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Electricals



“I am pleased to report another strong performance from Supreme, which has seen the business extend its sector reach through a number of highly complementary acquisitions.

With our more recent acquisitions of Clearly Drinks and Typhoo Tea now fully integrated into the business, our team is now focused on leveraging both cross and up-sell opportunities alongside developing an exciting range of new products to deliver to market.”

Sandy Chadha
Chief Executive Officer



Our Categories

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Key Highlights

Financial Highlights

- Strong Adjusted EBITDA¹ growth of 6% with record levels of £40.5 million achieved (FY24: £38.1 million).
- Revenue growth of 4% to £231.1 million, thanks to acquisitions plus strong sales traction across the product mix with our vaping products (both owned and branded, now reported under a unified category) continuing to perform well.
- Drinks & Wellness doubled to £48.8 million (FY24: £23.9 million) boosted by the acquisitions of Clearly Drinks and Typhoo Tea.
- Gross profit % of 32% (FY24: 29%), growth of 10%, as a result of increased manufacturing across the Group with the addition of Clearly Drinks as well as efficiencies across the business.
- Positive Adjusted net cash position at year end after investing £25.6 million in strategic acquisitions.

Operational Highlights

- Strategic M&A activity supported the Group's diversification ambitions, adding approximately £40 million of profitable, annualised non-vape revenue to the Group.
- Delivered major enhancements to in-house manufacturing capacity and capabilities, supporting future growth across multiple product categories.
- Successfully relocated to a new, purpose-built head office and operational hub in Trafford Park, Manchester, reflecting the scale and ambition of the business.
- Renewed £40 million borrowing facility to continue to underpin ongoing investment in strategic acquisitions and innovation-led growth initiatives.

Dividend

- A final dividend, subject to shareholder approval at the Annual General Meeting on 18 September 2025, of 3.4 pence per share.
- The Group paid an interim dividend of 1.8 pence per share, which together with the final dividend would take total dividends for the year to 5.2 pence per share, a 10% increase on the prior year dividend.

Outlook / Current Trading

- Supreme has made a positive start to FY26 and expects to deliver another profitable and highly cash-generative year, trading in line with current market expectations⁵.
- Alongside an ongoing focus on accelerating organic growth, strategic cross-selling, and new product R&D, the Group remains committed to exploring complementary acquisitions to further exploit Supreme's premier distribution footprint.
- Supreme is ideally positioned to accelerate new business exploration activities, deliver continued organic growth, and target further profit margin improvements, all while ensuring the Group continues to offer consumers great quality products at affordable prices – pivotal in the current economic climate.

Revenue	Adjusted EBITDA ¹
£231.1m	£40.5m
+4%	+6%
FY24: £221.2m	FY24: £38.1m
Operating cash flow	Gross profit
£25.1m	£73.7m
-7%	+16%
FY24: £27.1m	FY24: £63.5m
Adjusted EPS ³	Adjusted net cash ⁴
21.6p	£1.2m
+3%	-90%
FY24: 20.9p	FY24: £11.6m

1. Adjusted EBITDA means operating profit before depreciation, amortisation and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments charge, fair value movements on non-hedge accounted derivatives and non-recurring items.

2. Adjusted Profit before tax means profit before tax and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments charge, fair value movements on non-hedge accounted derivatives and non-recurring items.

3. Adjusted EPS means Earnings per share, where Earnings are defined as profit after tax but before amortisation of acquired intangibles and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments, fair value movements on non-hedge accounted derivatives and non-recurring items.

4. Adjusted net cash means net debt as defined in Note 20 to these financial statements excluding the impact of IFRS16.

5. Analysts' consensus immediately before this announcement for the year ending 31 March 2026 was revenue of £236 million and Adjusted EBITDA¹ of £36.5 million.

Strategic Report



Chair's Statement

“I am pleased to report that Supreme traded strongly across FY25, achieving solid topline growth while effectively managing our cost base to ensure that we are well positioned to meet our long-term targets.”

Paul McDonald
Non-Executive Chair



I am pleased to report that Supreme traded strongly across FY25, achieving solid topline growth while effectively managing our cost base to ensure that we are well positioned to meet our long-term targets. Through strategic beverage business acquisitions, we entered new markets which have provided diversified revenue streams and new touchpoints for our ever-growing retail network. Concurrently, we prudently navigated well-publicised regulatory changes to the UK's vaping landscape to deliver a solid performance in that segment.

Our three newly consolidated categories – Electricals (formerly the separate categories Batteries and Lighting), Vaping (largely consisting of the previous Vaping and Branded Distribution categories), and Drinks & Wellness (formerly Sports Nutrition & Wellness plus the addition of soft drinks via the acquisition of Clearly Drinks Limited and the newly-acquired Typhoo Tea business) – have performed well and are profitable and resilient.

Supreme delivered a record financial performance in FY25 and ended the Period in a positive Adjusted net cash position after investing £25.6 million in strategic acquisitions. The Group delivered revenue growth of 4% to £231.1 million (FY24: £221.2 million), and Adjusted EBITDA of £40.5 million (FY24: £38.1 million), representing an increase of 6%.

FY25 was another solid year for Supreme's Vaping division. Whilst revenue for the consolidated category, which now includes ElfBar and Lost Mary product distribution, reduced by £11.4 million, this was due to the inevitable reduction in UK disposable vape sales of £16.6 million as retailers began preparing for the disposable vapes ban which officially came into effect on 1 June 2025. The remainder of the category revenue grew by £5.3 million (growth of 8%) and achieved gross margin gains as a result of manufacturing efficiencies and scale benefits. Our Drinks & Wellness category doubled revenue to £48.8 million (FY24: £23.9 million). The Sports Nutrition & Wellness products within this category grew by £1 million thanks to the excellent performance of existing brands (principally SCI-MX), whilst the remainder of the growth arose from the acquisitions of Clearly Drinks in June 2024 and Typhoo Tea in November 2024. The increased synergies that these transactions have generated have enabled us to accelerate new product development and explore opportunities to cross-sell and upsell innovative and in-demand products to existing and potential customers. As we commenced operations in the Soft Drinks market earlier this year, we decided to consolidate this category and our long-standing Sports Nutrition & Wellness segment to streamline our increasingly diversified product offering.

Our newly consolidated Electricals category experienced a 6% reduction in revenue, reflecting an overall market decline. Our work across the Lighting and Batteries markets continues to be a low-maintenance, cash-generative source of income for the business and an important touchpoint with our retail customers.

FY25 was a year of uncertainty for many UK and global businesses. During the period, we successfully navigated inflationary pressures, regulatory developments, and broader concerns around global trade to achieve stable growth, and, most importantly, upheld our commitment to providing consumers with easy access to high-quality, low-price products.

Regarding our broader exposure to the UK vaping market, Supreme remains supportive of the UK Government's policy. We were appropriately prepared for the ban on disposable vapes that was implemented on 1 June 2025, and we have managed the transition to pods and other vaping alternatives responsibly, having retained all major customers. As a leading player in the UK's vaping industry, we continue to provide our counsel to the Government, having advised on legislation around taxation on vaping.

Supreme holds a strong stance against underage vaping, as demonstrated by our proactive measures such as redesigning packaging and renaming our own-brand flavours to ensure our products do not attract individuals younger than 18 years old. Vaping is an effective and affordable smoking cessation tool and we firmly believe that adults looking to quit smoking should be supported in the most cost-effective and low-risk way.

As part of our wider diversification strategy, we are delighted to now be an active player in the soft drinks sector following the immediately earnings-enhancing acquisition of Clearly Drinks Ltd for £15.6 million in June 2024 (net of cash acquired). Clearly Drinks has been seamlessly integrated into the Group and has provided us with access to a 150,000 sq. ft., fully-automated drinks manufacturing facility, as well as the opportunity for further product development beyond Clearly Drinks' existing brands. Our augmented manufacturing capabilities, combined with our ongoing new product development work and sticky customer relationships, have the potential to significantly benefit the Group.

In November 2024, we acquired the iconic British brand Typhoo Tea for £10.2 million (which included stock with a fair value of £6.7 million). By combining Typhoo Tea's rich product portfolio with Supreme's Soft Drinks and Sports Nutrition & Wellness categories, we have unlocked new avenues for sales, marketing and product innovation. This acquisition also instantly extended Supreme's UK retail reach, welcoming high-street names such as Holland & Barrett into our fold and positioning us well for future growth.

Supreme's strong cash flows put us in a strong position to capitalise on further M&A opportunities to maintain a diverse and competitive offering of high-value, low-cost products. Our team are experts in recognising comparable, well-priced, immediately earnings-enhancing brands and integrating them into the Supreme portfolio with a keen focus on our core business offering.

During the year, and in line with the Quoted Companies Alliance (QCA) Corporate Governance Code (which emphasises regular board performance reviews), we undertook a full Board evaluation – conducted by an external party – to assess and enhance our governance practices. This included interviews, observations and assessments of board and committee operations, and detailed questionnaires completed by each director and the senior management team and advisors. Ultimately, there were no major concerns or immediate changes arising as a result of the review yet it provided assurance as to the appropriateness of our practices and policies.

We also moved our headquarters 'The Ark' to our new state-of-the-art facility during the period, the final phase of our relocation plan. Ark epitomises Supreme's growth as a business, as well as our continued commitment to providing the best possible working environment for our team.

The Board remains pleased with the Group's performance, and on its behalf, I would like to thank all our employees for their continued expertise, energy, and commitment which continues to support our growth. Our management team has driven Supreme to produce strong results, and we are confident that they can lead the Group to achieve its future growth ambitions.

Paul McDonald
Non-Executive Chair

30 June 2025

Our Business

Supreme is a leading manufacturer, brand owner and distributor of fast-moving consumer goods across the retail landscape – including leading UK discounters, major supermarkets, wholesalers and via our online platform. Our diverse products span three different categories: Vaping, Drinks & Wellness and Electricals. Our products share a common DNA; they are all branded ‘value’ consumer staples, offered at disruptively low prices, are easily transported and displayed with simple consumer offerings that our customers do not return.

Our Operating Model
Our high volume/low assortment manufacturing and direct sourcing model sits at the heart of our business and is supported by our centralised platform of shared resource, deep sector expertise and serviced via our unrivalled distribution network. This unrivalled platform allows us to offer compelling margins to retailers and the lowest prices to consumers, generating exceptional levels of loyalty.

Our Vision
Our vision is to become the UK’s number one supplier of branded consumer staple goods at unbeatable prices; by both developing and acquiring brands that can integrate into our well-invested manufacturing and distribution platform.

Our Mission
Our mission is to grow our market share in all our categories and to deliver a higher margin per square foot than any other consumer product in a retailer’s store.

Pillars for Growth

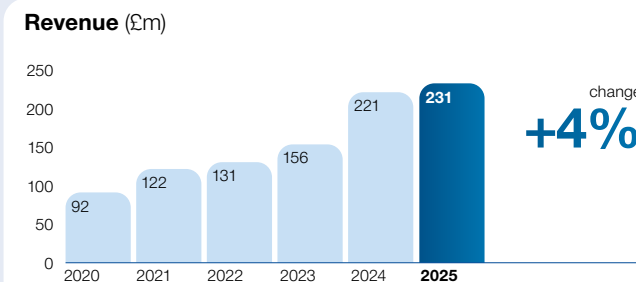
- 1.** Drive sales and profit growth across organic initiatives and via bolt-on M&A.
- 2.** Consider transformational M&A in order to supercharge profit growth.
- 3.** Develop new brands and consider new verticals in the future in line with our non-negotiable criteria set out in our operating model.
- 4.** Drive increased spend from our existing customers via a comprehensive cross-sell strategy underpinned by ongoing gap analysis.
- 5.** Invest in our people and our infrastructure to support future growth and retain talent.

Our values

				
Behave with Integrity	Be Agile	Keep it Simple	Attitude is everything	Be Proud and have fun!
We all treat this business as if it were our own. We operate with honesty in all our interactions with customers, suppliers, and employees and believe that trust is essential to building long-term relationships.	We make decisions quickly, take advantage of market opportunities and are flexible. We adapt to changes in our markets and our customers’ needs without hesitation.	We keep our product ranges modest, focus on markets and verticals we excel in and maintain a straight-forward honest pricing structure.	We believe that the right attitude drives enjoyment, enthusiasm and ultimately success.	By prioritising the well-being and safety of our employees, treating each other with kindness and respect, and giving back to the community and minimising our environmental impact, we hope to remain a supplier that our customers are proud to be associated with and a workplace that people are proud to belong to.

Supreme in Numbers

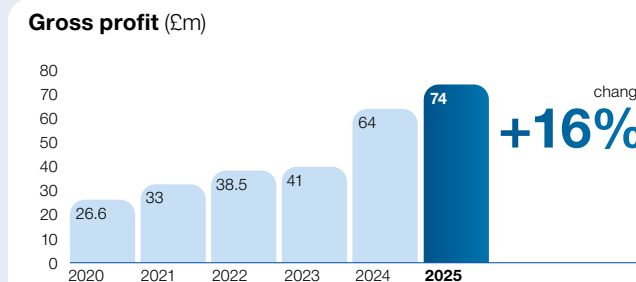
Strong Financial Performance Across FY25



Measure
Revenue £m.

Description
The revenue reported in the Period.

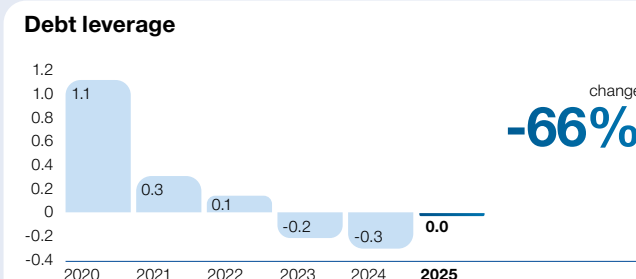
Performance
Revenue is up 4% to £231.1 million, driven largely by the businesses acquired during the period. The organic growth in the core business was offset by a reduction in revenue from disposable vapes.



Measure
Gross profit £m.

Description
The gross profit reported in the Period.

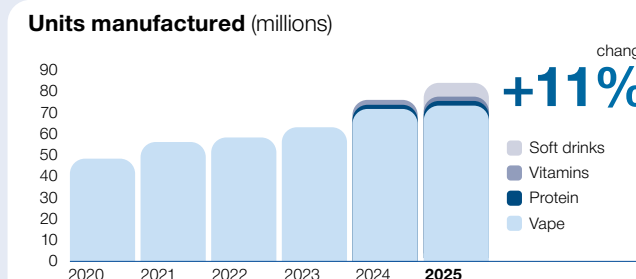
Performance
Absolute gross profit increased 16% to £73.7 million and the blended gross profit as % of sales increased from 29% to 32%, driven by higher gross margins from the businesses acquired in the period combined with increased margins in our Vaping category.



Measure
Debt leverage.

Description
Borrowings net of cash divided by the Adjusted EBITDA¹ reported in the Period.

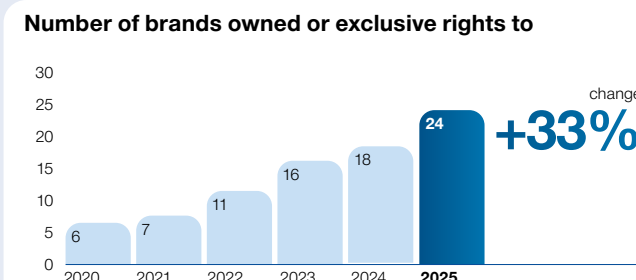
Performance
The business remained net cash positive at the end of FY25 despite £25.6 million invested in M&A, an indication of the cash-generative nature of the core and acquired businesses.



Measure
Manufacturing volume millions.

Description
The units of output across all elements of manufacturing across the Group i.e. vaping, protein, vitamins and drinks.

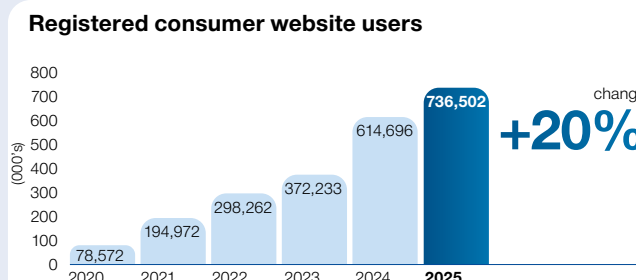
Performance
Manufacturing output increased 11% because all pre-existing manufacturing volumes increased and soft drinks manufacturing was added during the period.



Measure
Brand portfolio.

Description
The number of brands that the Group owns or has exclusive rights to via licensing.

Performance
Increase in brands driven by the acquisitions made in FY25.

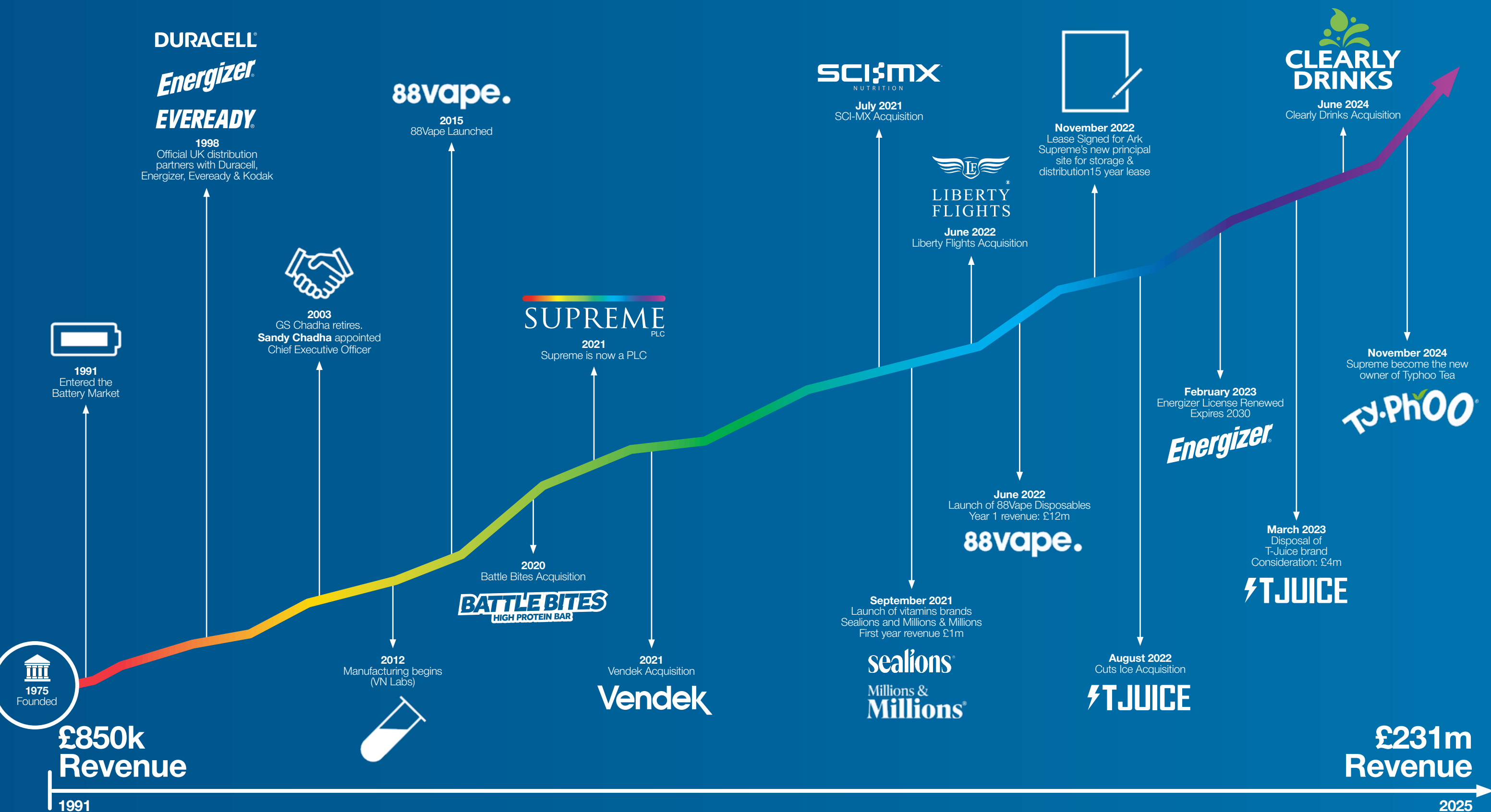


Measure
Consumer website databases.

Description
The number of consumers registered on each of our consumer websites combined.

Performance
Increase in databases across all consumer websites driven by increased traffic.

Our Growth Journey so Far



Key Investment Highlights

Leveraging our vertically integrated platform to take fast-moving consumer brands to our extensive customer network

Vertically integrated and brand-led

With UK-based manufacturing, exclusive product licensing, and ownership of leading brands, Supreme benefits from complete control over quality, cost, and margin, generating the majority of profits from products we either own or produce in-house.

Efficient, scalable platform

Our centralised operating model leverages shared overheads and cross-category expertise, enabling scalable growth without proportional cost increases.



Privileged market access

Our long-standing relationships provide us with privileged access to a broad and expanding customer base, spanning major UK retailers, discounters, supermarkets, the public sector, and a growing direct-to-consumer presence.

Financial strength and consistency

Delivered a 17% compound annual growth rate in both revenue and EBITDA from FY20 to FY25 whilst remaining capex-light and highly cash generative.

High calibre leadership

Our seasoned executive team brings deep sector expertise, supported by a PLC board with proven strategic and operational track records.



Disciplined, value-accretive M&A

We have a strong track record of acquiring businesses at attractive valuations and rapidly unlocking value through integration, delivering high returns on capital employed.

Customer-centric and disruption-driven

Through scaled UK manufacturing, global supplier networks, and relentless cost discipline, we offer high-quality, branded products at disruptively low prices; positioning ourselves as a supplier of choice in value-driven markets.

Diversified and resilient portfolio

Our broad product range benefits from multiple independent macro tailwinds. Coupled with a diverse customer mix including high-volume discounters, institutional buyers, and online platforms, this ensures resilience and multiple growth levers.



Bespoke Operational Platform Underpins Growth

Vertical integration offers excellent route to market for leading brands

New products

- Both developed in-house by Supreme alongside new third-party launches

Brands

- Own brand and licensed brands
- Distribution agreements

Product development

- Own brands plus private label brand product development for customers
- Provides innovation and originality

Manufacturing

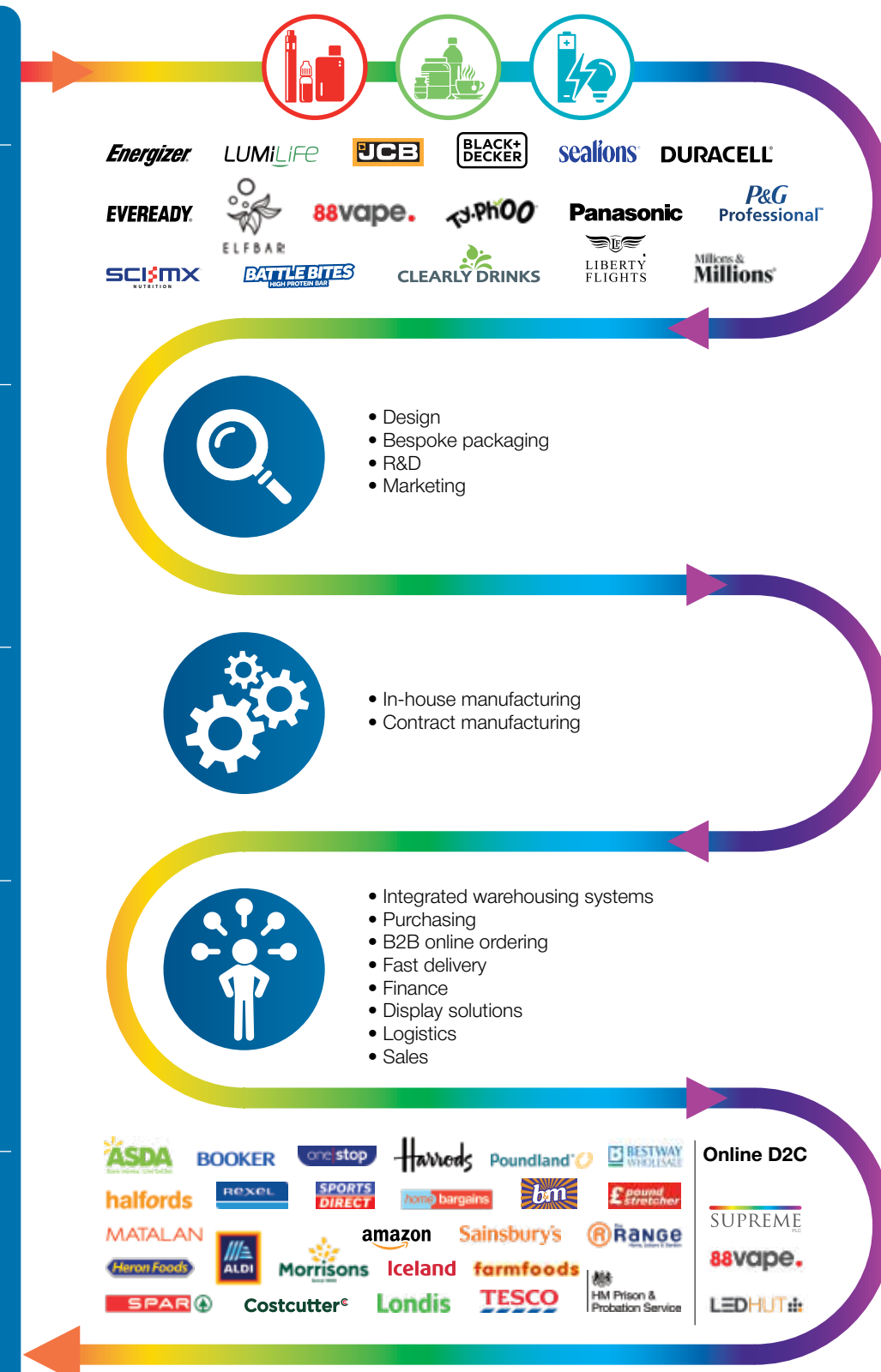
- In-house manufacturing for Vaping and Sports Nutrition and Wellness products
- Tight control on cost and quality

Services

- Online ordering and integrated management system for retailers

Extensive customer network

- 10,000 branded retail outlets and 1,000s of independent stores
- Selling own brands D2C through proprietary online stores



Chief Executive Officer's Review

"I am delighted with the strong operational performance of the Group, which further demonstrates that our vertically integrated platform provides the best route to market for both Supreme and our customers."

Sandy Chadha
Chief Executive Officer



Introduction

Supreme delivered another strong performance across the year ended 31 March 2025, supported by a number of highly strategic acquisitions which have accelerated our ongoing diversification ambitions. Pleasingly, our diverse product portfolio continues to resonate with consumers and retailers alike, including our new drinks brands such as the iconic Typhoo Tea.

The Group delivered solid revenue growth of 4% to £231.1 million (FY24: £221.2 million), alongside a 16% increase in gross profit to £73.7 million (FY24: £63.5 million). Adjusted EBITDA¹ also increased to record levels of £40.5 million (FY24: £38.1 million), which represented a 6% improvement on the prior year. The Group generated operating cash of £25.1 million (FY24: £27.1 million), further demonstrating the highly cash-generative nature of our core operations. Adjusted net cash⁴ on 31 March 2025 was £1.2 million and the Group proposes to pay a final dividend of 3.4 pence per share, resulting in 5.2 pence per share in total for the year (FY24: 4.7 pence per share in total).

The Group has again seen strong sales traction across our product mix, with our vaping products, both owned and branded (now reported under a unified Vaping category), continuing to perform well even after the highly publicised UK disposable vapes ban which came into effect on 1 June 2025. In addition, our newly created Drinks & Wellness category delivered a strong performance, buoyed by the acquisitions of Clearly Drinks and the historic UK tea brand, Typhoo Tea. These highly complementary brands have been seamlessly integrated into the Group, creating a number of cross-selling opportunities within our existing customer base alongside expertise and inspiration for ongoing new product development initiatives.

FY25 has been another significant period of strategic, operational and financial progress for Supreme, and I strongly believe that we remain firmly on track to deliver sustainable growth momentum in FY26 and beyond.

Operational Review

I am delighted with the strong operational performance of the Group, which further demonstrates that our vertically integrated platform provides the best route to market for both Supreme and our customers. Supreme's successful track record of developing and distributing our own products, alongside providing a truly unique distribution platform for reputable third parties, has underpinned our robust financial growth.

Management will therefore continue to focus on the following strategic growth drivers:

- Continue to explore and execute on complementary earnings-enhancing acquisitions;
- Further leverage cross-selling opportunities to expand our customer footprint and average revenue per customer;
- Continue to explore and develop new product verticals that complement Supreme's customer base, focused on a high quality and good value consumer proposition;
- Leverage our new manufacturing and distribution footprint to create ongoing economies of scale and explore bringing the manufacture of even more products in-house; and
- Enhance online distribution and services to further grow our B2B and D2C sales channels.

Vaping

The Group's vaping activities, which include own brand sales alongside our branded Lost Mary and ElfBar vape products, remained stable with sales for the Period of £129.0 million (FY24: £140.3 million). The Group reported revenue of UK disposable vapes of £54.1 million (FY24: £70.7 million). This performance was anticipated and in line with our expectations as the business prepared itself and its retail customers for the recently implemented UK ban on disposable vapes. The quality of the Group's earnings has not been compromised, as evidenced by the strong gross margins year-on-year and the disciplined stock management strategy, meaning that the Group does not require any extensive stock provisions this year end to protect the business from any profit exposure in FY26. This market transition has been carefully and prudently managed with respect to cashflow and stock holding, with Supreme continuing to support the transition to pods and other disposable vape alternatives with all our major customers.



Chief Executive Officer's Review

continued

Non-disposable vape activity continues to be strong, with the business delivering revenue growth of £5.3 million (8%) and gross margin expansion in our core vaping business. During FY25, the business focused internally on enhancing manufacturing processes, ongoing automation and sourcing consolidation, which, when combined with the impact of inflationary product price increases introduced in Q4 FY25, enabled the Group to produce record gross profits levels.

As a responsible manufacturer and key long-standing player within the vaping industry, during FY25 we acted as a sounding board and a knowledge base for the UK Government while it designed its legislation around new taxes on vaping, currently ear-marked for October 2026, and hosted several visits and consultations at our facility. We view the forthcoming levy on vaping as an opportunity to reframe the commercial positioning of our vaping products. As a well-invested, cash-generative business, Supreme is well placed to navigate the resulting changes in manufacturing and working capital with confidence and resilience. In contrast, other businesses within the industry may lack the financial strength to adapt, potentially creating attractive M&A opportunities for Supreme which we will monitor attentively.

We continue to work with our key vaping customers and partners to ensure a smooth transition as any new legislative measures are absorbed by the market. Vaping remains a credible, sustainable, and highly effective smoking cessation tool endorsed by global public health officials and is integral to the UK Government's 'Achieving Smoke-free 2030' initiative.

Drinks & Wellness

Our newly created Drinks & Wellness category has been formed by combining our existing Sports Nutrition & Wellness category with our newly acquired soft drinks and hot beverages businesses, Clearly Drinks and Typhoo Tea. Given the similarities in the nature of the products and innovation pipeline, as well as the management team overseeing these areas of our business, we are confident that we can maximise the operational overlap which will strengthen and accelerate our market reach as we look to grow our footprint in this expanding market.

With regards to our wellness products, both revenue and gross profit grew 5% in FY25, driven in part by further gains by our principal SCI-MX brand where new product development continued to drive growth. The acquisition of SCI-MX in FY22 is representative of Supreme's effective M&A strategy; identifying and integrating a well-recognised and high-potential UK consumer brand that had been neglected and was therefore in decline. In its first year under Supreme's ownership, the brand was reformulated and re-branded and manufacturing was brought in-house. The brand was integrated into Supreme's core platform of resource, including warehouse and account management, and the business was immediately returned to profitability and wide-scale UK distribution. In FY25, revenue from SCI-MX totalled £10 million, a brand we acquired for just £1.4 million.

The acquisition of Clearly Drinks in June 2024, a manufacturer of soft drinks and bottled-at-source spring water, represented an important strategic development for Supreme's Drinks & Wellness category as it enabled Supreme to expand into the wellness drinks market in which protein and vitamin-infused drinks are gathering sizeable traction with consumers. Clearly Drinks has allowed us to expand our manufacturing capabilities and know-how, supporting our growing innovation pipeline and ambitions to roll-out new products that we are confident will deliver returns in FY26.

By merging Supreme's entrepreneurial drive and expansive customer network with Clearly Drinks' £20+ million revenue base, generating an almost 40% gross margin across contract manufacturing and its own soft drink and bottled water brands, Supreme is now unlocking significant cross-sell opportunities, most notably securing a listing for the Perfectly Clear brand with one of Supreme's largest clients. This ongoing collaboration has also created a robust pipeline of further incremental revenue prospects by combining Clearly Drinks' storied brand portfolio with Supreme's go-to-market expertise, while simultaneously delivering immediate cost-savings through the integration of support functions and overheads. Moreover, Supreme's manufacturing innovations have accelerated Clearly Drinks' product development and production resilience, positioning our unified business for sustained growth and enhanced operational efficiency.

In November 2024, Supreme entered the black and herbal tea market through the high-profile acquisition of the trade and assets of Typhoo Tea out of administration. Typhoo, which is one of the UK's most iconic brands, had reported a decline in both sales and profitability over several years as a result of ineffective rebranding, poorly executed outsourced manufacturing, and a prohibitive cost base. Supreme's intention is to realign the brand, pricing, and flavour profile to suit mainstream distribution as well as to bring manufacturing back inhouse.

As well as the signature Typhoo brand, the acquisition also included the purchase of several other long-standing UK tea brands including Heath & Heather, QT, Lift, and London Fruit & Herb. Supreme is confident that it can profitably distribute and grow these brands with the right support and strategic influence from our trusted model and experienced team.

By integrating Typhoo's rich product portfolio with Supreme's Soft Drinks and Sports Nutrition & Wellness categories, the business has now been able to capitalise on sales, marketing and product innovation opportunities. Our teams are now focused on expanding product listings across supermarkets, discounters, wholesalers and online platforms, and we are focused on developing our own-label or licensed offerings under established brands, mirroring Supreme's proven track record across the batteries and lighting markets. Most importantly, the acquisition has broadened our UK retail footprint, enabling us to develop new relationships with even more established high-street names, including Holland & Barrett, which will facilitate our continued growth.

For the year ended 30 September 2024, Typhoo Tea reported unaudited revenue of approximately £20 million and a loss before tax of approximately £4.6 million. In the four months under Supreme's ownership, the business reported revenue of £6.1 million and contributed positively – albeit modestly – to the Group's Adjusted EBITDA position. In these four months, the priority has been to stabilise the brand and its positioning in the market, determine a cost-effective and ethical supply chain, and re-establish inhouse manufacturing.

Looking to the future, we will work on widening the distribution of the acquired brands via Supreme's own network as well as exploring the out-of-home market and expanding internationally in territories of high brand recognition.

Electricals

Our batteries and lighting category recorded a modest revenue decline of 6% from £57.0 million to £53.4 million, reflecting the longer-term market trend across these categories and the ongoing cost challenges facing consumers. Despite the much-publicised slowdown in consumer spending, both categories continue to serve as low-maintenance, cash-generative segments for Supreme, benefitting from established customer relationships and efficient distribution networks. We have worked hard to drive increasing rates of return at a gross profit level for this category by managing the Group's currency exposure and devising smart, scaled shipping policies.

Outlook

Supreme has made a positive start to FY26 and expects to deliver another profitable and highly cash-generative year, trading in line with current market expectations⁵.

Alongside an ongoing focus on accelerating organic growth, strategic cross-selling, and new product R&D, the Group remains committed to exploring complementary acquisitions to further exploit Supreme's premier distribution footprint.

The Board is cognisant of further potential changes to the UK vaping market, especially given the industry's relative nascence, however, it is encouraged by how the Group successfully navigated the disposable vapes ban and the effort the team has put into accommodating the transition to pod and rechargeable devices. We remain excited by the myriad of opportunities our entry into the drinks market is generating, as well as the continued strong performance of our key wellness brands and look ahead with anticipation to new product launches which are central to our market share expansion objectives.

Supreme is in an ideal position to accelerate new business exploration activities, deliver continued organic growth, and target further profit margin improvements, all while ensuring we continue to offer consumers great quality products at affordable prices – pivotal in the current economic climate.

Sandy Chadha

Chief Executive Officer

30 June 2025



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4. Adjusted net cash means net debt as defined in Note 20 to these financial statements excluding the impact of IFRS16.
5. Analysts' consensus immediately before this announcement for the year ending 31 March 2026 was revenue of £236 million and Adjusted EBITDA1 of £36.5 million.



Vaping

As well as being the creator and maker of 88Vape, Supreme distributes devices and e-liquids from many of this category's most recognisable brands. All items are fully compliant with the latest TPD legislation.

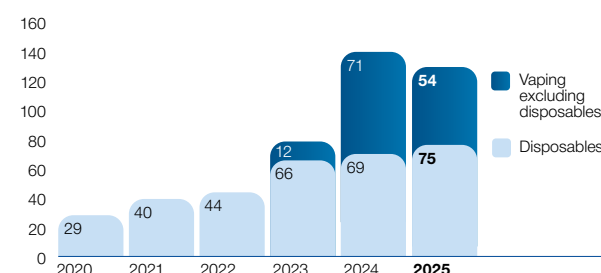


Our Categories

Vaping

- Market transition to pods and other disposable vape alternatives carefully managed with all our major customers
- Non-disposable vape activity continues to be strong across e-liquids & HMPPS
- Forthcoming levy on vaping in October 2026 is an opportunity to reframe the commercial positioning of our vaping products
- Vaping remains a credible, sustainable, and highly effective smoking cessation tool

Vaping Revenue £m



New products
Continued roll-out of new vaping products, including reusable devices



£3bn
The UK vaping market is valued at over £3 billion

£129m
Revenue

36%
Gross margin

+8%
Growth in non-disposable revenue



HMPPS Contract
Organic retail growth and positive performance from HMPPS contract



Transition
Transition from disposables to replacement devices has started well



LOST MARY

IVG

88vape.

LIBERTY
FLIGHTS

MOJA

XO
E-LIQUID

ELFBAR





Drinks & Wellness

From tea and bottled soft drinks to high protein snacks and everyday vitamins for all the family, Supreme offers quality products developed by our own experts and manufactured in our own state-of-the-art facilities.



Our Categories

Drinks & Wellness

- Newly consolidated Drinks & Wellness category has created another strong growth platform for the business
- Clearly Drinks has allowed us to expand our manufacturing capabilities and know-how, supporting our growing innovation pipeline and ambitions to roll-out new products
- Focused on widening the distribution of the acquired brands via Supreme's own network
- Both acquisitions were immediately earnings-enhancing

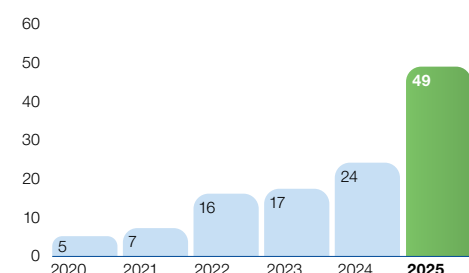


£49m
Revenue

29%
Gross margin



Wellness & Drinks Revenue £m



Diversification

Acquisition of Clearly Drinks and Typhoo Tea accelerates diversification



+5%

Wellness grew 5% in FY25



£10m

SCI-MX reported revenue of £10m, a brand acquired for £1.4m



New products

Innovation & new product development pipeline is buoyant

Millions &
Millions

**Protein
Dynamix**

sealions

BATTLE BITES
HIGH PROTEIN BAR

SCI-MX
NUTRITION





Electricals

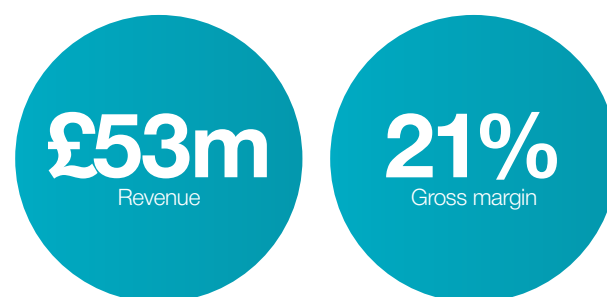
Since the early 90s, Supreme has partnered with some of the world's biggest names in electricals such as Duracell, Energizer and Panasonic, providing our customers across the globe with an ever-expanding product range.



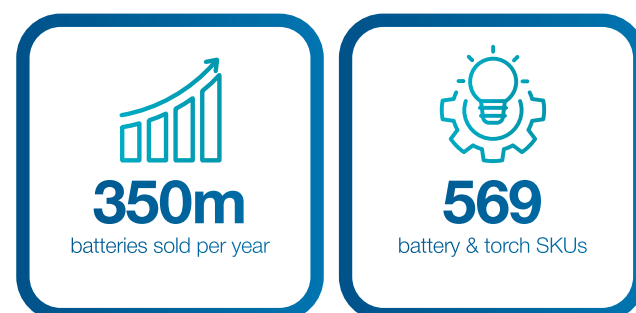
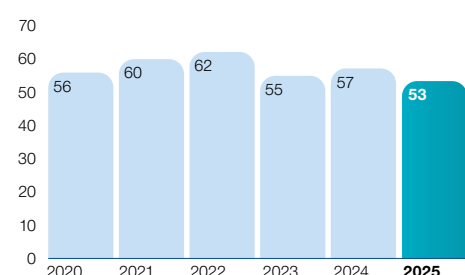
Our Categories

Electricals

- Our Electricals category recorded revenue decline of 6% from £57m to £53m, reflecting the longer-term broader market trend
- Low-maintenance, cash-generative segment for Supreme, benefitting from established customer relationships and efficient distribution networks
- Stable rates of gross profit % by managing the Group's currency exposure, expert procurement and devising smart, scaled shipping policies



Electricals Revenue £m



EVEREADY

Panasonic

JCB

LUMiLiFe

BLACK+DECKER

DURACELL

OSRAM

Energizer



Case Study

The Strategic Acquisition of Clearly Drinks

In June 2024, Supreme entered the soft drinks market via the acquisition of Clearly Drinks, a long-established and well-known UK manufacturer of specialised canned and bottled-at-source spring water and soft drinks, for a total net cash consideration of £15.6 million.

CLEARLY DRINKS



1. Entry into a new growth vertical

Provides Supreme with increased product diversification and entry into new market opportunities.

2. Strong standalone performance

Under its first (partial) year of ownership, Clearly Drinks generated £18.9 million of revenue for Supreme at nearly 40% gross margin, driven by both contract manufacturing and its own-brand soft drinks and bottled-at-source spring water.

3. High-value cross-sell wins

Leveraging Clearly Drinks' branded portfolio (notably its leading brand, Perfectly Clear) with Supreme's established customer network has already delivered major listings—most prominently securing Perfectly Clear with one of Supreme's top-tier UK retail customers.

4. New opportunity pipeline

The fusion of Clearly Drinks' back-catalogue of brands and Supreme's entrepreneurial go-to-market approach has unlocked further high-potential cross-sell discussions which we expect to convert into incremental revenues with other major Supreme customers in the near term.

5. Overhead synergies

By integrating Clearly Drinks' support functions into Supreme's more scalable cost base, we've achieved immediate administrative cost savings, particularly with respect to senior management, Board and adviser costs.

6. Accelerated innovation

Supreme's manufacturing expertise has been deployed to optimise Clearly Drinks' production processes, accelerating new product development and improving operational resilience. In March 2025, Clearly Drinks began operating a fifth manufacturing line – a pilot line for canned drinks – which was an idea that came directly from Supreme's CEO after he spotted a gap in the market for low-volume, nascent soft drinks brands. The Supreme team has also introduced a number of licensing concepts to Clearly Drinks' innovation pipeline.



£19m
Revenue



Next steps:

- ➔ **Fast-track** the current cross-sell opportunities to conversion
- ➔ **Identify** further areas for operational integration (e.g., procurement, logistics)
- ➔ **Develop** a joint innovation roadmap to harness combined R&D capabilities

The innovation pipelines for soft drinks, water and wellness are all buoyant and customer interest levels are exceptionally high as a result of combining the highly automated and accredited manufacturing excellence of Clearly Drinks with the customer network, healthy balance sheet and entrepreneurial spirit of Supreme.

Case Study

Putting the “ooO” Back into Typhoo

In November 2024, Supreme acquired the brands, trade and selected assets of Typhoo Tea Limited out of administration for £10.2 million, signalling Supreme’s entry into the hot drinks market via a truly British consumer icon.

Ty-Phoo®



Prior to Supreme’s ownership, the business had been in decline over a number of years owing to falling sales, intense competition, and an unsuccessful re-brand in 2024. The company had also suffered operational disruption when it chose to move all manufacturing to various third parties and ceased private label manufacturing for supermarket customers.

In the year to 30 September 2024, the business reported unaudited revenue of £20 million and a loss before tax of £4.6 million. Supreme acquired the trade and assets two months later and in the four months of its ownership prior to year end, executed a number of proactive measures to improve performance, including:

- Re-brand of Typhoo, returning the brand to the iconic, recognisable packaging
- Product strategy overhaul, returning the tea to higher quality, better tasting blends sourced only from rainforest alliance certified gardens
- Re-establishment of inhouse manufacturing, providing Supreme with extensive vertical integration leading to cost-savings and sourcing visibility and consistency
- Innovation pipeline built with input from Drinks & Wellness resource at Supreme and Clearly Drinks, demonstrating effective cross-company collaboration
- Full back-office integration into Supreme’s integrated platform, including warehousing, sales support and finance

As a result, all major customers were retained and the operations were immediately earnings enhancing for Supreme.



£6m
Revenue in first 4 months

Next steps:

- **Maximise** sales with all existing Typhoo customers by showcasing all ranges and brands in Supreme’s hot beverages portfolio
- **Establish** scale and efficiencies within the newly-established manufacturing site
- **Secure** new listings internationally and within the out-of-home space
- Bring **new products** and concepts to market to encourage new consumers to try and permanently switch to Typhoo
- **Fully leverage** Supreme’s extensive UK retail footprint and vertically integrated distribution platform

Chief Finance Officer's Review

“I am pleased to present our financial results for FY25, a year in which the Group delivered another strong financial performance. Building on the momentum of previous years, we achieved growth across key financial metrics.”

Suzanne Smith
Chief Finance Officer



I am pleased to present our financial results for FY25, a year in which the Group delivered another strong financial performance. Building on the momentum of previous years, we achieved growth across key financial metrics. Revenue increased by 4% to £231.1 million (FY24: £221.2 million), and Adjusted EBITDA¹ grew by 6% to £40.5 million (FY24: £38.1 million). The growth was largely a result of the strategic M&A undertaken in the year which took the business into new verticals, diversified the business' product mix, enhanced the Group's portfolio of owned brands, and increased its breadth of manufacturing.

The Group maintained a robust financial position, ending the year Adjusted net cash positive with net assets increasing by £18.5 million to £76.5 million (FY24: £58.0 million). This ongoing balance sheet strength is particularly noteworthy given the Group's ongoing investment into both strategic acquisitions and organic initiatives.

A summary of the key financial results is presented below, followed by further detail on divisional performance, group profitability and cash flow.

Financial highlights

	FY 25 £m	FY 24 £m	% change
Revenue	231.1	221.2	+4%
Gross profit	73.7	63.5	+16%
Gross profit %	32%	29%	+10%
Adjusted EBITDA ¹	40.5	38.1	+6%
Adjusted items	0.7	(0.6)	
Profit before tax	30.9	30.1	+3%
Adjusted profit before tax ²	30.2	30.7	-2%
EPS	20.1p	19.1p	+5%
Adjusted EPS ³	21.6p	20.9p	+3%
Operating cash flow	25.1	27.1	-7%
Net assets	76.5	58.0	+32%
Adjusted net cash ⁴	1.2	11.6	-90%
Net debt	12.3	3.1	-297%

Revenue

Group revenue for FY25 was £231.1 million, representing an increase of 4% compared to the prior year (FY24: £221.2 million). £25.0 million of revenue was generated from the two major acquisitions made during the year whilst revenue from disposable vapes fell by £16.6 million. In Electricals (formerly the Batteries and Lighting divisions), revenue fell by £3.7 million whilst the remainder of the core business grew by £5.2 million (2%). Further details by division are presented below.

Revenue for **Electricals** fell by £3.7 million (6%) to £53.4 million (FY24: £57.0 million), owing to a reduction in retail sales arising evenly across Batteries and Lighting. Whilst these markets have been in long term decline, especially batteries, Supreme has always been able to outperform the overall market trend. It is important to note that the reduction reported by Supreme in FY25 was modest relative to the overall market decline.

Revenue for **Vaping** fell £11.4 million overall but removing the impact of the disposable vape sales, the underlying category grew by £5.3 million (8%). The reduction in disposable vape revenue arose largely within the 88Vape range where Supreme consciously and intentionally de-emphasised disposables during the Period, reducing stock holding and tightening SKU discipline to minimise any inventory risk on 1 June 2025 when these items were prohibited from sale in the UK. All of this proactive stock management led, predictably, to lower sales which we see as a short term temporal issue as the market evolves to the regulation change. Away from disposable vapes, the remainder of the category performed robustly with strong sales particularly online via the 88Vape.com website.

Revenue from **Drinks & Wellness** broadly doubled from £23.9 million in FY24 to £48.8 million in FY25. £18.9 million arose in Clearly Drinks, the soft drinks manufacturer Supreme acquired in Q1 FY25, and £6.1 million arose with the addition of Typhoo Tea, which was acquired in Q3 FY25. The underlying Wellness business grew 5% to £18.9 million, largely as a result of the further gains made by the SCI-MX brand in particular which has experienced new product development and continued growth.



Chief Financial Officer's Review

continued

Gross profit

Gross profit increased to £73.7 million (FY24: £63.5 million), representing 32% of sales (FY24: 29%). All categories reported improved or stable gross margins as a result of scale, ongoing cost control as well as favourable mix within categories (increased focus on powders within Wellness, for instance, and increased volumes in e-liquids within Vaping). Undoubtedly, the blended gross margin % benefitted from the addition of Clearly Drinks into the Group, where manufacturing margins are almost 40% and a reduced reliance on disposable vape revenue where distribution margins are lower.

Adjusted EBITDA¹

Administrative expenses reported within Adjusted EBITDA were £33.3million (FY24: £25.4 million). The year-on-year increase was mainly driven by:

- The overheads in relation to the businesses acquired during the Period totalling £5.8 million;
- £0.7 million in respect of additional people costs due to business-wide living wage and inflationary pay-rises as well as investment in people to support the depth and quality of our management teams; and
- £0.5 million of incremental expenditure in respect of advertising.

Adjusted EBITDA¹ increased to £40.5 million (FY24: £38.1 million), growth of 6%.

Adjusted items

Adjusted items totalled £0.7 million credit (FY24: £0.6 million charge). As in previous years, these primarily related to fair value movements on forward contracts and share-based payment charges, which together amounted to £0.6 million (FY24: £0.6 million). In addition, the Group recognised a net credit of £1.2 million in connection with acquisitions completed during FY25. This comprised advisory ("transaction") and integration ("acquisition") costs associated with onboarding the acquired businesses. These costs were offset by negative goodwill of £4.1 million on the acquisition of Typhoo Tea reduced by £1.2 million in respect of ransom payments to key Typhoo suppliers. These costs were deducted from the goodwill recognised to produce a net gain on bargain purchase reflecting the substantial discount at which Supreme acquired the assets.

The Board believes that by adjusting these items from profitability, it was able to understand the underlying performance of the business more clearly and further information pertaining to these items can be found in Note 7 to these financial statements.

Finance costs

Finance costs (net of interest income) were £1.6 million in FY25 (FY24: £1.9 million), split between interest arising from borrowings (net of interest on deposits) in the financial year of £0.7 million, amortised arrangement fees of £0.1 million and the interest relating to the lease liabilities under IFRS16 of £0.8 million.

Taxation

The Group incurred a tax charge of £7.4 million (FY24: £7.7 million), giving rise to an effective tax rate of 24% (FY24: 26%).

Profit after tax and earnings per share

Profit after tax was £23.5 million compared to £22.4 million in FY24, growth of 5%. As a result, earnings per share increased by 5% to 20.1p (FY24: 19.1p) and on a fully diluted basis increased from 18.1p to 19.5p. On an adjusted profit after tax basis, which we consider to be a better measure of performance, adjusted earnings (as calculated in note 11) were £25.3 million (FY24: £24.5 million) and adjusted earnings per share³ was 21.6p (FY24: 20.9p).

Dividends

In line with our dividend policy of distributing c.25% of net profit, the Group paid an interim dividend of 1.8p per share in January 2025. A final dividend of 3.4p per share will be proposed at the Annual General Meeting, scheduled to take place 18 September 2025, taking the total dividend for the year to 5.2p per share (FY24: 4.7p per share). This will be paid on 23 September 2025 to shareholders on the register at the close of business on 22 August 2025. The ex-dividend date will be 21 August 2025.

Cashflow

	FY 25 £m	FY 24 £m
Adjusted EBITDA ¹	40.5	38.1
Movement in working capital	(6.9)	(5.7)
Tax paid	(6.8)	(5.3)
Cash-impacting Adjusted items	(1.7)	–
Operating cash flow	25.1	27.1
Debt servicing / raising / repaying	1.7	(5.0)
Lease payments	(1.9)	(1.2)
Capital expenditure	(3.2)	(5.4)
M&A (net of cash acquired)	(25.6)	(6.1)
Proceeds from sale of assets	1.0	0.1
Dividends paid (net of new share issues)	(5.5)	(4.3)
Share buyback	–	(1.0)
Net cash flow	(8.4)	4.2
Opening cash	11.6	7.5
Closing cash	3.2	11.6
Net cash flow	(8.4)	4.2

The Group generated £25.1 million of operating cash in the Period which it largely reinvested back into the business via the acquisitions of Clearly Drinks and Typhoo Tea which totalled £25.6 million (net of cash acquired).

Capital expenditure principally related to £1 million to fit out Supreme's brand new head offices, £1 million investment into the agile "pilot" canning line at Clearly Drinks that is expected to facilitate smaller scale opportunities, £0.8 million investment into Supreme's new tea manufacturing facility that opened in April 2025, and £0.4 million to establish nicotine pouch manufacturing in the UK.

£1 million was generated via the sale of property inherited as part of the acquisition of Liberty Flights in 2022.

Movements in working capital, tax payment and dividends payments were all part of the ordinary course of business at Supreme.

In respect of financing, the Group refinanced all of its borrowing facilities during the year. The Group replaced its revolving credit facility for an asset-backed lending facility (the scale of the facilities are comparable and both the outgoing and replacement facilities are with HSBC, but the arrangement and non-utilisation fees are both less expensive under the new facility). At year-end, the balance sheet reported net cash for the Group of £1.2 million and £38 million of unutilised borrowings.

Net debt

	FY 25 £m	FY 24 £m
Cash	(3.2)	(11.6)
Bank borrowings	2.0	–
Adjusted net (cash) / debt ⁴	(1.2)	(11.6)
IFRS16 lease liability	13.4	14.7
Net debt	12.3	3.1

Use of non-GAAP measures

As in previous years, certain non-GAAP metrics are used in this report to provide clarity and comparability. These are clearly defined in the notes to the financial statements and reconciled where applicable.

Suzanne Smith
Chief Finance Officer

30 June 2025



1. Adjusted EBITDA means operating profit before depreciation, amortisation and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments charge, fair value movements on non-hedge accounted derivatives and non-recurring items.
2. Adjusted Profit before tax means profit before tax and Adjusted items (as defined in Note 7 of the financial statements) Adjusted items include share-based payments charge, fair value movements on non-hedge accounted derivatives and non-recurring items.
3. Adjusted EPS means Earnings per share, where Earnings are defined as profit after tax but before amortisation of acquired intangibles and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments, fair value movements on non-hedge accounted derivatives and non-recurring items.
4. Adjusted net cash means net debt as defined in Note 20 to these financial statements excluding the impact of IFRS16.

Our Approach to ESG

At Supreme, our ESG vision remains clear and focused: to cultivate a happy, motivated, and fulfilled workforce within a safe and inclusive environment, to contribute positively to our communities, and to minimise our environmental impact in ways that are both meaningful and lasting. Our commitment to ethical practices, underpinned by the values we live by every day continues to shape our culture and operations, making us a responsible manufacturer, employer, and corporate citizen.

We have long understood the importance of “doing the right thing” across all areas of our business; for our people, our environment, our communities, and our stakeholders. FY25 has been no exception, and our progress in ESG reflects the energy, innovation, and care shown by our people.

Our ESG activities are coordinated through a number of internal sub-committees: the Sustainability Committee, Energy Steering Team, Workers’ Committee, and ESG Forum. These continue to be managed by our Head of HR and overseen by our CFO, ensuring alignment with our business goals. Our internal communications platform, Team Supreme (formally Yapster), remains central to sharing updates and maintaining transparent, two-way engagement across the Group.

We remain committed to investing in our people and across FY25, we continued to enhance employee benefits, develop transferrable training programmes, and support a successful mentoring initiative. We recognise that our people are at the heart of our ESG journey and their voice and input are key to shaping our future.

In FY25, we also further progressed our sustainability credentials to reduce energy consumption, focus on renewable energy sources, make our people and product transportation network as lean as possible and ultimately be proud of our entire supply chain network.

And, taking direction from our workforce, we continued to make a positive contribution to our local community both economically and socially.



Aligning with the United Nations Sustainable Development Goals (UN SDGs)



At Supreme, we are committed to embedding ESG principles into every aspect of our operations. We continue to carefully review the United Nations’ 17 Sustainable Development Goals (SDGs) to identify those most relevant to our business and where we can make a tangible, positive impact. Our strategy is grounded in responsible governance, with a strong focus on managing our social and environmental footprint, both within our direct operations and throughout our broader supply chain. As a result, we are prioritising the goals where we can drive the greatest contribution and long-term value. Below is an update on how Supreme’s activities continue to contribute meaningfully to these priorities:



Responsible Consumption & Production

Supreme remains focused on managing a responsible and environmentally-conscious supply chain. Our sourcing and distribution practices are designed to minimise waste, reduce emissions, and improve operational efficiency. During FY25, we have intensified efforts to reduce packaging waste, optimise logistics routes, and collaborate more closely with suppliers to embed sustainability into product lifecycles. Ethical sourcing remains central to our procurement processes, especially in our Far East operations, where we continue to uphold high standards of labour rights, fair treatment, and environmental stewardship through regular audits and supplier engagement.



No Poverty

Our commitment to providing accessibly priced, high-quality consumer goods remains unwavering. Supreme’s business model enables consumers from all economic backgrounds to benefit from affordable, trusted alternatives to mainstream branded products. In an economic environment characterised by sustained inflation and mounting cost-of-living pressures, we continue to support household budgets through our value-led approach. By democratising access to everyday essentials, we reinforce our alignment with broader societal efforts to reduce economic inequality and promote financial inclusion.



Good Health & Wellbeing

Supreme plays a proactive role in improving public health outcomes. Our growing vaping portfolio offers a viable, regulated alternative to traditional tobacco products. Supported by public health data, vaping is increasingly recognised as an effective smoking cessation tool and we are proud to support the UK’s goal of becoming smoke-free by 2030. Additionally, our Drinks & Wellness division encompassing vitamins, protein bars, and meal replacement products, supports active lifestyles and general wellbeing, empowering consumers to make healthier choices as part of their daily routines.



Affordable & Clean Energy

Energy efficiency remains a core operational focus. In FY25, we undertook a detailed energy audit across our facilities, leading to the implementation of new LED lighting systems, energy-efficient equipment upgrades, and optimised usage scheduling to reduce overall consumption. We also continue to explore renewable energy opportunities as we future-proof our infrastructure against rising energy costs and climate-related risks.



Climate Action

Supreme recognises the urgency of addressing climate change and is committed to being part of the solution. This year, we enhanced our emissions monitoring processes, setting a foundation for a broader decarbonisation roadmap. We are also working with supply chain partners to encourage greater transparency and environmental accountability, reinforcing the message that meaningful climate action must be collaborative.



Reduced Inequalities

We strive to create a fair, inclusive and respectful working environment across all our operations. Our commitment to equal pay, safe working conditions, and opportunities for career advancement is reflected in our policies and day-to-day practices. We have taken steps in FY25 to improve accessibility in recruitment and to promote greater inclusion at all levels of the organisation.



Gender Equality

We continue to focus on building a balanced and representative workforce. During FY25, we reviewed our talent pipeline to identify and address any potential barriers to progression for women, particularly at senior levels. We have also been looking at how we support flexible working and parental responsibility to encourage greater gender balance across the business.



Quality Education

People development is central to Supreme’s culture. Our training and upskilling programmes have been expanded over the year to include new leadership development tracks, technical certifications, and cross-functional learning opportunities. By investing in our people, we aim to equip them with the skills and confidence to thrive both now and in the future.

We Look After our Environment

Sustainable energy sources

In FY25, we undertook a full energy audit, identifying areas of inefficient or unnecessary energy consumption. As a result, we implemented hard switch-offs across weekends and upgraded outdated machinery components in our manufacturing facilities to more energy-efficient alternatives. Our relocation to a new head office at The Ark in Manchester has furthered our sustainability objectives where we installed lighting sensors in all areas and centralised control of heating and cooling systems, ensuring maximum energy efficiency throughout the building.

We also enhanced waste management across our manufacturing, warehousing, and office sites, maximising recycling, reducing overall waste, and lowering waste removal costs.

In late 2023, we installed 980 solar modules (410W each) on our manufacturing facility roofs, forming a 310 kWp solar power system. During FY25, we utilised approximately 65% of the generated energy internally, with the surplus sold back to the national grid. We also explored re-use and recycling options within our vape manufacturing processes, and post-year end extended this work to our tea manufacturing operations, further improving waste efficiency.

The entire Supreme Group continues to use only 100% renewable energy (gas and electric) backed by Renewable Energy Guarantees of Origin certification (REGO).

Sustainability and recycling

On World Recycling Day, we launched our first Supreme Swap Shop, encouraging staff to exchange clothes, toys, and household items, bringing our recycling ethos into the workplace.

Sustainable supply chain and distribution

We placed greater emphasis on supplier sustainability credentials in FY25, particularly in our hot drinks category. All tea blends are now sourced from Rainforest Alliance Certified gardens, and we are actively working with the Ethical Tea Partnership to drive further progress.

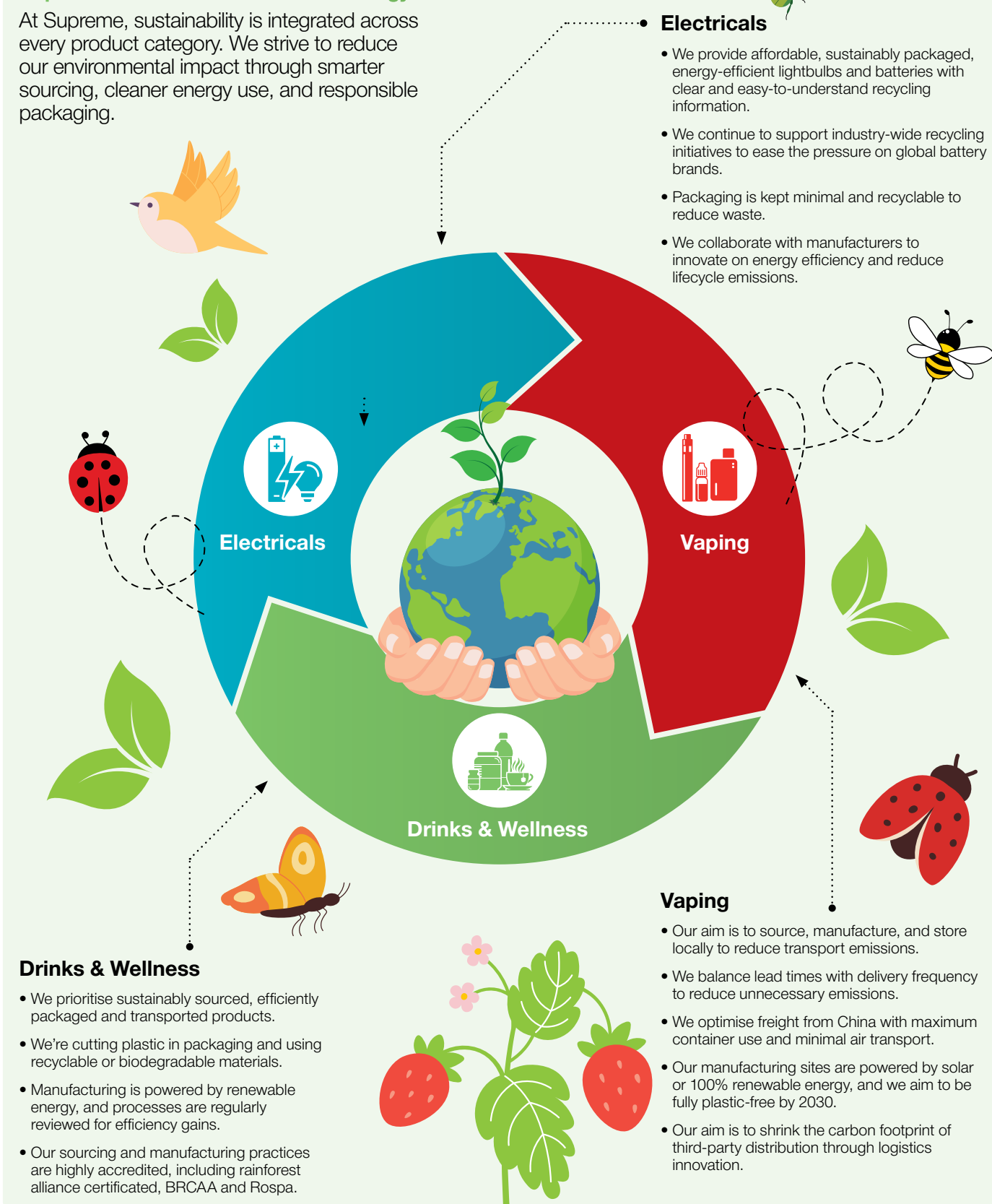
In our distribution network, we focused on load efficiency, explored backhaul opportunities, and encouraged customers, especially mid-sized partners to place larger, less frequent orders. These actions have meaningfully reduced transportation emissions.

We also continue to support low-carbon commuting for staff. Our hybrid working practises, combined with a well-connected office location in Trafford Park, offering strong public transport links, bike storage, and EV charging points have all helped to minimise the environmental impact of our daily operations.



Supreme's Sustainable Product Strategy

At Supreme, sustainability is integrated across every product category. We strive to reduce our environmental impact through smarter sourcing, cleaner energy use, and responsible packaging.



We Look After our People

At Supreme, we remain deeply committed to creating a workplace where our people can thrive, grow, and feel truly valued. Our goal is to be an employer of choice, where individuals are heard, supported, and proud to contribute to a business that champions transparency, progression, inclusion, and social responsibility.

Our people-first culture has always been a driving force behind our success, and in FY25, we further strengthened our employee experience through initiatives that were shaped by listening to and acting on employee feedback.

Our employee journey initiative remains central to shaping how we recruit, induct, develop, engage, and reward our workforce. The Workers' Committee and our open feedback channels once again proved vital in shaping decisions and driving improvements.

At Supreme, we believe that wellbeing, development, and engagement are essential for building a motivated and successful workforce. In FY25, we continued to enhance our employee experience with new benefits and initiatives aimed at promoting wellbeing, connection, and a healthy work-life balance.

Celebrating Diwali

We marked Diwali in FY25 by serving traditional Indian lunches across all our sites. This celebration not only honoured the company's heritage as a family-run business but also reinforced our commitment to inclusivity and team unity.

Costco Membership Access

In FY25, we introduced access to Costco membership for all employees, allowing them to enjoy discounts on groceries, household goods and fuel.

Padel Mondays

To promote physical activity and social connection, we introduced Padel Mondays. Every week, we book a padel court for staff to play and unwind together after work, encouraging team bonding in a fun, active way.

Subsidised Gym Memberships

From day one of employment, all staff members are eligible for 50% off gym memberships at a selected national fitness chain, promoting accessible, affordable health and fitness for all.

Free Food Fridays

We introduced Free Food Fridays, providing hot, nutritious meals to staff every Friday. This initiative supports employee wellbeing while fostering informal, team-building moments among colleagues.

Cycle to Work Scheme

To support sustainable commuting and active travel, we continue to offer the Cycle to Work Scheme, allowing employees to purchase bikes and accessories via a tax-efficient salary sacrifice model.

Finally, in October 2024, Supreme welcomed its administrative staff to its brand-new head offices, located alongside the Group's principal distribution centre in Manchester, the Ark. The new space features multiple meeting rooms, a state-of-the-art showroom, and significantly more room for creativity and collaboration. This move reflects the company's growth and commitment to providing an optimal environment for its staff.

Recruitment, Development, and Reward

We remain focused on the development of our people, ensuring that every employee is given the tools and opportunities to succeed.

- The Supreme Mentor Programme continued to thrive in FY25, speeding up the onboarding process and providing on-the-job training for new starters while empowering experienced staff with mentoring roles.
- Training remained a priority, with a record number of employees engaging in external qualifications in areas such as forklift operation, first aid, food safety, and health & safety. Elsewhere in the business we also offer study support and resources via our Apprenticeship Scheme.
- We also introduced a comprehensive Help at Hand service, offering unlimited mental health consultations and 24/7 access to remote GP appointments, ensuring all our employees are supported.
- We are proud to continue providing competitive pay, above National Living Wage bandings, and expanding our benefits package to include further perks as outlined above.

We continue to build a business that all our workforce can be proud to belong to. Our accreditations speak for themselves.

Employees at 31 March 2025 (485)			FY25		FY24	
	Male	Female	Male	Female	Male	Female
Total employees	320	165	66%	34%	64%	36%
Quartile 1: <£27k (FY24: £26k)	87	35	71%	29%	82%	18%
Quartile 2: £27k – £30k (FY24: £26k – £27k)	67	54	55%	45%	28%	72%
Quartile 3: £30k – £38k (FY24: £27k – £30k)	82	39	68%	32%	74%	26%
Quartile 4: £38k+ (FY24: £30k+)	84	37	69%	31%	71%	29%
Those holding management roles	25	16	61%	39%	68%	32%

Median salary by gender		FY25	FY24
Male median		30,450	27,500
Female median		29,038	25,888
Difference		1,412	1,612
Gender pay gap %		5%	6%

We Look After our Local Community

Our commitment to community engagement is deeply rooted in our core values and continues to be a fundamental part of who we are as a business.

We are consistently inspired by the enthusiasm and generosity of our workforce, whose active participation ensures that our initiatives have real, lasting impact. Looking ahead, we remain dedicated to strengthening this focus, with an emphasis on supporting causes that matter most to our people. Our charitable efforts are intentionally local, allowing us to build meaningful relationships within the communities closest to our operations. Importantly, our colleagues play a central role in shaping this work; from nominating our charity partners to taking part in the planning and delivery of fundraising and volunteering activities.

Highlights from FY25 include:

Charity of the Year: Salford Baby Bank

Selected by our employees, Salford Baby Bank was our Charity of the Year. Our employees led impactful initiatives throughout the year, including:

- A preloved baby item donation drive to recycle essential goods such as prams and clothing.
- A National Croissant Day fundraiser, exchanging pastries for donations.
- A volunteer team project to transform the outdoor space at the Baby Bank into a welcoming area for mothers and children.



Supporting the Booth Centre

We also continued our partnership with the Booth Centre, a charity supporting people experiencing homelessness. Key activities included:

- Seasonal donation drives for warm clothing, gloves, and hygiene essentials.
- Regular donations of bottled water and household cleaning products.



International Women's Day: 'Supreme Women' & Endeavour Project

To celebrate International Women's Day, we honoured our 'Supreme Women' and collaborated with the Endeavour Project, a charity supporting women and families affected by domestic abuse. We raised funds via an internal quiz while fostering awareness and conversations around gender equality.



Section 172 Statement

The Board of Directors of Supreme PLC is committed to acting in a manner that they believe, in good faith, will best promote the success of the Company for the benefit of its members. In doing so, the Board has carefully considered the interests of the Company's key stakeholders, as outlined in Section 172 of the Companies Act 2006, throughout the year ended 31 March 2025. Supreme recognises that the long-term success of the Group is underpinned by a variety of factors, including the welfare and support of our employees, the satisfaction of our customers, the integrity of our supply chain, and the trust of our investors. We firmly believe that engaging with these stakeholders is critical to achieving sustainable growth, and we have taken numerous steps throughout the year to ensure that their interests are incorporated into the decision-making process. In this report, we have outlined how we engage with our stakeholders, the strategic decisions made by the Board, and how stakeholder feedback and input have shaped those decisions.

Our People

At the heart of Supreme's success lies our dedicated and skilled workforce. We understand that the long-term viability of our business depends on the commitment and wellbeing of our employees. Therefore, we strive to create an environment where they can thrive, feel valued, and contribute to the Group's continued growth. Ensuring the health, safety, and development of our people is central to our operations.

Engaging with Our People

In FY25, Supreme took further steps to enhance employee engagement and satisfaction. Our "Employee Journey" initiative continues to play a key role in improving recruitment, training, and career progression within the Group. We also continued to use our own social media Team Supreme (previously Yapster), an employee engagement tool that fosters open communication and feedback. Through this platform, our employees have been able to share their views on everything from workplace culture to strategic initiatives, helping us make informed decisions that benefit the workforce.

In addition to digital communication tools, we've continued to host our annual strategy event, which brings together senior management to discuss the Group's future direction. We will continue to build on these efforts in FY26, focusing on employee wellbeing and expanding our engagement channels to ensure we remain connected with our team.

Our Customers

Supreme's customer base includes some of the largest retailers in the UK, and our success is closely tied to maintaining strong, long-lasting relationships with these partners. We are dedicated to understanding the evolving needs of our customers and delivering products that meet their expectations, both in terms of quality and innovation.

Engaging with Our Customers

Throughout FY25, we maintained an active dialogue with our customers, ensuring that we stayed ahead of market trends and responded swiftly to their needs. We held regular meetings and participated in industry events to gain insights into customer demands, particularly regarding new product development. We particularly focus on customer engagement during and immediately after a new brand acquisition or organic launch to ensure we measure feedback in real time and we respond appropriately. We recognise that our customers shape our strategy, not the other way around. Having moved into our new offices, we are now better equipped to host (digitally and in person) more meetings with more varied forms of media which we will continue to do more of in FY26.

Our Suppliers

The quality of our products is directly influenced by the relationships we maintain with our suppliers. We are committed to working with partners who share our values of integrity, quality, and sustainability. Strong supplier relationships are essential to maintaining the high standards that our customers expect.

Engaging with Our Suppliers

Supreme works closely with suppliers across the globe, engaging in regular visits, audits, and collaborative efforts to ensure product quality and supply chain efficiency. Our supplier network interaction efforts have helped to create a more resilient supply chain, better product innovation and drive cost efficiencies. Through direct engagement, we have been able to focus more on sustainable sourcing practices and monitor performance more closely and we will build on this in FY26.

Our Investors

Transparent and open communication with our investors is fundamental to building trust and ensuring that our shareholders remain aligned with the Company's long-term goals. Supreme is committed to providing investors with the information they need to make informed decisions and to engaging with them regularly to understand their views and concerns.

Engaging with Our Investors

In FY25, the Board maintained regular communication with investors through quarterly updates, annual reports, and one-on-one meetings with key shareholders. We also continued our collaboration with Equity Development, which allowed retail investors access to valuable research and insights. Feedback from investors, particularly regarding regulatory changes in the vaping industry, has been crucial in shaping our strategy.

Looking ahead to FY26, we will continue to engage with our investors through regular updates, roadshows, and meetings, ensuring that we remain responsive to their needs and concerns. We are also exploring ways to enhance the transparency of our financial communications and improve the channels through which we engage with our investor base.

Our Communities and the Environment

Supreme recognises that our responsibilities extend beyond our immediate commercial operations. We are committed to making a positive impact on the communities in which we operate and to reducing our environmental footprint. As a growing business, we also understand the importance of balancing our commercial objectives with our role as a responsible corporate citizen.

Supporting Our Communities

In FY25, we continued to support a range of charitable initiatives, local causes, and community programmes. Our approach remains rooted in making meaningful contributions that align with our values and the interests of our employees. During the year, we supported several charities through fundraising activities and donations, including those nominated by our team, helping us to make a direct impact on causes that matter most to our people. More information can be found on page 40.

Reducing Our Environmental Impact

Environmental responsibility continues to be an area of growing focus for the business. We are committed to identifying and implementing practical, effective ways to minimise our environmental impact across our operations and supply chain.

In FY25, we made further progress on several initiatives aimed at improving our sustainability credentials, including reducing packaging waste, optimising transport logistics, and reviewing energy usage across our facilities. We also worked closely with suppliers to encourage more sustainable sourcing and production practices. More information can be found on pages 38 to 39.

Conclusion

At Supreme PLC, we believe that stakeholder engagement is central to our long-term success. By maintaining open lines of communication with our people, customers, suppliers, and investors, we are able to make informed decisions that promote sustainable growth and create value for all our stakeholders. As we move into FY26, we will continue to focus on strengthening these relationships and further embedding stakeholder considerations into our strategic decision-making.

Principal Decisions Taken in the Year

The decision to refinance the Group's £25 million borrowing facility

On 31 March 2025, the Group's revolving credit facility ("RCF") with HSBC was due to expire. Due to Supreme's cash-generative nature, the facility had not been used extensively during its 3-year term and as a result the Group had incurred non-utilisation fees. The Board then had to decide whether to replace the facility like-for-like, allow the facility to expire and not renew (choosing to lean on the Group's own cash reserves instead) or replace with a borrowing facility of a different nature. In reaching a decision, the Board considered the impact that renewing or not renewing the facility would have on the various stakeholders. As the facility had originally been established to support growth and M&A, the Board speculated that a decision to renew the facility would indicate a buoyant M&A pipeline and an appetite and expectation for further organic growth *to investors*, thus meaning that the decision would be well-received. The Board also considered that, in general, *customers, suppliers and employees* want to work with and for businesses with healthy balance sheets and financing to support growth and investment. In summary, the Board concluded that continuing to have borrowing facilities on-hand and immediately available would allow the business to remain agile and financially sound. The Board opted for an asset-backed facility in place of the RCF to minimise any non-utilisation fees and the new facility launched on 28 March 2025.

The decision to acquire Clearly Drinks

In June 2024, Supreme entered the soft drinks market via the acquisition of Clearly Drinks, a long-established and well-known UK manufacturer of specialised canned and bottled-at-source spring water and soft drinks, for a total net cash consideration of £15.6 million. In determining whether this acquisition was suitable for Supreme, the Board considered the likely reaction of all its stakeholders. The acquisition was expected to be immediately earnings enhancing and was not related to Vape, meaning that the acquisition helped to diversify Supreme and therefore the acquisition was expected to be well-received by *investors*. As many of Supreme's existing customers were already stockists of soft drinks, some even boasting their own branded soft drinks ranges, Supreme was confident that its *customers* would appreciate the acquisition as opportunistic for them. Furthermore, once the Clearly Drinks *customers* and *suppliers* were reassured that Supreme planned to invest in the business then the Board were also confident that the acquisition would be well-received by these stakeholders also. The *local community* of Sunderland, where Clearly Drinks was based, was also a key consideration. Supreme had (and still has) no plans to move the business to Manchester or close down any part of the soft drinks manufacturing and therefore local jobs were protected. Ultimately given the acquisition was expected to immediately drive incremental earnings and an opportunity for the 2 parties (Supreme and Clearly Drinks) to leverage one another's strengths to drive increasing rates of returns, the Board concluded that the decision to acquire Clearly Drinks would be well-received by all stakeholders affected.

The decision to acquire the assets of Typhoo Tea

In November 2024, Supreme acquired the brands, trade and selected assets of Typhoo Tea Limited out of administration for £10.2 million. The business was acquired on an accelerated basis with access to minimal amounts of financial and legal information pertaining to the business, the acquisition represented Supreme's entry into another new vertical, having entered the soft drinks market only 5 months earlier and the Typhoo brand had been in decline for a number of years. The Board had to therefore carefully consider the strategic rationale of the acquisition, as well as the impact on all of its various stakeholders before deciding whether or not to proceed. As the business was purchased out of administration, it was anticipated that a deep discount to the purchase price would be secured (now demonstrated by the net gain on bargain purchase of £2.9 million reported in the Income Statement comprising negative goodwill of £4.1m on the acquisition reduced by £1.2m of ransom payments to key Typhoo suppliers) which the Board concluded would be welcomed by *investors*. Whilst the business was loss-making immediately prior to the administration, the Board were confident that they could return the business to profitability immediately, again providing further assurances that *investors* would be supportive. The decision to diversify the business had been well received when the business acquired Clearly Drinks earlier in the year so, again, the Board was confident that *investors* would be happy for Supreme to further diversify into hot drinks. Knowing that the alternative was for the brand to collapse and ultimately stop trading, the Board was confident that the decision for Supreme to rescue the brand through acquisition would be welcomed by *customers, suppliers and employees* of both Typhoo and Supreme. The Board concluded that stakeholders would be unanimously supportive and therefore proceeded with the acquisition.

Principal Risks and Uncertainties

The Board is responsible for the Group’s risk management and internal control systems and for reviewing their effectiveness, supported by the Audit Committee. We review our business regularly to identify and document key business risks. Once identified, risks are assessed according to their likelihood and impact of the risk, with the risk being scored between 1 (indicating very low likelihood and very low impact) up to 25 (indicating highest likelihood and greatest impact). The following pages set out the Group’s principal risks as determined by the Board, the current risk score and the mitigating actions. This represents the Group’s current risk profile and is not intended to be an exhaustive list of all risks and uncertainties that may arise.

Market Risks	
1. Risks and regulation to the Vaping market	
<p>Risk & potential impact:</p> <p>Vaping is a fairly recent innovation compared to traditional cigarettes. Accordingly, there are no long-term health studies of the effect of vaping on users.</p> <p>Recent reports and public bodies appear to widely support vaping as being substantially less harmful than smoking and a proven aid to cease smoking. In the UK, the eighth independent report on vaping, now commissioned by the Office for Health Improvement and Disparities in the Department of Health and Social Care and published in September 2022 concluded that, whilst ‘vaping is not risk-free, particularly for people who have never smoked... in the short and medium term, vaping poses a small fraction of the risks of smoking’. However, the report also concluded that studies assessing longer term vaping are necessary.</p> <p>Future reports may take a different view based on such longer-term studies. Any future research which evidences more negative health impacts on vaping may impact the vape market generally, and accordingly the Group’s revenues and profits may be impacted.</p>	<p>Mitigating factors:</p> <p>Whilst a potential future risk exists if negative health impacts are discovered, current public body sentiment still appears supportive of the role of vaping in enhancing public health outcomes for smokers.</p> <p>Whilst the Group continues to support this vaping strategy, the Board regularly reviews the Group’s portfolio of divisions to seek to ensure there is an appropriate balance, not wholly dependant on a single division. The recent acquisitions of Clearly Drinks and Typhoo Tea, both in 2024, have materially expanded the Group’s Drinks & Wellness Division, with revenue in the year of more than £48 million.</p> <p>As a manufacturer of e-liquids (in particular, the Group’s leading 88Vape e-liquid product), the Group maintains robust Health & Safety policies and processes to ensure the standards of its own product safety remain high.</p>
<p>Legislative and Tax Risk & potential impact:</p> <p>The environmental impact of disposable single-use vaping products (which have seen significant growth in recent years) and the risks of under-age vaping have recently drawn particular public attention, and have been addressed through several legislative changes affecting or anticipated to affect the vape market.</p> <p>a. Single-use, disposable vapes are banned by all UK governments and devolved parliaments with effect from 1 June 2025;</p> <p>b. The draft 2024 Tobacco and Vapes Bill is expected, amongst other matters, to provide the UK Government with the power to restrict the marketing and appeal of vape products, including restrictions on flavours, packaging and point of sale displays; and</p> <p>c. To discourage young people and non-smokers from vaping and to raise revenue, the UK Government has announced an intent to introduce a new excise duty on vaping products, which is expected to take effect from 1 October 2026.</p> <p>The combination of some or all of these legislative changes could materially impact the vape market and vape sales generally, which could negatively impact the Group’s revenues and profits. In particular, disposable vape sales have made a material contribution to the Group’s revenues (£54.1 million in the financial year to be exact, albeit a reduction of £16.6 million from the prior financial year) and profits during the financial year.</p>	<p>Mitigating factors:</p> <p>The Group has welcomed the legislative clarity and as a responsible business remains ahead of the curve, having already implemented a number of proactive measures, including narrowing and re-naming of flavours and tailoring packaging, as part of an ongoing commitment to eradicate underage vaping and continuing to support adult smokers by providing an affordable, sustainable, safer alternative to smoking.</p> <p>The Group’s continued investment in rechargeable pod system vaping devices, coupled with the Company’s exceptional long-standing progress in developing a uniquely diverse vape product mix, has ensured it is well positioned to adapt to the disposable ban and other legislative changes. The Group remains confident that vaping is, and will continue to be, the most credible and effective alternative to cigarettes and expects that a material proportion of disposable vape activity will permanently transition to alternative forms of vaping such as Pods and e-liquids.</p> <p>In addition, and as already noted above, the recent acquisitions of Clearly Drinks and Typhoo Tea have provided a natural diversification of the Group’s revenue and profits, which are now less dependent on the Group’s vape division.</p>
Risk rating: 25 ➡	

Market Risks continued	
2. Volatility of raw material prices	
<p>Risk & potential impact:</p> <p>The price and availability of certain raw materials has fluctuated in the past, and may fluctuate in the future, depending on a variety of factors, including supply conditions, government regulation (including tariffs), war, terrorism, labour unrest, the economic climate, exchange rates, global demand for raw materials and other unpredictable factors. Additionally, costs of third-party providers for transportation costs may increase. Any increase in the price of raw materials or transportation costs could cause delays in product deliveries, affect the availability of products and/or increase the cost of products, some or all of which Supreme may not be able to pass on to its customers and so profitability could be impacted. All of the foregoing factors could have a material adverse effect on the Group’s business, revenue, financial condition, profitability, results, prospects and/or future operations. The current economic climate and global geo-political landscape dictates that the risk is still being treated as elevated.</p>	<p>Mitigating factors:</p> <p>Where possible, Supreme will forward-purchase key commodities to ensure certainty of supply and transparency of future margins. Supreme has an extensive network of suppliers and the responsibility for nurturing and extending this network extends across the management team and to the Executive Board. “Shadow manufacturing” (whereby inhouse manufacturing is replicated with third party suppliers) provides alternative supply for manufactured lines if local raw material prices are temporarily cost-ineffective. In terms of price point, Supreme’s product offering operates in the discount space which means in times of price inflation Supreme can in fact benefit from brand switching where consumers move to Supreme brands in favour of more expensive alternatives.</p>
Risk rating: 6 ➡	
3. Third party production and supply	
<p>Risk & potential impact:</p> <p>The Group outsources the production of some of its products to external manufacturers with appropriate expertise and capacity. A significant proportion of its battery and lighting products, as well as third-party vape products sold by the Group, are manufactured in China. The inability of third-party manufacturers to produce and dispatch orders in a timely and appropriate manner, to the required quality, or to comply with their obligations or other laws and regulations could have a negative impact on its operations and business. Likewise, any supplier failure or any decision by a supplier not to accept some or any orders from the Group could have a negative impact on operations and business. Similarly, if it expands beyond the production capacity of its current suppliers, it may not be able to find new suppliers with an appropriate level of expertise and capacity in a timely manner. If any of these risks were to develop, it could have a material adverse effect on the Group’s business, revenue, financial condition, profitability, results, prospects and/or future operations. Shipping risks associated with the supply chain from China, including the risk of shipping delays, price inflation and general lack of control of a supply chain located so far away from the Group’s head office in the UK could also impact the Group’s business.</p>	<p>Mitigating factors:</p> <p>The Group does not place reliance on single manufacturers and neither do the global brands that Supreme distributes. Global brands (such as Duracell) spread their production over a small number of factories and Supreme replicates this strategy for manufacture of lighting and batteries under license. Supreme employs dedicated staff who are responsible for managing and forecasting stock levels to ensure availability isn’t disrupted. More recently, Supreme has extended its network of freight forwarders and shipping agents to ensure greater choice of securing containers in a timely and cost-effective manner.</p> <p>In addition, the two businesses acquired into the Group in 2024, Clearly Drinks and Typhoo Tea, both manufacture products predominantly in-house, and therefore the Group’s proportionate reliance on third party production is naturally reduced.</p>
Risk rating: 6 ➡	
Strategic Risks	
1. Dependency on key customers	
<p>Risk & potential impact:</p> <p>The Group’s customers are not contractually committed to purchase the Group’s products on a long-term basis and may cease to buy or reduce their purchases of the Group’s products. The Group’s largest ten customers account for more than half of the Group’s turnover. If any of these customers cease to buy or reduce their purchases of the Group’s products, and those customers and their former levels of purchases are not replaced with new customers or increased purchasing by existing customers, then this could materially and adversely affect the Group’s business, revenue, financial condition, profitability, results, prospects and/or future operations.</p>	<p>Mitigating factors:</p> <p>The majority of Supreme’s revenue originates in brands only sold by Supreme (either Supreme own brands, or exclusively licensed brands) which locks-in customer loyalty and Supreme has an excellent track record of retaining customers in the long term by maintaining low pricing in the market for branded consumer staples. End-consumer brand loyalty is also expected to mitigate against risks associated with Supreme’s direct retail/wholesale customer; the Group expects a material proportion of end-consumers would continue to source the Group’s brands from alternative sources if necessary. To mitigate any risk further, Supreme continues to manage its largest customers with direct and dedicated sales support, tracks customer service levels via order fulfilment KPIs as well as direct input from our Chief Executive Officer where appropriate.</p>
Risk rating: 10 ➡	

Principal Risks and Uncertainties

continued

Strategic Risks continued

2. Dependency on key executives and personnel

Risk & potential impact: The Group's future development and prospects depend to a significant degree on the experience, performance and continued service of its senior management team including the Board. Supreme has invested in its management team at all levels. The Board believes the senior management team is appropriately structured for the Group's size. Supreme has also entered into contractual arrangements with these individuals with the aim of securing the services of each of them. However, retention of these services or the identification of suitable replacements cannot be guaranteed. The loss of the services of any of the Board or other members of the senior management team and the cost of recruiting replacements may have a material adverse effect on the Group's business, revenue, financial condition, profitability, results, prospects and/or future operations.	Mitigating factors: The Group has appropriate incentive arrangements in place for a ll senior management including executive management. These incentive arrangements were recently reviewed and restructured, with the implementation of a revised LTIP/bonus incentive plan. The Group has further invested in its Board and senior management during recent financial periods, which diversifies responsibilities and reduces the reliance on individuals. The Board (and the Nominations Committee) addresses succession planning as a standing annual agenda item, to seek to ensure appropriate division of responsibilities and mitigation of key dependency risk.
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Risk rating: 10 ➡

3. Licensing agreements

Risk & potential impact: The Group has several licensing agreements in place which allow the manufacture, production and distribution of products using an external brand, notably JCB and Energizer. The Group may not be able to renew its existing license agreements and may not be able to negotiate new agreements in the future. The Group's inability to obtain renewed licensing agreements or comparable terms could have an adverse effect on the Group's business, financial condition and future operations.	Mitigating factors: The licensing agreements in place have been so without change for several years. For example, the license agreement with JCB for batteries has been in place since 2009 and was recently renewed for an additional period. Supreme's licence agreement with Energizer and Eveready is also currently for an initial period to 2030. All agreements are commercially beneficial for both parties, with pre-agreed KPIs for Supreme to adhere to in order to maintain each agreement. There is no history of existing license agreements being revoked or cancelled.
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Risk rating: 2 ➡

Financial Risks

1. Exchange rate risk

Risk & potential impact: Supreme conducts transactions in currencies other than Pounds Sterling, including Euro and US Dollar. The Group sets the sales prices for its products at periodic fixed intervals. If there is a significant weakening of the exchange rate between the local currency in which the revenue is generated prior to the sale and subsequent to its fixing of prices, then its expected margins may be reduced. Although Supreme seeks to manage its foreign currency risks in order to minimise any negative effects caused by exchange rate fluctuations, including by engaging in foreign exchange hedging transactions, there can be no assurance it will be able to do so successfully, and fluctuations in exchange rates could have a material adverse effect on the Group. The Board is cognisant of the fact that short-term geo-political and economic issues can quickly change, and continues to monitor and seek to mitigate the risk. The increased level of expenditure arising in the Far East means that this risk continues to be monitored and managed closely.	Mitigating factors: When it is considered appropriate, the Group enters into forward contracts to cover the Group's US Dollar purchasing requirement for up to one year to reduce exposure to currency risk, however these may not always be effective and there may be some residual currency risk. Given the newly acquired businesses predominantly transact in Great British Pounds, our relative exposure to foreign currency risk has therefore reduced.
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Risk rating: 6 ⬇

Operational Risks

1. Material disruption in IT systems

Risk & potential impact: Supreme relies to a significant degree on its IT systems to track inventory, manage its supply chain, record and process transactions, summarise results and manage its business. The failure of the IT systems to operate effectively, even for a short period of time, could adversely affect its business, revenue, financial condition, profitability, results, prospects and/or future operations. In particular, should it be required as the business expands, the implementation of new IT systems could take longer than expected, disrupt the current systems and/or incur cost overruns. In addition, the Group's IT systems may be subject to damage and/or interruption from: natural disasters; power outages; computer, network and telecommunications failures; computer viruses; security breaches; acts of war or terrorism; and usage errors by its employees. If IT systems are damaged or cease to function properly, it may have to make a significant investment to fix or replace them, and it may suffer loss of critical data and interruptions or delays in its operations. Any significant disruption in the Group's IT systems could harm its operations and reputation, and have a material adverse effect on its business, revenue, financial condition, profitability, results, prospects and/or future operations. Notwithstanding investment in its IT systems, no business or other organisation is immune to hacking and cyberattacks, and accordingly future breaches of cyber security could harm its operations and reputation, and have a material adverse effect on its business, revenue, financial condition, profitability, results, prospects and/or future operations. Following the acquisition of Typhoo Tea in 2024, and the publicity associated with that acquisition, it is likely that the Group's public profile was enhanced, potentially making a more visible target for cyber attack. The warehouse management system which is used to operate the Group's distribution centre located in Trafford Park, Manchester is considered to be a business critical system. The failure of the warehouse management IT system to operate effectively, even for a short period of time, could adversely affect its business, revenue, financial condition, profitability, results, prospects and/or future operations.	Mitigating factors: The Group has an experienced and dedicated IT team who are assisted by third party consultants where necessary. The Group has put in place business continuity and disaster recovery procedures in the event of failure of, or disruption or damage to, the Group's network or IT systems. Management consider the cybersecurity processes and controls to be robust whilst the new site investments in recent years have provided the Group with an extensive offsite back-up storage. From a disaster recovery planning perspective, in the event the IT system fails or is unavailable for a period of time the Group has a manual operation contingency plan which in the short term would allow it to operate the distribution centre, processing and despatch system manually and fulfil the needs of retail stores, wholesale customers and other customers, although the manual operating system contingency would not be as efficient as the warehouse management IT system. With external specialist support, the Group has also recently upgraded its warehouse management system to a more modern system with extended support, providing an element of futureproofing for its warehouse IT infrastructure.
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Risk rating: 16 ⬆

Regulatory Risks

1. Health & Safety

Risk & potential impact: The preservation of the health and safety of its staff, site visitors, contractors and consumers is of overarching importance to Supreme. The Group has identified a number of risks associated with the manufacture of vaping and sports nutrition and the storage and distribution of batteries, lighting and branded consumer goods, specifically the hazardous nature of some of its raw materials, chemicals and distributed lines, the dangers of the plant and machinery used in manufacturing when used improperly or without appropriate training and the hazardous nature of warehousing operations where people and vehicles operate simultaneously. Following the acquisitions of Clearly Drinks and Typhoo Tea, the Group now operates manufacturing from multiple sites, each with different processes and potential risks. Whilst the Group believes the standards of operations at these new sites are very high, there is a potential inherent risk in operating multiple different sites, overseen by a single Health & Safety Manager, albeit with local on-site support.	Mitigating factors: The Group employs a full-time onsite Health & Safety Manager who is responsible for all Health & Safety assessments, safe systems of work, policies, inductions, training and ensures the Group complies with its statutory obligations. She reports directly to the Chief Executive Officer, has 29 years' experience as a Health and Safety Manager and is developing a positive safety culture, whilst promoting a proactive approach to health and safety throughout the whole group at Supreme. The Health & Safety Manager also consults with third party advisers as well as the Health & Safety Executive (the "HSE") to ensure the Group considers the health and safety implications in all of its operational decision-making. The Health & Safety manager also has dedicated on-site support at each of the Group's manufacturing sites.
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Risk rating: 12 ⬆

Suzanne Smith
Chief Finance Officer

30 June 2025

Corporate Governance



Corporate Governance Report



Dear Shareholder,

I have pleasure in presenting Supreme PLC’s Corporate Governance Statement for the year ended 31 March 2025. As a Board we recognise the value and importance of good corporate governance and are fully aware of our duties and responsibilities to the Group’s stakeholders.

In this section of the Annual Report we set out our approach to governance and seek to provide shareholders and stakeholders with a clear understanding of how we discharge our governance duties and apply the principles of good governance set down in the 2023 Quoted Companies Alliance Corporate Governance Code.

As Chair of the Board, I am responsible for implementing corporate governance at Supreme, working with the other members of the Board and the Company Secretary. I am also a member of each Board committee. I chair meetings of the Board and am responsible for ensuring appropriate focus on the Group’s strategy, business model and delivery against strategic objectives.

Paul McDonald
Non-Executive Chair

Compliance Statement

The Company is listed on the AIM Market of the London Stock Exchange. The Company has adopted the Quoted Companies Alliance Corporate Governance Code as updated in 2023 (‘QCA Code’). The Board believes that the QCA Code provides the most appropriate governance framework for a company of Supreme PLC’s size and nature. The Board acknowledges the importance of the QCA Code principles and keeps under review its systems, policies and procedures that support the Company’s governance practices. On pages 54 to 56 is a description of the principles of the QCA Code, together with an explanation of how these are applied by the Company.

The Board – Composition and Role

The Board is comprised of two Executive Directors and three Non-Executive Directors reflecting a blend of different experience and knowledge and ensuring that the Board is comprised of appropriately skilled and capable individuals who have the ability to effectively scrutinise strategy and performance.

The names, biographical details and Committee membership of the current Board members are set out on pages 52 to 53 of this report.

The Board, led by the Chair, sets the Group’s values and standards and is ultimately accountable for the Group’s strategy, risk management and performance. The Board is responsible for ensuring that the medium to long-term benefits to shareholders and other stakeholders, including employees, suppliers, customers and the community, are nurtured and protected.

Operation of the Board

The Executive Directors are responsible for business operations and are accountable to the Board for the Group’s financial and operational performance. The Non-Executive Directors provide constructive challenge to management; provide assistance in the development of strategy and in ensuring that risk management systems are robust and defensible.

The Chair, assisted by the Company Secretary, ensures that the Directors receive relevant, up to date and accurate information. The Executive Directors, internal members of staff, advisers and consultants provide reports to the Board that are circulated in advance of each Board meeting which focus on material operational and strategic matters.

There is a formal schedule of matters in place reserved for the Board’s decision which is monitored by the Company Secretary and reviewed annually to ensure that it remains current when viewed against the size and growth of the Group and the developments within the sectors that the Group operates within. The Board delegates matters concerning management of the business of the Group that is not reserved to the Board, to the Executive Directors.

The Company Secretary supports the Board with compliance and governance matters. All Directors are aware of their right to have any concerns recorded in the Board minutes, to raise questions regarding ongoing governance requirements and to receive independent advice on such matters.

Board Committees

The Board has established an:

- Audit Committee;
- Nomination Committee; and
- Remuneration Committee.

The report of the Audit Committee can be found on pages 58 to 59 and the report of the Remuneration Committee on pages 60 to 63.

Each Committee operates under clear terms of reference which are reviewed annually.

Audit Committee

The Audit Committee’s main responsibilities are to review audit activity, monitor the integrity of the Group’s financial statements and to monitor the effectiveness of risk management and internal controls.

Nomination Committee

The Nomination Committee’s main responsibilities are recruitment to the Board and succession planning to ensure that the Board is balanced and comprises the appropriate skillsets.

The Nomination Committee met twice during the year.

Nomination Committee Activity

During the year the Committee has focused its work on the following:

- Review and consideration of the structure and composition of the Board and its Committees. The Committee believes that the Board has the necessary balance of skills, knowledge and experience for its current needs. The Committee believes that the Directors are able to provide sufficient time to fulfil their duties;
- long-term succession planning, and the need to identify and develop talent both within the Group and from the wider market; and
- The annual evaluation of the Board’s and Board Committees’ effectiveness.

Remuneration Committee

The Remuneration Committee is responsible for determining all elements of remuneration for the Executive Directors and for reviewing the appropriateness and relevance of the remuneration policy in operation across the Group.

Board & Committee Meetings

The Board met nine times in the year. This included six scheduled meetings during the year, at which it considered all matters of a routine and strategic nature as per its adopted annual programme. Additional meetings were scheduled as and when required to address issues specific matters arising, such as corporate transactions. Key activities covered (by the Board itself or via the Board committees) included standing agenda items and additional items:

Standing Agenda Items:

- monitoring and review of the financial performance of the Group on an ongoing basis;
- review of the interim and annual results including supplementary papers;
- review of the effectiveness of the Group’s internal financial controls, general internal controls and risk management systems;
- overseeing the relationship with the external auditor;
- approval of the strategy, plans and budget;
- review of the Group’s principal risks including assessing the Board’s risk appetite; and
- approval of annual bonus targets for the following financial year.

Additional Agenda Items:

- consideration and approval of key acquisitions made during the year (principally Clearly Drinks and Typhoo Tea); and
- externally facilitated board effectiveness review.

For all Board meetings there is a clear agenda supported by written reports and presentations from Executive Directors, internal members of staff as well as external advisers (as necessitated).

The Board also holds strategy days to refresh the Group’s strategy and growth focus as deemed necessary. The last strategy day was held by the Board in March 2025, and included recently acquired businesses, Clearly Drinks and Typhoo Tea.

The table below details the Directors’ attendance at Board and Committee meetings in the financial year along with the maximum number of meetings that it was possible to attend:

Director	Board	Audit Committee	Remuneration Committee	Nominations Committee
Paul McDonald	9 (9)	3 (3)	2 (2)	2 (2)
Simon Lord	9 (9)	3 (3)	2 (2)	2 (2)
Mark Cashmore	9 (9)	3 (3)	2 (2)	2 (2)
Sandy Chadha	9 (9)	n/a	n/a	n/a
Suzanne Smith	9 (9)	n/a	n/a	n/a

Board Effectiveness

The Board has established a process for the evaluation of the performance of the Board, its Committees and individual Directors on an annual basis. This process is led by the Senior Non-Executive Director, Mark Cashmore and the Chair, Paul McDonald.

This year the evaluation was, for the first time, conducted with an external facilitator in accordance with the recommendations of the QCA Code. The evaluation included an assessment and review of the Board’s performance, the balance of Board members’ respective skills and experience, relations between Executive Directors and Non-Executive Directors and the overall workings of the Board and its Committees, and the identification of any applicable areas for improvement.

The process included one-to-one interviews, a review of the Board’s standard reporting pack and board paper samples, and concluded with a facilitated discussion led by the external facilitator to assist the Board to identify key themes arising from the review.

The scope of the evaluation continued to involve, and to receive feedback from, additional internal and external stakeholders in the business, including the Group’s divisional heads and certain advisers to the Group, including brokers. Taking into account the QCA Code guidance, the Board recognised the benefit of gathering the views of a variety of internal and external stakeholders, to ensure that the exercise was not only inward-looking.

Development

The Company Secretary’s responsibilities include ensuring that all Directors are kept up to date in respect of corporate governance best practice and changes to relevant legislation and regulation, with the assistance of the Group’s advisers where appropriate.

Conflicts Of Interest

At each meeting the Board considers Directors’ conflicts of interest. The Company’s Articles of Association (‘Articles’) provide for the Board to authorise any actual or potential conflicts of interest.

Shareholder Engagement

Communication with institutional shareholders is maintained through individual meetings with Executive Directors and webinars hosted by the Executive Directors, particularly following publication of the Company’s interim and full year preliminary results. The Board is kept informed of shareholder views as part of the regular reporting processes in place.

The Board recognises the annual general meeting as an important opportunity for communication with both institutional and private shareholders. Shareholders may ask questions of the full Board, including the Chairs of the Audit, Remuneration and Nomination Committees.

Board of Directors



Paul McDonald
Independent Non-Executive Chair

Paul joined B&M as Finance Director in 2011 and continued as Chief Financial Officer through the IPO of B&M in 2014 until he retired from the Board in November 2020. During his tenure at the UK's leading variety goods value retailer, revenue and EBITDA at B&M grew from £764 million and £62.8 million in 2012, to £3.8 billion and £342 million in 2020, respectively. Paul has over 25 years of experience in the discount retail sector having held senior roles at Littlewoods, Ethel Austin and TJ Hughes. Paul was educated at Leeds University and is a Fellow of the Association of Chartered Certified Accountants.



Sandy Chadha
Chief Executive Officer

Sandy joined the business from school and has been involved in the management of Supreme since 1988. Sandy has grown the Group from a revenue of approximately £1 million to a revenue of £231.1 million for the year ended 31 March 2025. He has been responsible for establishing the business in its current form including the entry into batteries, the substantial growth in the business since 2008, leveraging customer relationships to create the lighting category, and identifying the opportunity to develop a market-leading vaping business and a sports nutrition and wellness business.



Suzanne Smith
Chief Finance Officer

Suzanne joined Supreme in August 2020 having spent 15 years in high growth businesses with varied corporate structures, spanning manufacturing, distribution, and software, including 4imprint Group PLC, Brand Addition (now The Pebble Group PLC) and Fourth Limited. Suzanne was part of the management team that led Fourth Limited through its sale to Insight Venture Partners in 2016 and then to Marlin Equity Partners in 2019, during which time the business experienced significant organic and investment-led growth and geographical expansion. Suzanne is a Chartered Accountant having qualified at PricewaterhouseCoopers in Audit and Corporate Finance.



Mark Cashmore
Independent Non-Executive Director

Mark served from 2006 to 2018 as the Group Chief Executive Officer at Connect Group PLC (now called Smiths News PLC), a London Stock Exchange main market listed specialist distribution group that demerged from WH Smith PLC in 2006 and which operated mainly in the business-to-business market focused on serving high volume, time sensitive early morning deliveries and the demands of mixed and irregular freight. From 1999 to 2006 he served variously as Managing Director, Commercial Director, Sales Director, and Sales and Marketing Controller of Smiths News. Prior to his appointment at Smiths News, he held senior positions in several news distribution businesses, including United Magazine Distribution Limited, USM and Seymour Distribution Limited.



Simon Lord
Independent Non-Executive Director

Simon is a corporate finance and mergers and acquisition specialist with over 20 years' experience leading transactions in a variety of sectors including tech-enabled support services and Industrials. He has significant private equity experience and has acted for both buyers and sellers on behalf of financial institutions and owner managers. He is currently a Managing Partner at Arete Capital Partners LLP, a multi-family office investment business based in Manchester. Prior to his 16 years as a Managing Director and Head of the Manchester office for GCA Altium Limited, he was a Corporate Finance Director at Clearwater International Limited for six years. He qualified as a Chartered Accountant in 1997.

- N** Nominations Committee
- A** Audit Committee
- R** Remuneration Committee
- Indicates Chair

N A R

Meetings attended:	
Board Meetings:	9/9
Nominations Committee Meetings:	2/2
Audit Committee Meetings:	3/3
Remuneration Committee Meetings:	2/2

Meetings attended:	
Board Meetings:	9/9

Meetings attended:	
Board Meetings:	9/9

N A R

Meetings attended:	
Board Meetings:	9/9
Nominations Committee Meetings:	2/2
Audit Committee Meetings:	3/3
Remuneration Committee Meetings:	2/2

N A R

Meetings attended:	
Board Meetings:	9/9
Nominations Committee Meetings:	2/2
Audit Committee Meetings:	3/3
Remuneration Committee Meetings:	2/2

Corporate Governance Report

QCA Corporate Governance Code

Compliance Statement

Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders

The Board has a clearly defined purpose for the Group together with a clear strategy and business model for delivering long-term shareholder value.

Supreme's purpose and vision is to be the UK's leading supplier of branded staple consumer goods at unbeatable prices; delivering well-known brands at attractive prices with honesty and exceeding expectations. This will enable our customers to achieve high margins per square foot in their outlets for our products. Our team are recognised as passionate, professional and motivated in the industry. We will continue to develop our people by building on our success in a challenging and learning environment.

The Company's strategy and operating model is to continue its profitable growth in the following ways:

- continuing a high volume/low assortment manufacturing and direct sourcing model, supported by a centralised platform of shared resource;
- by both developing and acquiring brands that can integrate into its well-invested manufacturing and distribution platform;
- driving increased spend from existing customers via a comprehensive cross-sell strategy; and
- investing in our people and infrastructure to support future growth and retain talent.

Further details of the Group's strategy and business model, together with details of key challenges in execution, are set out in the Strategic Report (at pages 1 to 44 of this report).

The Board holds at least one strategy session each year and the last strategy session was held in March 2025.

Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Company recognises its responsibility towards its employees and other stakeholders. The Board seeks to promote an ethical corporate culture and maintains oversight through management reporting. The Group maintains a Code of Conduct for employees, with any areas of material non-compliance reported to the Board.

The Group's policies (including Whistleblowing and Anti-bribery) set out its zero tolerance approach towards any form of discrimination or unethical behaviour relating to bribery, corruption, or business conduct. The Group's Modern Slavery Act 2015 Statement is available at: www.supreme.co.uk/msaht/

In order to ensure the tone from the top supports the Group's culture, the Board's Audit Committee conducts an annual review of key ethics and compliance policies and any reporting under the associated reporting procedures. This ensures the Board can address any actions that deviate from the expected behaviours.

The Group places particular focus on its employees, to ensure that its culture is set with and correctly channelled through the Group's key stakeholders and representatives. As well as its formal employee policies and procedures, the Group's employee committees (including the Workers' Committee and ESG Forum) play a pivotal role in developing an engaged and energised workforce, whose values and behaviours align to those of the Group. These Committees are involved in activities both within the Group's workforce and with external stakeholders, including select local charities.

Details of the Group's ESG standards and reporting, which set out further detail on the Group's culture and values, are set out at pages 36 to 41 of this report.

Principle 3: Seek to understand and meet shareholder needs and expectations

An active dialogue has been maintained with shareholders during the year through an investor relations programme. This activity is a keystone of the Company's corporate communications programme and is headed by the Chief Executive Officer and Chief Financial Officer of the Group. In the year, discussions with shareholders included focus on the anticipated implementation of vape legislation and tax over the forthcoming years and its potential impact on the Group, further details of which are provided in both the Chair's statement at pages 4 to 5 of this report, and the Chief Executive Officer's statement, at pages 12 to 15.

The Company has engaged advisers to support the Group Finance team with both the presentation of key information to the market and to provide feedback directly to the Board from investor meetings, webinars, and events. The Board is kept updated on investor sentiment via reports from the Chief Executive Officer and Chief Financial Officer at Board meetings.

There is also a designated email address for Investor Relations, investors@supreme.co.uk, and all contact details are included on the Company's website.

The CEO and CFO regularly meet with shareholders and analysts following the release of key information (including financial information) to the market, as occurred at the recent final results, and the Chair is also available to meet with major shareholders as required. All members of the Board are available to answer questions by contacting investors@supreme.co.uk.

The Company's annual general meeting also provides an important opportunity for communication with both institutional and private shareholders. The Company's nominated broker also sources investor feedback.

The Company maintains (and has done since initial listing in 2021) a relationship agreement with Mr Sandy Chadha, the controlling shareholder in the Company. This agreement, amongst other matters, is designed with the protection of minority shareholders in mind.

The Chair (Paul McDonald) or, where appropriate, the Senior Independent Director (Mark Cashmore) are expected to continue to address key governance matters with shareholders on a proactive basis. During the financial year, this included proactive consultation with key shareholders on the implementation of a new combined incentive scheme for senior management, and the associated terms of that scheme. The Chair, and the chair of each Committee of the Board continue to make themselves available for shareholder communication, including each year at the Company's annual general meeting.

Details of the Group's ESG standards and reporting are set out at pages 36 to 41 of this report, which set out the quantitative and qualitative reporting of the Group's environmental and social matters. The Directors' Report at pages 64 to 67 sets out details of the Group's UK greenhouse gas emissions and energy usage.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

We recognise that we are responsible not only to our shareholders and employees, but to a wider group of stakeholders (including our customers and suppliers) and the communities in which we operate.

The Group is committed to the highest standards of corporate social responsibility. The Group's key relationships and stakeholder groups, identified by the Board, are:

- Employees
- Shareholders (both institutional and private)
- Customers
- Suppliers

Further details on the Group's key resources and relationships and how it engages with and obtains feedback from these key stakeholder groups are detailed in our Section 172 Statement on pages 42 to 43. Responsibility for stakeholder engagement principally lies with the Executive Directors, other than where remit has been specifically delegated to a Committee of the Board.

Details of the environmental and social issues that the Board has identified as being material to the Group (together with any applicable performance measures) are further described in the Group's ESG standards and reporting set out at pages 36 to 41 of this report.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board uses a considered approach to risk management with the need to accept a certain level of strategic risk to achieve its objectives of capital growth for shareholders. Key risks facing the business along with the monitoring processes and mitigating actions in place are set out on pages 44 to 47 of this report.

The Company has in place a risk management framework and risk register which assists the Board in identifying, assessing, and mitigating the risks faced by the Company to an acceptable level. This covers:

- The Board's appetite to risk,
- The responsibility for internal control,
- The Board process for the review of processes and controls,
- Risk responsibility, mitigating actions and monitoring processes in place.

This risk management framework and risk register is formally reviewed and updated by the Board no less than annually. This review also assesses the success and future appropriateness of existing internal controls and risk mitigations. This review includes any climate related risks and opportunities, details of which are further described in the Group's ESG standards and reporting set out at pages 36 to 41 of this report.

The Audit Committee has responsibility for the appointment and remuneration of the Group's external auditors and satisfying itself that they maintain their independence regardless of any non-audit work performed by them.

The Audit Committee monitors in particular non-audit work by the auditors of which there has been none during the financial year. Each year the Audit Committee reviews and satisfies itself as to the independence of the auditor, and in the financial year the Audit Committee obtained written confirmation from the auditor that:

- It has obtained confirmation of independence from all specialists and experts involved in the audit and complies with relevant ethical requirements including, as a minimum, the FRC's Ethical Standard, and is independent of the Group;
- There were no non-audit services provided by the auditor to the Group during the period and up to the date of the confirmation; and
- It has not identified any other relationships or threats that may reasonably be thought to bear on the auditor's objectivity and independence.

Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the chair

The Board includes a balance of executive and non-executive directors, with three non-executive directors and two executive directors. The Board is managed by the Chair and the role of Chair and Chief Executive are distinct. The Board's activities are supported by Nomination, Audit and Remuneration Committees. The Board and its committees receive high quality, accurate and timely information on a regular basis (daily, weekly, or monthly as appropriate). The Board meets at least six times per year. All the Directors have appropriate skills and experience for the roles they perform at the Company, including as members of Board Committees. Biographical details of the Directors are set out at pages 52 to 53 of this report. Each Director is formally subject to re-election at least every three years in accordance with the articles of association of the Company, but to adhere to best practice and the recommendations of the QCA Code, every director continues to be subject to re-election at every AGM.

The Company is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders and will consider the requirement for additional non-executive directors as the Company fulfils its growth objectives.

The number of meetings of the Board and its Committees during the year, and attendance at those meetings, is set out in the introduction to this corporate governance section of the report, at pages 50 to 51.

In relation to key matters arising on the Board's agenda during the financial year, the Board retained sufficient relevant experience, skills, and capabilities:

- M&A activity, including the key acquisitions of Clearly Drinks and Typhoo Tea, was supported by the Board as a whole, leveraging on Sandy Chadha (CEO) and Suzanne Smith's (CFO) hands-on experience implementing Supreme's acquisition strategy since the Company's listing in 2021, following which 8 acquisitions have been completed. M&A was also supported specifically by Simon Lord, independent non-executive director, who is a corporate finance and mergers and acquisition specialist with over 20 years' experience.
- The Group's Bank Facilities refinance was also supported by the Board as a whole. In particular, Chair, Paul McDonald, who was CFO at B&M through IPO in 2014 until he retired in November 2020, overseeing similar arrangements, including asset based lending facilities.

Corporate Governance Report

continued

- The implementation of a new combined incentive scheme was overseen specifically by the Remuneration Committee of the Board, chaired by Mark Cashmore. Mark served from 2006 to 2018 as the Group Chief Executive Officer at Connect Group PLC (now called Smiths News PLC), a London Stock Exchange main market listed specialist distribution group, and has significant experience of the implementation of executive remuneration schemes, and associated shareholder consultation.

The Board believes that the three non-executive directors are independent (and therefore the majority of the Board is regarded as independent in accordance with QCA Code recommendations), with Mark Cashmore fulfilling the role of Senior Independent Director. All three Committees of the Board are made up only of the independent directors, and the non-executive directors do not participate in performance-related remuneration, nor do they benefit from share options in the Company. Director independence is formally assessed by the Board no less frequently than annually. Any restrictions on external appointments are contained in individual executive service agreements for executive directors, and letters of appointment for non-executive directors. Directors are additionally subject to legal responsibilities and the Company's articles of association in relation to conflicts of interest.

Given the size of the respective holdings, the Board do not consider the shareholdings of the non-executive directors in the Company or Paul McDonald's shareholding in B&M (a major customer of the Supreme Group) compromise their independence, and remain confident that each non-executive director is independent in character and judgement.

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills, and capabilities
The Board has a formal schedule of matters reserved for its attention, including approval of strategic plans and acquisitions and meets at least six times per year.

The role of each member of the Board is clearly defined. The Chair is responsible for the operation of the Board. The Chief Executive Officer is responsible for proposing the strategic direction of the Board and implementing the strategy once approved. The Chief Financial Officer is responsible for all financial matters and engagement with shareholders. Board roles can be found on the Corporate Governance section of the website and set out on pages 52 to 53 of this report.

The Board is supported by the Audit, Remuneration and Nomination Committees in discharging its responsibilities. Each of the Committees has access to information and external advice, as necessary, to enable the Committee to fulfil its duties.

The Audit Committee has primary responsibility for monitoring the quality of internal controls to ensure that the financial performance of the Company is properly measured and reported.

The Remuneration Committee reviews the performance of the executive directors, Chair of the Board and senior management of the Company and make recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee is supported by PwC as external remuneration advisers.

The Nomination Committee will lead the process for Board appointments and make recommendations to the Board.

The Board is represented by an appropriately diverse mix of individuals, given its size. Experiences are varied and contribute to maintaining a balanced board that has the appropriate level and range of skills. Details of the skills and experience of the Directors are set out on pages 52 to 53 of this report as well as on the website. The Board is not dominated by any one individual and all Directors have the ability to challenge proposals put forward to the meeting and decisions are reached democratically.

The Board and Committees receive training as appropriate. The balance of skills of the Board and performance of individual Directors was reviewed as part of the Board evaluation process. The Board also has access to professional advisers at the Company's expense if necessary and the Directors receive regular briefings and updates from the Company's Nominated Adviser in respect of continued compliance with, inter alia, the AIM Rules.

The Company's statement on its Audit, Remuneration and Nomination Committees can be found on its website.

Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement
In line with its commitment to perform a formal evaluation, the Board performed a formal evaluation of its performance in March 2025. For the first time, this evaluation was supported by an external facilitator, in line with the recommendations of the QCA Code.

The review comprised of:

- The completion of an anonymous questionnaire by all Board members that was formulated to assess the Board's performance. The questionnaire continued in its recently expanded format, to include more Company specific considerations;
- A supplemental interview for each Director with the external facilitator to facilitate any additional feedback, outside the original remit of the questionnaire;
- In order to engage a broader group of stakeholders, the Group's divisional heads, as well as certain external stakeholders, including the Company's brokers and nomad, also completed a questionnaire to provide additional feedback and perspective for the review;
- A review of standard Board reporting and meeting materials by the external facilitator, together with the outcome and reporting from the prior year internal board evaluation; and
- A Board discussion facilitated by the external facilitator on the outputs of the questionnaire.

The process reflected on prior year recommendations and identified some areas for development and recommendations to be progressed in 2025, including:

1. It was noted that progress on succession planning at both Board and senior management level had been made, with the issue continuing to be a standing item on the Board's annual agenda, some important senior appointments having been made, and a targeted reduction in director reports to the CEO having been achieved. It was agreed however, that focus should be expanded to succession planning further down the Group's divisions, and potentially to more specific 'emergency cover' planning, to ensure business continuity risks relating to key individuals are successfully mitigated;
2. Assessing the recent growth in size and scale of the Group, in particular during the year with the acquisitions of Clearly Drinks and Typhoo Tea, the Board assessed the focus and time dedicated to the different divisions within the Group, and agreed that steps should be taken to ensure appropriate focus and oversight on each of the divisions, through a combination of revised agenda, in-person management reporting and physical site visits.

Otherwise, the process provided reassurance that the Board continues to operate effectively. Further external facilitation of the Board performance review is currently expected to be conducted at least every third year.

Succession Planning
The Board has established a Nominations Committee, the remit for which includes consideration of, and the formulation of plans for, succession planning for directors and other senior executives. The Board (and the Nominations Committee) addresses succession planning as a standing annual agenda item, to seek to ensure appropriate division of responsibilities and mitigation of key dependency risk. This includes a detailed review of employee group structure, executive reports, material hires or vacancies and mitigations for key dependencies.

Succession planning is assessed in terms of both longer-term succession, and shorter-term business continuity. The Board considers that progress has been made in recent years on longer-term succession planning through a reduction in key executive reports and senior hires, including a newly appointed sales director and head of operations, but progress can still be achieved further down the Group's divisions, and on shorter-term emergency cover, which will remain an area of focus in the forthcoming year.

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture
The Remuneration Committee of the Board has responsibility for the oversight and implementation of an effective remuneration policy for the Company. The Remuneration Report and the Remuneration Policy are set out in detail at pages 60 to 63 of this report.

The Remuneration Committee believes that the remuneration arrangements are in the best interests of the Company and are appropriately aligned to strategic goals, delivering shareholder value and supporting the long-term success of the business. The Remuneration Report at pages 60 to 63 of this report specifically sets out the purpose of each element of the Remuneration Policy and the link to the Group's strategy.

The Remuneration Committee recently commissioned a review of executive and senior management remuneration arrangements with its remuneration advisers, considering various factors including the business strategy; the external operating environment; data on market practices regarding executive compensation and the overall need to retain and incentivise.

The outcome of this review identified that the existing LTIP framework was no longer an appropriate structure to retain and incentivise management. The Committee therefore simplified the existing annual bonus and LTIP into a single incentive plan – the Supreme Incentive Plan. The Incentive plan measures performance over a one-year period, providing clearer line of sight for participants and operating as a more effective retention tool, while maintaining a strong link to shareholder value creation through the deferral into shares.

In line with the QCA Code recommendations, the Company will put the Remuneration Report to an advisory shareholder vote at the forthcoming AGM in September 2025. The remuneration policies in the Remuneration Report will not be put to a separate advisory shareholder vote at the AGM because there has been no change in policies from the prior financial year. In the event of any future change to those policies, the Company anticipates that a separate advisory shareholder vote will be proposed at the applicable AGM.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders
The Company communicates with its shareholders through:

- the Annual Report and Accounts;
- half-year report announcements;
- Regulatory News Service ("RNS") announcements;
- the Annual General Meeting ("AGM"); and
- one-to-one meetings with large existing or potential new shareholders.

The Company also continues its collaboration with Equity Development, which allows retail investors access to valuable research and insights.

As outlined in principle 2, the Company maintains an active dialogue with its shareholders through a planned programme of investor relations. A range of Company information is included on the website (www.investors.supreme.co.uk) and further information can be requested from investors@supreme.co.uk.

The report of the Remuneration Committee is set out at pages 60 to 63 of this report, and the report of the Audit Committee is set out at pages 58 to 59.

Details of specific issues and challenges arising during the year, and how they have been addressed and communicated by the Board with shareholders and other key stakeholders are set out in the Section 172 Statement at pages 40 to 43 of this report. No material changes to the Board structure or process were made during the year.

For each AGM, the Company publishes detailed results of voting on each resolution, included votes for and against, noting that no significant proportion of votes have been cast against any resolution since the Company listed in 2021.

The Company's annual report and accounts, investor presentations and notice of general meetings are available on the Company's website www.investors.supreme.co.uk

Audit Committee Report

Dear Shareholder,
I am pleased to present the Audit Committee Report for the year ended 31 March 2025.

Composition and experience of the Audit Committee

The Audit Committee is chaired by me as a Non-Executive Director and consists of all three Non-Executive Directors (Paul McDonald, Mark Cashmore and myself). Paul McDonald is a Fellow of the Certified Association of Accountants whilst I am a member of the Institute of Chartered Accountants in England and Wales. Further details of the Committee members, and their respective experience can be found on pages 52 to 53. The Board is satisfied that the Committee members are sufficiently competent in financial matters, in addition to having considerable industry experience in senior financial and operational roles.

Responsibilities

The responsibilities of the Audit Committee are defined by the Terms of Reference of the Audit Committee (an overview of which is available on the Company's website). These responsibilities include:

- primary responsibility for monitoring the quality of internal controls (including review of the scope and adequacy of the Company's processes and controls in respect of whistleblowing and anti-bribery) and reviewing the Company's risks;
- monitoring the integrity of the Group's financial statements and the external announcements of the Group's results to ensure that the financial performance of the Group is properly measured and reported on; and
- receiving and reviewing reports from the Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

Meetings

The Committee met formally three times in the year including once at the planning stage prior to the external audit and had full attendance. Although not members of the Audit Committee, the Chief Financial Officer, the Company Secretary, and representatives of BDO LLP ("BDO"), our external auditor, also attended meetings by invitation. Attendance at Committee meetings during the year can be found on pages 52 to 53.

In addition, the Committee had discussions with the external auditor without executive management present to discuss the audit's remit and any issues arising.

Evaluation of the effectiveness of the Audit Committee

To ensure that it is operating at maximum effectiveness the Committee used the output of the formal Group Board Effectiveness review carried out in March 2025 to review and evaluate its own performance, constitution and Terms of Reference. The review was conducted with the support of an external facilitator, and in accordance with the recommendations of the QCA Code. The review concluded that the Committee was operating effectively and no changes were required to be recommended to the Group Board.

External audit

The Audit Committee has responsibility for the appointment and remuneration of the Group's external auditors and satisfying itself that they maintain their independence regardless of any non-audit work performed by them. The Group has been monitoring the updated Ethical Standard guidance governing the performance of non-audit work by the auditors regarding the provision of such services. The total fees payable to the external auditors in respect of the year under review amount to £340,000 (2024: £220,000) of which £nil (2024: £nil) related to non-audit services.

The respective responsibilities of the Directors and external independent auditors in connection with the Group financial statements are explained in the Directors' Responsibilities on page 67 and the Independent Auditors' Report on pages 70 to 77.

One of the principal duties of the Audit Committee is to make recommendations to the Board in relation to the appointment of the external auditors. BDO have been the Company's external auditors for 11 years and the Audit Committee has recommended their continued appointment for the current financial year.

Internal control and risk management

The Audit Committee supports the Board in reviewing the risk management methodology and the effectiveness of internal controls. Regular internal control updates are provided to the Audit Committee; these include reviewing and updating the risk register and assessing the mitigating actions in place and updates to action plans agreed in previous meetings.

The Committee discussed and reviewed the Group's risk register during the financial year. The risk register was updated to reflect the assessment of risks to the Group. The Committee was satisfied that all risks and opportunities had been appropriately identified. The Risk Management section of the Strategic Report on pages 44 to 47 sets out further details.

Risk and Compliance Policies

The Audit Committee reviews the Group's policies and procedures in connection with anti-bribery and corruption, the detection of fraud, modern slavery and whistleblowing to ensure they function appropriately. In particular, the Committee seeks to ensure that there is support for employees and contractors to raise, in confidence, concerns in respect of possible wrongdoing within the Group, without fear of reprisal.

The Group maintains the following policies and codes, which are reviewed and assessed by the Committee:

- A whistleblowing policy which sets out the formal process by which an employee or contractor of the Group may, in confidence, raise concerns about possible improprieties in the Group, which may include breach of law, fraud or other wrongdoings. The Committee reviews and considers any reports made through this reporting channel, to ensure appropriate investigation and action.
- An anti-bribery and corruption policy which is designed to ensure adherence to the provisions of the Bribery Act 2010 and any other applicable legislation. This also covers corporate gifts and hospitality, and appropriate business ethics principles.
- A supplier code of conduct which prohibits any practices in contravention of modern slavery legislation, together with applicable disclosures made under the Modern Slavery Act 2015.

Significant matters considered in relation to the financial statements

At the request of the Board, the Audit Committee considered whether the 2025 Annual report and Accounts were fair, balanced and understandable and whether they provided the necessary information for shareholders to assess the Group's performance, business model and strategy. The Committee was satisfied that, taken as a whole, the 2025 Annual Report and Accounts is fair, balanced and understandable.

The Audit Committee assesses whether suitable accounting policies have been adopted and whether appropriate estimates and judgements have been made by management. The Committee also reviews accounting papers prepared by management, and reviews reports by the external auditors. The specific areas reviewed by the Committee during the year are listed below and the Audit Committee concluded that the policies adopted were appropriate:

- revenue recognition, in particular direct shipments, cut-off and rebates;
- acquisitions, acquisition accounting, purchase price allocation in relation to acquisitions and the appropriateness of the carrying value of goodwill, intangibles and investments;
- stock valuation, in particular weighted average cost methodology and level of stock provision;
- assessment of going concern; and
- IFRS 16.

Internal Audit

At present the Group does not have an internal audit function. The Committee reviewed the need for an internal audit function during the year and was satisfied that having no internal audit function is appropriate given the size and nature of the Group's business and belief that management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without a formal internal audit function. This will be kept under review as the business grows in size and breadth.

Simon Lord

Chair of the Audit Committee

Statement from the Chair of the Remuneration Committee

Dear Shareholder
I am pleased to present the Company’s remuneration report for the financial year ended 31 March 2025.

The Remuneration Committee is committed to complying with robust corporate governance in relation to the Directors’ remuneration policy and as such, the Company adopts the corporate governance code published by the Quoted Companies Alliance (the “QCA Code”). The Remuneration Committee is satisfied it has met the standards set by the QCA Code.

Main responsibilities

The Committee’s main responsibilities are:

- to determine the framework and broad policy for setting remuneration for the Chief Executive and all executive directors;
- to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders;
- to review the establishment of all share incentive plans for approval by the Board and shareholders and determine each year whether awards will be made, and if so, the overall amount of such awards and the individual awards per person to executive directors and other senior management; and
- to produce an annual report on the Company’s remuneration policy.

FY25 remuneration and incentive outcomes

The Committee determined that Sandy Chadha and Suzanne Smith would receive a salary in line with the previous year, of £325,000 and £175,000 respectively, effective from 1 April 2024. In this context, the Committee felt that this salary freeze was appropriate following the increase in the previous year, and reflective of in-year business operation and implementation of the SIP¹.

As reported in last year’s Directors’ Remuneration Report, the Committee reviewed the current remuneration arrangements considering factors such as business strategy, the external operating environment, data on market practices regarding executive compensation and the overall need to retain and incentivise an exceptional management team. Following this review, it was determined that the existing annual bonus and LTIP frameworks were no longer appropriate structures to retain and incentivise Executive Directors, driven by the difficulty in setting meaningful and challenging long-term targets. Therefore, the Committee took the decision to simplify the existing annual bonus and LTIP into a single incentive plan – the Supreme Incentive Plan (“SIP”) and FY25 was its first year of operation. The Incentive plan is expected to measure annual performance, providing a distinct line of sight for participants and operating as a more productive retention tool, while maintaining a strong link to shareholder value creation through the deferral of a material part of the award into shares.

Following a market benchmarking exercise, the Committee determined that the Non-Executive Directors would receive a fee increase effective from 1 April 2024, this being the first since IPO in January 2021 for the Non-Executive Directors. As such, Mark Cashmore and Simon Lord will receive fees of £50,000 going forwards (FY24: £40,000 and £45,000 respectively). Paul McDonald’s annual fee was also increased to £80,000 for the first time since IPO, effective from 1 September 2023 (FY24: £69,583). The Committee believes that these increases are competitive and appropriate for the business context.

The financial performance of the business was strong during the year, delivering an Adjusted EBITDA figure of £40.5 million. This results in a 100% payout under the Adjusted EBITDA element of the Supreme Incentive Plan (for Suzanne) and annual bonus (for Sandy). Similarly, the business made strong progress against many of the key strategic and personal objectives set at the start of the year. These related to M&A activity, integration of acquisitions, investor relations and working capital targets. Recognising that there is still progress to be made in some of these areas, it was determined that the non-financial element was partially met at 13.33% out of a maximum 20% for both Sandy and Suzanne. As such, the Committee determined that the formulaic outcomes were appropriate, resulting in an incentive payout of 93.33% of maximum for the CEO and CFO respectively. This corresponds to an award of 93.33% and 186.67% of salary for the CEO and CFO respectively, of which the CEO’s award will be wholly settled in cash recognising his existing shareholding. The CFO’s award will be settled 50% in cash and 50% deferred into shares vesting over a 3 year period.

An LTIP award was granted to Suzanne Smith on 5 August 2022 which was subject to absolute TSR and EPS conditions over the 3-year performance period to 31 March 2025. Following an assessment of performance, it was determined that the absolute TSR element has lapsed however the EPS element has been met in full and therefore 50% of the award is expected to vest on 5 August 2025.

FY26 remuneration implementation

Following the review of the current remuneration arrangements undertaken last year, the Committee is comfortable with the way the Supreme Incentive Plan is operating and continues to believe it’s the most appropriate mechanism to drive retention and performance. The FY26 SIP will operate in line with FY25, with 80% assessed on Adjusted EBITDA and 20% on strategic / personal performance.

Summary

The Committee continues to believe that the remuneration arrangements are in the best interests of the Company and are appropriately aligned to strategic goals, create a strong linkage between performance and reward and support the long-term success of the business.

The Remuneration Committee takes the views of its shareholders seriously and intends to maintain an open dialogue to seek their views. I am always happy to hear from the Company’s shareholders and you can contact me via the Company Secretary if you have any questions on this Report or more generally in relation to the Company’s remuneration.

Mark Cashmore

Independent Non-Executive Director

Directors’ Remuneration Report

Summary of remuneration policy

In setting the remuneration arrangements, the Remuneration Committee takes into account:

1. The responsibilities of each individual’s role and their experience and performance as well as the material shareholding of the CEO;
2. The design of remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to the Company’s purpose and values, clearly linked to the successful delivery of the Company’s long-term strategy;
3. The need to attract, retain and motivate executive directors and senior management, ensuring an appropriate mix between fixed and variable pay;
4. The pay and benefits arrangements elsewhere in the Group, and in the sector;
5. The periodic external benchmarking to consider market conditions, and remuneration practices for roles of a similar size and complexity; and
6. The need to align the overall reward arrangements with the Company’s strategy, both in the short and long-term.

A summary of the remuneration arrangements applicable to remuneration in FY25 and FY26 is set out below for reference to assist with the understanding of the contents of this report and to demonstrate alignment with strategy.

Purpose and link to strategy	Operation	Opportunity	Performance metrics used, weighting and time period applicable
Base salary Provides a base level of remuneration to support recruitment and retention of executive directors with the necessary experience and expertise to deliver the Company’s strategy.	Salaries are reviewed at the discretion of the Committee.	Base salaries will be set by the Committee at an appropriate level, with consideration given to comparable listed companies, experience in role and the Company’s performance.	None
Benefits and pension Provides a competitive level of benefits and pension.	The executive directors receive benefits which includes private medical insurance. Further benefits may also be provided for relocation following the appointment of new executives.	Currently pension contributions are paid on behalf of the Executive Directors. The maximum value of other benefits will be set at the cost of providing the benefits described.	None
Supreme Incentive Plan	Performance is measured annually against a range of pre-determined performance conditions. Outcomes are determined by the Committee after the year end based on performance against these targets. All payments are at the ultimate discretion of the Committee and the Committee retains an overriding ability to ensure that overall bonus payments reflect its view of corporate performance during the year. Up to 50% of awards are paid in cash after the end of the financial year to which they relate, with the remainder (at least 50%) delivered in shares vesting over a 3 year period.	The maximum normal opportunity is currently 200% of base salary.	Performance is measured over the financial year. Targets are set annually by the Committee. Performance metrics may include: <ul style="list-style-type: none">• Adjusted EBITDA;• strategic/personal targets The Remuneration Committee has discretion to use other metrics as required.
Non-executive director fees Provides a level of fees to support recruitment and retention of non-executive directors with the necessary experience to advise and assist with establishing and monitoring the Company’s strategic objectives.	Non-executive directors are paid a base fee. Fees are reviewed from time to time at the Remuneration Committee’s discretion based on equivalent roles in an appropriate comparator group also used to review salaries paid to the executive directors.	The base fees for non-executive directors are set at a market rate. No additional fees are awarded for committee chairmanship or membership.	None

Malus provisions for the Supreme Incentive Plan apply for the duration of the performance period and to deferred awards, allowing the Committee to reduce to zero any in-year or deferred awards. Clawback provisions apply to amounts paid following the performance period for 2 years following payment, allowing the Committee to claim back all or part of any amount paid.

1. 2025 was the first year of operation for the Supreme Incentive Plan. Amounts for Suzanne Smith will be delivered 50% in cash and 50% in deferred shares which vest over a 3 year period and for which there are ‘underpins’ for performance across years 2 and 3. These options will be formally granted to Suzanne Smith following the approval of the FY25 financial statements. As they have not been granted within this financial period they have not been disclosed within the notes to the financial statements. Sandy Chadha is expected to join this scheme in FY26 because his existing plan (options granted at IPO) is expected to lapse during FY26.

Directors’ Remuneration Report

continued

Annual Report on Remuneration

Executive director remuneration (Audited)

The table below sets out the total remuneration with a breakdown for each executive director in respect of the 2025 financial year. Comparative figures for the 2024 financial year have also been provided.

£'000	Base salary ¹		Benefits ²		SIP ³		Annual Bonus ⁴		LTIP ⁵		Pension		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Sandy Chadha	325,000	325,000	1,735	1,735	–	–	303,333	325,000	–	–	1,321	1,321	631,389	653,056
Suzanne Smith	175,000	175,000	1,000	1,000	326,667	–	–	175,000	138,451	–	1,321	1,321	642,439	352,321

1. Annual base salary for Sandy Chadha was £325,000 and Suzanne Smith was £175,000.
2. The taxable benefits received in 2024 and 2025 were private medical insurance.
3. 2025 was the first year of operation for the Supreme Incentive Plan. Amounts for Suzanne Smith will be delivered 50% in cash and 50% in deferred shares which vest over a 3 year period and for which there are ‘underpins’ for performance across years 2 and 3. These options will be formally granted to Suzanne Smith following the approval of the FY25 financial statements. As they have not been granted within this financial period they have not been disclosed within the notes to the financial statements. Sandy Chadha is expected to join this scheme in FY26 because his existing plan (options granted at IPO) is expected to lapse during FY26.
4. As noted above, Suzanne Smith’s annual cash bonus now forms part of the Supreme Incentive Plan launched in 2025. This same will be true for Sandy Chadha in 2026.
5. The performance period of the 2022 LTIP award granted to Suzanne Smith completed on 31 March 2025 and it has been estimated that 50% of the award will vest. The value of the shares (87,325) expected to vest has been estimated based on the 3-month average share price to 31 March 2025, being £1.685 less the nominal exercise price (£0.10) per option. These will be exercised following the approval of the FY25 financial statements. As they were not formally exercised within this financial period, they have not been reported within the notes to the financial statements.

Non-executive directors (Audited)

The table below sets out the total remuneration and breakdown for each non-executive director.

£'000	Fees ¹		Total	
	2025	2024	2025	2024
Mark Cashmore	£50,000	£40,000	£50,000	£40,000
Simon Lord	£50,000	£45,000	£50,000	£45,000
Paul McDonald	£80,000	£69,583	£81,321	£69,583

1. For 2025, annual fees are £50,000 for Mark Cashmore and Simon Lord from 1 April 2024, and £80,000 for Paul McDonald which was effective from 1 September 2023. In line with good corporate governance, none of the individuals were involved in discussions concerning their own fees.

Additional information regarding directors’ remuneration

The Remuneration Committee considers that performance conditions for all incentives are suitably demanding, having regard to the business strategy, shareholder expectations, the markets in which the Group operates and external advice. To the extent that any performance condition is not met, the relevant part of the award will lapse. There is no retesting of performance.

Supreme Incentive Plan awards/ annual bonus

As reported in last year’s Directors’ Remuneration Report, the CEO and CFO had the opportunity to earn a bonus in respect of FY25 of 100% and 200% of salary respectively FY25 performance was assessed against a mixture of Adjusted EBITDA (80%) and strategic & personal targets (20%).

Adjusted EBITDA targets were met in full and therefore there was a 100% payout in respect of this element.

The strategic performance targets were selected to underpin key strategic objectives of the Business aligned with the business strategy. Specific strategic performance considerations for the CEO included M&A activity and investor relations. The CFO’s personal & strategic considerations included integration of acquisitions and the effectiveness of the finance function and working capital targets as a % of revenue.

The Committee considered that the targets for the strategic/personal objectives element of the bonus had been partially met for the CEO and CFO respectively, and resolved to pay a bonus at a level of 13.33% (out of a maximum of 20%) to the CEO and CFO respectively.

As such, the Committee determined that the formulaic outcomes were appropriate, resulting in an incentive payout of 93.33% of maximum for the CEO and CFO respectively. This corresponds to an award of 93.33% and 186.67% of salary for the CEO and CFO respectively, of which the CEO’s award will be wholly settled in cash. The CFO’s award will be settled 50% in cash and 50% deferred into shares vesting over a 3 year period.

Outstanding LTIP awards

As previously disclosed, an LTIP award was granted to Suzanne Smith on 5 August 2022 subject to Absolute TSR (50%) and EPS (50%) conditions over the 3 year performance period to 31 March 2025. Following an assessment of performance, it was determined that the threshold level of TSR was not met however the EPS condition was met in full. Therefore, 87,325 shares are expected to vest on 5 August 2025 for Suzanne Smith. The value of this award has been included in the table above based on the 3 month average share price to 31 March 2025, being £1.685 less the nominal exercise price (£0.10) per option.

Share interests

The interests of directors and their connected persons in Ordinary Shares and share options as at 31 March 2025 are presented in the table below.

Director	Ordinary shares at 31 March 2025	Options held		
		Vested but not exercised	Unvested and subject to continued employment	Unvested and subject to performance criteria
Sandy Chadha	65,666,845	–	–	2,912,500
Suzanne Smith	39,656	–	–	332,166
Mark Cashmore	29,850	–	–	–
Simon Lord	37,313	–	–	–
Paul McDonald	57,462	–	–	–

Implementation of remuneration agreements in FY26

The Committee is satisfied with the application of the refreshed Directors’ remuneration policy and as such intends to operate the policy in a similar manner to FY25. Further details on the implementation of the policy for FY26 are set out below.

Supreme Incentive Plan

The Executive Directors will be entitled to participate in the Supreme Incentive Plan at 200% of salary. The performance targets for FY26 will be:

- Adjusted EBITDA (80% weighting)
- Strategic/personal targets (20% weighting)

The Remuneration Committee is of the opinion that given the commercial sensitivity arising in relation to the detailed financial targets used for the annual bonus, disclosing precise targets for the Incentive Plan in advance would not be in shareholder interests. Actual targets, performance achieved and awards made will be published at the end of the performance periods so shareholders can fully assess the basis for any pay-outs under the Incentive Plan.

In line with our Policy, any pay-outs delivered under the Incentive Plan will be delivered 50% in cash and 50% in shares, deferred for a 2 year period.

Non-executive director fees

The fees for the non-executive directors are reviewed periodically to ensure that they remain in line with the market.

Advisers to the Committee

During the year, the Committee received advice from PwC on remuneration matters and reporting. PwC are signatories to the Remuneration Consultants Group Code of Conduct and operate voluntarily under this Code, which sets out the scope and conduct of the role of executive remuneration consultants when advising UK listed companies. The Remuneration Committee is satisfied that the advice received was objective and independent.

Approval

This report is approved by the Board on 30 June 2025

Mark Cashmore

Chair of the Remuneration Committee

Directors’ Report

The Directors present their report together with the audited financial statements of the Parent Company (“the Company”) and the Group for the year ended 31 March 2025. The Group has prepared the financial statements in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The parent Company financial statements have been prepared under FRS 101 Generally Accepted Accounting Practices (UK GAAP). More information on the preparation of the financial statements is disclosed within Note 2 of the accounts.

Principal activity

The principal activity of the Group is the distribution of fast-moving branded, discounted consumer goods to retailers and wholesalers in the UK and online. The goods are either manufactured by Supreme in the UK or are sourced by Supreme from elsewhere in the UK, Europe or the Far East.

The Group’s activities fall into three newly consolidated categories: Electricals (formerly the separate categories Batteries and Lighting), Vaping (formerly the separate categories Vaping and Branded Distribution), and Drinks & Wellness (the Sports Nutrition & Wellness category plus the addition of the recently acquired Clearly Drinks and Typhoo Tea).

Business review and future developments

In accordance with the requirements of the Companies Act 2006, a review of the performance of the Group during the year, including principal risks and uncertainties, key performance indicators and comments on future developments, is given in the Strategic Report.

Results and dividends

The Group recorded revenue in the year of £231.1 million (FY24: £221.2 million) and profit after tax of £23.5 million (FY24: £22.4 million). An interim dividend of 1.8 pence per share was declared and paid during the year. Directors will recommend a final dividend of 3.4 pence per share at the 2025 Annual General Meeting to be held on Thursday 18 September 2025.

Financial risk management

Information relating to the principal risks and uncertainties of the Group have been included within the Strategic Report. Further information relating to the financial risks of the Group have been included within Note 23, Financial instruments.

Directors and their interests

The Directors of the Company who were in office during the year and up to the date of signing the Group financial statements were:

Paul McDonald
Sandy Chadha
Suzanne Smith
Mark Cashmore
Simon Lord

Names, biographical details and appointment dates of the Directors of the Company are set out on pages 52 to 53. All the Directors are subject to election by the shareholders at the forthcoming AGM.

The Directors who held office during the year and at 31 March 2025 had the following interests in the ordinary shares of the Company as at 31 March 2025:

Director	Ordinary shares
Paul McDonald	57,462
Sandy Chadha	65,666,845
Suzanne Smith	39,656
Mark Cashmore	29,850
Simon Lord	37,313

In addition to the interests in ordinary shares shown above, the Group operates a number of long-term incentive arrangements for certain employees, senior executives and Directors.

No changes took place in the interests of Directors between 31 March 2025 and the date of signing the Group financial statements.

The market price of the Company’s shares at the end of the financial year was 152.0p (FY24: 125.0p) and the range of market prices during the Period was between 207.0p and 121.0p.

Further details on related party transactions with Directors are provided in Note 28 of the Group financial statements.

Directors’ indemnities and insurance

The Company has made qualifying third-party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report. In addition, the Company has maintained a Directors’ and Officers’ liability insurance policy throughout the financial year and has renewed that policy for the annual period from 1 November 2024.

Substantial shareholdings

As at 31 March 2025, the Company has been advised, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights:

Director	Number of shares	% of voting right
Sandy Chadha	65,666,845	55.98%
Moneta Asset Management SAS	8,060,251	6.87%
Hargreaves Lansdown, stockbrokers (EO)	5,948,615	5.07%
Slaters Investments	5,476,800	4.67%
Bronte Capital Management	4,050,200	3.45%

Since 31 March 2025, the Company has received no notifications of any changes to the above voting rights in accordance with the Disclosure and Transparency Rules.

Employees

Employees are consulted throughout the organisation and are given many opportunities to provide feedback during regular meetings and annual appraisals. Recruitment and retention have also been supported by this regular communication. There is a comprehensive Code of Conduct in place setting out the ethical expectations of all employees. A key element to the strategy is to continue to attract, develop and retain high quality team members who share our brand values to support the wider growth ambitions.

The Group has an established policy of encouraging the employment of disabled persons wherever this is practicable and endeavours to ensure that disabled employees benefit from training and career development programmes in common with all other employees. The Group’s policy includes, where practicable, the continued employment of those who may become disabled during their employment.

The Group encourages the involvement of employees in the Company’s performance through performance related commissions and bonuses, open to individuals at every level in the business. Consultation with employees takes place regularly where the views of employees are considered when making decisions that are likely to affect their interests. The Group continues to adopt the use of an interactive mobile app (“Team Supreme”) to drive employee engagement and elicit feedback, particularly for those employees not regularly using a company issued device or e-mail account.

The Strategic Report (‘section 172’) sets out additional detail on the Group’s employee communication and engagement, including in relation to key and specific strategic decisions taken during the financial period.

Political donations

The Directors confirm that the Group did not make any donations for political purposes during the year (FY24: nil).

Share capital and voting

The Company has one class of equity share, namely £0.10 ordinary shares. The ordinary shares have full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable. The rights and obligations attaching to these shares are governed by the Companies Act 2006 and the Company’s Articles.

As at 31 March 2025, the Company’s issued share capital comprised of 117,312,719 ordinary £0.10 shares totalling £11,731,272.

Rules governing the appointment and replacement of Directors, and those relating to the amendment of the Company’s Articles of Association, are contained within those Articles of Association, a copy of which is located on the Company’s website ([https:// investors.supreme.co.uk](https://investors.supreme.co.uk)).

Notice of Annual General Meeting

The Annual General Meeting will be held on Thursday 18 September 2025. The ordinary business comprises receipt of the Directors’ report and audited financial statements for the Period ended 31 March 2025, the re-election of Directors, the reappointment of BDO LLP as auditor, authorisation of the Directors to determine the auditor’s remuneration, declaration of dividend and an advisory vote on the Company’s annual remuneration report. Resolutions are also proposed to authorise the Directors, to a limited extent consistent with Pre-Emption Group guidelines, to allot new shares, to disapply statutory pre-emption rights, and to make market purchases of the Company’s shares.

Corporate governance

The Group’s statement on Corporate Governance can be found in the Statement on Corporate Governance, which is incorporated by reference and forms part of this Directors’ Report.

Disclosure of information to auditors

The Directors of the Company at the date of the approval of this report confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company’s auditors are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company’s auditors are aware of that information.

Going concern

In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections for the two-year period to 31 March 2027. These forecasts and projections, which the Directors consider to be prudent, have been sensitised by applying general reductions to revenue and profitability, to consider downside risk and the impact these scenarios would have on the Group’s cashflows and liquidity and its ability to continue to operate and trade.

Directors’ Report

continued

- The Directors have performed a specific sensitivity in reference to the recently imposed disposable vape ban in which a scenario where the revenue currently attributable to disposable vapes fails to transition to an alternative form of vaping has been assessed. The sensitivity confirmed that without the sale of disposable vapes or a likely substitute product in its place (and without altering the Group’s overhead base), the remaining Supreme Group would remain profitable and cash-generative and therefore this does not pose a problem in respect of going concern.
- In addition to the specific sensitivity on the disposable vape ban, the Directors have also overlaid further a potential downturn sensitivity by assuming a 5% and then 20% reduction in revenue across all divisions of the business (whilst maintaining the existing overhead base). Again, the business remains profitable and cash generative.
- In fact, owing to the working capital unwind that occurs in the short to medium term when sales reduce, the forecasts indicate that the Group’s revenue can fall by 75% (without any adjustment to overheads) before the Group runs out of cash reserves in March 2027.
- Whilst the Group’s debt facilities are priced at a variable rate (SONIA + a margin) and will be in place until March 2028, the Group’s current positive leverage ratio (i.e. having a net cash positive position at the balance sheet date), means that Supreme’s exposure to any increases in borrowing rates is limited. Should the Group increase its level of bank borrowings during the forecast period (likely to be triggered by M&A) then of course this increased cost of borrowing would impact the Group (albeit expected to be offset by the incremental earnings generated by any M&A target).
- Historically Supreme has been a net beneficiary in periods of economic downturn, owing to the fact more than half of its revenue is derived from the discount retail sector which typically trades buoyantly during these periods (for prudence this has not been assumed in the forecast). The inflationary cost increases (specifically over salary costs, energy and transport) have been specifically factored into the cost base throughout for the forecast period.

Based on these various scenarios, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

UK Greenhouse gas emissions and energy usage
Under the Companies (Directors’ Report) and Limited Liabilities Partnerships (Energy & Carbon Report) Regulations 2019, we are mandated to disclose our UK energy use and associated greenhouse gas (GHG) emissions. Specifically, and as a minimum, we are required to report those GHG emissions relating to natural gas, electricity and transport fuel as well as an intensity ratio, under the Streamlined Energy & Carbon Reporting (SECR) Regulations. The Greenhouse gas emissions and energy usage from Scope 1 and Scope 2 reported below relate to the Group’s UK based business operations:

	FY25		FY24	
	Consumption KwH	Emissions (kgCO2e)	Consumption KwH	Emissions (kgCO2e)
Electricity	1,049,081	217	1,187,124	245
Gas	2,146,855	434	698,886	141
Consumption of fuel for the purposes of transport	196,131	54	173,201	40
Total	3,392,066	705	2,059,211	426

Intensity ratio
KwH per full time equivalent employee during the year was 7,023KwH (FY24: 5,901KwH). TCO2e per full time equivalent employee during the year was 1.4TCO2e (FY24: 1.2TCO2e).

The methodology used to calculate the above energy usage and greenhouse gas emissions aligns with the UK Government’s Environmental Reporting Guidelines (March 2019) and accompanying GHG Conversion Factors for Company Reporting. Data has been compiled from primary source material including supplier utility invoices, meter readings for both gas and electricity, and company-maintained mileage logs for transport fuel usage where possible or reasonable assumptions of mileage where this data is not available. Where applicable, standard emissions factors have been applied using the most recent available government conversion data. In cases where full data was not available, conservative estimates have been used based on historical usage or prorated calculations. This approach ensures consistency, transparency, and comparability with prior years. The data presented covers Scope 1 (direct emissions from fuel use) and Scope 2 (indirect emissions from purchased electricity) for all UK-based operations, in line with the SECR requirements.

Please also see pages 36 to 41 in the ESG report which outline the measures taken in the year to reduce carbon emissions.

Events after the balance sheet date
On 2 April 2025 the Group entered a 4-year lease arrangement for a site in Gloucester which is used to manufacture black tea. The annual rental commitment will be £238,000 per annum.

Independent auditors
The auditor, BDO LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will beproposed at the AGM.

The Directors’ Report was approved on behalf of the Board on 30 June 2025.
By order of the Board

Suzanne Smith
Chief Finance Officer
Supreme PLC
Registered number: 05844527
30 June 2025

Directors’ Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with UK adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period.

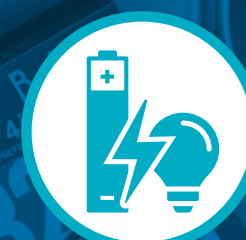
In preparing these financial statements, the directors are required to:

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

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

Website publication
The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company’s website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company’s website is the responsibility of the directors. The directors’ responsibility also extends to the ongoing integrity of the financial statements contained therein.

Financial Statements



Independent Auditor’s Report to the Members of Supreme plc

Opinion on the financial statements

In our opinion:

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

We have audited the financial statements of Supreme plc (the ‘Parent Company’) and its subsidiaries (the ‘Group’) for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, Notes to the Group financial statements, including a summary of material accounting policy information. As well as the Company Statement of Financial Position, Company Statement of Changes in Equity and Notes to the Company financial statements, including a summary of material accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors’ assessment of the Group and the Parent Company’s ability to continue to adopt the going concern basis of accounting included:

- Challenging the rationale for the assumptions used in the forecasts by using our knowledge of the business and the sector together with wider commentary available from stock market analysts, and considering the impact of key events in the future, including the impact of the disposable vapes ban;
- Assessing the appropriateness of the Directors’ forecasts by testing their mathematical accuracy, assessing historical forecasting accuracy and understanding the Directors’ consideration of downside sensitivity analysis and reverse stress testing;
- Reperforming sensitivities on the Directors’ base case and stressed case scenarios, considering the likelihood of these occurring and understanding and challenging the mitigating actions the Directors would take under these scenarios; and
- Reviewing and considering the adequacy of the going concern disclosures in view of the requirements of the accounting standards and assessed the consistency of the disclosures with the Directors’ forecasts and assessment.

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

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

Overview			
Key audit matters		2025	2024
	Revenue	✓	✓
	Purchase price allocation	✓	
	Fair value of tangible assets acquired	✓	
	Purchase price allocation and the fair value of tangible assets acquired are risks identified arising from new business combinations during the year ended 31 March 2025.		
Materiality		Group financial statements as a whole	
		£1.5m (2024: £1.5m) based on 5% (2024: 5%) of Profit before taxation.	

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group’s system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

There are 35 entities within the group, including the Parent Company. Based on the nature of the entities, and the legal jurisdictions of these entities, we deemed there to be 11 components. The nature of the entities within the Group is as follows:

- 1 entity is the Parent Company, which holds the investment in Supreme Imports Limited, the main trading entity of the group (1 component).
- 11 entities are holding companies and hold investments in other holding companies and ultimately the trading entities within the Group (3 components).
- 6 entities are trading entities, including the Group’s main trading entities being Supreme Imports Limited, Clearly Drinks Limited and VN Labs Limited (6 components).
- The remaining 17 entities are dormant companies and don’t have significant financial impact to the Group consolidated financial statements (1 component).

As part of performing our Group audit, we have identified the components at which we would perform procedures on the entire financial information to be:

- Supreme plc
- Supreme Imports Limited
- Clearly Drinks Limited
- VN Labs Limited

These components were identified based on their coverage of the risks of material misstatements as identified within the Group consolidated financial statements.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures and data analytical procedures.
- procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Component	Component Name	Entity	Group Audit Scope
1	Supreme plc	Supreme plc	Statutory audit and procedures on the entire financial information of the component.
2	Supreme Imports Limited	Supreme Imports Limited	Statutory audit and procedures on the entire financial information of the component.
3	Clearly Drinks Limited	Clearly Drinks Limited	Statutory audit and procedures on the entire financial information of the component.
4	VN Labs Limited	VN Labs Limited	Statutory audit and procedures on the entire financial information of the component.
5	Renmo Trading S.L	Renmo Trading S.L	Specific audit procedures
6	Vendek Limited	Vendek Limited	Specific audit procedures
7 – 11	All other identified components	All other entities	Risk assessment procedures

The Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit.

Independent Auditor’s Report

to the Members of Supreme plc

continued

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and commonality of controls in relation to:

- Goodwill and other intangible assets;
- Business combinations;
- Corporation tax and deferred tax balances;
- Share based payments;
- Consolidation, financial statement preparation and cash flow statement;
- Going concern; and
- Laws and regulations.

We therefore designed and performed procedures centrally in these areas.

The group does not operate a centralised IT function, therefore, the audit team performed specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls over the relevant IT systems for Supreme plc, Supreme Imports Limited, VN Labs Limited, Clearly Drinks Limited and Renmo Trading S.L.

Locations

The group’s operations are spread over a number of different geographical locations. We visited 3 out of a total of 4 locations. Our teams conducted procedures in the group’s locations in the United Kingdom (UK), Spain and Ireland.

Changes from the prior year

As disclosed in note 29, the group had 3 business combinations during the year ended 31 March 2025. This resulted in a change in the number of components where we’ve performed a statutory audit and procedures on the entire financial information of the component from 3 to 4.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue recognition in group financial statements (accounting policy in Note 2.5 and Note 4)	<p>The group has a number of revenue streams as detailed in Note 4, each of which contain the same performance obligations with regards to the appropriate revenue recognition under IFRS 15 Revenue from Contracts with Customers.</p> <p>We have determined that a risk of material misstatement could arise from:</p> <ul style="list-style-type: none">– The completeness and accuracy of the deduction to revenue in respect of customer rebates;– The existence and accuracy of revenue recognised throughout the year; and– Improper revenue recognition before completion of performance obligations, specifically with a focus on revenue recognised around the year end. <p>For the reasons set out above, revenue recognition was determined to be a key audit matter.</p> <p>The audit procedures included the following:</p> <ul style="list-style-type: none">– We tested a sample of revenue transactions recognised on either side of the year end date, by agreeing the sampled transactions to the original sales order, goods delivery note and sales invoice to determine whether the transaction was recorded at the correct amount and recognised in the correct financial period;– We tested a sample of revenue transactions recognised during the year by agreeing the sampled transactions to the original sales order, sales invoice and cash receipt per bank to determine whether it was a valid transaction recorded at the correct amount and recognised in the correct financial period; and– We obtained confirmations of the value of sales and rebate amounts directly from customers.– We performed an analytical review by comparing rebate amounts recorded by customer in the current year to the amount in the prior year to gain assurance over the completeness and accuracy of the rebates recorded during the year as well as the estimated balance to be accrued at the year end. <p>Key Observations: Based on the procedures performed, we found management’s revenue recognition policy to be in line with the requirements of applicable accounting standards and the recognition of revenue in the year to be appropriate.</p>

Key audit matter	How the scope of our audit addressed the key audit matter
Purchase price allocation to group intangible assets acquired (Note 29 within the notes to the Group financial statements)	<p>The group has made three acquisitions during the year:</p> <ul style="list-style-type: none">– Acorn Topco Limited (acquisition of legal entity)– Typhoo Tea Limited (acquisition of trade and assets)– Renmo Trading S.L (acquisition of legal entity) <p>Management have reviewed the agreements and concluded that each of the above acquisitions meets the definition of a Business Combination in accordance with IFRS 3.</p> <p>Accounting for Business combinations can be complex and requires significant judgement. In particular, the recognition and valuation of assets and liabilities acquired, such as intangible assets, is inherently complex and judgemental.</p> <p>Management involved a third-party expert to prepare detailed calculations to determine the fair value of intangible assets acquired. As a result of the judgements required to be made, there is a significant risk of material misstatement in the allocation of the purchase price to assets according to their fair values at date of acquisition.</p> <p>For these reasons, the audit of acquisitions accounting, including the related disclosures, required significant auditor attention and so was determined to be a key audit matter.</p> <p>We obtained and reviewed the sale and purchase agreements (SPAs) for each acquisition to confirm that the appropriate accounting treatment had been applied. Our work included:</p> <ul style="list-style-type: none">– With the support of our internal valuations experts, we challenged the key inputs, assumptions and methodology used by Management in determining the fair values of intangible assets acquired, based on our knowledge of the industry;– Use of Group Management reconciliations and supporting documentation to agree the acquisition net book values of assets and liabilities and resulting fair value adjustments;– Challenging the completeness of intangible assets acquired through inspection of due diligence reports and previous financial statements of the acquired entities;– Agreeing the fair value of the purchase consideration to supporting evidence and recalculating the equivalent goodwill arising on acquisition; and– Reviewing the disclosures for the business combinations in line with IFRS 3. <p>Key observations: Based on the procedures we performed, we consider the judgements and estimates made by Management to be reasonable in respect of business combinations, as part of our audit of the financial statements as a whole.</p>
Fair value of tangible assets acquired by group (Note 29 within the Group financial statements)	<p>The group has made three acquisitions during the year as noted above. Two of the acquisitions included a significant amount of tangible assets.</p> <p>Management have reviewed the purchase agreements and concluded that each of the above acquisitions meets the definition of a Business Combination in accordance with IFRS 3.</p> <p>In accordance with IFRS 3, tangible assets should be measured at their fair value on the date of acquisition.</p> <p>Management involved a third-party expert to prepare detailed calculations to determine the fair value of tangible assets acquired. As a result of the judgements and estimates involved in this, there is a risk of material misstatement in the fair value allocated to tangible assets acquired. The audit of this area required significant auditor attention.</p> <p>For these reasons, the fair value of tangible assets acquired and the related disclosures was determined to be a key audit matter.</p> <p>Our work included:</p> <ul style="list-style-type: none">– With the support of our internal valuations experts, we challenged the key inputs, assumptions and methodology used by Management in determining the fair values of tangible assets acquired, based on our knowledge of the industry;– Use of Group Management reconciliations and supporting documentation to agree the acquisition net book values of assets and liabilities, and the resulting fair value adjustments;– Challenging the completeness of tangible assets acquired through inspection of due diligence reports and previous financial statements of the acquired entities; and– Reviewing the disclosures for the business combinations in line with IFRS 3. <p>Key observations: Based on the procedures we performed, we consider the judgements and estimates made by Management to be reasonable in respect of fair value assessments to tangible fixed assets acquired.</p>

Independent Auditor’s Report

to the Members of Supreme plc

continued

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Materiality	£1,545	£1,500	£460	£360
Basis for determining materiality	5% of Profit before tax	5% of Profit before tax	1% of Total Assets	1% of Total Assets
Rationale for the benchmark applied	Profit before tax was considered to be the most appropriate benchmark based on market practice and investor expectations.	Profit before tax was considered to be the most appropriate benchmark based on market practice and investor expectations.	Total assets were considered to be the most appropriate benchmark as the Parent Company does not trade, and the principal activity is that of a holding company.	Total assets were considered to be the most appropriate benchmark as the Parent Company does not trade, and the principal activity is that of a holding company.
Performance materiality	£1,080	£1,050	£322	£252
Basis for determining performance materiality	70% of Materiality	70% of Materiality	70% of Materiality	70% of Materiality
Rationale for the percentage applied for performance materiality	<div>This was considered appropriate based on:<ul style="list-style-type: none">– Cumulative knowledge of the group– Degree of estimation in financial statements– The trade of the Group being contained in three principal trading companies (one being a new acquired entity in the year)</div>	<div>This was considered appropriate based on:<ul style="list-style-type: none">– Cumulative knowledge of the group– Degree of estimation in financial statements– The trade of the Group being contained in two principal trading companies</div>	<div>This was considered appropriate based on:<ul style="list-style-type: none">– Cumulative knowledge of the group– Degree of estimation in financial statements</div>	

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 30% and 95% (2024: 48% and 95%) of Group performance materiality dependent on a number of factors including size and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £330k to £1,016k (2024: £720k to £1,425k).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £30k (2024: £30k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document entitled ‘annual report’ other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors’ report	<div>In our opinion, based on the work undertaken in the course of the audit:<ul style="list-style-type: none">• the information given in the Strategic report and the Directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and• the Strategic report and the Directors’ report have been prepared in accordance with applicable legal requirements.</div> <div>In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors’ report.</div>
Matters on which we are required to report by exception	<div>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:<ul style="list-style-type: none">• adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or• the Parent Company financial statements are not in agreement with the accounting records and returns; or• certain disclosures of Directors’ remuneration specified by law are not made; or• we have not received all the information and explanations we require for our audit.</div>

Responsibilities of Directors

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

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

Auditor’s responsibilities for the audit of the financial statements

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

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

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

Independent Auditor’s Report to the Members of Supreme plc

continued

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance, including the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; we considered the significant laws and regulations to be those that relate to the form and content of the financial statements, such as the Group and Parent Company accounting policies, UK adopted international accounting standards, Financial Reporting Standard 101 Reduced Disclosure Framework and UK Companies Act 2006; AIM Listing rules; those that relate to the payment of employees; and industry related such as compliance with The Food Safety and Hygiene Regulations 2013; data protection; the Tobacco Products and Nicotine Inhaling products legislation; and Health and Safety legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be those that relate to the payment of employees; and industry related such as compliance with The Food Safety and Hygiene Regulations 2013; data protection; the Tobacco Products and Nicotine Inhaling products legislation; and Health and Safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Obtain and review the whistleblowing register for instances of non-compliance with laws and regulations and fraud;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Fraud

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

- Enquiry with management and those charged with governance, including the Audit Committee, regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls that otherwise appear to be operating effectively and the manipulation of revenue around the year-end by recognising transactions before performance obligations are fulfilled and incomplete accruals for customer rebates.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Incorporating an element of unpredictability into the audit procedures, by testing a sample of supplier invoices and payments in the year to ensure amounts have been paid into the intended bank account;
- Testing a sample of random journal entries that do not meet the defined risk criteria;
- Assessing significant estimates made by management for bias by challenging the assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the purchase price allocation, fair value of intangible assets acquired, goodwill impairment assessment and inventory obsolescence;
- We obtained confirmations of the value of sales and rebate amounts directly from customers.
- We performed an analytical review by comparing rebate amounts recorded by customer in the current year to the amount in the prior year to gain assurance over the completeness and accuracy of the rebates recorded during the year as well as the estimated balance to be accrued at the year end.
- We tested a sample of revenue transactions recognised on either side of the year end date, by agreeing the sampled transactions to the original sales order, goods delivery note and sales invoice to determine whether the transaction was recorded at the correct amount and recognised in the correct financial period; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

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

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

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

Use of our report

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

Steven Roberts
(Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK
30 June 2025

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

Consolidated Statement of Comprehensive Income

for the Year Ended 31 March 2025

	Note	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Revenue	4	231,078	221,249
Cost of sales	6	(157,395)	(157,716)
Gross Profit		73,683	63,533
Other operating income		95	–
Administration expenses	6	(44,214)	(31,515)
Net gain on bargain purchase	7	2,941	–
Operating profit		32,505	32,018
Adjusted EBITDA¹		40,481	38,116
Depreciation	13	(6,448)	(3,772)
Amortisation	12	(2,273)	(1,733)
Adjusted items	7	745	(593)
Operating profit		32,505	32,018
Finance income	9	157	147
Finance costs	9	(1,755)	(2,045)
Profit before taxation		30,907	30,120
Income tax	10	(7,400)	(7,694)
Profit for the year		23,507	22,426
Profit is attributable to:			
Owners of Supreme plc		23,459	22,426
Non-controlling interests		48	–
		23,507	22,426
Other comprehensive income/ (expenses)			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		11	(1)
Total other comprehensive income/ (expenses)		11	(1)
Total comprehensive income		23,518	22,425
Total comprehensive income is attributable to:			
Owners of Supreme plc		23,470	22,425
Non-controlling interests		48	–
		23,518	22,425
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share	11	20.1p	19.1p
Diluted earnings per share	11	19.5p	18.1p

1. Adjusted EBITDA, which is defined as operating profit before depreciation, amortisation and Adjusted items (as defined in Note 7) is a non-GAAP metric used by management and is not an IFRS performance measure.

All results derive from continuing operations.

The notes on pages 82 to 114 are an integral part of these financial statements.

Consolidated Statement of Financial Position

as at 31 March 2025

	Note	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Non-current assets			
Assets			
Goodwill and other intangibles	12	21,242	13,663
Property, plant and equipment	13	30,800	21,416
Total non-current assets		52,042	35,079
Current assets			
Assets held for sale	14	500	–
Inventories	16	36,329	24,434
Trade and other receivables	17	42,199	35,626
Net investment in sublease	21	338	–
Cash and cash equivalents	18	3,182	11,631
Total current assets		82,548	71,691
Total assets		134,590	106,770
Liabilities			
Current liabilities			
Borrowings	20	3,342	1,268
Trade and other payables	19	33,686	27,303
Forward contract derivative	23.5	131	52
Income tax payable		6,276	5,068
Provisions	22	–	349
Total current liabilities		43,435	34,040
Net current assets		39,113	37,651
Borrowings	20	12,104	13,449
Deferred tax liability	15	2,117	854
Provisions	22	480	452
Total non-current liabilities		14,701	14,755
Total liabilities		58,136	48,795
Net assets		76,454	57,975
Equity			
Share capital	24	11,731	11,652
Share premium		7,685	7,435
Merger reserve		(22,000)	(22,000)
Capital redemption reserve		83	83
Share-based payments reserve		4,326	3,967
Retained earnings		74,477	56,838
Capital and reserves attributable to owners of Supreme plc		76,302	57,975
Non-controlling interests		152	–
Total equity		76,454	57,975

The notes on pages 82 to 114 are an integral part of these financial statements.

The financial statements on pages 78 to 81 were approved by the Board of Directors and authorised for issue on 30 June 2025, and were signed on its behalf by:

Suzanne Smith
Director
Registered number: 05844527

Consolidated Statement of Changes in Equity

for the Year Ended 31 March 2025

	Share Capital £'000	Share Premium £'000	Merger reserve £'000	Capital redemption reserve £'000	Share- based payments reserve £'000	Retained earnings £'000	Total equity attributable to share- holders £'000	Non- controlling interest £'000	Total equity £'000
As at 1 April 2023	11,732	7,427	(22,000)	–	3,043	39,754	39,956	–	39,956
Profit for the year	–	–	–	–	–	22,426	22,426	–	22,426
Other comprehensive income	–	–	–	–	–	(1)	(1)	–	(1)
Total comprehensive income for the year	–	–	–	–	–	22,425	22,425	–	22,425
Transactions with shareholders:									
Issue of shares	3	8	–	–	–	–	11	–	11
Share buy back	–	–	–	–	–	(1,000)	(1,000)	–	(1,000)
Cancellation of shares	(83)	–	–	83	–	–	–	–	–
Employee share schemes – value of employee services (note 25)	–	–	–	–	1,078	–	1,078	–	1,078
Deferred tax on share-based payment charge (note 15)	–	–	–	–	(154)	–	(154)	–	(154)
Dividends (note 24)	–	–	–	–	–	(4,341)	(4,341)	–	(4,341)
	(80)	8	–	83	924	(5,341)	(4,406)	–	(4,406)
As at 31 March 2024	11,652	7,435	(22,000)	83	3,967	56,838	57,975	–	57,975
Profit for the year	–	–	–	–	–	23,459	23,459	48	23,507
Other comprehensive expense	–	–	–	–	–	11	11	–	11
Total comprehensive income for the year	–	–	–	–	–	23,470	23,470	48	23,518
Transactions with shareholders:									
Non-controlling interests on acquisition of subsidiary	–	–	–	–	–	–	–	1	1
Transactions with non-controlling interests	–	–	–	–	–	–	–	103	103
Issue of shares	79	250	–	–	–	–	329	–	329
Employee share schemes – value of employee services (note 25)	–	–	–	–	437	–	437	–	437
Deferred tax on share-based payment charge (note 15)	–	–	–	–	(78)	–	(78)	–	(78)
Dividends (note 24)	–	–	–	–	–	(5,831)	(5,831)	–	(5,831)
	79	250	–	–	359	(5,831)	(5,143)	104	(5,039)
As at 31 March 2025	11,731	7,685	(22,000)	83	4,326	74,477	76,302	152	76,454

Consolidated Statement of Cash Flows

for the Year Ended 31 March 2025

	Note	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Net cash flow from operating activities			
Profit for the year		23,507	22,426
Adjustments for:			
Amortisation of intangible assets	12	2,273	1,733
Depreciation of tangible assets	13	5,023	2,087
Depreciation of right of use assets	13	1,425	1,685
Finance income	9	(157)	(147)
Finance costs	9	1,700	1,990
Amortisation of capitalised finance costs	9	55	55
Income tax expense	10	7,400	7,694
Negative goodwill on acquisition	29	(4,163)	–
Impairment of assets classified as held for sale	14	65	–
(Gain)/loss on disposal of tangible fixed assets		(94)	169
Movement on forward foreign exchange contracts	23.5	79	(600)
Share based payments expense	25	498	1,226
Working capital adjustments (net of acquired on business combinations)			
Impairment of investments		–	7
(Increase)/decrease in inventories		(2,042)	1,172
(Increase) in trade and other receivables		(925)	(14,727)
(Decrease)/increase in trade and other payables		(1,953)	7,725
(Decrease)/increase in provisions		(321)	26
Taxation paid		(6,848)	(5,306)
Invoice discounting fees	9	(430)	(147)
Net cash from operations		25,092	27,068
Cash flows used in investing activities			
Purchase of intangible fixed assets	12	(57)	(115)
Purchase of property, plant and equipment	13	(3,148)	(5,322)
Purchase of business combinations net of cash acquired	29	(25,619)	(2,470)
Proceeds from sale of property, plant and equipment		1,024	115
Payment of deferred consideration	19	–	(2,187)
Payment of contingent consideration	19	–	(1,451)
Lease receipts		306	–
Finance income received	9	157	147
Net cash used in investing activities		(27,337)	(11,283)
Cash flows used in financing activities			
Repayments of RCF facility	20	–	(9,918)
Drawdowns of RCF facility	20	–	5,500
Repayment of ABL facility	20	(1,277)	–
Drawdowns of ABL facility	20	3,276	–
Issue of options or share capital	24	329	11
Share buy back	24	–	(1,000)
Dividends paid	24	(5,831)	(4,341)
Finance costs paid	20	(269)	(559)
Facility fees paid		(150)	(115)
Interest paid on leases	20	(835)	(139)
Lease principal payments	20	(1,382)	(1,062)
Net cash used in financing activities		(6,139)	(11,623)
Net (decrease)/increase in cash and cash equivalents		(8,384)	4,162
Cash and cash equivalents brought forward		11,631	7,536
Effects of exchange rate changes		(65)	(67)
Cash and cash equivalents carried forward		3,182	11,631
Cash and cash equivalents	18	3,182	11,631
		3,182	11,631

Notes to the Group Financial Statements

for the Year Ended 31 March 2025

1. Basis of preparation

Supreme PLC (“the Company”) is a public company limited by shares, registered in England and Wales and domiciled in the UK, with company registration number 05844527. The registered office is 4 Beacon Road, Ashburton Park, Trafford Park, Manchester, M17 1AF.

The principal activity of the Group is the distribution of fast-moving branded, discounted consumer goods to retailers and wholesalers in the UK and online. The goods are either manufactured by Supreme in the UK or are sourced by Supreme from elsewhere in the UK, Europe or the Far East.

These Group financial statements have been prepared on a going concern basis under the historical cost convention, modified for the revaluation of certain forward contracts derivatives; in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

2. Summary of material accounting policies

The principal accounting policies adopted are set out below.

2.1 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The Group financial statements incorporate the results of business combinations using the acquisition method. In the Consolidated Statement of Financial Position, the acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases. The merger reserve arose on a past business combination of entities that were under common control. The merger reserve is the difference between the cost of investment and the nominal value of the share capital acquired.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

2.2 New standards, amendments and interpretations

New and amended standards adopted by the Group

The Group acknowledges the following changes that have taken effect during this financial year. These amendments are either not applicable or have only an immaterial impact on the Group:

Standards and interpretations	Effective from
IFRS 16 Leases (Amendment to Liabilities in a Sale and Leaseback);	1 April 2024
IAS 1 Presentation of Financial Statements (Amendment to Classification of Liabilities as Current or Non-current);	1 April 2024
IAS 1 Presentation of Financial Statements (Amendment to Non-current Liabilities with Covenants); and	1 April 2024
IFRS 7 Financial Instruments: Disclosures (Amendment to Supplier Finance Arrangements).	1 April 2024

New standards and interpretations not yet adopted

There are a number of standards, amendments to standards, and interpretations which have been issued that are effective in future accounting periods that the Group has decided not to adopt early.

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not expect any standards issued, but are yet to be effective, to have a material impact on the Group, with the exception of IFRS 18 which they are currently reviewing.

Standards and interpretations	Effective from
IAS 21 Transactions in Foreign Currencies (Amendment to Lack of Exchangeability)	1 April 2025
Contract referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7)	1 April 2026
IFRS 9 Financial Instruments (Amendments to the Classification and Measurement of Financial Instruments)	1 April 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 April 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 April 2027

Judgements made by the Directors in the application of these accounting policies that have a significant effect on these financial statements together with estimates with a significant risk of material adjustment in the next year are discussed in note 3.

2.3 Going concern

In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections for the two-year period to 31 March 2027. These forecasts and projections, which the Directors consider to be prudent, have been sensitised by applying general reductions to revenue and profitability, to consider downside risk and the impact these scenarios would have on the Group’s cashflows and liquidity and its ability to continue to operate and trade.

- The Directors have performed a specific sensitivity in reference to the recently imposed disposable vape ban in which a scenario where the revenue currently attributable to disposable vapes fails to transition to an alternative form of vaping has been assessed. The sensitivity confirmed that without the sale of disposable vapes or a likely substitute product in its place (and without altering the Group’s overhead base), the remaining Supreme Group would remain profitable and cash-generative and therefore this does not pose a problem in respect of going concern.

- In addition to the specific sensitivity on the disposable vape ban, the Directors have also overlaid further a potential downturn sensitivity by assuming a 5% and then 20% reduction in revenue across all divisions of the business (whilst maintaining the existing overhead base). Again, the business remains profitable and cash generative.

- In fact, owing to the working capital unwind that occurs in the short to medium term when sales reduce, the forecasts indicate that the Group’s revenue can fall by 75% (without any adjustment to overheads) before the Group runs out of cash reserves in March 2027.

- Whilst the Group’s debt facilities are priced at a variable rate (SONIA + a margin) and will be in place until March 2028, the Group’s current positive leverage ratio (i.e. having a net cash positive position at the balance sheet date), means that Supreme’s exposure to any increases in borrowing rates is limited. Should the Group increase its level of bank borrowings during the forecast period (likely to be triggered by M&A) then of course this increased cost of borrowing would impact the Group (albeit expected to be offset by the incremental earnings generated by any M&A target).

- Historically Supreme has been a net beneficiary in periods of economic downturn, owing to the fact more than half of its revenue is derived from the discount retail sector which typically trades buoyantly during these periods (for prudence this has not been assumed in the forecast). The inflationary cost increases (specifically over salary costs, energy and transport) have been specifically factored into the cost base throughout for the forecast period.

Based on these various scenarios, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

2.4 Currencies

Functional and presentational currency

Items included in the Group financial statements are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”) which is UK sterling (£). The Group financial statements are presented in UK sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using a standard exchange rate for a period if the rates do not fluctuate significantly. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

2. Summary of material accounting policies continued

2.5 Revenue recognition

Revenue solely relates to the sale of goods and arises from the wholesale distribution and online sales of Electricals, Vaping and Drinks and Wellness.

To determine whether to recognise revenue, the Company follows the 5-step process as set out within IFRS 15:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at transaction price, stated net of VAT, and other sales related taxes. Rebates to customers take the form of volume discounts, which are a type of variable consideration, and the transaction price is constrained to reflect the rebate element. The transaction price equates to the invoice amount less an estimate of any applicable rebates and promotional allowances that are due to the customer. Rebate accruals are recognised under the terms of these agreements, to reflect the expected promotional activity and our historical experience. These accruals are reported within trade and other payables.

Revenue is recognised at a point in time as the Company satisfies performance obligations by transferring the promised goods to its customers as described below. At any point in time where such obligations haven’t been met but the customer has been invoiced, revenue is deferred, as disclosed in note 19. Variable consideration, in the form of rebates, is also recognised at the point of transfer, however the estimate of variable consideration is constrained at this point and released once it is highly probable there will not be a significant reversal.

Contracts with customers take the form of customer orders. Performance obligations take the form of distribution of products to the customer, or customer collection of goods, for which the transaction price is clearly identified. Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised goods to its customers, i.e. when control has passed from the Group to the customer, which tends to be on receipt by the customer. In respect of certain direct shipments control passes when an invoice is raised, payment received, and title formally transferred to the customer; at which point the customer has the risks and rewards of the goods.

2.6 Goodwill

The carrying value of goodwill has arisen following the acquisition of subsidiary entities. Such goodwill is subject to an impairment review, both annually and when there is an indication that the carrying value may be impaired. Any impairment is recognised immediately in the Statement of Comprehensive Income and is not reversed.

Where the fair value of net identifiable assets acquired and liabilities assumed in a business combination exceeds the consideration transferred, the difference is recognised immediately as a gain in the Consolidated Statement of Comprehensive Income after management has reassessed whether it has correctly identified and measured the assets acquired and liabilities assumed.

2.7 Other intangible assets

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

At the end of each reporting period the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount is determined, and any impairment is recognised in the Statement of Comprehensive Income.

The amortisation is charged on a straight-line bases as follows:

Domain name	10%
Trademarks	10%
Customer relationships	20%
Trade names	20%
Know how	10%
Computer software	20%

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write off the costs of assets over their estimated useful lives, on a straight-line basis starting from the month they are first used, as follows:

Land	not depreciated
Assets under construction	0%
Plant and machinery	25%
Fixtures and fittings	25%
Motor vehicles	25%
Computer equipment	33%
Leasehold improvements	25%
Buildings	2%

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Inventories

Inventories are valued using a first in, first out method and are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in the normal course of business in bringing the products to their present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the income statement. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income statement.

2.10 Leases

The Company applies IFRS 16 in the Group financial statements. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The lease liability is initially measured at the present value of lease payments that were not paid at the commencement date, discounted using the rate implicit in the lease. Where there is no rate implicit in the lease then the Group’s incremental borrowing rate is used.

The lease liability is measured at amortised cost using the effective interest method. If there is a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded directly in profit or loss if the carrying amount of the right of use asset is zero.

Short term leases and low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term lease of machinery that have a lease term of 12 months or less or leases of low value assets. These lease payments are expensed on a straight-line basis over the lease term.

Sub-leases

When the Group sub-leases part of its right of use asset it recognises a reduction in the right of use asset and a lease receivable at the lease commencement date.

The lease receivable is measured as the present value of the lease income receivable at the commencement date, discounted at the same incremental borrowing rate.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

2. Summary of material accounting policies continued

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received.

2.12 Segmental reporting

The Directors consider there to be one segment for reporting purposes because although revenue is grouped within 3 product categories (previously 5), as the directors analyse revenue at this gross level, the directors do not analyse, monitor or review the Groups KPIS (being adjusted EBITDA and profit before tax) by product category. Due to this, the Group do not believe there are any IFRS 8 considerations around the requirement to report operating segments for reporting purposes.

2.13 Adjusted items

The Company's income statement separately identifies Adjusted items. Such items are those that in the Directors' judgement need to be disclosed separately by virtue of either: their volatility year-on-year; their one-off nature; their size, their non-operating nature; or because the adjustment of a particular item is widely accepted and conducted by peers (to ensure comparability with other listed businesses). These may include, but are not limited to, professional fees and other costs directly related to refinancing, acquisitions and capital transactions, fair value movements on open forward contracts, share based payment charges, material impairments of inventories and gains/losses on disposal of intangible assets. In determining whether an item should be disclosed as an Adjusted item, the Directors consider quantitative and qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board.

Adjusted EBITDA is presented as an Alternative Performance Measure (APM). Adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation, and Adjusted items. Adjusted EBITDA is not defined by IFRS and may therefore differ from similarly titled measures presented by other companies, limiting comparability. Management believes Adjusted EBITDA provides useful additional information to assess underlying performance, but it should not be considered in isolation or as a substitute for IFRS-defined measures.

2.14 Financial instruments

Financial assets and financial liabilities are recognised in the Group Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

2.15 Trade and other receivables

Trade and other receivables are initially measured at transaction price less provisions for expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'.

Recognition of credit losses is determined by considering a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Credit Insurance is also in place which also mitigates the credit risk in relation to the respective customer. This insurance is applied to most accounts over £5,000 with exception of proforma accounts and accounts agreed by the CEO, although some accounts are excluded from the credit insurance having been assessed by the Board on a cost-benefit analysis – these equate largely to the largest grocery retailers.

3. Critical accounting estimates and judgements

The preparation of the Group financial statements require management to make judgements and estimates that affect the reported amounts of assets and liabilities at each Statement of Financial Position date and the reported amounts of revenue during the reporting periods. Actual results could differ from these estimates. Information about such judgements and estimations are contained in individual accounting policies. The key judgements and sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of asset or liabilities within the next accounting period are outlined below:

Accounting estimates

3.1 Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. Options with both market and non-market conditions are most impacted by these estimates. The share options charge is subject to an assumption about the number of options that will vest as a result of the expected achievement of certain non-market conditions.

3.2 Useful economic lives of property, plant and equipment

Property, plant and equipment is depreciated over the useful economic lives of the assets. Useful lives are based on management estimates of the period that the assets will generate revenue, which are reviewed annually for continued appropriateness. The carrying values are tested for impairment when there is an indication that the value of the assets might be impaired. When carrying out impairment tests, these would be based upon future cashflow forecasts which would be based on management judgements.

The useful economic lives applied are set out in the accounting policies (note 2.8) and are reviewed annually.

Accounting judgements

3.3 Inventory obsolescence

Management applies judgement in determining whether certain inventory items are obsolete, considering factors such as expiry dates, sales forecasts, changes in market sentiment and consumer tastes, and one off events such as government imposed regulation on the sale of products. Based on these judgements, estimates are made regarding the recoverable value of inventory, which could materially affect the financial statements if these estimates are incorrect.

4. Revenue analysis

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000	Year Ended 31 March 2024 £'000
Revenue	Revenue	Gross Profit	Revenue	Gross Profit
Electricals	53,368	11,293	57,025	12,039
Vaping	128,952	46,919	140,309	44,710
Drinks & Wellness	48,758	14,173	23,915	5,672
Foreign Exchange	–	1,298	–	1,112
	231,078	73,683	221,249	63,533

Following various acquisitions in the year the Group has reconsidered it's reporting to the board and has revised the reporting categories used to reflect how the Group is assessed and managed. In the prior year the Group had 5 analysis categories: Batteries, Lighting, Vaping, Sport Nutrition & Wellness, and Branded Distribution. The newly consolidated categories are: Electricals (formerly Batteries and Lighting), Vaping (formerly Vaping and primarily Branded Distribution), and Drinks & Wellness (formerly Sports Nutrition & Wellness and the non-vaping components of Branded distribution plus the addition of the newly acquired Clearly Drinks and Typhoo Tea businesses). The results for the year ended March 2024 have been re-presented to reflect the new category alignment.

Analysis of revenue by geographical destination

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
United Kingdom	213,244	206,858
Ireland	8,543	7,354
Netherlands	63	3,372
France	2,656	1,007
Rest of Europe	5,537	1,123
Rest of the World	1,035	1,535
	231,078	221,249

The above revenues are all generated from contracts with customers and are recognised at a point in time. All assets of the Group reside in the UK except for total net assets of £4,260,000 (2024: £3,641,000) held in Europe.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

5. Operating segments

The Chief Operating Decision Maker (“CODM”) has been identified as the Board of Directors. The Board reviews the Group’s Internal reporting in order to assess the performance and allocate resources. The Board of Directors deem the Group to be one operating segment because they do not assess performance or allocate resources at a disaggregated level.

Information about major customers

The Group has generated revenue from individual customers that accounted for greater than 10% of total revenue. The total revenue from each of these 2 customers (2024: 3 customers) was £29,967,000 and £25,710,000 (2024: £33,843,000, £25,027,000 and £21,151,000). These revenues related to all divisions.

6. Expenses by nature

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
The profit is stated after charging/(crediting) expenses as follows:		
Cost of sales		
Inventories recognised as an expense	137,841	142,833
Impairment of inventories	1,052	(347)
Direct Labour (note 8)	8,015	5,103
Other direct cost of sales	10,487	10,127
	157,395	157,716
Administrative expenses		
Impairment of trade receivables	77	181
Wages and salaries (note 8)	13,989	11,085
Establishment costs	3,937	3,306
Auditor’s remuneration for audit services	340	220
Selling, professional and other expenses	14,954	10,625
Adjusted items excluding net gain on bargain purchase (note 7)	2,196	593
Depreciation of property, plant and equipment	5,023	2,087
Depreciation of right of use assets	1,425	1,685
Amortisation of intangible assets	2,273	1,733
	44,214	31,515
Total cost of sales & administrative expenses	201,609	189,231

During the year, Auditor’s remuneration in respect of non-audit services was £nil (2024: £nil). During the year Auditor’s remuneration in respect of the parent company audit was £15,000 (2024: £15,000) and group audit was £225,000 (2024: £155,000). The remaining audit fee of £100,000 (2024: £50,000) related to the audit of the direct and indirect subsidiary undertakings of Supreme PLC.

7. Adjusted items

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Fair value movements on forward contracts	79	(600)
Share based payments charge (note 25)	498	1,226
Acquisition costs	1,030	703
Transaction costs	683	(736)
Other restructuring costs	(94)	–
Net gain on bargain purchase	(2,941)	–
	(745)	593

Fair value movements on forward contracts

The Group typically holds 1 years’ worth of USD-denominated purchases on open forward contracts. The charge (2024: credit) in the year ended 31 March 2025 reflects the movement in the fair value of these open forward contracts at the balance sheet date. The movement is reported each year as Adjusted due to its volatility. The liability at 31 March 2025 is £131,000 and is reported as ‘forward contract derivative’ in the statement of financial position. This is a non-cash item and is not taxable for corporation tax purposes. The resulting tax impact is therefore £nil.

Share based payments charge

The Group operates a number of share incentive arrangements as set out in note 25. The aggregate expense recognised in the year has been reported as an Adjusted item in line with its treatment by other comparable businesses. The charge is a non-cash item and was disallowable for corporation tax purposes. The resulting tax impact is therefore £nil.

Acquisition costs

Acquisition costs arise at Supreme when businesses are integrated into the Supreme Group. In the year ended 31 March 2025 these costs related to the acquisitions of Acorn Topco Limited and the trade and certain assets of Typhoo Tea Limited. These integration expenses reflect redundancy costs. £38,000 of these costs were reported within accruals at year end.

In the year ended 31 March 2024 costs related to the integration of business acquired in the year (Food IQ Limited) and from the year ended 31 March 2023 (Liberty Flights Limited and Superdragon TCM Limited). The integration costs related largely to redundancy costs and fixed asset (machinery) write-off costs that arose when the businesses’ operations were transferred to Manchester (Supreme’s principal operating site). £83,000 of these costs were reported within accruals at year end at 31 March 2024.

Acquisition costs of this nature were treated as allowable for the purpose of corporation tax and the corporation tax impact was £258,000 in 2025 (25%) and £176,000 (25%) in 2024.

Transaction costs

In the year ended 31 March 2025 these costs consist largely of adviser fees in respect of acquisitions as well as the accounting advice taken afterwards to assess the purchase price allocation. £159,000 of these costs were reported within accruals at year end.

Transaction costs of this nature were treated as allowable for the purpose of corporation tax and the corporation tax impact was £171,000 in 2025 (25%).

For the year ended 31 March 2024 these costs related to the release of the contingent consideration accrual that arose on the acquisition of Liberty Flights Limited. The original estimate for contingent consideration was £2.2 million, based on the performance of the business during the 12 months immediately after the acquisition. Only £1.4 million was paid and the remainder was released. The release of this accrual was not taxable for corporation tax purposes. The resulting tax impact was therefore £nil.

Other restructuring costs

Following the decision to exit a warehouse facility held under lease during the year ended 31 March 2025 the Group recognised a profit of £94,000 on the unwinding of the remaining lease.

This gain was treated as allowable for the purposes of corporation tax and the corporation tax impact was £24,000 (25%)

Net gain on bargain purchase

On 29 November 2024 the Group acquired the trade and certain assets of Typhoo Tea Limited out of administration for a consideration of £10.2m. The fair of net assets acquired totalled £14.4m. The resulting negative goodwill of £4,163,000 has been recognised as a gain on bargain purchase. In addition to this the business was charged £1,222,000 in ransom payments by key Typhoo suppliers. These costs were deducted from the goodwill recognised to produce a net gain on bargain purchase which was presented in the income statement in the year.

Net gain on bargain purchase has been treated as allowable for the purposes of corporation tax and the corporation tax impact was £735,000 in the year ended 31 March 2025 (25%).

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

8. Employees and Directors

	Year Ended 31 March 2025 No.	Year Ended 31 March 2024 No.
Monthly average number of employees (including Directors):		
Management and administration	101	104
Warehouse	78	89
Sales	55	44
Manufacturing	249	178
	483	415

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Aggregate remuneration of staff (including Directors):		
Wages and salaries	19,951	15,018
Social security costs	2,190	1,432
Other pension costs	864	310
	23,005	16,760
Amounts classified as Adjusted Items	1,001	572
Amounts recorded as cost of sales and Admin expenses	22,004	16,188

Directors' remuneration

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Directors' emoluments	1,149	1,157
Social security costs	227	172
Company contributions to defined contribution pension schemes	4	4
	1,380	1,333

The highest paid director received remuneration of £630,000 (2024: £653,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,000 (2024: £1,000).

During the year, retirement benefits were accruing to 3 directors (2024: 3) in respect of defined contribution pension schemes.

9. Finance (income)/costs

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Finance income		
Right of use interest receivable	(16)	–
Bank interest receivable	(141)	(147)
	(157)	(147)
Finance costs		
Bank interest payable	235	602
Invoice discounting fees	430	147
Other interest payable	172	–
Unwind of discounting on deferred consideration	–	245
Facility fees	–	115
Amortisation of capitalised arrangement fees	55	55
Interest on lease liabilities	863	881
	1,755	2,045

10. Taxation

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Current tax		
Current year – UK corporation tax	8,215	7,560
Adjustments to tax charge in respect of prior periods	132	175
Foreign tax on income	100	48
Total current tax	8,447	7,783
Deferred tax		
Origination and reversal of temporary differences	(1,047)	350
Adjustments to tax charge in respect of prior periods	–	(439)
Adjustments to tax charge due to change in rates	–	–
Total deferred tax	(1,047)	(89)
Total tax expense	7,400	7,694
Equity Items		
Current tax	–	–
Deferred tax	(78)	(154)
Total	(78)	(154)

Factors affecting the charge

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Profit before taxation	30,907	30,120
Tax at the UK corporation tax rate of 25% (2024: 25%)	7,727	7,530
Effects of expenses not deductible for tax purposes	1,187	531
Income not taxable for tax purposes	(1,114)	(186)
Adjustments to tax charge due to change in rates	–	–
Adjustments to tax charge in respect of prior periods	357	(264)
Chargeable gains/(losses)	(86)	–
Movement in deferred tax not recognised	(158)	–
Deferred tax on Share Based Payments	(379)	83
Enhanced Relief	(134)	–
Total tax expense	7,400	7,694

Factors that may affect future tax charges

Deferred taxes at the balance sheet date have been measured using the current enacted tax rates and have been reflected in these financial statements.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

11. Earnings per share

Basic earnings per share is calculated by dividing the net income for the year attributable to ordinary equity holders after tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated with reference to the weighted average number of shares adjusted for the impact of dilutive instruments in issue. For the purposes of this calculation an estimate has been made for the share price in order to calculate the number of dilutive share options.

The basic and diluted calculations are based on the following:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Profit for the year after tax	23,459	22,426
	No.	No.
Weighted average number of shares for the purposes of basic earnings per share	116,714,097	117,237,891
Weighted average dilutive effect of conditional share awards	3,758,257	6,455,776
Weighted average number of shares for the purposes of diluted earnings per share	120,472,354	123,693,667
	Pence	Pence
Basic earnings per share	20.1	19.1
Diluted earnings per share	19.5	18.1

Adjusted EPS

The calculation of adjusted earnings per share is based on the after tax adjusted operating profit after adding back certain costs as detailed in the table below. Adjusted earnings per share figures are given to exclude the effects of amortisation of acquisition related intangibles (on the basis that these intangible assets arise through purchase price allocations on acquisitions) and adjusted items, all net of taxation, and are considered to show the underlying performance of the Group.

Adjusted earnings per share is presented as an Alternative Performance Measure (APM). Adjusted EPS is not defined by IFRS and may therefore differ from similarly titled measures presented by other companies, limiting comparability. Management believes Adjusted EPS provides useful additional information to assess underlying performance of the Group, but it should not be considered in isolation or as a substitute for IFRS-defined measures.

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Adjusted earnings (see below)	25,239	24,459
	No.	No.
Weighted average number of shares for the purposes of basic earnings per share	116,714,097	117,237,891
Weighted average dilutive effect of conditional share awards	3,758,257	6,455,776
Weighted average number of shares for the purposes of diluted earnings per share	120,472,354	123,693,667
	Pence	Pence
Adjusted basic earnings per share	21.6	20.9
Adjusted diluted earnings per share	21.0	19.8

The calculation of basic adjusted earnings per share is based on the following data:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Profit for the year attributable to equity shareholders	23,459	22,426
Add back/(deduct):		
Amortisation of acquisition related intangible assets	2,218	1,616
Adjusted items	(745)	593
Tax effect of the above	307	(176)
Adjusted earnings	25,239	24,459

12. Goodwill and other intangible assets

	Domain name £'000	Trademarks £'000	Customer relationships £'000	Trade names £'000	Know how £'000	Computer software £'000	Goodwill £'000	Total £'000
Cost								
At 1 April 2023	311	1,544	3,803	3,374	262	41	7,508	16,843
Additions	–	–	–	–	–	115	–	115
At 31 March 2024	311	1,544	3,803	3,374	262	156	7,508	16,958
Additions	–	6,050	1,000	900	–	57	1,845	9,852
At 31 March 2025	311	7,594	4,803	4,274	262	213	9,353	26,810
Accumulated amortisation								
At 1 April 2023	100	316	670	447	6	23	–	1,562
Amortisation charged in the year	87	154	761	675	26	30	–	1,733
At 31 March 2024	187	470	1,431	1,122	32	53	–	3,295
Amortisation charged in the year	25	448	920	824	26	30	–	2,273
At 31 March 2025	212	918	2,351	1,946	58	83	–	5,568
Carrying amount								
At 1 April 2023	211	1,228	3,133	2,927	256	18	7,508	15,281
At 31 March 2024	124	1,074	2,372	2,252	230	103	7,508	13,663
At 31 March 2025	99	6,676	2,452	2,328	204	130	9,353	21,242

The amortisation charge for the year has been included in Administrative expenses in the Statement of Comprehensive Income.

Individually material intangible assets

The individually material intangible assets at the year end are summarised below:

Intangible asset name	Asset category	Net book value at year end £'000	Remaining amortisation period Years	Description
Typhoo Trademark	Trademarks	3,210	9	The Typhoo Trademark was acquired in FY25 from the administrators of Typhoo Tea Limited.
Liberty Flights customer relationships	Customer relationships	1,015	2	These customer relationships were acquired in FY23 as part of the acquisition of Liberty Flights.
Liberty Flights trade name	Trade names	1,577	2	This trade name was acquired in FY23 as part of the acquisition of Liberty Flights.

The individually material intangible assets at the prior year end are summarised below:

Intangible asset name	Asset category	Net book value at year end £'000	Remaining amortisation period Years	Description
SCI-MX trademark	Trademarks	1,005	7	The SCI-MX trademark was acquired in FY22 from the administrators of SCI-MX Nutrition Limited.
Liberty Flights customer relationships	Customer relationships	1,420	3	These customer relationships were acquired in FY23 as part of the acquisition of Liberty Flights.
Liberty Flights trade name	Trade names	2,207	3	This trade name was acquired in FY23 as part of the acquisition of Liberty Flights.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

12. Goodwill and other intangible assets continued

Goodwill arises on acquisitions where the fair value of the consideration given for the business exceeds the fair value of the assets acquired and liabilities assumed.

Following acquisition of a business, the directors identify the individual Cash Generating Units (CGUs) acquired and, where possible, allocate the underlying assets acquired and liabilities assumed to each of those CGUs.

In the prior year, the only CGU for the purpose of the annual test for impairment of goodwill was Supreme Imports.

On 23 June 2024 the Group acquired 100% of the share capital of Acorn Topco limited, parent company of Clearly Drinks Limited, a long established and well known UK manufacturer of specialised canned and bottled-at-source spring water and soft drinks for a total net cash consideration of £15.6m which included £1,845,000 of goodwill. Clearly Drinks is deemed to meet the criteria of CGU as it has its own identifiable cash inflows, assets and liabilities.

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Supreme	7,508	7,508
Clearly Drinks	1,845	–
	9,353	7,508

The key assumptions for the value in use calculations are:

- cash flows before income taxes are based on approved budgets and prior experience and management projections for the next 3 years;
- a long term growth rate of 2.0% (2024: 2.0%) for the period beyond which detailed budgets and forecasts do not exist; based on external sources of macroeconomic projections for the geographies in which the entity operates; and
- a post tax discount rate of 10.4% (2024: 10.6%) based upon risk free rate for government bonds adjusted for a risk premium to reflect increased risk of investing in equities and investing in the Group's specific sector and regions.
- a pre tax discount rate of 13.4% (2024: 13.6%) based upon risk free rate for government bonds adjusted for a risk premium to reflect increased risk of investing in equities and investing in the Group's specific sector and regions.

Impairment testing of goodwill is performed at least annually by reference to value in use calculations which management consider to be in line with the requirements of IAS 36. These calculations show no reasonably possible scenario in which any of the goodwill balances could be impaired as at 31 March 2025 or 31 March 2024. There were no charges for impairment of goodwill in 2025 (2024: nil).

Sensitivity to goodwill impairment

Management has applied sensitivities to the key assumptions, including discount rates and growth rates and believes there are no reasonably possible scenarios which would result in an impairment of goodwill.

A 1% increase or decrease in each assumption was selected as it reflects a realistic and supportable change in key assumptions, considering historical fluctuations in market discount rates and long-term growth expectations for the industry and countries operated in. This range captures reasonable volatility without moving into extreme or unlikely scenarios. The tables below show what the value in use would become should there be a 1% increase or decrease in the rate used in each assumption.

	Discount rate Value in use £'000	Long term growth rate Value in use £'000
Supreme Imports Limited		
Used in the value in use model	10.44%	2%
Value in use	228,206	228,206
1% increase	205,447	253,776
1% decrease	257,070	208,053

	Discount rate Value in use £'000	Long term growth rate Value in use £'000
Clearly Drinks Limited		
Used in the value in use model	10.44%	2%
Value in use	28,713	28,713
1% increase	25,752	32,036
1% decrease	32,466	26,093

13. Property, plant and equipment

	Buildings £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Leasehold improvements £'000	Assets under construction £'000	Right of use assets £'000	Total £'000
Cost or valuation									
At 1 April 2023	1,549	7,286	1,092	377	687	–	686	19,471	31,148
Additions	–	1,000	59	138	155	3,280	–	25	4,657
Disposals	–	(1,470)	(845)	(82)	(82)	–	–	–	(2,479)
Transfers	(57)	–	–	–	–	743	(686)	–	–
At 31 March 2024	1,492	6,816	306	433	760	4,023	–	19,496	33,326
Additions	–	1,908	74	–	76	1,009	938	113	4,118
On acquisition	1,430	12,469	33	–	–	–	–	–	13,932
Disposals	(927)	(322)	–	(45)	–	–	–	(1,456)	(2,750)
Reclass to held for sale (note 14)	(565)	–	–	–	–	–	–	–	(565)
At 31 March 2025	1,430	20,871	413	388	836	5,032	938	18,153	48,061
Depreciation and impairment									
At 1 April 2023	–	5,131	885	115	308	–	–	3,894	10,333
Depreciation charged in the year	–	1,036	70	57	269	655	–	1,685	3,772
Eliminated on disposal	–	(1,244)	(819)	(56)	(76)	–	–	–	(2,195)
At 31 March 2024	–	4,923	136	116	501	655	–	5,579	11,910
Depreciation charged in the year	–	3,423	172	58	222	1,148	–	1,425	6,448
Eliminated on disposal	–	(154)	–	(21)	–	–	–	(922)	(1,097)
At 31 March 2025	–	8,192	308	153	723	1,803	–	6,082	17,261
Carrying amount									
At 1 April 2023	1,549	2,155	207	262	379	–	686	15,577	20,815
At 31 March 2024	1,492	1,893	170	317	259	3,368	–	13,917	21,416
At 31 March 2025	1,430	12,679	105	235	113	3,229	938	12,071	30,800

The depreciation charge for the year has been included in Administrative expenses in the Statement of Comprehensive Income.

Of the additions in the financial year £3,148,000 (2024: £5,322,000) was paid during the year including £160,000 (2024: £730,000) of cash paid for additions recognised in the prior year.

14. Assets classified as held for sale

During the year, tangible assets were reclassified as held for sale, which related to freehold land and buildings. The sale of these assets took place on 8 April 2025 for a consideration of £500,000.

Details of the assets classified as held for sale are below:

	Freehold land and buildings As at 31 March 2025 £'000	As at 31 March 2024 £'000
Net book value included within property, plant and equipment	565	–
Impairment	(65)	–
Assets held for sale	500	–

These assets are presented separately in the statement of financial position under the heading “Assets held for sale”.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

15. Deferred tax

Deferred tax consists of the following temporary differences

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Share based payments	999	778
Short term temporary differences	1,085	390
Deferred tax asset	2,084	1,168
Excess of depreciation over taxable allowances	(987)	(687)
Fixed asset timing differences	(1,637)	(104)
Acquired intangible assets	(1,577)	(1,231)
Deferred tax liability	(4,201)	(2,022)
Net deferred tax liability	(2,117)	(854)

Movement in deferred tax in the year

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Balance at the beginning of the year	(854)	(789)
Credited to profit or loss	1,047	89
Debited to reserves – Share based payments charges	(78)	(154)
Acquired in business combination	(706)	–
Arising on business combination	(1,526)	–
Other	–	–
Balance at the end of the year	(2,117)	(854)

The Directors consider that the deferred tax assets in respect of temporary differences are recoverable based on the forecast future taxable profits of the Group. All deferred tax arises within the UK.

16. Inventories

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Goods for resale	31,469	19,587
Raw materials	4,860	4,847
	36,329	24,434

The Directors believe that the replacement value of inventories would not be materially different than book value.

Inventories at 31 March 2025 are stated after provisions for impairment of £2,128,000 (2024: £1,076,000). During the year, inventories were written down by £1,052,000 (2024: credited to income statement £347,000) as disclosed in note 6.

When determining a suitable level of impairment management applies judgement in determining whether certain inventory items are obsolete, considering factors such as expiry dates, sales forecasts, changes in market sentiment and consumer tastes, and one off events such as government imposed regulation on the sale of products. Based on these judgements, estimates are made regarding the recoverable value of inventory, which could materially affect the financial statements if these estimates are incorrect.

17. Trade and other receivables

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Trade receivables not past due	21,624	19,352
Trade receivables past due	5,140	9,613
Provision for expected credit losses	(269)	(262)
Total trade receivables	26,495	28,703
Other receivables	12,737	5,377
Prepayments	2,967	1,546
	42,199	35,626

The other receivable balance arises due to deposit and advance payments for stock to far east suppliers. For a short period of time around the year ended 31 March 2025 there was a noted increase due to the business sourcing additional products to manage the impact of governmental imposed changes within its vaping division.

Currency analysis

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Sterling	25,307	28,670
Euro	4,065	1,309
US Dollar	12,827	5,647
	42,199	35,626

The Directors believe that the carrying value of trade and other receivables represents their fair value. Trade and other receivables are considered past due once they have passed their contracted due date. Trade and other receivables are assessed for impairment based upon the expected credit loss model.

The movement in provisions for impairment are shown below:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Balance at the beginning of the year	262	189
Charged to the statement of comprehensive income	77	181
Utilisation of provision	(70)	(108)
Balance at the end of the year	269	262

The Group's customer base is predominantly made up of high-quality organisations with a high credit rating. In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The maturity analysis of trade receivables from invoice date is analysed below.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

17. Trade and other receivables continued

Ageing of trade receivables

31 March 2025	Current £'000	31 – 60 days £'000	61 – 90 days £'000	90 days + £'000	Total £'000
Expected loss rate	0%	0%	0%	48%	
Gross trade receivables	16,752	8,234	1,216	562	26,764
Loss allowance	–	–	–	(269)	(269)
Net trade receivables	16,752	8,234	1,216	293	26,495

31 March 2024	Current £'000	31 – 60 days £'000	61 – 90 days £'000	90 days + £'000	Total £'000
Expected loss rate	0%	0%	0%	61%	
Gross trade receivables	14,238	13,170	1,208	349	28,965
Loss allowance	–	–	–	(262)	(262)
Net trade receivables	14,238	13,170	1,208	87	28,703

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date, taking into account the extent of credit insurance held on the receivable. The Group uses IFRS 9's simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that no further credit provision is required in excess of the provision for impairment of receivables.

Details on the Group's credit risk management policies are shown in note 23. The Group does not hold any collateral as security for its trade and other receivables.

18. Cash and cash equivalents

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Cash and cash equivalents	3,182	11,631

Currency analysis

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Sterling	1,834	10,119
Euro	1,348	1,421
US Dollar	–	91
	3,182	11,631

19. Trade and other payables

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Trade payables	15,461	9,676
Accruals	13,305	10,673
Amounts owed to related parties	86	–
Deferred income	92	–
Other creditors	957	525
Other tax and social security	3,783	6,427
Directors loan account	2	2
	33,686	27,303

Currency analysis

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Sterling	30,810	25,702
Euro	1,519	1,337
US Dollar	1,357	264
	33,686	27,303

Trade payables principally consist of amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing and are normally settled on 30 to 60 day terms. The majority of supplier obligations are settled within 30 days from date of invoice.

The Directors consider that the carrying value of trade and other payables approximates their fair value. Supreme PLC has financial risk management policies in place to ensure that all payables are paid within the credit timeframe, and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

20. Borrowings

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Current		
Asset based lending creditor	1,999	–
Lease liabilities (note 21)	1,343	1,268
	3,342	1,268
Non-current		
Lease liabilities (note 21)	12,104	13,449
	12,104	13,449
Total borrowings	15,446	14,717

The earliest that the lenders of the above borrowings require repayment is as follows:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
In less than one year	3,342	1,268
Between two and five years	3,802	7,095
In more than five years	8,302	6,354
	15,446	14,717

These amounts when presented gross on an undiscounted basis are as follows:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
In less than one year	4,189	2,189
Between two and five years	6,109	6,867
In more than five years	10,385	11,725
	20,683	20,781

Management consider that the carrying value of borrowings approximate fair value of the instrument.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

20. Borrowings continued

Until 31 March 2025 the Group was funded by revolving credit facility (“RCF”) of £25 million provided by HSBC that is secured by way of a fixed and floating charge over all assets with a further £10 million (Accordion) facility pre-agreed and available on request. Interest was charged at a margin of 2.3% over SONIA for all drawn amounts and 35% of the margin for undrawn amounts. The facility was for three years and expired 31 March 2025. There were two principal covenants attached to the RCF and these were tested quarterly. In addition, the Group had an invoice discounting facility totalling £20m secured by an assignment of, and fixed charge over the trade debtors and inventory of Supreme Imports Limited.

On 28 March 2025 the Group entered into an Asset Based Lending Arrangement with HSBC of £40 million which is secured by an assignment of, and fixed charge over the trade debtors and inventory of Supreme Imports Limited. Interest is charged at a rate of 1.75% over SONIA on drawn amounts. There is no interest charged on undrawn amounts. The facility was drawn as at the 31 March 2025 by £2 million.

Therefore, undrawn but committed facilities at 31 March 2025 were £38 million. At 31 March 2024 the undrawn facilities were £35 million for the RCF and £20 million for the invoice discounting facility.

Net cash disclosure

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Cash and cash equivalents	3,182	11,631
Total borrowings	(15,446)	(14,717)
Net cash position	(12,264)	(3,086)

Net debt analysis

	Net debt as at 1 April 2023 £'000	Cash flows				Non-cash movements					Net debt as at 31 March 2024 £'000
		Payments £'000	Drawdowns £'000	Interest payments £'000	Facility fees paid £'000	New leases £'000	Foreign exchange adjustments £'000	Interest expense £'000	Movement on loan costs £'000	Non current to current movement £'000	
RCF – non current	(4,307)	9,918	(5,500)	559	–	–	–	(602)	(68)	–	–
Leases – current	(719)	1,062	–	76	–	(7)	–	(76)	–	(1,604)	(1,268)
Leases – non current	(14,293)	–	–	63	–	(18)	–	(805)	–	1,604	(13,449)
Sub-total	(19,319)	10,980	(5,500)	698	–	(25)	–	(1,483)	(68)	–	(14,717)
Cash and cash equivalents	7,536	4,162	–	–	–	–	(67)	–	–	–	11,631
Total	(11,783)	15,142	(5,500)	698	–	(25)	(67)	(1,483)	(68)	–	(3,086)

	Net debt as at 1 April 2024 £'000	Cash flows				Non-cash movements					Net debt as at 31 March 2025 £'000
		Payments £'000	Drawdowns £'000	Interest payments £'000	Facility fees paid £'000	New leases £'000	Foreign exchange adjustments £'000	Interest expense £'000	Movement on loan costs £'000	Non current to current movement £'000	
ABL facility	–	1,277	(3,276)	–	150	–	–	–	(150)	–	(1,999)
Leases – current	(1,268)	1,382	–	83	–	(53)	–	(83)	–	(1,404)	(1,343)
Leases – non current	(13,449)	–	–	752	–	(60)	–	(752)	1	1,404	(12,104)
Sub-total	(14,717)	2,659	(3,276)	835	150	(113)	–	(835)	(149)	–	(15,446)
Cash and cash equivalents	11,631	(8,384)	–	–	–	–	(65)	–	–	–	3,182
Total	(3,086)	(5,725)	(3,276)	835	150	(113)	(65)	(835)	(149)	–	(12,264)

21. Leases

The Group leases buildings and cars. Rental contracts are typically made for fixed periods of 3 to 15 years. There are no judgements over the length of the lease term for any of the Group’s leases. There are no variable lease payments in any of the Group’s leases.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Group, the incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Amounts recognised in the Statement of Financial Position

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	£'000
At 1 April 2023	15,577
Additions	25
Depreciation charge for the year	(1,685)
At 31 March 2024	13,917
Additions	113
Derecognised	(534)
Depreciation charge for the year	(1,425)
At 31 March 2025	12,071

The net book value of the right of use assets is made up as follows:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Buildings	11,976	13,899
Cars	95	18
	12,071	13,917

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	2,190	2,189
More than one year, less than two years	1,746	2,129
More than two years, less than three years	1,683	1,715
More than three years, less than four years	1,340	1,683
More than four years, less than five years	1,340	1,340
More than five years	10,385	11,725
Total undiscounted lease liabilities at year end	18,684	20,781
Finance costs	(5,237)	(6,064)
Total discounted lease liabilities at year end	13,447	14,717
Lease liabilities included in the statement of financial position		
Current	1,343	1,268
Non-current	12,104	13,449
	13,447	14,717

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

21. Leases continued

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Lease receivables		
Maturity analysis – contractual undiscounted cash flows Less than one year	347	–
Total undiscounted lease receivable at year end	347	–
Finance costs	(9)	–
Total discounted lease receivable at year end	338	–
Lease receivable included in the statement of financial position		
Current	338	–
	338	–

Amounts recognised in the Consolidated Statement of Comprehensive Income

The Consolidated Statement of Comprehensive Income shows the following amounts relating to leases:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Depreciation charge – Buildings	1,389	1,677
Depreciation charge – Cars	36	8
	1,425	1,685
Interest income (within finance income)	16	–
Interest expense (within finance expense)	863	881

There are no restrictions or covenants imposed by leases and there have been no sale and leaseback transactions.

Any expense for short-term and low-value leases is not material and has not been presented.

22. Provisions

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Dilapidations provision related to right-of-use assets		
At 1 April	801	775
Release	(349)	–
Unwind of discounting	28	26
At 31 March	480	801
Provisions included in the statement of financial position		
Current	–	349
Non-current	480	452
	480	801

23. Financial instruments

The Group is exposed to the risks that arise from its financial instruments. The policies for managing those risks and the methods to measure them are described in note 2. Further quantitative information in respect of these risks is presented below and throughout these Group financial statements.

23.1 Capital risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group might adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group does not monitor capital on a formal basis. However, the Group ensures that it operates within the requirements of its financing covenants, which are designed to ensure that sufficient capital is maintained. These covenants are outlined below and the Group consistently meets these requirements. Regular reviews of financial performance and position are conducted by management to ensure ongoing compliance with these covenants and to maintain financial flexibility.

Financing covenants

The revolving credit facility held by the Group expired on 31 March 2025 (2024: undrawn). During the three year period it was in place the Group was required to comply with the following covenants at the end of each quarter:

- Interest cover – EBITDA to Net Finance Charges will not be less than 4.0:1.
- Leverage – Total Net Debt (RCF, IF & Trade drawings less cash) to EBITDA will not exceed 2.5:1.

On 28 March 2025 the Group entered into an Asset Based Lending Arrangement with HSBC. The following operational KPIs apply to this facility:

- Receivables related:
 - Debt turn will not exceed the number of days specified as per the Debt Turn Covenant; and
 - The aggregate value of Dilutions expressed as a percentage of Debts notified during the immediately preceding period of 60 days will not exceed the dilution percentage.
- Inventory related:
 - Inventory turn will not exceed the number of days specified as per the Inventory Turn Covenant.

The Group has complied with all covenants in place throughout the reporting period. There are no indications that the entity may have difficulties complying with the operational KPIs in the next two financial years.

23.2 Market risk

Competitive pressures remain a principal risk for the Group. The risk is managed through focus on quality of product and service levels, coupled with continuous development of new products to offer uniqueness to the customer. Furthermore, the Group's focus on offering its customers a branded product range provides some protection to its competitive position in the market. Stock obsolescence risk is managed through closely monitoring slow moving lines and prompt action to manage such lines through the various distribution channels available to the Group.

In addition, the Group's operations expose it to a variety of financial risks that include price risk, credit risk, liquidity risk, foreign currency risk and interest rate cash flow risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by regularly monitoring the financial risks referred to above.

Given the size of the Group, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the Board are implemented by the Group's finance department.

23.3 Credit risk

The Group's sales are primarily made with credit terms of between 0 and 60 days, exposing the Group to the risk of non-payment by customers. The Group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed regularly by the board. In addition, the Group maintains a suitable level of credit insurance against selected customers. The maximum exposure to credit risk is £5,000 per individual customer that is covered by the policy, being the insurance excess.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. Expected losses are based on the Group's historical credit losses, adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group's B2B historic credit losses have been minimal on the back of strong credit control, in addition to the insurance cover in place. This results in an immaterial expected credit loss being provided for.

An analysis of past due but not impaired trade receivables is given in note 17.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

23. Financial instruments continued

23.4 Liquidity risk management

The Group is funded by external banking facilities provided by HSBC that are designed to ensure the Group has sufficient available funds for operations and planned expansions. This is monitored on a monthly basis, including re-forecasts of the borrowings required.

23.5 Foreign currency risk management

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates. The Group's exposure to foreign currency risk is partially hedged by virtue of invoicing a proportion of its turnover in US Dollars. When necessary, the Group uses foreign exchange forward contracts to further mitigate this exposure.

The following is a note of the assets and liabilities denominated at each period end in US dollars:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Trade receivables	461	498
Cash and cash equivalents	–	91
Trade payables	(1,336)	(181)
	(875)	408

The effect of a 20 percent strengthening of Pound Sterling at 31 March 2025 on the foreign denominated financial instruments carried at that date would, all variables held constant, have resulted in a decrease to total comprehensive income for the year and a decrease to net assets of £146,000 (2024: decrease of £68,000). A 20 percent weakening of the exchange rate on the same basis, would have resulted in an increase to total comprehensive income and an increase to net assets of £219,000 (2024: increase of £102,000).

The following is a note of the assets and liabilities denominated at each period end in Euros:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Trade receivables	2,667	1,215
Cash and cash equivalents	1,348	1,421
Trade payables	(1,029)	(771)
	2,986	1,865

The effect of a 20 percent strengthening of Pound Sterling at 31 March 2025 on the foreign denominated financial instruments carried at that date would, all variables held constant, have resulted in a decrease to total comprehensive income for the year and a decrease to net assets of £498,000 (2024: decrease of £311,000). A 20 percent weakening of the exchange rate on the same basis, would have resulted in an increase to total comprehensive income and an increase in net assets of £746,000 (2024: increase of £466,000).

Forward contracts

The Group mitigates the exchange rate risk for certain foreign currency creditors by entering into forward currency contracts. The Group's forex policy is to purchase forward contracts to mitigate changes in spot rates, based on the timing of purchases to be made. Management forecast the timing of purchases and make assumptions relating to the exchange rate at which the Group costs its products and take out forward contracts to mitigate fluctuations to an acceptable level. At 31 March 2025, the outstanding contracts mature between 1 and 12 months of the year end, (2024: 1 and 12 months). At 31 March 2025 the Group was committed to buy \$50,672,000 (2024: \$30,000,000) in the next financial year.

The forward currency contracts are measured at fair value using the relevant exchange rates for GBP:USD and GBP:EUR. The fair value of the contracts at 31 March 2025 is a liability of £131,000 (2024: liability of £52,000). During the year ended 31 March 2025, a loss of £79,000 (2024: gain of £600,000) was recognised in Adjusted items for changes in the fair value of the forward foreign currency contracts.

Forward currency contracts are valued using level 2 inputs. The valuations are calculated using the year end exchange rates for the relevant currencies which are observable quoted values at the year-end dates. Valuations are determined using the hypothetical derivative method which values the contracts based on the changes in the future cashflows based on the change in value of the underlying derivative.

23.6 Interest rate cash flow risk

The Group's interest-bearing liabilities relate to its variable rate banking facilities. The Group has a policy of keeping the rates associated with funding under review in order to react to any adverse changes in the marketplace that would impact on the interest rates in place. As the facility was unused for the entirety of the year, no interest on utilisation was charged, and therefore the effect of a 1% increase in interest rates would have resulted in no impact (2024: decrease in net assets of £61,000).

The Group entered into a new Asset Based Lending Agreement on 28 March 2025. As the facility was only in place for 3 days of the financial year, the impact of a increase in interest rate has not been disclosed as it would have been negligent.

23.7 Price risk

The Group's profitability is affected by price fluctuations in the sourcing of its products. The Group continually monitors the price and availability of materials but the costs of managing the exposure to price risk exceed any potential benefits given the extensive range of products and suppliers. The Directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

23.8 Maturity of financial assets and liabilities

All of the Group's non-derivative financial liabilities and its financial assets at the reporting date are either payable or receivable within one year, except for borrowings as disclosed in note 20.

23.9 Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities recognised may also be categorised as follows:

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Financial assets		
<i>Financial assets measured at amortised cost</i>		
Trade and other receivables	39,232	34,080
Right-of-use receivables	338	–
Cash and cash equivalents	3,182	11,631
	42,752	45,711
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
<i>Non-current:</i>		
Borrowings	(12,104)	(13,449)
<i>Current:</i>		
Borrowings	(1,343)	(1,268)
Trade payables	(15,461)	(9,676)
Amounts owed to related parties	(86)	–
Invoice financing facility	(1,999)	–
Directors loan account	(2)	(2)
Other creditors	(957)	(525)
Accruals	(13,305)	(10,673)
	(45,257)	(35,593)
<i>Financial liabilities measured at fair value through profit and loss</i>		
Forward contracts	(131)	(52)
	(131)	(52)
Net financial (liabilities) / assets	(2,636)	10,066

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

24. Share capital and reserves

Share capital and share premium

Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The excess of proceeds of a share issue over the nominal value is presented within share premium.

Number of shares authorised and in issue

	Ordinary £0.10	
	No.	£
At 1 April 2023	117,316,042	11,731,604
Issued	27,961	2,796
Cancelled	(828,000)	(82,800)
At 31 March 2024	116,516,003	11,651,600
Issued	796,716	79,672
At 31 March 2025	117,312,719	11,731,272

Ordinary £0.10 shares issued in the year

Date	Number of shares	Subscription price	Share capital	Share premium	Total cost
18 June 2024	73,715	£0.3837	£7,372	£20,913	£28,285
8 August 2024	21,315	£1.5200	£2,132	£30,267	£32,399
4 December 2024	30,503	£0.3837	£3,050	£8,654	£11,704
6 January 2025	5,084	£0.3837	£508	£1,442	£1,950
3 February 2025	666,099	£0.3837	£66,610	£188,972	£255,582
Total	796,716	n/a	£79,672	£250,248	£329,920

Dividends

Dividends of £5,831,000 (2024: £4,341,000) were declared and paid in the year; a final dividend in respect of 2024 of £0.032 per share (2024: £0.022 per share) and an interim dividend in respect of 2025 of £0.018 per share (2024: £0.015 per share).

Merger reserve

The merger reserve arose on a past business combination of entities that were under common control. The merger reserve is the difference between the cost of investment and the nominal value of the share capital acquired.

Share-based payments reserve

The share-based payments reserve represents the cumulative impact of the share-based payments charge.

Retained earnings

Retained earnings includes all current and prior period retained profits and losses, including foreign currency translation differences arising from the translation of financial statements of the Company's foreign entities.

All transactions with owners of the parent are recorded separately within equity.

25. Share based payments

The Group operates a number of share incentive arrangements as set out below.

The Supreme plc Enterprise Management Incentive Scheme (“the EMI Scheme”)

On 14 September 2018, the Group implemented an Enterprise Management Incentive Scheme. This was granted to employees to acquire shares in the Company for a number of ordinary shares of 10p each at the exercise price at the option of the employee. The exercise of these options was originally subject to the occurrence of a relevant event (a disposal or a listing) in accordance with the EMI Scheme rules, but this condition was satisfied by the 2021 listing of the Company. These options will expire 10 years from grant date. A second scheme was implemented alongside the EMI scheme (‘2018 unapproved scheme’) for one employee who was eligible for more options than the EMI scheme rules allowed for. All conditions of this scheme were the same as the EMI Scheme.

These options were fairly valued upon a valuation of the entity that had been performed by an independent expert.

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2018 EMI scheme				
At the start of the year	£0.38	589,680	£0.38	622,725
Lapsed	£0.38	(2,542)	£0.38	(5,084)
Granted	–	–	–	–
Exercised	£0.38	(582,054)	£0.38	(27,961)
At the end of the year	£0.38	5,084	£0.38	589,680

The profit and loss expense that has been recognised in the current year in respect of these awards is £nil (2024: £nil).

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2018 unapproved scheme				
At the start of the year	£0.38	193,347	£0.38	193,347
Lapsed	–	–	–	–
Granted	–	–	–	–
Exercised	£0.38	(193,347)	–	–
At the end of the year	–	–	£0.38	193,347

The profit and loss expense that has been recognised in the current year in respect of these awards is £nil (2024: £nil).

The Supreme plc Sharesave Scheme 2021 (“the SAYE Scheme”)

The Company established the SAYE Scheme on 26 January 2021. The SAYE Scheme was open to all employees who had achieved the qualifying length of service at the proposed date of grant (initially set at 3 months). Under the SAYE Scheme, an individual who wishes to accept an invitation to apply form options to be granted to him or her must take out a 3 or 5 year savings contract with an approved savings body selected by the Company. The individual makes a fixed monthly contribution over the life of the savings contract and on maturity receives a tax-free bonus. The monthly contribution can be a minimum of £10 and a maximum of £500.

The price at which options may be exercised will be set by the Directors at the date of grant and may be at a discount of up to a maximum of 20 per cent. against the market value at the date of grant of the Shares over which they are granted. The Option will generally be exercisable by the holder within six-month period after the bonus becomes payable on his or her relevant savings contract.

All employees of the Group (including executive directors) at 3 March 2021 were invited to participate in the SAYE Scheme. Employees were invited to subscribe for options over the Company's ordinary shares of 10p each with an exercise price of 152p, which represents a 20% discount to the closing middle market price of 190p per Share (“Options”) on 2 March 2021, being the trading day before the invitation for employees to participate was made. Other than in the case of a takeover or demerger or similar event, an option will generally be exercisable by the holder in relation to the SAYE Scheme within the 6-month period after the bonus becomes payable on his or her relevant savings contract. Any option not so exercised will lapse. There are no conditions of exercise in relation to options granted under the SAYE Scheme.

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 SAYE scheme				
At the start of the year	£1.52	147,780	£1.52	195,167
Lapsed	£1.52	(126,465)	£1.52	(47,387)
Granted	–	–	–	–
Exercised	£1.52	(21,315)	–	–
At the end of the year	–	–	£1.52	147,780

The profit and loss expense that has been recognised in the current year in respect of these awards is £2,000 (2024: £34,000)

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

25. Share based payments continued

The Supreme plc Company Share Option Plan 2021 (“the CSOP Scheme”)

The Company established the CSOP Scheme on 26 January 2021. Grants under the CSOP Scheme may be made by the Company as subscription Options or, with the consent of the Remuneration Committee, by an existing shareholder over shares already issued.

Under the CSOP Scheme certain eligible employees have been granted options to subscribe for ordinary shares in the Company of 10p each with an exercise price of 174 pence per ordinary share equal to the closing middle market price on 15 February 2021. The options were granted on 16 February 2021 and may be exercisable by the holder at any time between the third and tenth anniversaries of the date of the grant. Upon exercise, the relevant Shares will be allotted. A number of employees have been granted additional options on the same basis under the Unapproved Scheme detailed below to the extent that the total number of options granted to them exceeded the maximum number permitted to be granted under the CSOP Scheme by HMRC rules.

23 employees were granted options under the CSOP over a total of 206,886 shares and 4 employees have been granted options under the Unapproved Scheme over a total of 94,825 Shares, being in aggregate 301,711 shares. By 31 March 2025, a total of 103,442 options had lapsed and 198,269 remained under option.

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 CSOP				
At the start of the year	£1.74	149,418	£1.74	181,026
Lapsed	£1.74	(5,745)	£1.74	(31,608)
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	£1.74	143,673	£1.74	149,418

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 unapproved scheme				
At the start of the year	£1.74	54,596	£1.74	54,596
Lapsed	–	–	–	–
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	£1.74	54,596	£1.74	54,596

The profit and loss expense that has been recognised in the current year in respect of these awards is £nil (2024: credit of £2,600).

The Supreme plc Unapproved Share Option Scheme 2021 (“the Unapproved Scheme”)

The Company established the Unapproved Scheme on 26 January 2021. Grants under the CSOP Scheme may be made by the Company as subscription Options or, with the consent of the Remuneration Committee, by an existing shareholder over shares already issued.

As described in the Directors’ Remuneration Report, on 9 March 2021 the Company awarded the following options to the executive directors under the Unapproved Scheme.

Options to subscribe for a total of 5,825,000 Shares at nominal value were granted to the CEO in two equal tranches. Each tranche of options will be subject to a performance condition which must be wholly satisfied for the relevant option to be exercisable. The performance condition for the first tranche of options is that total shareholder return per Share (“TSR”) from Admission until the third anniversary of Admission is at least 100 per cent. of the placing price of 134 pence as at Admission (the “Placing Price”). The performance condition for the second tranche of options is that the TSR from Admission until the fifth anniversary of Admission is at least 200 per cent. of the Placing Price.

Options to subscribe for up to 111,940 Shares at nominal value were granted to the CFO in the year ended 31 March 2022. The options are subject to a performance condition requiring an average annual TSR of 7.5 per cent. to become exercisable in part and an annual average TSR of 10 per cent. to become fully exercisable, in each case measured over a period of 3 years from Admission as against the Placing Price.

Options to subscribe for a further 174,650 shares at nominal value were granted to the CFO during the year ended 31 March 2024. These options are subject to performance conditions. 50% of the options require an average annual TSR of 7.5% to become exercisable in part and an annual average of TSR of 10% to become fully exercisable measured over a 3-year period. The remaining 50% of options are linked to an EPS performance target where a threshold of 33.7p by the end of a 3-year period is required in order for the options to become exercisable and 41.1p in order for the options to be fully exercisable.

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 3-year CEO award				
At the start of the year	–	–	£0.00	2,912,500
Lapsed	–	–	£0.00	(2,912,500)
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	–	–	–	–

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 5-year CEO award				
At the start of the year	£0.00	2,912,500	£0.00	2,912,500
Lapsed	–	–	–	–
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	£0.00	2,912,500	£0.00	2,912,500

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2021 CFO award				
At the start of the year	–	–	£0.00	111,940
Lapsed	–	–	£0.00	(111,940)
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	–	–	–	–

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2022 Senior management awards (TSR)				
At the start of the year	£0.00	87,325	£0.00	87,325
Lapsed	–	–	–	–
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	£0.00	87,325	£0.00	87,325

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2022 Senior management awards (EPS)				
At the start of the year	£0.00	87,325	£0.00	87,325
Lapsed	–	–	–	–
Granted	–	–	–	–
Exercised	–	–	–	–
At the end of the year	£0.00	87,325	£0.00	87,325

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2023 Senior management £nil cost awards (TSR)				
At the start of the year	£0.00	108,011	–	–
Lapsed	–	–	–	–
Granted	–	–	£0.00	108,011
Exercised	–	–	–	–
At the end of the year	£0.00	108,011	£0.00	108,011

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

25. Share based payments continued

	Weighted average exercise price 2025 £	2025 No.	Weighted average exercise price 2024 £	2024 No.
2023 Senior management £nil cost awards (EPS)				
At the start of the year	£0.00	108,011	–	–
Lapsed	–	–	–	–
Granted	–	–	£0.00	108,011
Exercised	–	–	–	–
At the end of the year	£0.00	108,011	£0.00	108,011

The profit and loss expense that has been recognised in the current year in respect of the Unapproved Scheme is £435,000 (2024: £1,046,000).

The vesting of most of these awards is subject to the Group achieving certain performance targets under the Unapproved Scheme, measured over a three or five year period, as set out in the Remuneration Report. The options will vest depending on achievement of the Group's absolute total shareholder return ("TSR") as follows:

The awards under the CSOP Scheme and Unapproved Scheme to employees other than as noted above are not subject to performance conditions and vest subject to continued employment only.

In respect of the CFO and CFO awards, the fair value at grant date is independently determined using a Monte Carlo simulation model which calculates a fair value based on a large number of randomly generated projections of the Company's future share prices. In respect of the CSOP and Unapproved Schemes, the fair value at grant date has been determined using a Black-Scholes model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, and the risk-free interest rate for the term of the option as shown overleaf:

	Grant date	Share price at grant date (pence)	Exercise price (pence)	Expected volatility (%)	Projection period (yrs)	Expected lift (yrs)	Expected dividend yield (%)	Risk free interest rate (%)	Fair value per award (pence)
2018 unapproved schemes	4 Jan 21	134p	38.38p	45%	2.65	3	5.94%	-0.09%	71p
2021 CSOP	16 Feb 21	176p	174p	45%	n/a	3	4.10%	0.34%	50p
2021 unapproved schemes	16 Feb 21	176p	174p	45%	n/a	3	4.10%	0.34%	50p
2021 3 year CEO award	9 Mar 21	185p	nil	45%	2.89	3	3.90%	0.12%	74p
2021 5 year CEO award	9 Mar 21	185p	nil	45%	0.89	5	3.90%	0.31%	59p
2021 CFO	9 Mar 21	185p	nil	45%	2.89	3	3.90%	0.12%	109p
2021 SAYE	18 Mar 21	190p	154p	55%	3.16	3	3.79%	0.14%	59p
2022 Senior management £nil cost awards (TSR)	5 Aug 21	101p	0p	55%	2.65	3	5.94%	1.92%	31p
2022 Senior management £nil cost awards (EPS)	5 Aug 21	101p	0p	55%	n/a	3	5.94%	1.92%	75p
2023 Senior management £nil cost awards (TSR)	30 Nov 23	124p	0p	53%	2.33	3	2.98%	4.30%	79p
2023 Senior management £nil cost awards (EPS)	30 Nov 23	124p	0p	53%	n/a	3	2.98%	4.30%	105p

The expected volatility has been estimated based upon the historical volatility of the FTSE AIM Retailers and Personal & Household goods sub sectors.

No awards are exercisable at the end of the year. The charge for share-based payments in the year was £498,000 (2024: £1,226,000) which is included within Adjusted items. Of this, £61,000 (2024: £148,000) related to Employers National Insurance Contributions and £437,000 (2024: £1,078,000) related to the share-based payments charge.

26. Ultimate controlling party

The Directors consider the ultimate controlling party to be S Chadha and his concert party.

27. Other financial commitments

See note 23.5 for details of the financial commitments under US dollar forward exchange contracts.

28. Related party transactions

28.1 Remuneration of key personnel

Remuneration of key management personnel, considered to be the Directors of the Company and members of the senior management team is as follows:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Short-term employee benefits	1,685	1,793
Social security costs	362	254
Employee share schemes	475	1,184
Post-employment benefits	15	9
Total compensation	2,537	3,240

28.2 Transactions and balances with key personnel

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Loan balances with Directors:		
Balance outstanding from director	(2)	(2)

28.3 Transactions and balances with related companies and businesses

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Transactions with related companies:		
Rent paid to SC8 Limited	374	365

SC8 Limited is owned entirely by Sandy Chadha, a director of Supreme PLC. On 5 May 2023 a new lease was signed between SC8 Limited and Supreme Imports Ltd for a term of 5 years from 16 March 2023. Rent to be paid to SC8 Limited in respect of Beacon Road (one of Supreme's manufacturing sites) will be £374,000 per annum (plus VAT) and will continue to be disclosed as a transaction with related parties.

There are no year end balances due to any related company.

The above companies are related due to common control and Directors.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

29. Business combinations

Acquisition of Acorn Topco Limited

On 21 June 2024 Supreme Imports Limited acquired the entire share capital of Acorn Topco Limited, the parent company of Clearly Drinks Limited, a long-established and well-known UK manufacturer and brand owners of specialised canned and bottled at source spring water and soft drinks for a net consideration of £15,571,000.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Fixed assets			
Other intangible assets	–	2,900	2,900
Property, plant and equipment	9,272	3,204	12,476
	9,272	6,104	15,376
Current assets			
Inventory	1,267	–	1,267
Debtors due within one year	3,065	–	3,065
Cash at bank and in hand	670	–	670
	5,002	–	5,002
Total assets	14,274	6,104	20,378
Creditors			
Trade and other payables	(3,750)	–	(3,750)
Deferred tax	(706)	(1,526)	(2,232)
	(4,456)	(1,526)	(5,982)
Total identifiable net assets	9,818	4,578	14,396
Goodwill			1,845
Total purchase consideration			16,241
Consideration			
Cash			16,241
Total purchase consideration			16,241
Cash outflow on acquisition			
Purchase consideration settled in cash, as above			16,241
Less: cash and cash equivalents acquired			(670)
Net cash outflow on acquisition			15,571

Following a purchase price allocation exercise the company identified further acquired intangible assets. The fair value adjustments reflect the recognition of Customer Relationships of £1,000,000, Brands of £1,000,000 and Trade name of £900,000. The additional consideration paid over the fair value of the net assets acquired is recognised as goodwill. Deferred tax of £1,526,000 was recognised on the acquired assets.

The goodwill of £1,845,000 represents cross selling opportunities and operating efficiencies.

The revenue from the Group headed by Acorn Topco Limited included in the Consolidated Statement of Comprehensive Income for 2025 was £19m and the Group also incurred a profit after tax of £0.8m over the same period. Had the acquisition occurred on 1 January 2024, consolidated revenue and gross profit would have increased by £11m and £3.1m respectively.

Acquisition costs of £89,000 arose as a result of this transaction. These have been recognised as part of administrative expenses in the Statement of Comprehensive Income, and are detailed in note 7.

Acquisition of trade and assets of Typhoo Tea Limited

On 29 November 2024 Supreme Imports Limited acquired the trade and certain assets of Typhoo Tea Limited, a long-established and well-known British tea brand, for a total cash consideration of £10,200,000 out of administration.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Fixed assets			
Other intangible assets	–	5,050	5,050
Property, plant and equipment	1,436	20	1,456
	1,436	5,070	6,506
Current assets			
Inventory	5,883	817	6,700
Debtors due within one year	1,997	(840)	1,157
	7,880	(23)	7,857
Total assets	9,316	5,047	14,363
Total identifiable net assets	9,316	5,047	14,363
Goodwill			(4,163)
Total purchase consideration			10,200
Consideration			
Cash			10,200
Total purchase consideration			10,200
Cash outflow on acquisition			
Purchase consideration settled in cash, as above			10,200
Net cash outflow on acquisition			10,200
Goodwill identified			(4,163)
Adjustment for supplier payments			1,222
Net gain on bargain purchase			(2,941)

Following a purchase price allocation exercise the company identified further acquired intangible assets. The fair value adjustments reflect the recognition of Trademarks worth £5,050,000. The difference between the consideration paid and the fair value of the net assets acquired is recognised as goodwill.

The negative goodwill of £4,163,000 represents a bargain purchase which aligns with the distressed sale of the company, out of administration. The business was charged £1,222,000 in ransom payments by key Typhoo suppliers. These costs were deducted from the goodwill recognised to produce a net gain on bargain purchase. This balance has been expensed to the income statement as detailed in note 7 along with the associated tax treatment.

Acquisition costs of £941,000 arose as a result of this transaction. These have been recognised as part of administrative expenses in the Statement of Comprehensive Income and are detailed in note 7.

Notes to the Group Financial Statements

for the Year Ended 31 March 2025 continued

29. Business combinations continued

Acquisition of 51% of Renmo Trading S.L.
On 28 November 2024 Supreme Imports Limited acquired 51% interest in Renmo Trading S.L., a company incorporated in Spain with a functional currency of the Euro. The consideration of €1,530 was equivalent to £1,297 at the acquisition exchange rate.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Current assets			
Inventory	1,883	–	1,883
Debtors due within one year	1,426	–	1,426
Cash at bank and in hand	153	–	153
	3,462	–	3,462
Total assets	3,462	–	3,462
Creditors			
Trade and other payables	(3,460)	–	(3,460)
	(3,460)	–	(3,460)
Total identifiable net assets	2	–	2
Fair value of NCI (49%)			(1)
Total purchase consideration			1
Consideration			
Cash			1
Total purchase consideration			1
Cash inflow on acquisition			
Purchase consideration settled in cash, as above			1
Less: cash and cash equivalents acquired			(153)
Net cash inflow on acquisition			(152)

The company had generated nil profits pre its acquisition by Supreme Imports Limited. Following the acquisition the company generated revenues of £3.2m and a profit after tax of £0.1m which is included in the Consolidated Statement of Comprehensive Income.

30. Post balance date events

On 2 April 2025 the Group entered a 4 year lease arrangement for a site in Gloucester which will be used for the manufacture of tea products. The annual rental commitment will be £238,000 per annum.

Company Statement of Financial Position

as at 31 March 2025

	Note	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Fixed assets			
Investments	6	26,170	26,150
		26,170	26,150
Current assets			
Debtors (of which £986,000 (2024: £607,000) is due after more than one year)	7	20,368	10,599
Cash at bank and in hand		14	3
		20,382	10,602
Creditors: amounts falling due within one year	8	(525)	(768)
Net current assets		19,857	9,834
Total assets less current liabilities		46,027	35,984
Net assets		46,027	35,984
Capital and reserves			
Share capital	9	11,731	11,652
Share premium	9	7,685	7,435
Capital redemption reserve		83	83
Share-based payments reserve		4,385	3,948
Retained earnings		22,143	12,866
Total Equity		46,027	35,984

The Company has taken advantage of the exemption permitted by Section 408 of the Companies Act 2006 not to produce its own profit and loss account. The profit for the year dealt within the financial statements of the Company was £15,108,000 (2024: £3,637,000).

The notes on pages 117 to 122 are an integral part of these Company financial statements.

The Company financial statements on pages 115 to 116 were approved by the Board of Directors on 30 June 2025 and were signed on its behalf by:

Suzanne Smith
Director

Registered number: 05844527

Company Statement of Changes in Equity

for the Year Ended 31 March 2025

	Share Capital £'000	Share premium £'000	Capital redemption reserve £'000	Share-based payments reserve £'000	Retained earnings £'000	Total equity £'000
As at 1 April 2023	11,732	7,427	–	2,729	14,570	36,458
Profit for the year	–	–	–	–	3,637	3,637
Total comprehensive income for the year	–	–	–	–	3,637	3,637
Transactions with shareholders:						
Issue of shares	3	8	–	–	–	11
Share buy back	–	–	–	–	(1,000)	(1,000)
Cancellation of shares	(83)	–	83	–	–	–
Employee share schemes – value of employee services (note 11)	–	–	–	1,078	–	1,078
Deferred tax on share-based payment charge (note 5)	–	–	–	141	–	141
Dividends (note 9)	–	–	–	–	(4,341)	(4,341)
Total transactions with owners, recognised in equity	(80)	8	83	1,219	(5,341)	(4,111)
As at 31 March 2024	11,652	7,435	83	3,948	12,866	35,984
Profit for the year	–	–	–	–	15,108	15,108
Total comprehensive income for the year	–	–	–	–	15,108	15,108
Transactions with shareholders:						
Issue of shares	79	250	–	–	–	329
Employee share schemes – value of employee services (note 11)	–	–	–	437	–	437
Dividends (note 9)	–	–	–	–	(5,831)	(5,831)
Total transactions with owners, recognised in equity	79	250	–	437	(5,831)	(5,065)
As at 31 March 2025	11,731	7,685	83	4,385	22,143	46,027

The notes on pages 117 to 122 form part of these Company financial statements.

Notes to the Company Financial Statements

for the Year Ended 31 March 2025

1. General Information

Supreme PLC ("the Company") is a public company, limited by shares, registered in England and Wales and domiciled in the UK, with company registration number 05844527. The principal activity is that of a holding company. The registered office is 4 Beacon Road, Ashburton Park, Trafford Park, Manchester, M17 1AF.

2. Summary of material accounting policies

2.1 Reporting framework

The separate financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" ("FRS 101"), on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies reporting under FRS 101.

The financial information is presented in sterling and has been rounded to the nearest thousand (£'000).

The principal accounting policies, which have been applied consistently to all the years presented, are set out below.

2.2 Financial Reporting Standard 101 – reduced disclosure exemptions

The following exemptions from the requirements in IFRS have been applied in the preparation of these financial statements:

- The requirement of IFRS 1, 'First-time adoption of International Financial Reporting Standards', to present a statement of financial position at the date of transition.
- IFRS 7, "Financial Instruments: Disclosures".
- Paragraphs 91 to 99 of IFRS 13, "Fair value measurement" (disclosure of valuation techniques and inputs used for fair value measurements of assets and liabilities).
- Paragraph 38 of IAS 1, "Presentation of financial statements" – comparative information requirements in respect of:
 - i. Paragraph 79(a)(iv) of IAS 1;
 - ii. Paragraph 73 (e) of IAS 16, "Property, plant and equipment"; and
 - iii. Paragraph 118 (e) of IAS 38, "Intangible assets" (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, "Presentation of financial statements":
 - iv. 10(d) (statement of cash flows);
 - v. 16 (statement of compliance with all IFRS);
 - vi. 38A (requirement of minimum of two primary statements, including cash flow statements);
 - vii. 38B-D (additional comparative information);
 - viii. 111 (statement of cash flows information); and
 - ix. 134-136 (capital management disclosures).
- IAS 7, "Statement of cash flows".
- Paragraphs 30 and 31 of IAS 8, "Accounting policies, changes in accounting estimates and errors" (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation).
- The requirements in IAS 24, "Related party disclosures", to disclose the related party transactions entered into between two or more members of a Group.
- Paragraphs 130(f)(ii)(iii), 134(d)-(f) and 135(c)-(e) of IAS 36, "Impairment of assets".
- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 and the second sentence of paragraph 110 of IFRS 15.

This information is included in the consolidated financial statements found earlier in this report.

2.3 Company profit and loss account

The Company has not presented its own profit and loss account as permitted by Section 408 of the Companies Act 2006. The Company's profit after taxation for the period was £15,108,000 (2024: £3,637,000). There are no material differences between the profit after taxation in the current period and its historical cost equivalent. Accordingly, no note of historical cost profits and losses has been presented.

Notes to the Company Financial Statements

for the Year Ended 31 March 2025

2. Summary of material accounting policies continued

2.4 Going concern

In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections for the two-year period to 31 March 2027. These forecasts and projections, which the Directors consider to be prudent, have been sensitised by applying general reductions to revenue and profitability, to consider downside risk and the impact these scenarios would have on the Group's cashflows and liquidity and its ability to continue to operate and trade.

- The Directors have performed a specific sensitivity in reference to the recently imposed disposable vape ban in which a scenario where the revenue currently attributable to disposable vapes fails to transition to an alternative form of vaping has been assessed. The sensitivity confirmed that without the sale of disposable vapes or a likely substitute product in its place (and without altering the Group's overhead base), the remaining Supreme Group would remain profitable and cash-generative and therefore this does not pose a problem in respect of going concern.
- In addition to the specific sensitivity on the disposable vape ban, the Directors have also overlaid further a potential downturn sensitivity by assuming a 5% and then 20% reduction in revenue across all divisions of the business (whilst maintaining the existing overhead base). Again, the business remains profitable and cash generative.
- In fact, owing to the working capital unwind that occurs in the short to medium term when sales reduce, the forecasts indicate that the Group's revenue can fall by 75% (without any adjustment to overheads) before the Group runs out of cash reserves in March 2027.
- Whilst the Group's debt facilities are priced at a variable rate (SONIA + a margin) and will be in place until March 2028, the Group's current positive leverage ratio (i.e. having a net cash positive position at the balance sheet date), means that Supreme's exposure to any increases in borrowing rates is limited. Should the Group increase its level of bank borrowings during the forecast period (likely to be triggered by M&A) then of course this increased cost of borrowing would impact the Group (albeit expected to be offset by the incremental earnings generated by any M&A target).
- Historically Supreme has been a net beneficiary in periods of economic downturn, owing to the fact more than half of its revenue is derived from the discount retail sector which typically trades buoyantly during these periods (for prudence this has not been assumed in the forecast). The inflationary cost increases (specifically over salary costs, energy and transport) have been specifically factored into the cost base throughout for the forecast period.

Based on these various scenarios, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

2.5 Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

2.6 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Statement of Comprehensive Income over the remaining vesting period. Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received. The value of the awards made to the employees of the Company's subsidiaries are treated as an increase in the cost of investment in the subsidiary, with the credit taken to the share-based payments reserve.

3. Critical accounting estimates and judgements

In the preparation of the Company financial statements, the Directors, in applying the accounting policies of the Company, make some judgements and estimates that effect the reported amounts in the financial statements. The following are the areas requiring the use of judgement and estimates that may significantly impact the financial statements.

Accounting estimates

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

3.1 Non-current asset impairment

The carrying value of the Company's investments in subsidiaries was £26,170,000 at 31 March 2025. The Directors have performed an impairment review by comparing the carrying value to the higher of the value-in-use and fair value less costs to sell of the underlying assets. The value-in-use calculations require the use of estimates in calculating the future cash forecasts based upon management judgement. Future events could cause the assumptions to change, therefore this could have an adverse effect on the future results of the Company. The fair value less costs to sell calculations include an element of judgement.

The estimates used in the impairment calculation are set out in note 12 to the Group financial statements.

Accounting judgements

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

The following are the areas requiring the use of judgement that may significantly impact the Company financial statements:

3.2 Non-current asset impairment

The calculation of fair value less costs to sell is based upon management's judgement by reference to the Group's market capitalisation. Taking into account movements in the share price the Directors consider there to be no reasonably possible scenario in which the asset would be impaired. No reasonable change in inputs would result in impairment.

4. Remuneration of Directors and auditors

Details of Directors' remuneration are shown in the Directors' Remuneration Report on page 61 to 63 of the Group financial statements, and note 8 of the Group financial statements. Details of auditors' remuneration are shown in note 6 of the Group financial statements. The Company has no employees.

5. Deferred tax

Deferred tax consists of the following temporary differences

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Share based payments	986	607
	986	607

Movement in deferred tax in the year

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Balance at the beginning of the year	607	640
Credited/(debited) to profit or loss	379	(174)
Credited to reserves	–	141
Balance at the end of the year	986	607

6. Investments

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Balance at the beginning of the year	26,150	26,112
Capital Contribution	20	38
Balance at the end of the year	26,170	26,150

The total value of capital contribution included in investments at 31 March 2025 totalled £583,000 (2004: £563,000).

Notes to the Company Financial Statements

for the Year Ended 31 March 2025

6. Investments continued

At 31 March 2025, the Company directly owned 100% of the ordinary share capital of the following subsidiaries, which are incorporated in England and Wales unless stated:

Subsidiary	Registered address	Principal activity
Supreme Imports Limited ³	4 Beacon Road, Ashburton Park, Trafford Park, Manchester M17 1AF	Distribution of consumer goods
Provider Distribution Limited ^{2,3}	Unit 1 Rosewood Park, St James Road, Blackburn, Lancashire BB1 8ET	Distribution of consumer goods

At 31 March 2025, the Company indirectly owned 100% of the ordinary share capital of the following subsidiaries, which are incorporated in England and Wales unless stated:

Subsidiary	Registered address	Principal activity
VN Labs Limited ³	4 Beacon Road, Trafford Park, Manchester, England, M17 1AF	Distribution of consumer goods
Battery Force Limited ³		Dormant
Supreme Health and Wellness Limited ³		Dormant
Sealions Supplements Limited ³		Dormant
Powerquick Limited ³		Holding company
Supreme 88 Limited ³		Holding company
Supreme Nominees Limited ³		Holding of shares as nominee
Holding Esser Affairs B.V. ³	Vanadiumweg 13, 3812 PX, Armersfoort, Netherlands	Holding company
AGP Trading B.V. ³		Distribution of consumer goods
Vendek Limited ³	Unit C5, South City Business Park, Whitestown Way, Tallaght, Dublin 24, D24 A993	Distribution of consumer goods
Liberty Flights Holdings Limited ³	4 Beacon Road, Trafford Park, Manchester, England, M17 1AF	Holding company
Liberty Flights Limited ³		Distribution of consumer goods
Acorn Topco Limited		Holding company
Acorn Bidco Limited		Holding company
Clearly Drinks Group Limited		Holding company
Clearly Drinks Properties Limited		Holding company
Clearly Drinks Equipment Limited		Holding company
Clearly Drinks Brands Limited		Holding company
Clearly Drinks Limited		Distribution of consumer goods
Speaking Water Trade Limited ¹		Dormant
Speaking Water Group Limited ¹		Dormant
The Powerful Water Co Limited ¹		Dormant
Glengettie Tea Company Limited ¹		Dormant
The London Herb & Spice Company Limited ¹		Dormant
Mantunna Limited ²		Dormant
London Tea And Produce Company Limited ¹		Dormant
Melroses Limited		Dormant
The London Fruit & Herb Company Limited	4 Beacon Road, Trafford Park, Manchester, England, M17 1AF	Dormant
Kardomah Limited		Dormant
Red Mountain Coffee Company Limited		Dormant
Ridgeways Limited	4 Beacon Road, Trafford Park, Manchester, England, M17 1AF	Dormant
Heath & Heather Limited	4 Beacon Road, Trafford Park, Manchester, England, M17 1AF	Dormant

1. These entities are in the process of being struck off.
2. These entities were struck off in the period following year end and before the signing of the accounts.
3. These entities were 100% owned in the year ended 31 March 2024.

In addition, the Company indirectly owns 51% of Renmo Trading S.L., a Company incorporated in Spain with its registered address at Torrejón de Ardoz (Madrid), Av. de la Constitución 228. See note 29 of the Group accounts for further information.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

Audit exemption statement

Under section 479A of the Companies Act 2006, the Group is claiming exemption from audit for the subsidiary companies listed below.

The parent undertaking, Supreme PLC, guarantees all outstanding liabilities to which the subsidiary company is subject at the end of the financial year. The guarantee is enforceable against the parent undertaking by any person to whom the subsidiary company is liable in respect of those liabilities.

	Company number
Liberty Flights Holdings Limited	07137952
Liberty Flights Limited	07089691
Clearly Drinks Group Limited	09314974
Clearly Drinks Properties Limited	10076850
Clearly Drinks Equipment Limited	07750387
Clearly Drinks Brands Limited	08276521

7. Debtors

Amounts Held in Current Assets	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Amounts owed by Group undertakings	19,382	9,992
Deferred Tax (note 5)	986	607
	20,368	10,599

The Directors believe that the carrying value of trade and other receivables represents their fair value. In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the receivable from the date credit was granted up to the reporting date.

All the amounts owed by Group undertakings shown above are repayable on demand. Historically, there have not been any incidents of credit losses on intercompany balances.

The deferred tax asset of £986,000 (2024: £607,000) falls due in more than one year.

8. Creditors: amounts falling due within one year

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Amounts owed to Group undertakings	–	300
Other tax and social security	525	468
	525	768

Amounts owed to Group undertakings were interest free and repayable on demand.

9. Share capital and reserves

Details of movements in share capital and reserves are set out in note 24 to the Group financial statements.

10. Related party transactions

The Company has taken advantage of the exemption included in IAS 24 'Related Party Disclosures' not to disclose details of transactions with Group undertakings, on the grounds that it is the parent company of a Group whose financial statements are publicly available.

Directors' transactions

Details of the Directors' interests in the ordinary share capital of the Company are provided in the Directors' Remuneration Report.

Notes to the Company Financial Statements

for the Year Ended 31 March 2025

11. Share based payments

The Company operates a number of share option arrangements for key executives and employees, further details of which can be found in note 25 to the Group financial statements. Further details of the arrangements for senior executives can be found in the Directors’ Remuneration Report in the Group financial statements.

The Company recognised total expenses of £475,000 in respect of the equity-settled share-based payment transactions in the year ended 31 March 2025 (2024: £1,184,000). This included £58,000 of Employers National Insurance contributions (2024: £144,000). The additional charge to equity of £20,000 (2024: £38,000) reflects the options granted to employees of Supreme Imports Ltd and corresponds to the increase in the investment in the subsidiary as shown in note 6.

12. Post balance date events

On 2 April 2025 Supreme Imports Limited, a wholly owned subsidiary, entered into a new 4 year lease arrangement for a site in Gloucester which will be used for the manufacture of tea products. The annual rental commitment will be £238,000 per annum.

Company Information

Registered Office

4 Beacon Road
Trafford Park
Manchester M17 1AF

Company Secretary

Kevin Curry

Nominated adviser and brokers

Shore Capital & Corporate Limited (Nominated Adviser & Broker)
Cassini House
57 St. James’ Street
London
SW1A 1LD

Zeus (Joint broker)

125 Old Broad Street,
12th Floor
London
EC2N 1AR

Registrar

Equiniti Group PLC
Aspect House
Spencer Road
Lancing Business Park
West Sussex
BN99 6DA

Auditors

BDO LLP
Eden
Irwell Street
Salford
Manchester
M3 5EN

Financial PR and Investor Relations

Vigo Consulting
78-79 New Bond Street
London
W1S 1RZ

Legal Advisers

Mills & Reeve LLP
Botanic House
100 Hills Road
Cambridge CB2 1PH

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