efficient in terms of providing long term returns to shareholders and safeguards the Group's financial position through economic cycles.

Treasury

The function of the Group's treasury operations is to mitigate financial risk, to ensure sufficient liquidity is available to meet foreseeable requirements, to secure finance at minimum cost and to invest cash assets securely and profitably. Treasury operations manage the Group's funding, liquidity and exposure to interest rate risks within a framework of policies and guidelines authorised by the Board of Directors.

The Group uses derivative financial instruments for risk management purposes only and it is policy not to engage in speculative activity and to avoid using more complex financial instruments.

Credit risk

The policy followed in managing credit risk permits only minimal exposures with banks and other institutions meeting required standards as assessed normally by reference to major credit agencies. Group credit exposure for material deposits is limited to banks which maintain an A rating. Individual aggregate credit exposures are also limited accordingly.

Liquidity and funding

The Group has sufficient funding facilities to meet its normal funding requirements in the medium term as outlined in the borrowing facilities section above. Covenants attached to those facilities as outlined above are not restrictive to the Group's operations.

Capital management

The Group's objective is to maintain a balance sheet structure that is efficient in terms of providing long term returns to shareholders and safeguards the Group's financial position through economic cycles.

Operating subsidiaries are financed by a combination of retained earnings and borrowings.

The Group can choose to adjust its capital structure by varying the amount of dividends paid to shareholders, by issuing new shares or by adjusting the level of capital expenditure.

Interest rate management

The Group's bank facilities, other loan agreements and lease obligations incorporate variable interest rates. The Group seeks to ensure that the exposure to future changes in interest rates is managed to an acceptable level by having in place an appropriate balance of fixed rate and floating rate financial instruments at any time. The proportion of gross borrowings (including leases arising under HP obligations) held in fixed rates was 69% at 30 April 2025 (2024: 65%).

Foreign exchange risk

The Group's reporting currency is Sterling and 77% of its revenue was generated in Sterling during the year (2024: 80%). The Group's principal currency translation exposure is to the Euro, as the results of operations, assets and liabilities of its Spanish and Irish businesses are translated into Sterling to produce the Group's consolidated financial statements.

The average and year end exchange rates used to translate the Group's overseas operations were as follows:

	2025 £:€	2024 £:€
Average	1.19	1.16
Year end	1.17	1.17

Going concern

Having considered the Group's current trading, cash flow generation and debt maturity including severe but plausible stress testing scenarios (as detailed further in the notes to the financial statements) the Directors have concluded that it is appropriate to prepare the Group financial statements on a going concern basis.

Alternative performance measures and glossary of terms

A reconciliation of statutory to underlying Group performance is outlined at the front of this document. A reconciliation of underlying cash flow measures and additional alternative performance measures used to assess performance of the Group is shown below.

Cash Flow Reconciliation Year ended 30 April	2025 £m	2024 £m
Underlying EBIT	202.0	213.7
Add back:		
Depreciation of property, plant and equipment	287.5	231.3
Depreciation adjustment not included in underlying EBIT	(26.5)	–
Loss on disposal of assets	–	(0.1)
Intangible amortisation included in underlying operating profit (Note 6)	1.5	1.4
Underlying EBITDA	464.5	446.3
Net replacement capex	(388.3)	(280.2)
Lease principal payments	(59.5)	(65.0)
Steady state cash generation	16.7	101.1
Exceptional items (cash expenses)	(3.8)	–
Working capital and non-cash items	49.0	(5.6)
Growth capex	(65.1)	(1.7)
Taxation	(18.3)	(33.4)
Net operating cash	(21.5)	60.4
Distributions from associates	0.5	2.0
Interest and other financing costs	(37.1)	(28.0)
Acquisition of business net of cash acquired	–	(4.1)
Free cash flow	(58.1)	30.3
Dividends paid	(59.0)	(56.2)
Purchase of treasury shares	(5.3)	(24.9)
Add back: Lease principal payments	59.5	65.0
Net cash (consumed) generated	(62.9)	14.2
Reconciliation to cash flow statement:		
Net increase (decrease) in cash and cash equivalents	2.6	(17.7)
Add back:		
Receipt of bank loans and other borrowings	(212.7)	(33.1)
Repayments of bank loans and other borrowings	87.7	–
Principal element of lease payments	59.5	65.0
Net cash (consumed) generated	(62.9)	14.2

Cash Flow Reconciliation	2025	2024
Year ended 30 April	£m	£m
Reconciliation of capital expenditure		
Purchases of vehicles for hire	672.7	553.6
Proceeds from disposals of vehicles for hire	(232.5)	(288.0)
Proceeds from disposal of other property, plant and equipment	(1.0)	(1.4)
Purchases of other property, plant and equipment	11.1	15.7
Purchases of intangible assets	3.1	2.0
Net capital expenditure	453.4	281.9
Net replacement capex	388.3	280.2
Growth capex	65.1	1.7
Net capital expenditure	453.4	281.9

	UK&I Rental 2025 £000	Spain Rental 2025 £000	Group sub-total 2025 £000
Underlying operating profit ¹²	90,383	81,780	172,163
<i>Exclude:</i>			
Vehicle disposal profits	(28,723)	(23,735)	(52,458)
Rental profit	61,660	58,045	119,705
Divided by: Revenue: hire of vehicles ¹³	392,083	300,098	692,181
Rental margin	15.7%	19.3%	17.3%

	UK&I Rental 2024 £000	Spain Rental 2024 £000	Group sub-total 2024 £000
Underlying operating profit ¹²	93,788	77,789	171,577
<i>Exclude:</i>			
Vehicle disposal profits	(34,017)	(27,834)	(61,851)
Rental profit	59,771	49,955	109,726
Divided by: Revenue: hire of vehicles ¹³	384,448	274,016	658,464
Rental margin	15.5%	18.2%	16.9%

¹² See Note 1 of the financial statements for reconciliation of segment underlying operating profit to Group underlying operating profit.

¹³ Revenue: hire of vehicles including intersegment revenue (see Note 1 of the financial statements).

The following defined terms have been used throughout this document:

Term	Definition
ADAS	Advanced Driver Assistance Systems: A set of technologies, designed to assist drivers in the safe operation of vehicles
AGM	Annual General Meeting of the Company
API technology	A set of protocols and tools that allow different software applications to communicate with each other
Average capital employed	A two-point average of capital employed at last day of the current and previous financial years
Auxillis	A business within the Claims & Services operating segment providing fault and non-fault accident management assistance and related services
B2C	Consumer related business activity
Blakedale	A business within the UK&I Rental operating segment providing specialist traffic management services
Capex	Capital expenditure
Capital employed	Net assets excluding net debt, acquired goodwill and acquired intangible assets, and the adjustment to net book values for changes to depreciation rates which have not been reflected in underlying results
CEO	Chief Executive Officer
ChargedEV	A business within the UK&I Rental operating segment providing EV charging and solar infrastructure and solutions
Claims & Services	The Claims & Services operating segment providing a range of mobility solutions
CRM	A technology tool used to manage and analyse customer interactions throughout the customer lifecycle
DE&I	Diversity, equity and inclusion
Disposal profit(s)	This is a non-GAAP measure used to describe the adjustment in the depreciation charge made in the year for vehicles sold at an amount different to their net book value at the date of sale (net of attributable selling costs)
Drive to Zero	A project related to the Group's target to reduce emissions
e-auction	The part of the Group which generates vehicles sales revenue through the Group's online sales platforms
EBIT	Earnings before interest and taxation
EBITDA	Earnings before interest, taxation, depreciation and amortisation
e-LCV(s)	Electrically powered LCV(s)
EPS	Earnings per share. Underlying unless otherwise stated
EV(s)	Electrically powered vehicle(s)
Facility headroom	Calculated as facilities of £1,118m less net borrowings of £706m. Net borrowings represent net debt of £837m excluding lease liabilities of £138m and unamortised arrangement fees of £7m and are stated after the deduction of £34m of cash balances which are available to offset against borrowings

Fleet assets	Referring to the net book value of vehicles for hire
FMG RS	A business within the Claims & Services operating segment providing vehicle repair services
Free cash flow	Net cash generated after principal lease payments and before the payment of dividends and payments to acquire treasury shares
FridgeXpress	A business within the UK&I Rental operating segment providing specialised temperature-controlled vehicle services
FY2021/FY2022/FY2023/FY2024/FY2025	Each of the financial years ended 30 April 2021 to 30 April 2025
FY2026/FY2027	Each of the financial years ending 30 April 2026 and 30 April 2027
FY2027	The year ending 30 April 2027
GAAP	Generally Accepted Accounting Practice: meaning compliance with IFRS
Gearing	Calculated as net debt divided by net tangible assets
Growth capex	Growth capex represents the cash consumed in order to grow the total owned rental fleet or the cash generated if the fleet size is reduced in periods of contraction
H1/H2	Half year period. H1 being the first six months and H2 being the second six months of the financial year
HP obligations	Lease liabilities that would have been recognised on the balance sheet as finance leases prior to adoption of IFRS 16 (Leases)
ICE vehicles	Vehicles powered by an internal combustion engine
IFRS	International Financial Reporting Standards
Income from associates	The Group's share of net profit of associates accounted for using the equity method
King's Award	The King's Awards for Enterprise are for outstanding achievement by UK businesses in the categories of innovation, international trade, sustainable development and promoting opportunity through social mobility.
LCV	Light commercial vehicle: the official term used within the UK and European Union for a commercial carrier vehicle with a gross vehicle weight of not more than 3.5 tonnes
Lease principal payments	Principal payment on leases recognised under IFRS 16 (Leases)
M&A	Referring to inorganic growth/growth opportunities
Micro-mobility	Refers to a range of small, lightweight wheeled vehicles, operated by an individual and intended for travel or usage over a short distance
Net replacement capex	Net capital expenditure other than that defined as growth capex and lease principal payments.
Net tangible assets	Net assets less goodwill and other intangible assets
NewLaw	A business within the Claims & Services operating segment providing legal services
Non-GAAP	A financial metric used which is not defined under GAAP
Non-ICE vehicles	Vehicles not powered by an internal combustion engine
Northgate	The vehicle rental business in UK, Ireland and Spain

NPS	Net promoter score: a measure used to gauge customer satisfaction
OEM(s)	Original Equipment Manufacturer(s): a reference to our vehicle suppliers
PBT	Profit before taxation. Underlying unless otherwise stated
PPU	Profit per unit/loss per unit – this is a non-GAAP measure used to describe disposal profit (as defined), divided by the number of vehicles sold
Rental margin	Calculated as rental profit divided by revenue (excluding vehicle sales)
Rental profit(s)	EBIT excluding disposal profits
ROCE	Underlying return on capital employed: calculated as underlying EBIT (see non-GAAP reconciliation) divided by average capital employed
RPA	A technology that uses software to automate repetitive and rule-based tasks
RTA	Road Traffic Accident: a term used in the insurance industry for vehicle accidents
Spain	Referring to the Spain Rental operating segment
Spain Rental	The Northgate Spain operating segment located in Spain and providing commercial vehicle hire and ancillary services
Steady state cash generation	EBITDA less net replacement capex and lease principal payments
The Company	ZIGUP plc
The Group	The Company and its subsidiaries
The merger	The acquisition of Redde plc by Northgate plc (now ZIGUP plc) in February 2020
Trustpilot	An independent digital platform for consumers to share experiences of interactions with businesses
UK&I	Referring to the UK&I Rental operating segment
UK&I Rental	The UK&I Rental operating segment located in the United Kingdom and the Republic of Ireland providing commercial vehicle hire and ancillary services
Underlying free cash flow	Free cash flow excluding growth capex
Utilisation	Calculated as the average number of vehicles on hire divided by average rentable fleet in any period
Van Monster	A trading name used within the UK&I Rental operating business, when selling used vehicles to business and retail customers
VOH	Vehicles on hire. Average unless otherwise stated

Principal risks and uncertainties

The world we live in

Risk description

The successful delivery of our strategy is influenced by the world we live in, and we need to adapt to a changing global environment. Changes in both economic and environmental conditions in the countries that the Group operates in or is linked to, through our supply chain, could affect how we deliver our services or change the cost base of the business.

Influencing factors

- Changes in economic conditions including economic growth forecasts, exchange rates, interest rates and inflationary pressures
- Influences of global conflicts on global supply chains
- Increases to global tariffs could increase the costs in the supply chain and affect our customers' businesses
- The impact that environmental conditions such as extreme weather could have on our operations, as well as our impact on the environments in which we operate

Controls and mitigating activities

- The Group's business model and balance sheet strength provides resilience to economic downturns, with the flexibility of our offer being attractive in times of uncertainty
- In the event of a downturn, the Group can manage its fleet flexibly, generating cash and reducing debt by reducing vehicle purchases or accelerating disposals
- The cost base related to management of insurance claims and services is flexible and can be scaled back in response to a downturn in revenue
- Pricing structures remain under review in the context of cost inflation with minimum return thresholds protecting margins
- Credit risk of new and existing customers is continually assessed and the Group has a diversified customer base without overreliance on an individual or group of customers across any sector
- The Group maintains close relationships with key suppliers to ensure continuity of supply and diversifies the supplier base in periods when supply becomes restricted
- Foreign exchange exposure is minimised through sourcing supplies in the same currency as the revenue is generated. Translation risk is managed through holding a proportion of borrowings in Euro in order to hedge against the investment in Euro net assets
- Management continue to assess the impact of global tariffs on the operations of the Group

Our markets and customers

Risk description

We operate in markets undergoing significant transformations both through changing business models and customer expectations for smarter and increasingly sustainable mobility. If the Group does not respond to behavioural, structural, legal, or technological changes in our markets there is a risk that demand for our services will reduce. Changes to the insurance market or loss of a key insurance referral partner could adversely impact the Group's revenues.

Influencing factors

- Structural changes to the rental and insurance and legal services markets such as consolidation, digitalisation or vertical integration could impact on the viability of the business model if we are not agile enough to respond to those trends
- Changes to regulations for operation of ICE vehicles and widening of low-emission zones will change the way in which mobility services will need to be delivered

- Price competition for an equivalent service, could impact our ability to attract and retain customers at appropriate rates of return
- Increases in insurance referral rates or cost increases which cannot be passed on through claims could impact viability of returns
- Loss of a major customer or insurance referral partner could diminish returns if the cost base is not managed appropriately

Controls and mitigating activities

- Our strong reputation for trusted and expert advice and customer service improves retention of existing customers and attractiveness to new customers by differentiating our offer from other market participants
- Continued evolution of the fleet towards non-ICE vehicles with development of supplier relationships and investments in supporting infrastructure
- Continual benchmarking of pricing and service offer compared to competitors and other market participants. Pricing controls over target levels of returns and discount authorities protect margins
- Minimising the concentration of business customers and maintaining long term relationships with insurance partners with a large proportion of revenue coming from contracts with customers, that are greater than one year in length

Fleet availability

Risk description

Failure to secure sufficient access to fleet at appropriate pricing would impact on our ability to meet operational and customer service delivery, overall returns and our ability to grow organically.

An increase in fleet holding costs either through higher new vehicle pricing or lower residual values, if not recovered through pricing increases or operational efficiencies, would adversely affect returns.

Influencing factors

- Global supply improved in the previous year and continued to do so in FY2025
- Higher new vehicle purchase price as the proportion of the fleet made up of non-ICE vehicles grows
- Residual values continue to be affected by the vehicle supply interruption and are influenced by other economic conditions
- The impact of increases to global tariffs on the automotive industry remains uncertain

Controls and mitigating activities

- Flexibility over asset management means that in the short term the Group can mitigate the shortage of supply of new vehicles by ageing out the fleet
- The business model supports high levels of utilisation and vehicles returned from customers are redeployed within the fleet
- The Group maintains close relationships with key suppliers to ensure continuity of supply and has diversified the supplier base in order to broaden access to new vehicles
- The Group minimises vehicle holding costs by flexibly managing the fleet so that vehicles can be defleeted at the optimal point in their lifecycle through our own sales channels. We manage vehicle sales through our own retail sales network and online sales channels.

Our people

Risk description

We rely on the expertise and experience of our people in order to stay at the forefront of changes to our markets and to maintain and deliver high levels of customer service. Failure to attract, retain, develop and motivate this talent would impact the Group's ability to meet its strategic objectives.

We also understand our responsibility to keep our people safe through appropriate health and safety risk management to maintain trust with our people and reputation across all stakeholders. The Group continues to ensure that the health and safety procedures we have in place are robust to minimise this threat as far as possible.

Influencing factors

- External pressures in the labour market creates issues in attracting and retaining talent and therefore delivery of the operating model and commercial proposition
- The diverse operations of the Group growing organically and inorganically across a wide geographical area increases the challenge of fostering a shared culture in line with strategic objectives
- Not safeguarding colleague's health and welfare and failure to invest in our workforce will lead to high levels of staff turnover, which will affect customer service, operational efficiency and overall delivery of the Group's strategy

Controls and mitigating activities

- Engagement with the Group's leadership teams through The Voice Network forums and the annual Have Your Say survey
- Internal communications establish values which are aligned to the Group's strategy, and we undertake regular communication of the strategic progress by the Group and how that best serves our people through various platforms
- Ongoing benchmarking of reward and benefits against the comparable employment market
- Regular performance reviews including personal development and tailored training as well as a mentoring programme
- Regular engagement with colleagues and access to health and wellbeing initiatives
- Widening of rewards and benefits including share ownership, financial wellbeing initiatives and holiday buy and sell initiatives
- Group health and safety team develops policy and processes to ensure safe working practices and monitors compliance with those policies
- Continual development of the Group's health and safety initiatives to promote an ongoing safe working environment

Regulatory environment

Risk description

The Group must comply with all laws and regulations; certain activities within the Group are regulated, therefore ongoing compliance with regulations is required to ensure continuity of business.

Legal cases relating to the provision of credit hire and insurance-related services have provided a precedent framework which has remained stable for several years. Legal challenges or changes in legislation could undermine this framework with consequences for the markets in which the Group operates.

Influencing factors

- Changes to the legislation or regulatory environment in any of the Group's markets could impact revenue and profitability, particularly within the credit hire, insurance and legal services businesses
- Inadequate operation of systems to monitor and ensure compliance with regulation could expose the Group to fines and penalties, or operating licences could be suspended and also adversely impact our reputation across all stakeholder groups

Controls and mitigating activities

- In-house legal and compliance team continuously monitoring regulatory and legal compliance
- Horizon scanning and monitoring of legal and regulatory developments
- Policies and procedures and compliance monitoring programmes
- Training in relation to relevant legislation, regulatory responsibilities and the Group's policies and procedures
- External advisors are retained where necessary

Technology and digitalisation

Risk description

The Group relies on technology to ensure the safe continuity of business operations, and advances in technology offer opportunities to leverage efficiencies in processes and enhanced service delivery, with stakeholders continuing to seek deeper digital engagement. Failure of existing systems, lack of development in new systems or poor integration of new systems, could result in a loss of commercial agility and/or harm the efficiency and continuity of our operations.

The global threat of cyber attacks is increasing as attacks are becoming more frequent and sophisticated. In May 2024, the Group was impacted by a cyber incident in part of its UK operation. The Group's systems were immediately isolated to contain and eliminate the threat. Most businesses experienced limited impact and rapidly returned to normal operational capacity with the NewLaw business being affected for the longest period. Defences were strengthened immediately following the incident but the risk continues to be monitored, with cyber attacks on other organisations regularly reported in the media.

Influencing factors

- Inadequate IT systems can be at risk from failed processes, systems or infrastructure and from error, fraud or cyber crime
- The Group's business is dependent on the safe and efficient processing of a large number of complex transactions and stakeholder interactions. The effective performance and availability of core systems is central to the operation of the business
- Growth through inorganic acquisitions increases the complexity and diversity of operations, IT systems and infrastructure
- Cyber attacks are becoming increasingly frequent and sophisticated. The Group remains vigilant to changes in the cyber threat landscape and continues to review the technology deployed to defend against these threats

Controls and mitigating activities

- Investments in key IT platforms and systems to ensure continued operational performance and delivery
- Changes to key IT systems are considered as part of wider Group change programmes and are implemented in phases where possible, with appropriate governance structures put in place to oversee progress against project objectives
- Ongoing monitoring of the continuity of IT systems with access to support where required
- Back-up and recovery procedures for key systems including disaster recovery plans
- The Board approved a new cyber security policy
- Increased training on cyber security made mandatory to all staff
- Operation of information security and data protection protocols to ensure that data is held securely, and is adequately protected from cyber attacks or other unauthorised access

Recovery of contract assets

Risk description

Our credit hire and repair business involves the provision of goods and services on credit. The Group receives payment for the goods and services it has provided after a claim has been pursued against the party at fault (and the relevant third party insurer). This process can take a long period of time before claims are agreed and settled.

Influencing factors

- Recovery of insurance claims requires the orderly running of insurance markets with claims being settled on commonly agreed terms
- Due to the relative strength of insurance companies, they could influence the speed of settlement of claims in order to secure better terms
- Settlement of claims is normally reached through mutual agreement. Settlement through court arbitrations can be lengthy and relies on efficient operation of the court process

Controls and mitigating activities

- Services are only provided to customers after a full risk assessment process to ensure that the claim will be legally recoverable from a third party
- The Group manages collection risk by standardising terms with third party insurers (protocol agreements) where possible, which reduces collection risk under shorter payment terms. The proportion of claims under protocol terms has increased in the year to c.70%
- Other claims are managed through specialist teams in order to settle claims or manage through a court arbitration process

Access to capital

Risk description

The Group needs access to sufficient capital to maintain and grow the fleet and fund working capital requirements.

Investors increasingly require businesses to demonstrate that they act in a responsible and sustainable manner prior to granting access to financing facilities.

Influencing factors

- Debt markets can be volatile in terms of liquidity and pricing
- Failure to maintain or extend access to credit and fleet finance facilities or non-compliance with debt covenants could affect the Group's ability to achieve its strategic objectives or continue as a going concern

Controls and mitigating activities

- Debt facilities are diversified across a range of lenders and close relationships are maintained with key funders of the Group to ensure continuity of funding
- Debt facilities have been put in place to provide adequate headroom and maturities in order to support the strategy of the Group
- In the current year, the Group secured three further tranches of funding, via private placement debt facilities, asset-backed financing facility and the refinancing of the Group's revolving credit facility, which evidences investors are confident in the Group's operations
- The Group continually monitors cash flow forecasts to ensure adequate headroom on facilities and ongoing compliance with debt covenants
- The Group maintains leverage within stated policy and the business model allows cash to be generated through economic cycles
- The impact of access to capital on the Group's viability is considered in the viability statement

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 APRIL 2025**

		2025	2024
	Note	£000	£000
Revenue: hire of vehicles	1	682,888	649,271
Revenue: sale of vehicles	1	257,600	312,469
Revenue: claims and services	1	872,156	871,387
Total revenue	1	1,812,644	1,833,127
Cost of sales		(1,414,745)	(1,400,236)
Gross profit		397,899	432,891
Administrative expenses (excluding exceptional items)		(232,497)	(229,270)
Net impairment of trade receivables (excluding exceptional items)		(8,417)	(9,782)
Exceptional administrative expenses: impairment of trade receivables	6	(3,006)	–
Exceptional administrative expenses: other operating costs	6	(17,617)	–
Total administrative expenses		(261,537)	(239,052)
Operating profit		136,362	193,839
Share of net profit of associates accounted for using the equity method		170	1,296
EBIT	1	136,532	195,135
Finance income		1,495	596
Finance costs		(36,559)	(33,628)
Profit before taxation		101,468	162,103
Taxation		(21,623)	(37,085)
Profit for the year		79,845	125,018

Profit for the year is wholly attributable to owners of the Parent Company. All results arise from continuing operations.

Earnings per share	Note	2025	2024
Basic	2	35.6p	55.2p
Diluted	2	34.9p	54.0p

See GAAP reconciliation at the front of this report for a reconciliation between reported results as shown above and underlying measures used to explain performance throughout this report.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2025**

	2025	2024
	£000	£000
Amounts attributable to owners of the Parent Company		
Profit attributable to the owners	79,845	125,018
Other comprehensive expense		
Foreign exchange differences on retranslation of net assets of subsidiary undertakings	1,413	(15,326)
Net foreign exchange differences on long term borrowings held as hedges	(1,859)	11,252
Foreign exchange difference on revaluation reserve	(2)	(33)
Net fair value gain on cash flow hedges	(104)	104
Deferred tax charge recognised directly in equity relating to cash flow hedges	26	(26)
Total other comprehensive expense	(526)	(4,029)
Total comprehensive income for the year	79,319	120,989

All items will subsequently be reclassified to the consolidated income statement.

CONSOLIDATED BALANCE SHEET	2025	2024
AS AT 30 APRIL 2025	£000	£000
Non-current assets		
Goodwill	111,906	115,918
Other intangible assets	94,336	111,054
Property, plant and equipment	1,683,456	1,483,344
Deferred tax assets	1,095	1,878
Interest in associates	–	4,502
Total non-current assets	1,890,793	1,716,696
Current assets		
Inventories	28,509	38,261
Receivables and contract assets	378,147	421,032
Derivative financial instrument assets	–	104
Current tax assets	4,202	9,271
Cash and bank balances	33,738	39,802
Total current assets	444,596	508,470
Total assets	2,335,389	2,225,166
Current liabilities		
Trade and other payables	340,450	335,597
Provisions	4,738	4,170
Current tax liabilities	238	29
Lease liabilities	39,507	51,442
Borrowings	54,367	57,542
Total current liabilities	439,300	448,780
Net current assets	5,296	59,690
Non-current liabilities		
Non-current tax liabilities	2,549	–
Provisions	10,323	10,336
Lease liabilities	98,473	113,082
Borrowings	678,086	559,964
Deferred tax liabilities	43,501	49,607
Total non-current liabilities	832,932	732,989
Total liabilities	1,272,232	1,181,769
Net assets	1,063,157	1,043,397
Equity		
Share capital	123,046	123,046
Share premium account	113,510	113,510
Treasury shares reserve	(72,820)	(67,488)
Own shares reserve	(3,740)	(9,694)
Translation reserve	(7,205)	(6,759)
Other reserves	330,454	330,534
Retained earnings	579,912	560,248
Total equity	1,063,157	1,043,397

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2025

	Note	2025 £000	2024 £000
Cash generated from operations	4	509,730	440,671
Income taxes paid, net		(18,255)	(33,371)
Interest paid		(34,855)	(31,486)
Net cash generated from operations before purchases of and proceeds from disposal of vehicles for hire		456,620	375,814
Purchases of vehicles for hire		(672,744)	(553,537)
Proceeds from disposals of vehicles for hire		232,576	287,983
Net cash generated from operations		16,452	110,260
Investing activities			
Finance income		1,495	596
Distributions from associates		476	2,001
Payment for acquisition of subsidiary, net of cash acquired		–	(4,051)
Proceeds from disposal of other property, plant and equipment		965	1,432
Purchases of other property, plant and equipment		(11,106)	(15,757)
Purchases of intangible assets		(3,098)	(2,019)
Net cash used in investing activities		(11,268)	(17,798)
Financing activities			
Dividends paid		(59,042)	(56,178)
Receipt of bank loans and other borrowings		212,685	33,078
Repayments of bank loans and other borrowings		(87,680)	–
Debt issue costs paid		(4,022)	–
Principal element of lease payments		(59,501)	(65,047)
Payments to acquire treasury shares		(5,332)	(24,878)
Proceeds from sale of own shares		263	2,829
Net cash used in financing activities		(2,629)	(110,196)
Net increase (decrease) in cash and cash equivalents		2,555	(17,734)
Cash and cash equivalents at 1 May		(6,818)	11,681
Effect of foreign exchange movements		393	(765)
Cash and cash equivalents at 30 April	(a)	(3,870)	(6,818)
(a) Cash and cash equivalents comprise:			
Cash and bank balances		33,738	39,802
Bank overdrafts		(37,608)	(46,620)
Cash and cash equivalents		(3,870)	(6,818)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2025**

	Share capital and share premium £000	Treasury shares reserve £000	Own shares reserve £000	Translation reserve £000	Other reserves £000	Retained earnings £000	Total £000
Total equity at 1 May 2023	236,556	(60,420)	(9,615)	(2,685)	330,489	500,270	994,595
Share options fair value charge	–	–	–	–	–	5,239	5,239
Share options exercised	–	–	–	–	–	(14,902)	(14,902)
Dividends paid	–	–	–	–	–	(56,178)	(56,178)
Purchase of shares net of proceeds received on exercise of share options	–	(24,878)	2,829	–	–	–	(22,049)
Transfer of treasury shares to own shares reserve	–	17,810	(17,810)	–	–	–	–
Transfer of shares on vesting of share options	–	–	14,902	–	–	–	14,902
Deferred tax on share based payments recognised in equity	–	–	–	–	–	801	801
Total comprehensive income	–	–	–	(4,074)	45	125,018	120,989
Total equity at 30 April 2024 and 1 May 2024	236,556	(67,488)	(9,694)	(6,759)	330,534	560,248	1,043,397
Share options fair value charge	–	–	–	–	–	3,691	3,691
Share options exercised	–	–	–	–	–	(5,692)	(5,692)
Dividends paid	–	–	–	–	–	(59,042)	(59,042)
Purchase of shares net of proceeds received on exercise of share options	–	(5,332)	262	–	–	–	(5,070)
Transfer of shares on vesting of share options	–	–	5,692	–	–	–	5,692
Deferred tax on share based payments recognised in equity	–	–	–	–	–	862	862
Total comprehensive income	–	–	–	(446)	(80)	79,845	79,319
Total equity at 30 April 2025	236,556	(72,820)	(3,740)	(7,205)	330,454	579,912	1,063,157

Other reserves comprise the other reserve, capital redemption reserve, revaluation reserve, hedging reserve and merger reserve.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2025**

1. SEGMENTAL ANALYSIS

	UK&I Rental 2025 £000	Spain Rental 2025 £000	Claims & Services 2025 £000	Corporate 2025 £000	Eliminations 2025 £000	Total 2025 £000
Revenue: hire of vehicles	382,790	300,098	–	–	–	682,888
Revenue: sale of vehicles	180,473	75,621	1,506	–	–	257,600
Revenue: claims and services	–	–	872,156	–	–	872,156
External revenue	563,263	375,719	873,662	–	–	1,812,644
Intersegment revenue	9,293	–	59,351	–	(68,644)	–
Total revenue	572,556	375,719	933,013	–	(68,644)	1,812,644
Underlying cost of sales ¹	(420,595)	(263,543)	(772,770)		68,644	(1,388,264)
Underlying administrative expenses (see page 4)	(61,578)	(30,396)	(122,105)	(8,516)		(222,595)
Underlying operating profit (loss)	90,383	81,780	38,138	(8,516)	–	201,785
Share of net profit of associates accounted for using the equity method	–	–	170	–	–	170
Underlying EBIT*	90,383	81,780	38,308	(8,516)	–	201,955
Exceptional items (Note 6)						(20,623)
Amortisation of acquired intangible assets						(18,319)
Depreciation adjustment (Note 6)						(26,481)
EBIT						136,532
Finance income						1,495
Finance costs						(36,559)
Profit before taxation						101,468

¹ Underlying cost of sales is gross of cost of vehicle sales of £257.7m (see page 4)

1. SEGMENTAL ANALYSIS (Continued)

	UK&I Rental 2024 £000	Spain Rental 2024 £000	Claims & Services 2024 £000	Corporate Eliminations 2024 £000	Total 2024 £000
Revenue: hire of vehicles	375,255	274,016	–	–	649,271
Revenue: sale of vehicles	226,936	84,531	1,002	–	312,469
Revenue: claims and services	–	–	871,387	–	871,387
External revenue	602,191	358,547	872,389	–	1,833,127
Intersegment revenue	9,193	–	87,865	–	(97,058)
Total revenue	611,384	358,547	960,254	–	1,833,127
Underlying cost of sales ¹	(459,874)	(248,139)	(789,264)	–	97,058
Underlying administrative expenses (see page 4)	(57,722)	(32,619)	(119,571)	(10,577)	–
Underlying operating profit (loss)	93,788	77,789	51,419	(10,577)	–
Share of net profit of associates accounted for using the equity method	–	–	1,296	–	–
Underlying EBIT ²	93,788	77,789	52,715	(10,577)	–
Amortisation of acquired intangible assets					(18,563)
Depreciation adjustment (Note 6)					(17)
EBIT					195,135
Finance income					596
Finance costs					(33,628)
Profit before taxation					162,103

¹ Underlying cost of sales is gross of cost of vehicle sales of £312.5m (see page 4)

² Underlying EBIT stated before adjustments to depreciation rates, amortisation of acquired intangible assets and exceptional items is the measure used by the Board of Directors to assess segment performance

³ Prior year comparatives have been updated to include the segmental underlying cost of sales and segmental underlying administrative expenses.

2. EARNINGS PER SHARE

	2025	2024
	£000	£000
Basic and diluted earnings per share		
The calculation of basic and diluted earnings per share is based on the following data:		
Earnings		
Earnings for the purposes of basic and diluted earnings per share, being profit for the year attributable to the owners of the Parent Company	79,845	125,018
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	224,263,336	226,332,009
Effect of dilutive potential ordinary shares – share options	4,294,495	5,023,528
Weighted average number of ordinary shares for the purposes of diluted earnings per share	228,557,831	231,355,537
Basic earnings per share	35.6p	55.2p
Diluted earnings per share	34.9p	54.0p

The calculated weighted average number of ordinary shares for the purpose of basic earnings per share includes a reduction of 20,179,932 shares (2024: 17,579,590) relating to treasury shares acquired during the year and a reduction of 1,648,155 shares (2024: 2,179,823) for shares held in employee trusts.

3. DIVIDENDS

An interim dividend of 8.8p per ordinary share was paid in January 2025 (2024: 8.3p). The Directors propose a final dividend for the year ended 30 April 2025 of 17.6p per ordinary share (2024: 17.5p), which is subject to approval at the AGM and has not been included as a liability as at 30 April 2025. Based upon the shares in issue at 30 April 2025 and excluding treasury shares and shares in employee trusts where dividends are waived, this equates to a final dividend payment of £40m (2024: £39m). No dividends have been paid between 30 April 2025 and the date of signing the financial statements.

4. NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2025

	2025	2024
	£000	£000
Net cash generated from operations		
Operating profit	136,362	193,839
Adjustments for:		
Depreciation of property, plant and equipment	287,557	231,293
Impairment of goodwill	4,012	–
Impairment of property, plant and equipment	1,043	–
Impairment of interest in associates	4,196	–
Amortisation of intangible assets	19,812	19,961
Gain on disposal of other property, plant and equipment	(31)	(76)
Share options fair value charge	3,691	5,239
Operating cash flows before movements in working capital	456,642	450,256
Decrease (Increase) in non-vehicle inventories	1,451	(2,788)
Decrease in receivables	44,888	26,049
Increase (Decrease) in payables	6,326	(39,630)
Increase in provisions	423	6,784
Cash generated from operations	509,730	440,671

5. ANALYSIS OF CONSOLIDATED NET DEBT

	2025	2024
	£000	£000
Bank loans	162,814	250,052
Bank overdrafts	37,608	46,620
Loan notes	480,875	320,267
Asset financing facility	49,987	–
Lease liabilities	137,980	164,524
Cumulative preference shares	500	500
Confirming facilities	669	67
	870,433	782,030
Cash and bank balances	(33,738)	(39,802)
Consolidated net debt	836,695	742,228

6. EXCEPTIONAL ITEMS

Exceptional items are recognised in the income statement as follows:

	2025	2024
	£000	£000
Exceptional administrative expenses: impairment of trade receivables	3,006	–
Exceptional administrative expenses: other operating costs	17,617	–
Exceptional administrative expenses	20,623	–

Exceptional administrative expenses comprise the following:

	2025	2024
	£000	£000
Impairment of goodwill	4,012	–
NewLaw strategy	12,820	–
Other exceptional operating costs	3,791	–
Exceptional administrative expenses	20,623	–
Total exceptional items included within EBIT	20,623	–
Total pre-tax exceptional items	20,623	–
Tax credits relating to exceptional items	(3,104)	–
Cash expenses	3,791	–
Non-cash expenses	16,832	–
Total pre-tax exceptional items	20,623	–

Impairment of goodwill

Goodwill relating to the previous acquisition of Fleet Technique Limited (in 2006) has been written off in the year. This goodwill balance was previously allocated to the Northgate Vehicle Hire (UK) CGU.

NewLaw strategy

Included in exceptional administrative expenses, is £12,820,000 relating to a strategic decision made to exit the personal injury market in the UK as it no longer provides attractive returns. This relates to the business of NewLaw within the Claims & Services operating segment. The business is not core to the mobility solutions provided to customers across the Group and been operating in a challenging environment since regulatory reforms were put in place in this market in 2021. Exiting the market will allow greater focus on the core operations of the group and ensure that capital is allocated optimally. No new business has been accepted, and existing cases have been put into a managed run off.

The exceptional items relate to impairments of assets that have arisen due to the decision to unwind the trade of the business over the shortest time possible whilst remaining compliant with regulatory obligations, as follows:

Impairment of property, plant and equipment

An impairment to the right-of-use asset of £1,043,000 (2024: £nil) relating to a property lease within the NewLaw business has been recognised due to the downsizing of the operation.

Impairment of interest in associates

An impairment of interest in associates has been recognised of £4,196,000 (2024: £nil) in line with the strategy plan to unwind the NewLaw business.

Impairment of trade receivables

An exceptional cost of £3,006,000 (2024: £nil) has been recognised to the extent that certain trade receivables are no longer deemed recoverable whilst managing the NewLaw business in run-off.

Impairment of other receivables

A further impairment was recognised in respect to other receivables totalling £3,598,000 (2024: £nil).

Adjustments to provisions

An exceptional cost of £977,000 (2024: £nil) was recognised in relation to unavoidable costs for the element of the property lease which is no longer in use.

Other exceptional operating costs

Restructuring costs of £1,033,000 (2024: £nil) were recognised of which £343,000 arose in Claims & Services, £565,000 in UK&I Rental and £125,000 in Corporate costs. This followed the announcement in the prior year to streamline the organisational structure of the UK part of the Group.

In May 2024, the Group was impacted by a cyber incident in part of its UK operation. The Group's systems were immediately isolated to contain and eliminate the threat. Most businesses experienced limited impact and rapidly returned to normal operational capacity with the NewLaw business being affected for the longest period. The costs associated with managing this incident of £2,758,000 (2024: £nil) have been recognised in exceptional items in the period.

Other costs not classified as exceptional items but excluded from underlying results

Depreciation rate changes

The Group has adjusted the depreciation rates from 1 May 2022 on vehicles remaining on the fleet which were purchased before FY2021. This adjustment is explained further in the Financial Review. The depreciation adjustment is a debit to the consolidated income statement of £26,481,000 (2024: debit of £17,000). This adjustment is not classified as an exceptional item, however, it is excluded from underlying results in order to provide a better comparison of results between periods.

Amortisation of acquired intangible assets

Amortisation of acquired intangible assets of £18,319,000 (2024: £18,563,000) is not classified as an exceptional item as it is recurring. However, it is excluded from underlying results in order to provide a better comparison of results between periods as the Group grows through a combination of organic and inorganic growth. The revenue and operating costs of these acquisitions are included within underlying results. Amortisation of intangible assets of £1,493,000 (2024: £1,398,000) which does not relate to acquisitions is included within underlying profit.

7. BASIS OF PREPARATION

These financial statements have been prepared in accordance with United Kingdom adopted international accounting standards ('IFRS') and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

ZIGUP plc (the Company) has adopted all IFRS in issue and effective for the year.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of IFRS, this announcement does not itself contain sufficient information to comply with IFRS. The Company expects to publish full financial statements that comply with IFRS in July 2025.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 30 April 2025 or 2024 but is derived from those accounts. Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts: their reports were unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under s498 (2) or (3) of the Companies Act 2006.

The financial information presented in respect of the year ended 30 April 2025 has been prepared on a basis consistent with that presented in the annual report for the year ended 30 April 2024.

Having considered the Group's current trading, cash flow generation and debt maturity including severe but plausible stress testing scenarios, the Directors have concluded that it is appropriate to prepare the Group financial statements on a going concern basis.

Assessment of prospects

In the prior year, the Group launched a new brand and name, as well as develop a refreshed strategic framework, to lead the Group through it's next phase of sustainable growth. The Group successfully secured additional financing as discussed in further detail further in this report, supporting the Group's operations and providing the flexibility to grow the business and deliver on our strategic objectives. The Group is well established within the markets it operates in and continues to capitalise on key structural trends. The Board took the decision in the year to exit the legal market in order to focus on the core operations of the business. The Group continues to make strong profits despite recent challenges, proving the Group's resilience and commitment to delivering sustainable value to its stakeholders.

In the prior year, the Board launched a refreshed strategic framework, introduced Enable, Deliver, Grow as the next phase of the Group's strategy. During the year, the Group has spent the year delivering towards those strategic objectives. The Board maintains a measured approach to strategic risk whilst continuing to explore growth opportunities intended to add long term value to the Group, both organically and inorganically. The Board continually assesses the changes in the risk and emerging risks to the Group. The Group pursues only those activities which are acceptable in the context of the risk appetite of the Group as a whole.

Assessment of viability

To assess the Group's viability, the three-year strategic plan was stress tested against various scenarios and other sensitivities.

Sensitivity analysis of our strategy

A detailed three-year strategic review was conducted which considers the Group's cash flows, dividend cover assuming operation of stated policy, and headroom against borrowing facilities and financial covenants under the Group's existing facilities. These metrics were subjected to sensitivity analysis to assess the Group's ability to deliver its strategic objectives.

Financial position

In the year, the Group completed a comprehensive debt refinancing programme, allowing for refinancing on an investment grade basis and with improved commercial terms. The financing programme increased the Groups revolving credit facility to £500m with five year maturities, an additional €190m of private placement loan notes alongside the existing €375m loan notes extending the maturity profile to 2034 and a further £100m vehicle funding facility on a one year rolling commitment further diversifying the funding base of the Group. Headroom against the Group's existing banking facilities at 30 April 2025 was £412m as detailed on page 18. This compares with headroom of £244m at 30 April 2024 and reflects the additional financial capacity owed to recent financing activity to support the delivery of our objectives under our strategic pillars of Enable, Deliver, Grow. The recent financing activity demonstrates the Group's financial strength and are testament to the relationship we have with our lenders and their belief in the sustainable manner in which we operate and continue to deliver on our strategy.

Taking into account the planned financing assumptions, the Group's facilities will provide sufficient headroom to fund the capital expenditure and working capital requirements during the planned period.

The Directors have further considered the resilience of the Group, considering its current position and the principal risks facing the business. The plan was stress tested for severe but plausible scenarios over the planned period as follows:

- No further growth in vehicles on hire with rental customers
- A 1% reduction in pricing of rental hire rates
- A 2% increase above plan assumptions in the purchase cost of vehicles and other operating expenses not passed on to customers
- A £500 reduction to assumptions in the plan for the residual value of used vehicles
- A 7.5% reduction in insurance claims and services revenue in aggregate, either through lower demand or through ending the commercial relationship with a group of key insurance partners
- A prudent working capital view reflecting the impact of a slow-down in collections of historic insurance claims

The above scenarios took into account the effectiveness of mitigating actions that would be reasonably taken, such as reducing variable costs that are directly related to revenue, but did not take into account further management actions that would likely be taken, such as a change to the indirect cost base of the Group or a reduction in capital expenditure and ageing out of the vehicle fleet, both of which would generate cash and reduce debt.

Conclusions relating to viability and going concern

After considering the above sensitivities and reasonable mitigating actions, sufficient headroom remained against available debt facilities and the covenants attached to those facilities. The Directors have a reasonable expectation that the Group will continue to be able to meet its obligations as they fall due and continue to be viable over the period to 30 April 2028. The Directors also considered it appropriate to prepare the financial statements on the going concern basis.