RESULTS
FOR THE YEAR ENDED 30 JUNE 2024

FW Thorpe Plc – a group of companies that design, manufacture and supply professional lighting systems – is pleased to announce its preliminary results for the year ended 30 June 2024.

Key points:

Continuing operations	2024	2023	
Revenue	**£175.8m**	£176.7m	*0.5% decrease*
Operating profit (before acquisition adjustments)*	**£32.4m**	£29.8m	*8.7% increase*
Operating profit	**£30.6m**	£27.8m	*10.1% increase*
Profit before tax	**£29.9m**	£26.9m	*10.9% increase*
Basic earnings per share	**20.73p**	18.72p	*10.7% increase*

** Acquisition adjustments are amortisation of acquisition related intangible assets and revaluation of redemption liability*

- Total interim and final dividend of 6.78p (2023: 6.46p) – an increase of 5.0%
- Final dividend of 5.08p (2023: 4.84p) – an increase of 5.0%
- Special dividend of 2.50p (2023: nil)
- Steady performance, supported by operational improvements at Thorlux and revenue growth at Lightronics
- Solid operating profit growth despite inflationary cost pressures
- Recent acquisitions continue to perform in line with expectations
- Strong net cash generated from operating activities – £41.4m (2023: £31.9m)
- Robust start to 2024/25, with operating performance marginally ahead of the prior year

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 (MAR) as supplemented by The Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310) ("UK MAR").

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FW Thorpe Plc 01527 583200

Mike Allcock – Chairman

Craig Muncaster – Chief Executive, Group Financial Director

Singer Capital Markets – Nominated Adviser 020 7496 3000

James Moat / Sam Butcher

Chairman's statement

The financial year 2023/24 was largely uneventful but nevertheless satisfying; although revenue was flat, operating profit increased by 10.1% to £30.6m (2023: £27.8m) as a result of improved internal efficiencies.

Cash reserves, including short-term financial assets, have continued to build and reached £52.9m (2023: £35.0m) at the end of the financial year. Whilst there are no firm plans, the cash reserves give the Board the opportunity to consider further acquisitions if a suitable situation arises.

Stock has been actively reduced to £29.0m (2023: £33.4m); however, the Board considers that the Group should use its robust cash position to its advantage and maintain good levels of strategically important stocks, to ensure security of supply, whilst being mindful of the associated obsolescence risks of such a policy.

Generally, market selling price increases for luminaires have slowed, but so too have component costs, which have begun to trend lower in many cases. Labour cost increases continue, mainly through pay inflation, but the Board expects this to slow during the coming financial year.

Larger companies within the Group have, unsurprisingly, made the biggest contributions to consolidated profit in the last 12 months, with special mention to the excellent performance of the Dutch contingent. The Board would like to see better contributions from all its smaller UK companies – especially, but not only, TRT Lighting. All these smaller companies have undergone changes to their subsidiary board structures in recent times, and improvements to, or diversification of, their product ranges where required. The Board looks forward to these changes enabling bigger contributions to Group profits from these businesses in the future.

The Board's head count has naturally decreased in recent years in favour of strengthening the subsidiary boards at the operating companies and promoting a focused group of managers from within that can support Group activities when called on. It has always been a specific choice of past Group boards to keep the Board populated with 'lighting' individuals with experience of the way that FW Thorpe Plc operates in its chosen market sector. Whilst the Group does not expect to change this strategy materially, in October 2022 the Board was strengthened with one independent non-executive director, Frans Haafkens, who also has international experience, and this year it will formalise an audit committee. Independent external advice, when required, will be sought on a case-by-case basis.

This is my first statement since becoming non-executive chairman in July 2024 and the separating of the CEO and chair roles. Congratulations and best wishes to Craig Muncaster, who now assumes the role of Group CEO. I would like to thank the shareholders for their ongoing support, which over my 40 years of being employed by FW Thorpe Plc has seen me rise from young school leaver apprentice to chairman. My career must surely give all FW Thorpe employees motivation to stay with the business, work hard and be confident that opportunities, if desired, will be forthcoming – right up to the Group Board.

Group results

Group revenue was in line with last year, at £175.8m (2023: £176.7m), whilst operating profit before acquisition adjustments, removing the impact of amortisation of intangible assets established at purchase, grew to £32.4m (2023: £29.8m).

The Annual Report and Accounts contains a more detailed appraisal of each company's individual achievements and challenges. Over the year, the Group's stand-out performer was Lightronics, in the Netherlands, which simply had one of those years when its business activities all seemed to line up perfectly, to enable an excellent, but certainly a hard fought and well-managed result.

Thorlux Lighting's managing director retired at the end of the half year in December 2023. Promotions to joint managing director of Ian Mulhall and James Thorpe were well received. Ian, an engineer, has served Thorlux for nearly 35 years, being a past technical director and operations director. James was Thorlux's sales director and is great grandson of the founder, Frederick William Thorpe. The joint managing directors' first 6 months in charge delivered a good result, with second half growth offsetting a slightly slower first half, to finish the financial year broadly level with the prior year. Orders and sales at Thorlux have started the new financial year well, with further growth expected this coming financial year.

Portland Lighting's profit improved this year, despite its heavy investments in its new traffic sign direction. Portland is on the cusp of further growth, with experienced people in place and a super new product range tailored to all the latest requirements for road traffic sign lighting, which has huge potential to accommodate changes from fluorescent lamps to LEDs, amongst other market needs. Solite Europe and Philip Payne both, to a large extent, have new senior management, and their performance was similar to the prior year's. Both have growth targets in place to become larger contributors to the Group in coming years.

TRT Lighting was loss-making in the year, due to a revenue decline of 15%. A new sales director and a whole new sales team are in place with targets to increase new business into local authority regions, which is currently sporadic. TRT Lighting, as a UK designer and manufacturer of street lighting, should encourage all UK local authorities to buy its excellent locally made sustainable products. To assist, investment in products has continued, with further investment in marketing resources. The TRT board looks forward to the company's improvement in performance, but is also cognisant of the time it will take to bed in new salespeople. Performance may get a little worse before it improves for the long term.

Zemper continues to make good contributions and started the new financial year with a good order book, supported by its host of new products. It is also contributing to some Group collaboration projects where several companies have pooled know-how and developed new products with shared, and hence reduced, costs.

SchahlLED's main market, Germany, is in recession, and therefore its operating profit has reduced slightly; nevertheless, the business is making a healthy contribution.

Famostar's year has been steady, as always. Behind the scenes, Famostar is working very hard to assure this consistent profitability whilst also making sure it adapts to market needs, to maintain its position as one of the leading few manufacturers and suppliers to the Dutch emergency lighting market. This year, Famostar is developing an exciting new range of luminaires with intelligent position-orientated sensors. Sales of SmartScan capable emergency luminaires continue to grow, and there are also signs of good growth in Famostar's additional activity of selling Thorlux luminaires into the Netherlands.

The Group's joint venture with Ratio Electric has struggled to make good contributions, but it has achieved significant growth in its Smart charger products, and it has established the Ratio UK company design and production facilities and product range. The io7, Ratio's adaptation of the Thorlux Passway lighting bollard to integrate EV charging and lighting, has started to sell in much larger numbers, and even featured on the BBC's *One Show* and a high profile electrical installers' YouTube channel. New projects and companies always seem to take longer to start and be harder to establish than one first believes.

Product innovations remain foremost in the minds of Group management. In recent times more collaboration has been encouraged between subsidiary design teams, especially with regards to sharing the costs of tooling, ideas around circular design principles, material selection and sustainability, and sharing SmartScan software for use in an ever-wider range of Group products. As always a topic for the chairman's statement, SmartScan continues to evolve with a host of new customer focused features coming before the end of the financial year. SmartScan Analytics, a new platform launched in autumn 2024, takes the SmartScan cloud operating system to the next level, bringing data from all sorts of IOT connected devices into its central 'brain'. SmartScan Analytics brings a deeper understanding of a building's use to end users. For example, 'standard' SmartScan can easily measure and report whether a lighting installation is using more power this year than it did last year; SmartScan Analytics tells you why. For example, this year it could be further reported that much longer operating hours were recorded for the business, people counters had detected more footfall, less solar power was generated, and electricity prices per kWh had increased. This 'cross analytics' technology has been trialled with a few customers for the last 2 years, and will now be in general release for an additional charge.

On the capex front, the Group decided to continue its investments in carbon offsetting, by purchasing a further 150 acres of suitable tree planting land near the Welsh border in Longtown, Hereford, UK, for £1.7m. Applications have already been made to the appropriate forestry authorities for the first saplings to be planted next spring. There has been some negative press surrounding offsetting in recent times, but the Board is convinced that over the long term the company is doing the right thing, as it recognises that its tree planting activities are supplementary to its intensive carbon reduction measures, which of course save carbon right now. For example, it has always been the Board's intention to investigate all means to reduce its actual emissions to the lowest level possible, right back to when the current sustainability programme started in 2009. At that time, the Group reduced energy use across its factories as far as practicable, before only then choosing offsetting as a supplementary option.

Up to the current day, carbon saving activities continue with the recent installation of another solar PV array at the Ratio EV factory in the UK, installation of the Group's trial electric heating oven for powder coating at Solite (£0.3m), and further significant purchases of company electric vehicles (£1.5m). The Group now owns and operates 5,970 solar panels across eight sites, generating 1.8 million kWh of carbon free electricity per annum. In November 2023, Thorlux installed a new cardboard carton manufacturing machine (£0.2m) and can now produce its own product packaging cartons from recycled and recyclable cardboard on demand. The machine substantially reduces overall storage space, fire risk and material costs.

Sustainability

Sustainability is one of the key pillars for the Group. The Board firmly believes that a business that takes a sustainable approach to the design and manufacturing of its products is highly likely to be more successful as a result. If you use less material in a product and use less power in manufacturing products, costs will be lower.

The Group will continue to find ways to make itself more sustainable, having now completed many of the more obvious initiatives. All Group companies are experiencing increasing sustainability demands from the market. Articles in the Annual Report describe current developments, such as some new lights largely manufactured from wood harvested from sustainable forests in Europe. These components are 3D CNC machined and, as a result, need little or no tooling, can be made in low volume without the need to carry large stocks, and can be altered in their shape and design with little overhead cost, save for a new CNC program.

In summer 2024, the whole Group completed its assessment for the Science Based Targets initiative (SBTi), to become one of only a relatively few companies globally that have completed the very detailed and lengthy third party assessed and verified process. The Group now has a plan to head towards net-zero – a plan that is assessed, verified and realistic, with a first target to achieve significant milestones by 2030. All companies within the Group have targets to reduce their carbon emissions even further, by significant margins from a baseline in financial year 2020/21. Progress is assessed at every board meeting, all employees are trained in sustainability matters, they receive regular newsletters, and there are awards for contributions from employees. The Group is taking its sustainability obligations seriously and, as you can see from the commentary above, is not resting on its laurels and is investing heavily in continuous improvements.

Personnel

I would like to thank all Group employees for their dedication and commitment throughout the financial year.

In January 2024, Peter Mason retired from his non-executive role on the Board. Peter joined FW Thorpe Plc in 1987 as Finance Director. He became Joint Chief Executive in July 2000 and stepped back to a non-executive role in June 2010. On behalf of the Group and its shareholders, I would like to wish Peter a long and happy retirement and thank him for his many years of service, during which time the Group grew significantly, whilst also underpinning the Group's foundations to make it the strong and stable group it is today.

Dividend

Performance as a whole for the year to 30 June 2024 allows the Board to recommend an increased final dividend of 5.08p per share (2023:4.84p), which gives a total for the year of 6.78p (2023: 6.46p excluding special dividend). A special dividend of 2.50p will also be paid, reflecting the Group's strong cash position.

Outlook

All Group companies are charged with growth; as ever, this is their target. With so many companies in the Group, there will be inevitable ups and downs in various locations. All the larger companies are in good shape with stable and experienced leadership teams with good order books at the start of the new financial year. Costs are generally under control, although people cost pressures remain and the companies need to keep working hard to find efficiency improvements.

The smaller companies have all struggled somewhat to get themselves back on a plan for growth in recent years. Changes have been made and each company has a plan to grow.

The change in governments in various Group locations raises a few questions about the future, but the Group setup gives good resilience overall.

Consolidated as a whole, the outlook is positive with modest growth expectations.

Mike Allcock
Chairman

3 October 2024

Consolidated Results

Consolidated income statement.

For the year ended 30 June 2024

	Notes	2024 £'000	2023 £'000
Continuing operations			
Revenue	2	**175,798**	176,749
Cost of sales		**(90,361)**	(98,891)
Gross profit		**85,437**	77,858
Distribution costs		**(22,370)**	(19,214)
Administrative expenses		**(33,001)**	(31,292)
Other operating income		**565**	480
Operating profit		**30,631**	27,832
Finance income		**1,127**	716
Finance expense		**(1,059)**	(1,094)
Share of loss of joint ventures		**(826)**	(520)
Profit before income tax		**29,873**	26,934
Income tax expense	3	**(5,560)**	(5,000)
Profit for the year		**24,313**	21,934

Earnings per share from continuing operations attributable to the equity holders of the Company during the year (expressed in pence per share).

Basic and diluted earnings per share	Notes	2024 pence	2023 pence
– Basic	8	**20.73**	18.72
– Diluted	8	**20.73**	18.70

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2024

	Notes	2024 £'000	2023 £'000
Profit for the year:		**24,313**	21,934
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(514)**	231
		(514)	231
Items that will not be reclassified to profit or loss			
Revaluation of financial assets at fair value through other comprehensive income		**403**	(105)
Movement on associated deferred tax		**(101)**	26
Actuarial gain/(loss) on pension scheme		**937**	(123)
Movement on unrecognised pension scheme surplus		**(1,213)**	177
		26	(25)
Other comprehensive (expense)/income for the year, net of tax		**(488)**	206
Total comprehensive income for the year		**23,825**	22,140

Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	2024 £'000	2023 £'000
Assets			
Non-current assets			
Property, plant and equipment	**5**	**38,323**	38,763
Intangible assets	**6**	**66,104**	70,891
Investment properties		**4,403**	1,986
Financial assets at amortised cost		**186**	1,587
Equity accounted investments and joint arrangements		**4,671**	5,592
Financial assets at fair value through other comprehensive income		**3,757**	3,364
Deferred income tax assets		**347**	382
Total non-current assets		**117,791**	122,565
Current assets			
Inventories		**28,997**	33,437
Trade and other receivables		**35,764**	35,733
Financial assets at amortised cost		**3,437**	1,266
Short-term financial assets	**7**	**18,965**	4
Cash and cash equivalents		**33,943**	35,013
Total current assets		**121,106**	105,453
Total assets		**238,897**	228,018
Liabilities			
Current liabilities			
Trade and other payables		**(35,383)**	(37,457)
Financial liabilities		**(1,252)**	(1,435)
Lease liabilities		**(778)**	(812)
Current income tax liabilities		**(949)**	(1,143)
Total current liabilities		**(38,362)**	(40,847)
Net current assets		**82,744**	64,606
Non-current liabilities			
Other payables		**(10,418)**	(11,987)
Financial liabilities		**(1,210)**	(1,461)
Lease liabilities		**(3,385)**	(3,822)
Provisions for liabilities and charges		**(3,325)**	(3,299)
Deferred income tax liabilities		**(5,435)**	(6,261)
Total non-current liabilities		**(23,773)**	(26,830)
Total liabilities		**(62,135)**	(67,677)
Net assets		**176,762**	160,341
Equity			
Issued share capital		**1,189**	1,189
Share premium account		**3,088**	2,976
Capital redemption reserve		**137**	137
Foreign currency translation reserve		**1,525**	2,039
Retained earnings:			
At 1 July		**154,000**	139,392
Profit for the year attributable to the owners		**24,313**	21,934
Other changes in retained earnings		**(7,490)**	(7,326)
		170,823	154,000
Total equity		**176,762**	160,341

Consolidated Statement of Changes in Equity.

For the year ended 30 June 2024

	Notes	Issued share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2022		**1,189**	**2,827**	**137**	**1,808**	**139,392**	**145,353**
Comprehensive income/(expense)							
Profit for the year to 30 June 2023		–	–	–	–	21,934	21,934
Actuarial loss on pension scheme		–	–	–	–	(123)	(123)
Movement on unrecognised pension Scheme surplus		–	–	–	–	177	177
Revaluation of financial assets at fair value through other comprehensive income		–	–	–	–	(105)	(105)
Movement on deferred tax associated to financial assets at fair value through other comprehensive income		–	–	–	–	26	26
Exchange differences on translation of foreign operations		–	–	–	231	–	231
Total comprehensive income		–	–	–	231	21,909	22,140
Transactions with owners							
Shares issued from exercised options		–	149	–	–	–	149
Dividends paid to shareholders	4	–	–	–	–	(7,301)	(7,301)
Total transactions with owners		–	149	–	–	(7,301)	(7,152)
Balance at 30 June 2023		**1,189**	**2,976**	**137**	**2,039**	**154,000**	**160,341**
Comprehensive income/(expense)							
Profit for the year to 30 June 2024		–	–	–	–	24,313	24,313
Actuarial gain on pension scheme		–	–	–	–	937	937
Movement on unrecognised pension scheme surplus		–	–	–	–	(1,213)	(1,213)
Revaluation of financial assets at fair value through other comprehensive income		–	–	–	–	403	403
Movement on deferred tax associated to financial assets at fair value through other comprehensive income		–	–	–	–	(101)	(101)
Exchange differences on translation of foreign operations		–	–	–	(514)	–	(514)
Total comprehensive income		–	–	–	(514)	24,339	23,825
Transactions with owners							
Shares issued from exercised options		–	112	–	–	–	112
Dividends paid to shareholders	4	–	–	–	–	(7,668)	(7,668)
Share based payment charge		–	–	–	–	152	152
Total transactions with owners		–	112	–	–	(7,516)	(7,404)
Balance at 30 June 2024		**1,189**	**3,088**	**137**	**1,525**	**170,823**	**176,762**

Consolidated Statement of Cash Flows
For the year ended 30 June 2024

	Notes	2024 £'000	2023 £'000 (Restated)*
Cash flows from operating activities			
Cash generated from operations	9	**47,760**	36,216
Tax paid		**(6,390)**	(4,341)
Net cash generated from operating activities		**41,370**	31,875
Cash flows from investing activities			
Purchases of property, plant and equipment		**(5,121)**	(7,739)
Proceeds from sale of property, plant and equipment		**407**	535
Purchases of intangible assets		**(2,172)**	(2,255)
Purchases of subsidiaries (net of cash acquired)		**–**	(12,602)
Purchase of shares in subsidiaries		**–**	(2,104)
Payment of exit earnout of a purchased subsidiary		**(606)**	–
Purchase of investment property		**(2,179)**	(22)
Proceed from sale of an investment property		**502**	–
Net sale of financial assets at fair value through other comprehensive income		**9**	1
Property rental and similar income received		**208**	93
Dividend income received		**182**	209
Net (deposit)/withdrawal of short-term financial assets		**(18,994)**	5,075
Interest received		**522**	434
Receipts from loans receivable		**–**	1,813
Issue of loans receivables		**(1,082)**	(1,748)
Net cash used in investing activities		**(28,324)**	(18,310)
Cash flows from financing activities			
Net proceeds from the issuance of ordinary shares		**112**	149
Addition of lease liabilities		**13**	203
Proceeds from borrowings		**439**	1,039
Repayment of borrowings		**(839)**	(2,532)
Principal element of lease payments		**(855)**	(789)
Payment of interest		**(296)**	(339)
Payment for redemption of shares in a subsidiary		**(4,266)**	(4,341)
Payments to non-controlling interests		**(452)**	–
Dividends paid to Company's shareholders	4	**(7,668)**	(7,301)
Net cash used in financing activities		**(13,812)**	(13,911)
Net decrease in cash in the year		**(766)**	(346)
Cash and cash equivalents at beginning of year		**35,013**	35,505
Effects of exchange rate changes on cash		**(304)**	(146)
Cash and cash equivalents at end of year		**33,943**	35,013

* *During the year, there was a re-classification of payments made to acquire further shares within Electrozemper S.A. for the year ended 30 June 2023 which was incorrectly classified as cash flows from investing activities. The consolidated statements of cash flows has been restated to reclassify £4,341,000 from cash flows from investing activities to cash flows from financing activities. There was no impact on the other financial statements or accompanying notes.*

Notes

1 Basis of preparation

The consolidated and company financial statements of FW Thorpe Plc have been prepared 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, with future changes being subject to endorsement by the UK Endorsement Board.

The financial statements have been prepared on a going concern basis, under the historical cost convention except for the financial instruments measured at fair value either through other comprehensive income or profit and loss per the provisions of IFRS 9 and redemption liabilities that are measured at fair value.

There are no other standards that are not yet effective that are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The financial statements are presented in Pounds Sterling, which is the Company's functional and presentation currency, rounded to the nearest thousand.

The preparation of financial information in conformity with the basis of preparation described above requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's and Group's accounting policies.

The directors confirm they are satisfied that the Group and Company have adequate resources, with £33.9m cash to continue in business for the foreseeable future, including the effect of increased costs caused by the on-going conflict zones, where the Group has no sales, and other global events. The directors have also produced a severe, but plausible downside scenario that demonstrates that the Group could cover its cash commitments over the following year from approving these accounts. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

The Board of Directors approved the Consolidated Financial Statements set out in this document on 3 October 2024. They are not statutory accounts within the meaning of section 435 of the Companies Act 2006. The Group's Financial Statements for the year ended 30 June 2024 were approved by the Board on 3 October 2024. They have been reported on by the Group's auditors and will be delivered to the registrar of companies in due course. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The comparative figures for the financial year 30 June 2023 have been extracted from the Group's statutory accounts for that financial year. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006

2 Segmental Analysis

(a) Business segments

The segmental analysis is presented on the same basis as that used for internal reporting purposes. For internal reporting FW Thorpe is organised into twelve operating segments based on the products and customer base in the lighting market – the largest business is Thorlux, which manufactures professional lighting systems for industrial, commercial and controls markets. The businesses of Lumen Intelligence Holding GmbH, SchahlLED Lighting GmbH and Thorlux Lighting Limited are included in this segment in accordance with the Group's internal reporting. The businesses in the Netherlands, Lightronics B.V. and Famostar Emergency Lighting B.V., are material subsidiaries and disclosed separately as Netherlands companies. The businesses in the Zemper Group are also material and disclosed separately as the Zemper Group.

The seven remaining operating segments have been aggregated into the "other companies" reportable segment based upon their size, comprising the entities Philip Payne Limited, Solite Europe Limited, Portland Lighting Limited, TRT Lighting Limited, Thorlux Lighting L.L.C., Thorlux Australasia Pty Limited and Thorlux Lighting GmbH.

FW Thorpe's chief operating decision maker (CODM) is the Group Board. The Group Board reviews the Group's internal reporting in order to monitor and assess performance of the operating segments for the purpose of making decisions about resources to be allocated. Performance is evaluated based on a combination of revenue and operating profit. Assets and liabilities have not been segmented, which is consistent with the Group's internal reporting.

	Thorlux £'000	Netherlands companies £'000	Zemper Group £'000	Other companies £'000	Inter-segment adjustments £'000	Total continuing operations £'000
Year to 30 June 2024						
Revenue to external customers	**99,492**	**37,942**	**19,350**	**19,014**	**–**	**175,798**
Revenue to other Group companies	**3,555**	**220**	**93**	**3,821**	**(7,689)**	**–**
Total revenue	**103,047**	**38,162**	**19,443**	**22,835**	**(7,689)**	**175,798**
EBITDA	**23,402**	**9,810**	**4,595**	**2,347**	**1,431**	**41,585**
Depreciation, amortisation and impairment	**5,495**	**1,223**	**2,607**	**1,629**	**–**	**10,954**
Operating profit before acquisition adjustments*	**19,933**	**8,802**	**2,880**	**718**	**30**	**32,363**
Operating profit	**17,907**	**8,587**	**1,988**	**718**	**1,431**	**30,631**
Net finance income						**68**
Share of loss of joint ventures						**(826)**
Profit before income tax						**29,873**

**Acquisition adjustments include amortisation charge of intangible assets of £3.1m and gain on revaluation of redemption liability of £1.4m.*

	Thorlux £'000	Netherlands companies £'000	Zemper Group £'000	Other companies £'000	Inter-segment adjustments £'000	Total continuing operations £'000
Year to 30 June 2023						
Revenue to external customers	101,859	36,226	19,328	19,336	–	176,749
Revenue to other Group companies	3,601	417	–	4,667	(8,685)	–
Total revenue	105,460	36,643	19,328	24,003	(8,685)	176,749
EBITDA	21,458	7,952	4,205	2,392	588	36,595
Depreciation and amortisation	4,212	983	2,307	1,261	–	8,763
Operating profit before acquisition adjustments*	18,062	7,187	2,801	1,131	588	29,769
Operating profit	17,246	6,969	1,898	1,131	588	27,832
Net finance expense						(378)
Share of loss of joint ventures						(520)
Profit before income tax						26,934

** Acquisition adjustments include amortisation of intangible assets of £1.9m.*

Inter-segment adjustments to operating profit consist of property rentals on premises owned by FW Thorpe Plc, adjustments to profit related to stocks held within the Group that were supplied by another segment, elimination of inter-segment impairments, changes in fair value of redemption liability, and elimination of profit on transfer of assets between Group companies.

(b) Geographical analysis

The Group's business segments operate in five main areas: the UK, the Netherlands, Germany, the rest of Europe and the rest of the world. The home country of the Company, which is also the main operating company, is the UK.

	2024 £'000	2023 £'000
UK	**90,330**	89,917
Netherlands	**36,164**	31,845
Germany	**17,554**	21,548
Rest of Europe	**27,693**	30,039
Rest of the world	**4,057**	3,400
	175,798	176,749

3 Income Tax Expense

Analysis of income tax expense in the year:

	2024 £'000	2023 £'000
Current tax		
Current tax on profits for the year	**6,622**	5,515
Adjustments in respect of prior years	**(217)**	(313)
Total current tax	**6,405**	5,202
Deferred tax		
Origination and reversal of temporary differences	**(845)**	(202)
Total deferred tax	**(845)**	(202)
Income tax expense	**5,560**	5,000

The tax assessed for the year is lower (2023: lower) than the standard rate of corporation tax in the UK of 25% (2023: 20.5%). The differences are explained below:

	2024 £'000	2023 £'000
Profit before income tax	**29,873**	26,934
Profit on ordinary activities multiplied by the standard rate in the UK of 25% (2023: 20.5%)	**7,468**	5,521
Effects of:		
Expenses not deductible for tax purposes	**1,529**	1,150
Accelerated tax allowances and other timing differences	**(810)**	(145)
Adjustments in respect of prior years	**(217)**	(313)
Patent box relief	**(2,400)**	(1,718)
Foreign profit taxed at higher rate	**(10)**	505
Tax charge	**5,560**	5,000

The effective tax rate was 18.61% (2023: 18.56%). Adjustments in respect of prior years relate to refunds received for prudent assumptions on additional investment allowances and patent box relief in the tax calculations.

The UK corporation tax rate increased from 19% to 25% from 1 April 2023, which was substantively enacted in May 2021 and an standard rate of 25% (2023: average standard rate of 20.5%) is applicable to the Company during the current year. Deferred tax assets and liabilities have been calculated based on a rate at which they are expected to crystallise.

4 Dividends

Dividends paid during the year are outlined in the tables below:

Dividends paid (pence per share)	2024	2023
Final dividend	**4.84**	4.61
Interim dividend	**1.70**	1.62
Total	**6.54**	6.23

A final dividend in respect of the year ended 30 June 2024 of 5.08p per share, amounting to £5,961,000 (2023: £5,674,000) and a special dividend of 2.50p per share, amounting to £2,934,000 (2023: £nil) are to be proposed at the Annual General Meeting on 21 November 2024 and, if approved, will be paid on 29 November 2024 to shareholders on the register on 25 October 2024. The ex-dividend date is 24 October 2024. These financial statements do not reflect this dividend payable.

Dividends proposed (pence per share)	2024	2023
Final dividend	**5.08**	4.84
Special dividend	**2.50**	–
Total	**7.58**	4.84

Dividends paid	2024 £'000	2023 £'000
Final dividend	**5,674**	5,403
Interim dividend	**1,994**	1,898
Total	**7,668**	7,301

Dividends proposed	2024 £'000	2023 £'000
Final dividend	**5,961**	5,674
Special dividend	**2,934**	–
Total	**8,895**	5,674

5 Property, Plant and Equipment

	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000
Cost				
At 1 July 2023	28,219	37,689	5,942	71,850
Additions	614	4,507	431	5,552
Transfer to investment properties	(891)	–	–	(891)
Disposals	(12)	(1,236)	(232)	(1,480)
Currency translation	(170)	(144)	(86)	(400)
At 30 June 2024	**27,760**	**40,816**	**6,055**	**74,631**
Accumulated depreciation				
At 1 July 2023	6,211	24,758	2,118	33,087
Charge for the year	834	3,217	763	4,814
Transfer to investment properties	(240)	–	–	(240)
Disposals	(11)	(955)	(232)	(1,198)
Currency translation	(28)	(91)	(36)	(155)
At 30 June 2024	**6,766**	**26,929**	**2,613**	**36,308**
Net book amount				
At 30 June 2024	**20,994**	**13,887**	**3,442**	**38,323**

	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000
Cost				
At 1 July 2022	25,354	33,795	4,356	63,505
Acquisition of subsidiaries*	–	50	134	184
Additions	2,892	4,847	1,751	9,490
Disposals	–	(970)	(278)	(1,248)
Currency translation	(27)	(33)	(21)	(81)
At 30 June 2023	**28,219**	**37,689**	**5,942**	**71,850**
Accumulated depreciation				
At 1 July 2022	5,477	22,518	1,692	29,687
Acquisition of subsidiaries*	–	–	38	38
Charge for the year	738	2,937	614	4,289
Disposals	–	(685)	(220)	(905)
Currency translation	(4)	(12)	(6)	(22)
At 30 June 2023	**6,211**	**24,758**	**2,118**	**33,087**
Net book amount				
At 30 June 2023	**22,008**	**12,931**	**3,824**	**38,763**

* Acquisition of subsidiaries are the assets acquired from the purchase of the Lumen companies with a fair value of £146,000.

Freehold land which was not depreciated at 30 June 2024 amounted to £755,000 (2023: £758,000) (Group) and £500,000 (2023: £500,000) (Company).

6 Intangible Assets

Group 2024	Goodwill £'000	Development costs £'000	Technology £'000	Brand name £'000	Customer relationship £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Cost									
At 1 July 2023	47,003	13,956	2,893	5,164	15,078	3,747	159	182	88,182
Additions	–	2,019	–	–	–	133	20	–	2,172
Disposals	–	(1,902)	–	–	–	(20)	–	–	(1,922)
Write-offs	(481)	–	–	–	–	–	–	–	(481)
Currency translation	(620)	(119)	(36)	(70)	(214)	(7)	(1)	–	(1,067)
At 30 June 2024	**45,902**	**13,954**	**2,857**	**5,094**	**14,864**	**3,853**	**178**	**182**	**86,884**
Accumulated amortisation and impairment									
At 1 July 2023	233	7,925	2,643	1,702	1,806	2,826	156	–	17,291
Charge for the year	–	2,351	149	1,419	1,566	361	–	–	5,846
Impairment	249	–	–	–	–	–	–	–	249
Disposals	–	(1,902)	–	–	–	(20)	–	–	(1,922)
Write-offs	(481)	–	–	–	–	–	–	–	(481)
Currency translation	(1)	(78)	(35)	(40)	(46)	(3)	–	–	(203)
At 30 June 2024	**–**	**8,296**	**2,757**	**3,081**	**3,326**	**3,164**	**156**	**–**	**20,780**
Net book amount									
At 30 June 2024	**45,902**	**5,658**	**100**	**2,013**	**11,538**	**689**	**22**	**182**	**66,104**

Group 2023	Goodwill £'000	Development costs £'000	Technology £'000	Brand name £'000	Customer relationship £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Cost									
At 1 July 2022	32,778	16,320	2,895	3,845	9,460	3,344	159	182	68,983
Acquisition of subsidiaries*	14,624	–	–	1,354	5,759	38	–	–	21,775
Additions	–	1,874	–	–	–	381	–	–	2,255
Disposals	–	–	–	–	–	(12)	–	–	(12)
Write-offs	–	(4,228)	–	–	–	–	–	–	(4,228)
Currency translation	(399)	(10)	(2)	(35)	(141)	(4)	–	–	(591)
At 30 June 2023	47,003	13,956	2,893	5,164	15,078	3,747	159	182	88,182
Accumulated amortisation									
At 1 July 2022	252	10,009	2,495	1,273	473	2,460	156	–	17,118
Charge for the year	–	2,152	151	434	1,350	367	–	–	4,454
Disposals	–	–	–	–	–	(1)	–	–	(1)
Write-offs	–	(4,228)	–	–	–	–	–	–	(4,228)
Currency translation	(19)	(8)	(3)	(5)	(17)	–	–	–	(52)
At 30 June 2023	233	7,925	2,643	1,702	1,806	2,826	156	–	17,291
Net book amount									
At 30 June 2023	46,770	6,031	250	3,462	13,272	921	3	182	70,891

* Acquisition of subsidiaries are the assets acquired from the purchase of the Lumen companies with a fair value of £7,151,000, excluding goodwill.

7 Short-Term Financial Assets

	2024 £'000	2023 £'000
At 1 July	**4**	5,079
Net deposits/(withdrawals)	**18,994**	(5,075)
Currency translation	**(33)**	–
At 30 June	**18,965**	4

The short-term financial assets consist of term cash deposits with an original term in excess of three months.

8 Earnings Per Share

Basic and diluted earnings per share for profit attributable to equity holders of the Company

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

Basic	2024	2023
Weighted average number of ordinary shares in issue	**117,256,012**	117,199,805
Profit attributable to equity holders of the Company (£'000)	**24,313**	21,934
Basic earnings per share (pence per share) total	**20.73**	18.72

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares, plus the number of shares earnt for share options where performance conditions have been achieved.

Diluted	2024	2023
Weighted average number of ordinary shares in issue (diluted)	**117,294,290**	117,294,937
Profit attributable to equity holders of the Company (£'000)	**24,313**	21,934
Diluted earnings per share (pence per share) total	**20.73**	18.70

9 Cash Generated from Operations

	2024 £'000	2023 £'000
Profit before income tax	**29,873**	26,934
Depreciation of property, plant and equipment	**4,814**	4,289
Depreciation of investment property	**45**	20
Amortisation of intangible assets	**5,846**	4,454
Impairment of goodwill	**249**	–
Fair value adjustment on redemption liability	**(1,402)**	–
Profit on disposal of property, plant and equipment	**(125)**	(192)
Profit on disposal of an investment property	**(134)**	–
Net finance expense/(income)	**(68)**	378
Retirement benefit contributions less the current and past service charge	**(276)**	54
Share of joint venture loss	**826**	520
Share-based payment charge	**152**	–
Research and development expenditure credit	**(356)**	(382)
Effects of exchange rate movements	**907**	952
Changes in working capital		
– Decrease/(increase) in inventories	**4,258**	3,117
– Decrease/(increase) in trade and other receivables	**135**	(98)
– Increase/(decrease) in payables and provisions	**3,016**	(3,830)
Cash generated from operations	**47,760**	36,216

10 Events after the Statement of Financial Position date

There are no events after the statement of financial position date that have significant impact to the Group's financial position.

11 Cautionary statement

Sections of this report contain forward looking statements that are subject to risk factors including the economic and business circumstances occurring from time to time in countries and markets in which the Group operates. By their nature, forward looking statements involve a number of risks, uncertainties and future assumptions because they relate to events and/or depend on circumstances that may or may not occur in the future and could cause actual results and outcomes to differ materially from those expressed in or implied by the forward looking statements. No assurance can be given that the forward-looking statements in this preliminary announcement will be realised. Statements about the Chairman's expectations, beliefs, hopes, plans, intentions and strategies are inherently subject to change, and they are based on expectations and assumptions as to future events, circumstances and other factors which are in some cases outside the Company's control. Actual results could differ materially from the Company's current expectations. It is believed that the expectations set out in these forward looking statements are reasonable but they may be affected by a wide range of variables which could cause actual results or trends to differ materially, including but not limited to, changes in risks associated with the Company's growth strategy, fluctuations in product pricing and changes in exchange and interest rates.

12 Annual report and accounts

The annual report and accounts will be sent to shareholders on 18 October 2024 and will be available, along with this announcement, on the Group's website (www.fwthorpe.co.uk) from 18 October 2024. The Group will hold its AGM on 21 November 2024.