THE ROYAL MINT®
THE ORIGINAL MAKER

ANNUAL REPORT
2024–25

The Royal Mint Limited

CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Company registration number: 6964873

Annual Report 2024–25

THE ROYAL MINT LIMITED

DIRECTORS

Chris Walton*
CHAIR OF THE BOARD

Anne Jessopp
CHIEF EXECUTIVE

Michael Davies
CHIEF FINANCIAL OFFICER

Nicola Howell
CHIEF COMMERCIAL OFFICER

Kate Barnett*
William Spencer*
Matthew Woolsey*
Lisa Montague*
Andrew Butterworth*

An Executive Director of UK Government Investments, representing the Royal Mint Trading Fund and His Majesty's Treasury as shareholder and appointed to the Board via the Nominations Committee.

*Non-Executive Directors

Company Secretary
Christopher Inson

EXECUTIVE MANAGEMENT TEAM

Anne Jessopp
CHIEF EXECUTIVE

Michael Davies
CHIEF FINANCIAL OFFICER

Nicola Howell
CHIEF COMMERCIAL OFFICER

Leighton John
DIRECTOR OF OPERATIONS

Amanda Brady
CHIEF PEOPLE OFFICER

Sean Millard
CHIEF GROWTH OFFICER

INDEPENDENT AUDITORS

Grant Thornton UK LLP

INTERNAL AUDITOR

KPMG LLP

Company registration number: 6964873
Registered office: The Royal Mint Limited, Llantrisant, CF72 8YT
Email: informationoffice@royalmint.com
Website: royalmint.com

Certifications

ISO 9001 – QUALITY MANAGEMENT

ISO 9001 is a certified quality management system (QMS) for organisations that have proven their ability to consistently provide products and services that meet the needs of their customers and other relevant stakeholders.
Certificate number FM 13962

ISO 14001 – ENVIRONMENTAL MANAGEMENT

The principal management system standard which specifies the requirements for the formulation and maintenance of an environmental management system.
Certificate number EMS 84940

ISO 50001 – ENERGY MANAGEMENT

The standard specifies the requirements for establishing, implementing, maintaining and improving an energy management system.
Certificate number EnMS 719847

ISO 27001 – INFORMATION SECURITY MANAGEMENT

ISO 27001:2022 is the international standard for information security. It sets out the specification for an information security management system (ISMS). ISO 27001 is a framework that helps 'establish, implement, operate, monitor, review, maintain and continually improve an ISMS'.

ISO 45001 – OCCUPATIONAL HEALTH & SAFETY MANAGEMENT

ISO 45001:2018 specifies requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable organisations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance.

Memberships

LBMA

The London Bullion Market Association is an international trade association, representing the London market for gold and silver bullion.

LPPM

The London Platinum and Palladium Market is a trade association that acts as the coordinator for activities conducted on behalf of its members and other participants in the London market.

SINGAPORE BULLION MARKET ASSOCIATION

The Singapore Bullion Market Association is an industry organisation that coordinates activities on behalf of its members and plays a pivotal role in the development of Singapore as an ASEAN precious metals hub.

Contents

Chair's Statement

The Royal Mint is a beacon of craftsmanship and quality that has thrived for over 1,100 years. The past year exemplifies why the business has been so resilient.

Under difficult trading conditions and with the use of coins declining, it has pivoted into new businesses.

During 2024–25, the Management Team and staff have successfully achieved a milestone year in the transformation of the business, including:

- withdrawal from manufacturing overseas circulating coins;
- growth in the Precious Metals Investment business;
- increased brand awareness of 886 by The Royal Mint in luxury media, and building on our capability to manufacture jewellery; and
- the formal launch of a pioneering Precious Metals Recovery business, based on recycling waste electronics. This included a strategic investment in the clean-tech company Excir Works Corporation (Excir).

However, coins remain at the heart of The Royal Mint.

The year saw the first £1 coin bearing His Majesty King Charles III's official coinage portrait enter circulation. For the first time in history, sixpences were made from silver recovered from medical and industrial X-ray films. We also saw the issue of coins honouring Paul McCartney, John Lennon, the Red Arrows, George Orwell and the 80th anniversary of D-Day.

Whilst the year saw the issue of magnificent coins, the further development of new businesses and the identification of growth opportunities, there was significant restructuring within the organisation.

As this occurred, we worked hard to reskill staff and to create alternative opportunities. Sadly, the size of the workforce did decrease, and valued colleagues left the business. Whilst most departures were voluntary, there was a need for some involuntary redundancies.

Consequently, the financial outcome for the 2024–25 year reflects both the difficult trading environment and the exceptional costs relating to the cessation of international coin manufacturing and the restructuring.

Looking forward, The Royal Mint will now embark on the next phase of its transformation strategy. This is aimed at delivering profit in the new businesses, widening the markets for existing businesses and developing a fit-for-purpose organisation with appropriate infrastructure. This foundation will enable a gradual return of profitability.

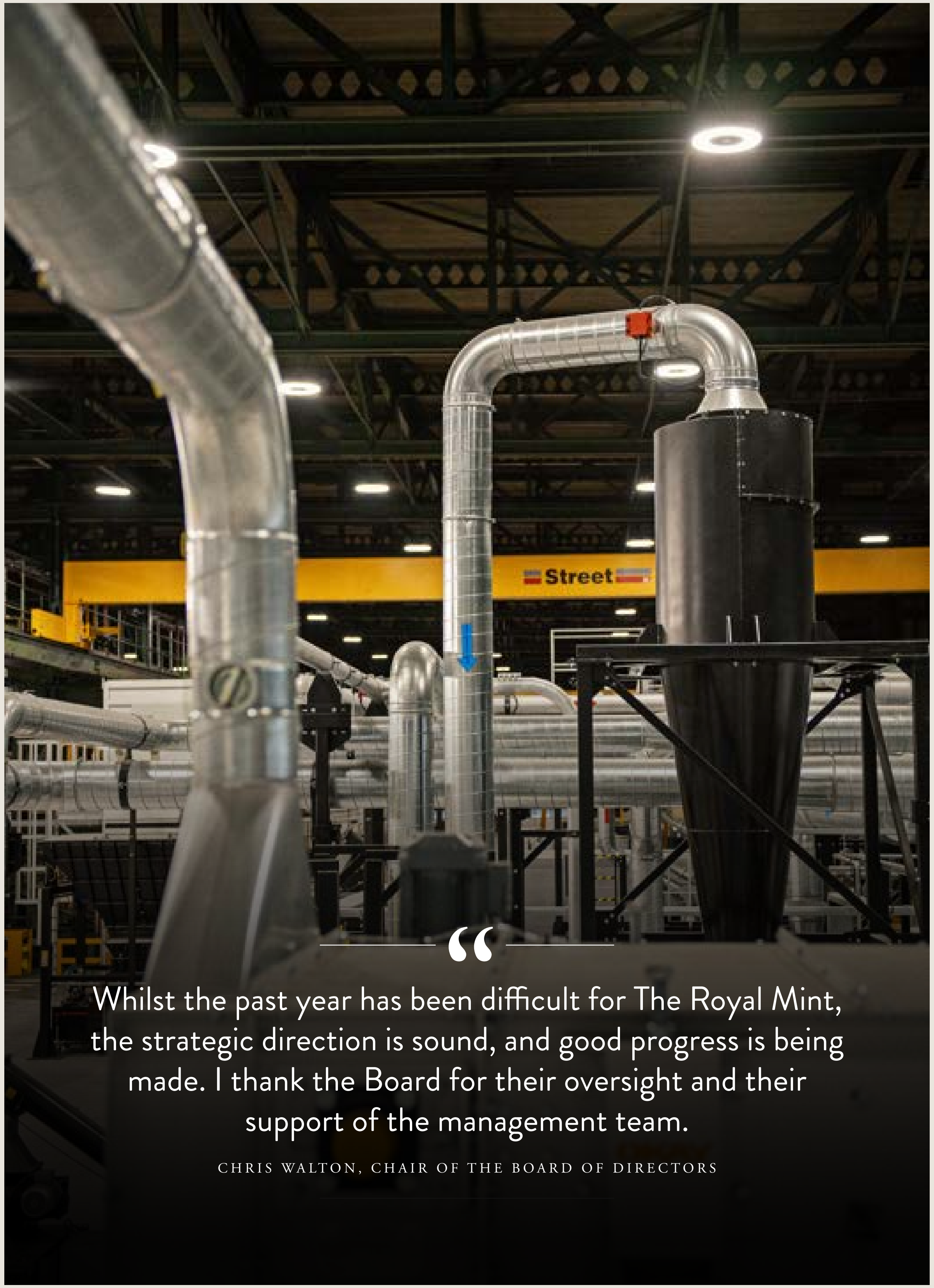
I would like to express thanks in three areas. First, The Royal Mint's pivot strategy was created and matured under the leadership of Graham Love, who stepped down as Chair in January 2025. Graham served two terms and was instrumental in successfully guiding The Royal Mint through turbulent times. On behalf of the Board, I thank him for his leadership and wisdom.

Whilst the past year has been difficult for The Royal Mint, the strategic direction is sound, and good progress is being made. I thank the Board for their oversight and their support of the management team. Likewise, I thank HM Treasury and UK Government Investments for their support and assistance.

Finally, I would like to thank our CEO, Anne Jessopp, her Senior Leadership Team and the staff of The Royal Mint for their tenacity during this challenging period. Their efforts are laying the foundation for a sustainable future.

As a result, The Royal Mint will continue to be recognised globally as the trusted and authentic leader in precious metals and a pioneer of sustainability.

Chris Walton
CHAIR OF THE BOARD OF DIRECTORS



"Whilst the past year has been difficult for The Royal Mint, the strategic direction is sound, and good progress is being made. I thank the Board for their oversight and their support of the management team.

CHRIS WALTON, CHAIR OF THE BOARD OF DIRECTORS

Chief Executive's Report

The Royal Mint is transforming. Over the last five years, we have diversified our business to forge a new, more sustainable future, ensuring that our 1,100-year-old organisation thrives for generations to come.

As cash use has evolved, so have we. During 2024–25, we took further significant steps in our transformation journey.

A CHALLENGING YEAR

We have reported a loss after tax of £36.4 million for the year (2023–24: loss of £4.5 million). Whilst this result is disappointing, a significant proportion of this relates to exceptional costs associated with our decision to exit the overseas currency market and cease production of circulating coins for customers outside the United Kingdom – a necessary step in reshaping our business for the future.

Towards the end of this financial year, it was evident that we needed to make more changes to secure our future. We undertook a right-sizing initiative to simplify our ways of working and align our cost base with our strategic priorities.

Both of these business decisions were not made lightly and, whilst they have had a material short-term financial impact, they have enabled us to focus on areas where we see sustainable growth and long-term value potential.

We have and will continue to face an ever-changing market landscape. Rising gold prices and metal leasing rates, changing customer demand and increasing business costs over the last 12 months accelerated our need to review and redefine our organisation.

In the last year, our Commemorative Coin and Collector Services businesses were directly impacted by these challenges. To streamline operations and position us for future growth, we have now merged these businesses to create our new Collect division, which will report its combined financial performance in the next financial year, 2025–26.

Sufficient stock of UK circulating coins across our banks and post offices meant that, for the first time, we received no UK currency orders from HM Treasury. However, producing the UK's coinage remains at our core, and we will continue to support demand as required.

NEW INNOVATIONS AND OPPORTUNITIES

These challenges have also opened new avenues for innovation and growth. Using our capabilities rooted in British craftsmanship and sustainable precious metals, we have transferred skills and played a role in bringing new industries to south Wales, and the UK more broadly. I am proud of the dedication of our employees and their understanding of our future vision for The Royal Mint, many of whom have adapted to new roles and have fully embraced our transformation.

We celebrated the official launch of our pioneering Precious Metals Recovery facility, which uses world-first technology from our partner Excir to extract gold from e-waste. The gold we have recovered so far has been used across our luxury jewellery range, 886 by The Royal Mint, and showcased on the runway of Paris Fashion Week, in collaboration with Stella McCartney.

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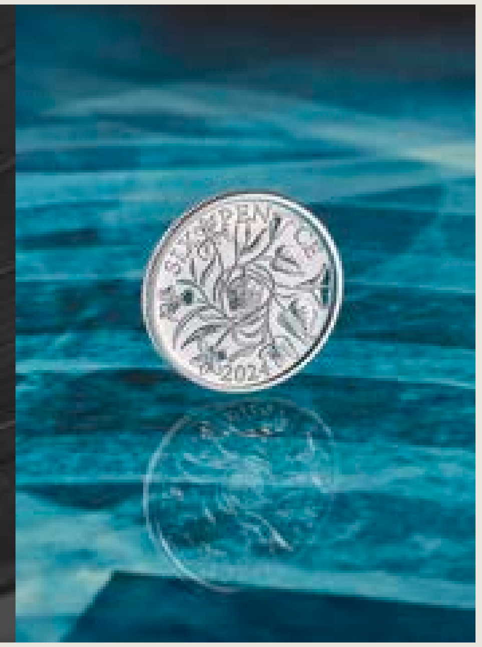
We believe in the future of The Royal Mint, driven by high performance, sustainable growth, and a culture where every individual is valued, inspired and empowered to reach their full potential.



Since then, we have strengthened our partnership with Excir, making an ~8% equity investment in the company to expand the Precious Metals Recovery business.

Our Precious Metals Investment business continues to grow, and I am delighted that 26% of our investment customers identify as women, which has increased from just 8% in 2018. There is still work to be done, but we are committed to helping close the gender investment gap – something we have demonstrated in our partnerships with Female Invest and leading financial content creators.

We also saw new product innovations in the form of a sixpence made entirely from X-ray silver. Our reclaimed and recovered X-ray silver and e-waste gold was also used to create bespoke plectrums for Paul McCartney, in celebration of his induction to our Music Legends commemorative coin collection.

We delighted coin collectors as the first £1 coin bearing His Majesty The King's official coinage portrait entered circulation, and the definitive 50p coin featuring the Atlantic salmon design was crowned the rarest 50p coin in circulation.

A CLEAR VISION FOR THE FUTURE

I am proud to lead The Royal Mint through the next stage of our transformation. Over the next three years we will focus on evolving our culture, improving the technology we use, and improving our customer experience – all whilst ensuring our cost structure supports a sustainable and successful future.

We have redefined our vision to '*being recognised globally as the trusted leader in precious metals, pioneering sustainability*', and we will be launching a new People Promise and Customer Promise in the new financial year to align this vision with the needs of our people and customers.

I am delighted to welcome Chris Walton, our new Non-Executive Chair of the Board, who has joined us during this pivotal time for The Royal Mint. I would also like to extend my gratitude to Graham Love for his support over the last six years.

Driven by high performance, sustainable growth and a culture where every individual is valued, inspired and empowered to reach their full potential, we believe in the future of The Royal Mint.

Anne Jessopp
CHIEF EXECUTIVE


mitre

Strategic Report

ACTIVITIES AND STRUCTURE

HM Treasury owns 100% of the shares of The Royal Mint Limited through an Executive Agency, the Royal Mint Trading Fund. The Royal Mint Limited owns 100% of RM Assets Limited, RM Experience Limited and RM Wynt Limited. It also has a 23.4% interest in its associate Sovereign Rarities Limited and a 8.3% investment in Excir Works Corporation. The Annual Report and financial statements are therefore presented as the consolidated group of The Royal Mint Limited. Throughout the report, 'The Royal Mint' or 'the Company' refers to the individual company activities of The Royal Mint Limited, whilst 'The Royal Mint Group' or 'the Group' refers to the combined results and activities of The Royal Mint Limited, its subsidiary companies and its share of its associate company.

The manufacture, marketing and distribution activities of The Royal Mint Limited are predominately based at one site in Llantrisant, south Wales, with some smaller selling and distribution operations located elsewhere to better support our customers.

FINANCIAL PERFORMANCE

The Group generated an operating loss before exceptional items and IFRS 9 adjustments of £15.3 million (2023–24: profit of £4.3 million). After accounting for exceptional items, IFRS 9 adjustments, financing costs and share of associate's profit, the Group generated a loss before tax of £49.9 million (2023–24: loss of £4.2 million).

THE ROYAL MINT LIMITED COMPANY

The Royal Mint Limited operates as a portfolio business, with five main business segments: Precious Metals Investments, Consumer, Precious Metals Recovery, Lifestyle and Currency. The Consumer portfolio includes the following segments: Commemorative Coin, Collector Services and The Royal Mint Experience, whilst our gold-backed Exchange Traded Commodity (ETC) is included within Precious Metals Investments.

Overall revenue decreased to £1.3 billion (2023–24: £1.4 billion), due to reductions in both Consumer and Currency segments, which also contributed to a reduction in operating result before accounting for the impact of IFRS 9-related items and exceptional items, being a loss of £15.3 million (2023–24: profit of £4.3 million). The performance of each individual business segment is discussed in more detail on the following pages.

Capital expenditure of £12.9 million (2023–24: £13.3 million) reflected our continued investment in the future, mainly across the following areas:

- the continued investment in our multi-million-pound facility to recover precious metals from electronic waste, which was commissioned during the year;
- the development of new technology to recover gold and other precious metals from e-waste in our precious metals recovery business; and
- the development and implementation costs for a new enterprise resource planning (ERP) system as part of a phased implementation across the whole business in 2026–27.

RM EXPERIENCE LIMITED

RM Experience Limited was formed as a wholly owned subsidiary of The Royal Mint Limited during 2017 to operate The Royal Mint Experience visitor attraction. RM Experience made a small profit in 2024–25 that represents an operator charge to The Royal Mint Limited and is eliminated on consolidation.

RM WYNT LIMITED

RM Wynt Limited is a wholly owned subsidiary that previously owned the Group's wind turbine, which has been providing energy to The Royal Mint since September 2018. During the 2023–24, the wind turbine was transferred into The Royal Mint Limited at which time RM Wynt Limited ceased to be a trading subsidiary and therefore has not traded during the year ended 31 March 2025.

SOVEREIGN RARITIES LIMITED

The Royal Mint has a 23.4% share in Sovereign Rarities Limited, a historic coin dealership based in London, in order to grow our historic coin business. During the year, Sovereign Rarities Limited made a profit of £1.0 million (2023–24: £0.8 million) of which we have included a 23.4% share in our Income Statement.

CONSOLIDATED FINANCIAL POSITION

Net assets decreased by £36.2 million to £34.8 million. The decrease has resulted from a loss after tax of £36.4 million relating to 2024–25 performance; this has been partially offset by hedging gains of £0.1 million and an increase in the pension asset (net of tax) of £0.1 million.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION

Reporting requirements for the Non-Financial and Sustainability Information Statement (NFSIS) as required under the Companies Act 2006 are included in the Sustainability Report. This includes formal reporting on climate-related financial disclosures closely aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework, as well as other additional regulatory and voluntary environmental, social and governance (ESG) disclosures.

The Royal Mint Group Financial Results Summary

	2024–25 £m	2023–24 (Restated)* £m
Revenue		
Currency	30.3	65.6
Consumer	97.5	135.8
Precious Metals Investments	1,184.4	1,150.1
Precious Metals Recovery	0.9	-
Other	2.2	1.0
Total	1,315.3	1,352.5
Operating (loss)/profit		
Currency	(9.3)	(10.8)
Consumer	8.6	25.3
Precious Metals	15.7	20.3
Precious Metals Recovery	(5.3)	(4.9)
Other new businesses	(3.6)	(3.7)
Central overheads	(21.4)	(22.0)
Total Royal Mint Limited	(15.3)	4.2
RM Experience Limited	-	0.1
Operating profit before IFRS 9-related adjustments and exceptional items	(15.3)	4.3
IFRS 9-related adjustments (note 5)*	(0.3)	(0.2)
Exceptional items (note 5)	(31.7)	(6.2)
Operating (loss)/profit	(47.3)	(2.1)
Sovereign Rarities Limited	0.2	0.2
Net finance cost	(2.8)	(3.1)
(Loss)/profit before tax	(49.9)	(5.0)

* 2023–24 amounts relating to IFRS 9 adjustments have been restated. Further information is provided in the financial statements.

2024–25 TOTAL REVENUE

£1,315.3 million

Precious Metals Investments

The Precious Metals Investments segment, including physical gold Exchange Traded Commodities (ETCs), is reported independently from the wider Consumer portfolio of businesses due to its significance.

The business offers a range of precious metals investment products and services for individuals and businesses. September 2024 marked 10 years of The Royal Mint selling bullion directly to consumers at live metal prices. The business continues to expand its global market share in physical and digital bullion investment products, and, during the financial year, the business delivered an operating profit before allocation of central costs of £15.7 million (2023–24: £20.3 million). Profitability was affected by a slowdown of silver sales in the US market, driven by a surplus of bullion.

HIGHLIGHTS OF THE YEAR

- ETC partner HANetf launched two new currency-hedged gold ETCs and closed the financial year with more than $1.3 billion in Assets Under Management across all ETC Products from The Royal Mint;
- Online sales of bullion coins reached record revenues for three consecutive quarters; and
- The Royal Mint had the largest bullion coin market share of any major mint in Europe across gold, silver and platinum.

2024–25 TOTAL REVENUE

£15.7 million

Consumer

The Consumer portfolio of businesses operates in the UK and internationally.It comprises Commemorative Coin, Collector Services and The Royal Mint Experience.

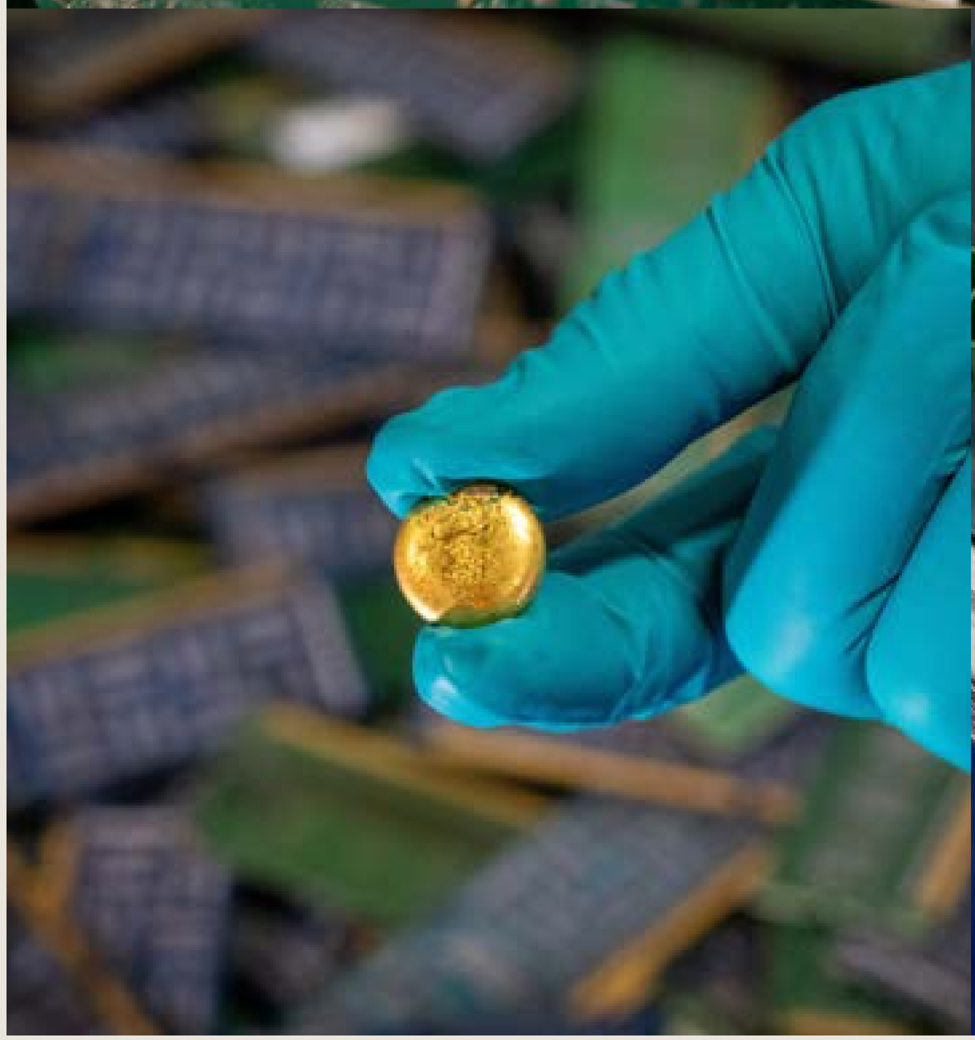
Its principal activities include:

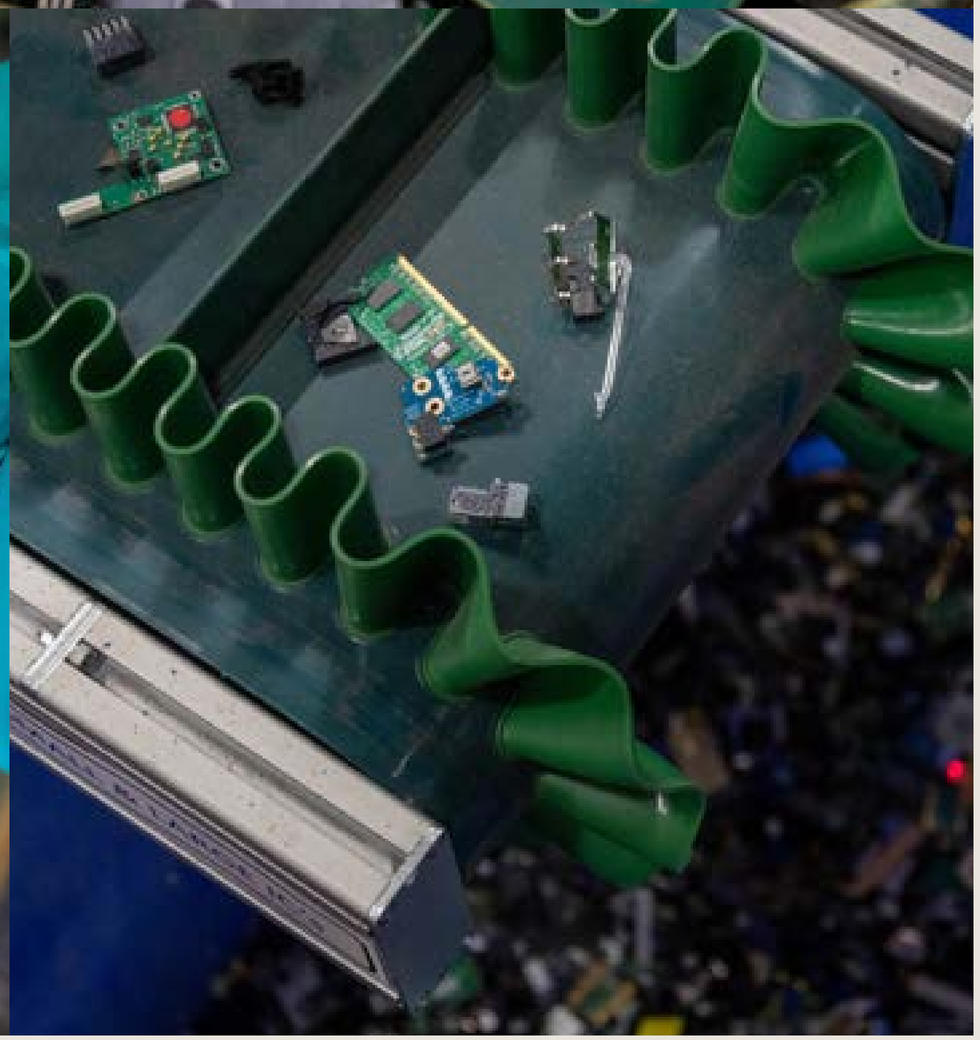
- the design, manufacture, marketing and distribution of commemorative coins and medals;
- the operation of an award-winning, purpose-built visitor attraction;
- an authentication and valuation service for pre-decimal coins; and
- the marketing of rare and unique historic coins and associated services.

The Consumer business achieved an operating profit before allocation of central costs of £8.6 million (2023–24: £25.3 million) and delivered an overall improvement in its customer Net Promoter Score (NPS), ending with a +76 achievement (2023–24: +69). The business faced tough trading conditions as record gold prices, coupled with higher living costs, affected customer purse share. Following several years of significant royal events, the market also suffered from collector 'fatigue', which impacted sales. The business is now focused on maintaining the appeal of coin collecting through lower mintages and attracting new customers through popular culture themes that engage the nation.

HIGHLIGHTS OF THE YEAR

- *Commemorative Coin, including The Royal Mint Experience*
    - Achieved record sales of commemorative coins in North America, demonstrating the global appeal of British coins;
    - released an official UK collectable 50p coin in support of TeamGB and ParalympicsGB at the Paris 2024 Olympic and Paralympic Games. All athletes received the 50p coin as a 'good luck' token in their kit bags; and
    - 52,851 visitors attended The Royal Mint Experience, which achieved a year-end Tripadvisor score of 4.6.won and four awards: Group Leisure Travel 2024 Best Guided Tour, Visit Wales VAQAS Gold Status and SE Wales Tourism Awards Best Event along with winning Tripadvisor Travellers' Choice Awards top 10% for the fifth year in a row.
- *Collector Services*
    - Sold more than 6,000 historic pieces marking the 80th anniversary of D-Day;
    - Engaged and supported more than 20,000 individual customers across 70 countries, providing services including the consignment of pre-decimal coins; and
    - Delivered a broad and dynamic product portfolio, offering more than 2,000 unique collectable items.





Precious Metals Recovery

The Precious Metals Recovery (PMR) business has been developed to provide a more sustainable source of gold and other precious metals across The Royal Mint's portfolio of businesses.

In 2024, The Royal Mint's pioneering Precious Metals Recovery facility reached final commissioning stages, officially launching in August. The facility provides high-quality gold for luxury jewellery range 886 by The Royal Mint, 'mined' from e-waste using patented technology from Canadian clean-tech partner Excir.

As optimisation of the facility continued, the business delivered a total operating loss before allocation of central costs of £5.3 million (2023–24: loss of £4.9 million).

HIGHLIGHTS OF THE YEAR

- Officially launched the new Precious Metals Recovery facility at The Royal Mint's manufacturing site in Llantrisant, achieving global media coverage and a feature in *The New York Times*;
- Processed ~1,500 tonnes of circuit boards to generate high-quality gold for 886 by The Royal Mint's core jewellery range, onboarding 110 suppliers of end-of-life technology; and
- Made an equity investment in partner Excir, aligning both companies' interests in future plans for the business.

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Lifestyle

The Lifestyle segment was established as a new venture. It is spearheaded by the sustainable, luxury jewellery brand 886 by The Royal Mint, whilst also supplying private label, precious metal products to a wide range of industries, including automobile, fashion, jewellery and sport.

Due to its infancy, the Lifestyle segment has not been reported in the notes to the financial statements due to its immateriality.

HIGHLIGHTS OF THE YEAR

- Collaborated with renowned fashion designer Stella McCartney for her Paris Fashion Week showcase. Bespoke pieces were made by The Royal Mint's expert craftspeople and jewellers using e-waste gold from the Precious Metals Recovery facility;
- 886 expanded its retail presence internationally, including a pop-up in Selfridges London and within the landmark Royal Warrant Holder Fortnum & Masons; and
- 886 won Best Sustainable Innovation in Jewellery at the Country & Town House Future Icons Awards and was commended for Best Zero Waste Initiative.

Currency

As global cash use continues to decline, The Royal Mint announced its decision to exit the overseas currency market and ceased the production of circulating coins for customers.

The Royal Mint continues to work closely with UK cash centres to understand demand for UK circulating coins. The Royal Mint seeks agreement from HM Treasury to manufacture UK currency to meet this demand, as required.

Focus remains on cost control and delivering operational efficiency in the Currency segment, which delivered an overall loss before IFRS 9 and exceptional items and allocation of central costs of £(9.3) million (2023–24: £(10.8) million). This loss includes the delivery of the final overseas coin supply.

This segment will continue to provide a flexible and efficient operation for the manufacture of UK coins for the foreseeable future.

HIGHLIGHTS OF THE YEAR

- Re-skilled and re-deployed 139 employees into new and growing business areas such as Precious Metals Recovery and jewellery making;
- Issued the first £1 coin bearing the official coinage portrait of King Charles III into general circulation, with nearly 3 million sent to UK banks and post offices; and
- Announced the definitive 50p depicting the Atlantic salmon as the rarest 50p coin in circulation.

Key Performance Indicators (KPIs)

The Royal Mint Limited's performance indicators are the key Ministerial targets, the details of which can be found below.

TARGET 1

Economic Value Added (EVA)

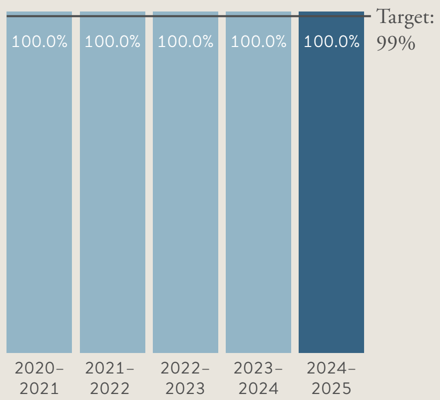
From 2020–21 onwards, the performance metric for The Royal Mint Group is EVA, which is expressed as an absolute amount and calculated by reporting the amount of operating profit generated above the cost of capital. The cost of capital is calculated by multiplying the weighted average cost of capital by the average capital employed. The reported operating profit is modified to exclude IAS 19 Employee Benefits and adjustments related to IFRS 9 Financial Instruments as well as exceptional items and spend relating to investment areas that were pre-defined at the start of the year. This is measured on a three-year rolling basis.

EVA for 2024–25 was £(10.7) million (2023–24: £10.3 million), resulting in a three-year average of £6.8m, against an average Ministerial target of £4.2 million.

TARGET 2

UK Circulating Coin

Delivery of accepted orders from UK banks and post offices within 11 days. Actual performance during 2024–25 was 100% (2023–24: 100%) against a target of 99%.



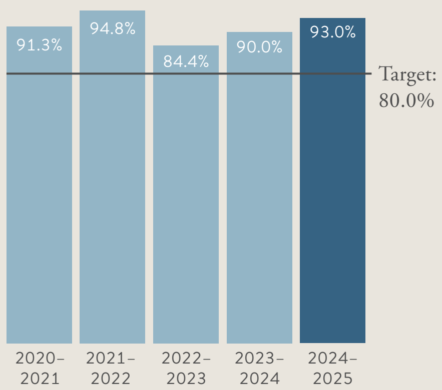
2024–25:

100%

TARGET 3

UK Consumer Coin

Delivery of orders to individual UK customers within three days, measured from the receipt of order or published due date. Actual performance during 2024–25 was 93% (2023–24: 90%) against a target of 80%.



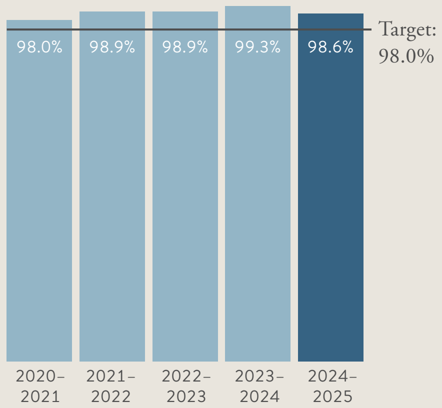
2024–25:

93.0%

TARGET 4

Medals

Orders delivered by the agreed delivery date. Actual performance during 2024–25 was 98.6% (2023–24: 99.3%) against a target of 98%.



2024–25:

98.6%

Non-Financial and Sustainability Information Statement (NFSIS)

In accordance with the reporting requirements under sections 414CA and 414CB of the Companies Act 2006, the following information is included in the Sustainability Report:

NFSIS Requirement	Sustainability Report – Climate-related Disclosures Section:	Page(s)
a) Description of the organisation's governance arrangements in relation to assessing and managing climate-related risks and opportunities.	Governance	40
b) Description of how the organisation identifies, assesses and manages climate-related risks and opportunities.	Strategy	41-42
c) Description of how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management process.	Strategy	41-42
d) Description of a) the principal climate-related risks and opportunities arising in connection with the organisation's operations, and b) the time periods by reference to which those risks and opportunities are assessed.	Risk Management	42-43
e) Description of the actual and potential impacts of the principal climate-related risks and opportunities on the organisation's business model and strategy.	Risk Management	42-43
f) Analysis of the resilience of the organisation's business model and strategy, taking into consideration different climate-related scenarios.	Risk Management	42-43
g) Description of the targets used by the organisation to manage climate-related risks and to realise climate-related opportunities and of performance against those targets	Metrics and Targets	44-47
h) Description of the KPIs used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those KPIs are based.	Metrics and Targets	44-47

Directors' Statement of Compliance with Duty to Promote the Success of the Company

The Directors of the Company, as those of all UK companies, must act in accordance with a set of duties.

These duties are detailed in section 172 of the UK Companies Act 2006, which is summarised as follows: 'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholder as a whole and, in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long term;
- the interest of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment; and
- the desirability of the Company maintaining a reputation for high standards of business conduct.'

The Directors recognise the importance of maintaining the Company's reputation for high standards of business conduct. The Executive Management Team is committed to operating with integrity, transparency and accountability in all areas of the business.

This commitment is supported by our Sustainability Framework, which guides the Company's approach to responsible business practices and social impact. Ethical conduct is further reinforced by our Whistleblowing Policy, which provides a clear and confidential process for employees and stakeholders to report concerns.

Together with our Code of Conduct and other internal policies, this guidance ensures that high standards are embedded into the Company's culture and decision-making processes.

The Company Secretary is on hand to advise the Directors of the Company on their duties and if necessary, they can seek professional advice from an independent advisor or expert.

RISK MANAGEMENT

The Executive Management Team regularly assess risks facing the organisation and brief the Board as appropriate. The regular risk assessments:

- ensure there are plans in place to recover the situation should a known risk materialise;
- ensure that adequate and efficient processes are in place to identify, report and monitor risks;
- raise risk awareness and ensure there is appropriate risk management within the organisation;
- establish policies for risk management; and
- ensure that the most effective procedures are put in place to mitigate any risks identified.

For further details on risk management, please refer to the Corporate Governance report.

OUR PEOPLE

We embrace responsibility for our actions and encourage a positive impact on our people. It is important to us that our day-to-day activities are in line with the expectations of our people. Our people are our employees, customers, suppliers, shareholders and our community. We meet these expectations through continuous training and development, to ensure that our employees can meet their full potential. For further details on our people, please refer to the Directors' Report.

BUSINESS RELATIONSHIPS

To achieve our reinvention strategy, we must maintain and develop strong business relationships. We have numerous long-standing relationships with valued suppliers who are instrumental in helping us to achieve our strategy.

For further details on our working practices with key suppliers, please refer to the Sustainability Report.

COMMUNITY AND ENVIRONMENT

As a large employer in the local community, we provide sustainable employment. The local and wider communities with which we interact are at the heart of the Company. The highlight of this effort was our inaugural Net Zero Festival, bringing together internal teams and external stakeholders to learn more about our net zero ambitions and activities.

For further details on how we are positively engaging with our community, and managing our impact on the environment, please refer to the Directors' Report and Sustainability Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's risk priorities in 2024–25 were in the following areas:

- the impact of global, geopolitical and macroeconomic events;
- maintaining the attractiveness and appeal of coins to collectors;
- cyber and physical security;
- failure to attract and retain key people, whilst developing new skillsets and capabilities;
- maintaining The Royal Mint's position as a trusted and authentic brand;
- failure to meet ESG targets;
- failure to deliver business plans of new ventures;
- health, safety and environmental impacts;
- financial crime and fraud; and
- exposure to high and volatile lease rates.

The Group's overall risk management approach is highlighted within the Corporate Governance Report.

The above risks are all managed by members of the Executive Management Team with actions in place to reduce the associated inherent risk to the risk appetite that has been assessed by the Board of Directors.

FINANCIAL RISK MANAGEMENT

Derivative financial instruments
The Group operates a prudent hedging policy and uses various types of financial instruments to manage its exposure to market risks that arise from its business operations. The main risks continue to arise from movements in commodity metal prices and exchange rates.

Metal prices
The majority of the raw materials purchased by the Group are metals. Prices can be subject to significant volatility and The Royal Mint seeks to limit its commercial exposure to these risks.

Currency
Non-ferrous metals like copper, nickel and zinc are all commodities traded on the London Metal Exchange (LME). The business largely avoids exposure to volatility through its hedging programme. Where possible, selling prices are determined based on the market prices of metals at the date a contract or order is accepted. We seek to hedge our exposure to subsequent movements in metal prices by securing forward contracts for the sourcing of metal at the same time as the selling price to the customer is fixed.

Steel, a ferrous metal, is procured using pricing based on six-month contracts to try to avoid volatility over the short-term. We are continually looking at alternative strategies to protect our longer-term position for this increasingly important commodity used in our business.

Consumer
Proof coins are manufactured for sale through our various sales channels. Metal costs are secured by making quarterly commitments at agreed fixed prices. Selling prices are adjusted to reflect these costs, thereby minimising the impact of fluctuations in metal prices on future transactions and cash flows. The Divisional Director agrees the level of commitment and the risk is managed to ensure that our financial performance is not exposed to significant market fluctuations in metal prices.

Precious Metals
The selling prices of precious metals are quoted based on the prevailing market rates of the precious metals. They are specifically purchased to satisfy each wholesale order thereby avoiding exposure to risk on metal cost by the use of leasing arrangements to provide for inventory and work-in-progress requirements.

Premiums on many of our gold products are calculated as a percentage of the gold price, and as such are subject to fluctuation.

Foreign exchange
The Group minimises its exposure to exchange rate movements by making sales and purchases via sterling-denominated contracts wherever possible. Where this is not the case, the Group reduces exposure by using forward exchange contracts.

Effects of commodity hedging
Under IFRS 9, hedge accounting rules have been adopted where appropriate. The ineffective portion of the gain or loss on the hedging instrument (as defined under the accounting rules of IFRS 9) is recorded as 'Other gains/(losses)' in the Income Statement.

The objective of the Group's hedging policy is to mitigate the impact of movements in the price of metal commodities, where appropriate, over time. For accounting purposes, the impact is reflected in different accounting periods depending on the relevant ineffectiveness assessment under IFRS 9 rules. The accounting treatment in this area is therefore not necessarily a reflection of the economic impact of the Group's hedging policy but instead represents the respective accounting impact of hedging ineffectiveness under IFRS 9. The combined impact of this, together with open forward foreign currency exchange contracts, has been highlighted separately in the Income Statement.

In 2024–25, the year-end impact was a loss of (£0.3) million (2023–24: (£0.2) million). Financial risk management disclosures are set out in note 24 to the financial statements.

Safety, Health and Environment
Our reputation as a trusted and authentic organisation is underpinned by our unwavering commitment to Safety, Health and the Environment (SHE). As our organisation evolves, so too does our approach to SHE, ensuring we remain responsible, and forward-thinking in an ever-changing landscape.

Our vision is to be a resilient organisation, delivering near error-free operations even in environments where hazards and risks can be significant. Achieving this requires a deeply embedded culture where every individual takes ownership of their own safety and that of their colleagues. Our leaders actively assess emerging risks, champion continuous improvement, and drive meaningful change to safeguard our people and our environment.

As we diversify and modernise, we continue to reassess and refine our SHE systems to align with new operational realities. Compliance remains a cornerstone of our SHE strategy as we operate in accordance with all regulatory requirements.

The Strategic Report from page 12 to 25 is approved by the Board of Directors and signed on its behalf by

Anne Jessopp
CHIEF EXECUTIVE
22 July 2025

Directors' Report

The Directors present their report and the audited consolidated financial statements for the year ended 31 March 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Consolidated Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and Company financial statements in accordance with UK-adopted international accounting standards.

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 the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

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

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' CONFIRMATIONS

In the case of each Director in office at the date of which the Directors' Report is approved:

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

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing of the financial statements, unless noted below, are shown on page 3.

Andrew Mills, Graham Love and Shimi Shah resigned as Directors on 31 December 2024, 27 January 2025 and 30 June 2025 respectively.

Michael Davies and Christopher Walton were appointed as Directors on 28 October 2024 and 27 January 2025 respectively.

DIVIDENDS

Based on the financial result for 2024–25 and the impact on distributable reserves of recognising the costs in ceasing production of overseas currency, the Board cannot propose paying a dividend in 2025–26. No dividends were paid during the year.

RESEARCH AND DEVELOPMENT

In an increasingly competitive market, it is critical that we stand apart from our competitors. We have continued to develop our technological capabilities and will continue to focus on technologies that can support our business and reduce the environmental footprint of our operations.

CREDITOR PAYMENT POLICY

We always seek to comply with agreed terms and 88% of invoices (2023–24: 91%) were paid within the agreed period. We will continue to work with our suppliers and further develop our internal processes and systems to deliver improvements in this measure.

STAKEHOLDERS

We are committed to proactive engagement with our internal and external stakeholders to support the success and sustainability of the business. Stakeholder interests are considered in Board discussions and strategic planning. The following outlines how we engage with a wide range of groups:

HM Treasury

- As a government-owned company, we maintain regular dialogue with our shareholder and provide updates on operational activity in quarterly shareholder meetings.

Employees

- Regular internal communications and engagement surveys provide insight into priorities and issues. For more information on employee engagement, see the 'People' section below and the Sustainability Report.

Customers

- Engagement is conducted and measured through direct customer service feedback, market research, sentiment on social media and interaction on our website. This year, the consumer division delivered an overall improvement in its customer NPS, ending with a +76 achievement (2023–24: +69), following feedback on matters such as product delivery times.

Suppliers and Partners

- We work closely with key suppliers and partners to uphold our sourcing and quality standards. All suppliers are engaged through compliance checks aligned with our procurement policies. For further information, see the Sustainability Report

Community

- We recognise our responsibility to the communities in which we operate. Our community engagement includes educational outreach and heritage partnerships. For further information, see the 'People' section below and the Sustainability Report.

PEOPLE

Transformation

Our transformation journey continues across people, systems, and technology:

- Significant investment in our new ERP and Human Resources Information System (HRIS), which is expected to drive a more intuitive and efficient colleague experience.
- We launched our Artificial Intelligence strategy with a two-day leaders' conference. Early local AI projects are already underway, with enterprise-wide initiatives set to follow.

Employee Engagement

As measured in our annual business continuity survey, employee engagement was lower than in previous years but consistent with an organisation going through a period of change. Our employee engagement strategy was made up of three main components:

- Internal Communications – outwardly sharing information through monthly CEO briefings, intranet posts and a fortnightly internal comms newsletter. Inwardly receiving employee feedback through suggestion boxes, emails, and polls and survey.
- Employee Roadshows – biannual, face-to-face CEO briefings with functions and teams to discuss performance and strategy.
- Themed Events and activities – we continued to deliver meaningful initiatives aligned with our values:
    - Our Net-Zero Festival and Carbon Literacy training earned us Bronze Carbon Literate Organisation accreditation, with Silver now in progress.
    - 'Compliance Month' launched with strong engagement, promoting integrity and safety across the business.
    - Community initiatives, including our Christmas Raffle and Charity Football Festival for corporate charities 2wish and Tŷ Hafan.

Learning and Development

We've made significant strides in manager development, leadership capability and talent readiness:

- The Leadership Framework, attended by circa 90 leaders, earned ILM Assured status.
- Our leadership team engaged in Change and Risk training, with many facilitating modules themselves.
- We hit a record 97% completion in annual reviews, and 52% of critical leadership roles now have strong succession plans in place.

Well-being

Colleague well-being remains a core priority:

- We expanded health screening and a new Virtual GP service have improved access to care.
- With over 60 trained Mental Health First Aiders and new well-being resources distributed, we're deepening our commitment to mental health support.

Equality, Diversity and Inclusion (EDI)

We are committed to creating an inclusive workplace that values diversity across our workforce.

We have implemented a Disability and Neurodiversity Policy, which is regularly reviewed and updated to ensure it remains effective. Disclosure of a disability or neurodiversity is entirely voluntary, but we encourage employees to share information to ensure that the appropriate support and reasonable adjustments can be provided. Throughout all stages of recruitment and employment, we focus on the skills, qualifications and experience of candidates and employees. 0.51% of our employees identify as disabled or neurodivergent.

We're proud of progress made through our current EDI Strategy, with more to come:

- We exceeded our targets for women in STEM (Science, Technology, Engineering and Maths) roles and supported and participated in key awareness events including Pride Cymru, Inclusion Week and Neurodiversity Week.
- A new EDI Strategy will be co-designed with our people in the coming year to build on this momentum.

PEOPLE METRICS – SICKNESS ABSENCE

The annual sickness absence rate for 2024–25 was 3.9%, which was consistent with 2023–24 (3.9%).

DIRECTORS' THIRD-PARTY INDEMNITY PROVISION

As permitted by the Articles of Association, the Directors have the benefit of an indemnity that is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and remains in force. The Company also purchased and maintained directors' and officers' liability insurance in respect of itself and its directors throughout the financial year.

INDEPENDENT AUDITORS

Grant Thornton UK LLP were appointed as external auditors during the year.

FUTURE DEVELOPMENTS AND FINANCIAL RISK MANAGEMENT

These areas are dealt with in the Strategic Report.

AUTHORITY OF ISSUE OF FINANCIAL STATEMENTS

The Directors gave authority for the financial statements to be issued on 22 July 2025.

Approved by the Board of Directors and signed on its behalf by

Michael Davies
CHIEF FINANCIAL OFFICER
22 July 2025

Group Financial Summary

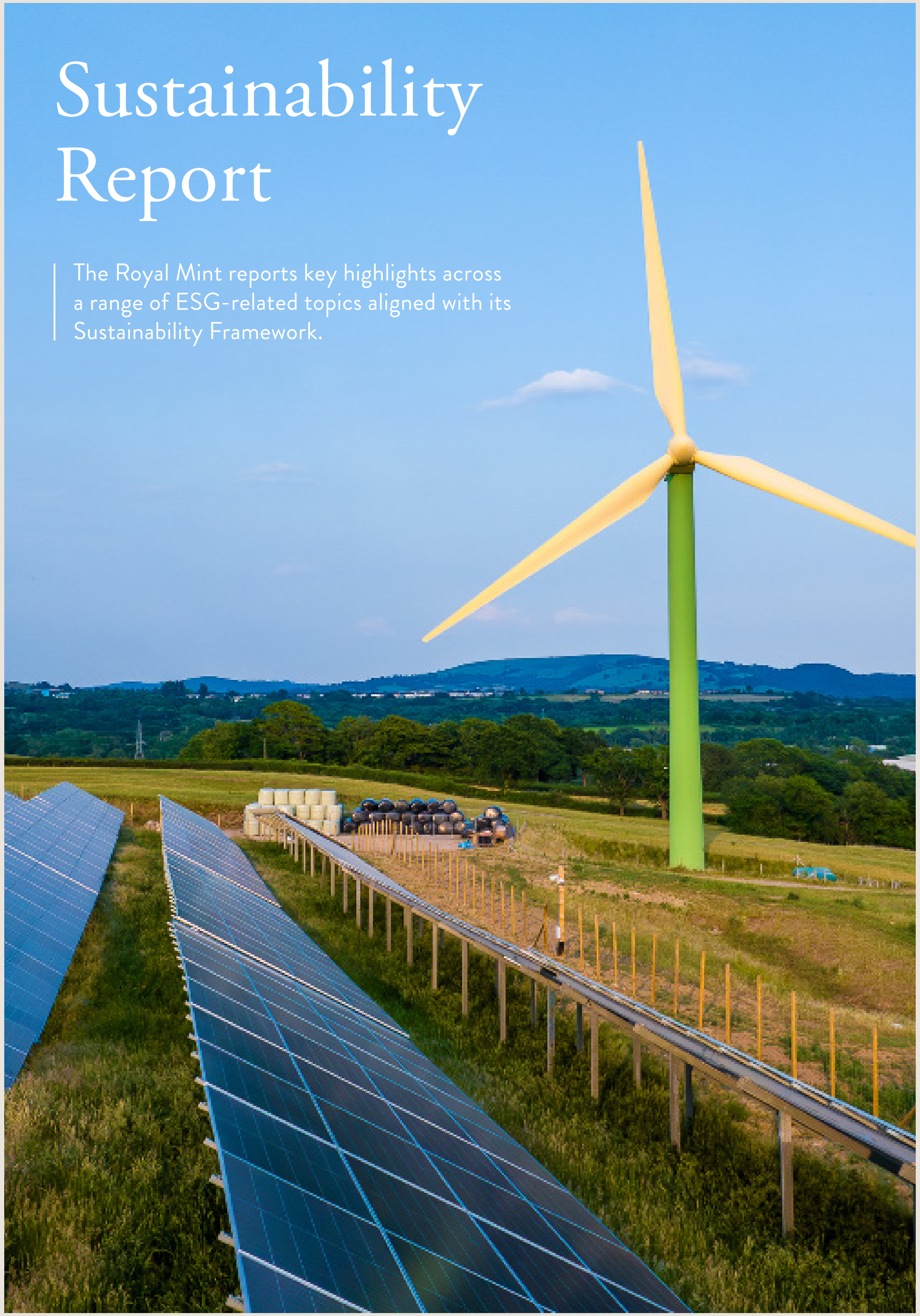
	2024–25 £m	2023–24 (restated)* £m	2022–23 £m	2021–22 £m	2020–21 £m
UK revenue	658.0	356.0	557.3	463.7	441.2
Overseas revenue	657.3	996.5	1,320.9	939.8	615.7
Total revenue	1,315.3	1,352.5	1,878.2	1,403.5	1,056.9
Operating profit before IFRS 9-related items and exceptionals	(15.3)	4.3	17.7	18.1	12.7
IFRS 9-related items (note 5b)	(0.3)	(0.2)	1.4	0.3	0.8
Exceptional items (note 5a)	(31.7)	(6.2)	(5.2)	(0.4)	(0.8)
Operating (loss)/profit	(47.3)	(2.1)	13.9	18.0	12.7
Net finance cost	(2.8)	(3.1)	(1.4)	(0.6)	(0.9)
Share of profit of associate	0.2	0.2	0.4	0.6	0.6
(Loss)/profit before tax	(49.9)	(5.0)	12.9	18.0	12.4
Tax	13.5	0.5	(2.7)	(4.8)	(2.7)
(Loss)/profit after tax	(36.4)	(4.5)	10.2	13.2	9.7
Net assets as at 31 March	34.8	71.0	80.6	72.4	60.0

2024–25 TOTAL REVENUE

£1,315.3 million

Sustainability Report

The Royal Mint reports key highlights across a range of ESG-related topics aligned with its Sustainability Framework.



Overview

This is the second year of reporting on climate-related financial disclosures, closely aligned with the Task Force on Climate-Related Financial Disclosures (TFCD) framework. This information includes that required for the non-financial and sustainability information statement under the Companies Act 2006 and associated regulations. It is also the second year of reporting progress towards the organisation's net-zero targets, which were validated by the Science Based Targets initiative (SBTi) in August 2023.

The Royal Mint also meets statutory reporting requirements in accordance with the Streamlined Energy and Carbon Reporting Regulation (SECR).

> “Our Sustainability Report provides a snapshot of our key ESG activities throughout 2024–25. We are proud of our achievements in what has been a challenging commercial environment. Our Net Zero Programme remains a critical part of our business transformation and we're continually looking to deliver decarbonisation initiatives that support our strategic goals. We also continue to invest in activities and programmes that support our broader sustainability commitments related to British craftsmanship, community engagement, and staff training and skills excellence – to name just a few.”

ANNE JESSOPP, CHIEF EXECUTIVE

Sustainability Framework

The Royal Mint's Sustainability Framework is built around four pillars: A Sustainable Future, Enhancing our Community, A Great Place to Work and Integrated ESG.

A Sustainable Future	Enhancing our Community	A Great Place to Work	Integrated ESG
Developing innovative solutions in the precious metals industry to support a circular economy, lower our carbon footprint and drive responsible sourcing practices, with a focus on: • net-zero carbon; • circular economy; • product and packaging development; • resource management; and • responsible sourcing.	Reviving and showcasing British skills, craftsmanship and education in the precious metals industry, as the original maker, and proudly supporting our local and wider communities with a focus on: • British craftsmanship; • sustained employment; • skills, education and aspirations; and • community engagement.	Creating an exceptional, future-focused environment for our teams, valuing diversity, and collaborating to provide sustainable employment and a great place to work, with a focus on: • employee engagement; • diversity and inclusion; • health and well-being; and • training and skills excellence.	Ensuring ESG topics are at the core of everything we do, driving ourselves to make a measurable difference every year, with a focus on: • ESG governance and reporting; • ESG upskilling and ownership; • management systems; • business ethics; and • industry collaboration and leadership.

A Sustainable Future

We are committed to developing innovative solutions in the precious metals industry to support a circular economy, lower our carbon footprint and drive responsible sourcing practices.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:

HIGHLIGHTS OF THE YEAR

- Formally launched our pioneering Precious Metals Recovery (PMR) facility, in partnership with Excir, to recover precious metals from e-waste.
- Achieved 93% (2023–24: 89%) compliance with our Responsible Sourcing Policy among strategic suppliers and 64% (2023–24: 56%) amongst key suppliers. Continued supplier engagement via Sedex and hosted our second Responsible Sourcing Workshop to advance ESG goals.
- Partnered with Emitwise to support 57 key suppliers in improving greenhouse gas (GHG) reporting and Scope 3 emissions data quality.
- Completed research with the University of Hull and PDR (a design consultancy and applied research facility of Cardiff Metropolitan University) to identify sustainable alternatives and streamline coin capsule designs.
- Hosted a regional net-zero event with Net Zero Industry Wales and explored the potential of a local Clean Growth Hub.
- Linked infrastructure with neighbouring site FEI Foods to improve efficiency and supply low-carbon electricity via our Local Energy Centre.
- Began a multi-year partnership with Axil to boost recycling and waste recovery across operations.

Enhancing Our Community

We are committed to reviving and showcasing British skills, craftsmanship and education in the precious metals industry and proudly supporting our local and wider communities.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:

HIGHLIGHTS OF THE YEAR

- Continued our partnership with Heritage Crafts, awarding four bursaries to emerging precious metal artisans and sponsoring the annual Heritage Crafts Awards to support endangered UK crafts.
- Announced the winner of The Royal Mint Museum's short story competition, with a record number of UK primary school entries.
- Hosted a Girls in STEM Day for Newbridge School students, featuring career talks, site tours and interactive workshops to inspire future talent in science and engineering.
- Welcomed five Cardiff University students for sustainability-themed insight placements, aligned with their academic disciplines.
- Introduced our 'Give A Day' Hub to empower employees to use their volunteering leave to support official charity partners or causes close to their hearts.

A Great Place To Work

Valuing diversity, and collaborating to provide sustainable employment and a great place to work, we are committed to creating an exceptional future-focused environment for our teams.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

HIGHLIGHTS OF THE YEAR

- Expanded access to diverse learning opportunities – both online and in-person – empowering colleagues to build their skills and careers.
- Partnered with Inclusive Employers for workshops on neurodiversity, disability inclusion, psychological safety and inclusive leadership.
- Shared parental policies during World Breastfeeding Week and marked National Inclusion Week with learning sessions.
- Continued listening to our workforce through the Best Companies Index survey, alongside regular pulse checks and focus groups.

Integrated ESG

Driving ourselves to make a measurable difference every year, we aim to ensure ESG topics are at the core of everything we do.

Through related business activities, we aim to address and positively impact the following United Nations Sustainable Development Goals:

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

HIGHLIGHTS OF THE YEAR

- Continued compliance with ISO standards across Energy (50001), Environment (14001), Quality (9001), Occupational Health & Safety (45001) and Information Security (27001).
- For the second year, our net-zero methodology, data and calculations underwent independent third-party verification by ClimatePartner.
- Contributed to global forums and working groups, including the International Mint Directors Association Sustainability Sub-Committee, the Organisation for Economic Co-operation and Development (OECD) Forum on Responsible Mineral Supply Chains, and ISO draft standards development.
- Launched a Packaging Change Advisory Board (PCAB) as part of our Net Zero Programme to accelerate and oversee sustainable packaging decisions.
- Embedded a new system to better monitor and report changes in our risk profile to senior leadership and governance committees.

Accreditations, Memberships, and other Affiliations

We are proud to hold a number of external certifications, memberships and partnerships that reflect our values and help meet our business ambitions.

DURING THE FINANCIAL YEAR, WE:

- maintained external certification for our **ISO-compliant management systems** related to environmental, energy, quality, occupational health and safety, and information security management;
- retained our membership to the **London Bullion Market Association**, whilst also joining the **Singapore Bullion Market Association**, and continuing our involvement with the **World Gold Council** and **World Platinum Investment Council**;
- retained formal membership with **Net Zero Industry Wales** and the **Industry Council for Electronic Equipment Recycling;**
- maintained our Level 2 Employer certification under the **Disability Confident** scheme; and
- continued to implement activities aligned with our net-zero targets, validated by the **Science Based Targets initiative.**

Throughout the year, we also worked with a number of other organisations, on either a short-term or long-term basis, aligned with our sustainability and related business ambitions, including:

- existing partners such as Heritage Crafts, Inclusive Employers, Best Companies, Sedex, and Emitwise; and
- new collaborations such as that formed with The Carbon Literacy Project and our new corporate charity partners Tŷ Hafan and 2wish.

Examples of organisations we have formally partnered with throughout the year:

"As we enter 2025–26, some challenges will remain, but we are ready to start an exciting new chapter for The Royal Mint, with strategy and sustainability continuing to work hand in hand".

INGA DOAK, HEAD OF SUSTAINABILITY

Climate-related Disclosures and Performance Against Net-Zero Targets

> We are committed to decarbonising our direct and indirect operations and helping to improve related performance in the precious metals industry more widely. We have set near- and long-term net-zero targets, which were officially validated by the Science Based Targets initiative (SBTi) in August 2023, and we remain the first sovereign mint to achieve this milestone.

We are working to better understand the risks and opportunities that a changing climate may bring to our business, including those related to our site operations, supply chain and customer expectations.

The following section is prepared in accordance with the Non-Financial and Sustainability Information Statement (NFSIS) required for group companies under the Companies House Act 2006 and is closely aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This is our second year of reporting against these requirements. It includes a summary of climate-related risks and opportunities, the potential impact on our business and actions we are taking to respond.

We have updated our assessment to reflect warming scenarios included in the *TFCD-aligned disclosure application guidance* published by HM Treasury, which is grounded in international and national climate policy and assessment methodologies including that of the Intergovernmental Panel on Climate Change (IPCC), the Paris Agreement, and the UK Climate Change Committee (CCC). Whilst The Royal Mint is not formally in-scope of this guidance, this approach has been adopted to support best practice in, and consistency of, reporting across central government and the wider public sector. We also provide a comprehensive overview of our Scope 1, 2 and 3 GHG emissions, including performance against our SBTi-validated net-zero targets.

GOVERNANCE

Under the guidance of the Board of Directors and Audit and Risk Committee, The Royal Mint's risk management processes are overseen by the Executive Management Team. Additionally, the Audit and Risk Committee plays a pivotal role in our governance structure, reviewing on at least an annual basis, the nature and extent of risks and opportunities that The Royal Mint is willing to take to achieve its long-term strategy and strategic objectives. In this respect, the Audit and Risk Committee ensures that risks and opportunities related to sustainability, including climate, are duly considered and integrated into The Royal Mint's broader corporate governance processes.

For 2024–25, climate-related risks continue to be reported as a Principal Risk – on the basis that the risk 'failure to meet ESG targets' (with a specific focus on The Royal Mint's externally validated net-zero targets) is reported internally as a Corporate Risk to the Board, and externally as a Principal Risk and Uncertainty in The Royal Mint's published financial statements.

The Director of Operations, who is also a member of the Executive Management Team, supported by the Head of Sustainability, has overall responsibility for ensuring that key sustainability including climate-related risks are effectively managed. This includes reporting to the Board on relevant corporate risk(s), performance against net-zero targets and providing other updates on The Royal Mint's broader sustainability ambitions.

Strategy

> A number of transitional and physical climate-related risks have been identified as potentially impacting The Royal Mint, in the short- (2030), medium- (2040) and long-term (2050)[1]. In doing so, guidance has been utilised from a number of sources, including the Institute of International Finance (IIF), TCFD, CDP, HM Treasury and the expertise of the Sustainability Team, as well as The Royal Mint's enterprise risk management system and associated processes.

For transitional risks, this includes consideration of policy and legal, technology, and market impacts. For physical risks, this includes event-driven acute impacts e.g. increased severity of extreme weather events, and longer term chronic impacts, e.g. the extreme variability in precipitation and rising mean temperatures. Some of these also represent opportunities, as they relate to products and services, markets and supply-chain resilience, and these have been identified accordingly.

A scenario analysis has been used to inform the assessment, taking both climate-related risks and opportunities into consideration. In line with guidance from HM Treasury, this scenario analysis is based on warming levels of 2°C and 4°C (refer to the table below). The 2°C scenario explores the implications of global efforts to limit warming through rapid decarbonisation, whilst the 4°C scenario considers a high-emissions pathway with more severe climate-related risks and associated mitigation and adaptation challenges.

SCENARIOS FOR THE IDENTIFICATION AND ASSESSMENT OF FUTURE CLIMATE-RELATED RISKS AND OPPORTUNITIES

Scenario	2100 Warming	SSP Alignment	Key Elements	Relevant SSP Naratives	Relevant RCP Naratives
Low Emissions (2°C scenario)	2°C or lower	SSP 1–2.6	Best-case scenario with ambitious climate action and global cooperation towards sustainability.	A world that shifts gradually towards sustainability, with a strong emphasis on human well-being, reduced inequality and environmental awareness. Investments in education, health and green technologies lead to lower resource intensity and more sustainable consumption patterns.	Strong mitigation efforts, with emissions peaking soon and rapidly declining to reach net zero around mid century. Aims to limit warming to below 2°C, with a good chance of staying close to 1.5°C.
High Emissions (4°C scenario)	4°C	SSP 3–7.0	A high-emissions scenario in a divided world with poor international cooperation, low investment in sustainability, and relatively high challenges to both mitigation and adaptation.	A fragmented world characterised by nationalism, regional conflicts, limited global cooperation, and strong barriers to trade and technology transfer. Investment in education and technological development is low, and population growth is high in developing countries. Environmental policies are weak and uncoordinated.	High GHG emissions due to continued fossil fuel use and limited climate mitigation efforts.

Defined in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), Shared Socioeconomic Pathways (SSP) represent different climate change scenarios of projected socioeconomic global changes up to 2100. The SSP Alignment numbering system used represents a merger between a Shared Socioeconomic Pathway (e.g.: SSP1) with a corresponding Representative Concentration Pathway (e.g.: RCP2.6) where RCPs are climate change scenarios that project future greenhouse gas concentrations. The IPCC AR6 indicates that without a strengthening of policies, global warming of 3.2°C (with a likely range of 2.2°C to 3.5°C) is projected by 2100. This projection is based on policies implemented by the end of 2020 and is stated with medium confidence.

[1]Aligning with HM Treasury guidance on selection of climate scenario analysis reference periods as follows: short- (2030) being near-term reference period 1, medium- (2040) being near-term reference period 2, and long-term (2050) being the mid century reference point.

At a business-wide level, The Royal Mint's Risk Universe (Profile) identifies the different types of risks that could affect operations and delivery of strategic objectives. Risks are categorised as Level 0 (e.g. Financial, Non-Financial and Strategic), Level 1 (e.g. Market, People, Sustainability) and Level 2 (e.g. Interest Rate, Key Person and Climate Resilience). Each Level 1 risk has an agreed description, risk appetite and Executive risk owner. This information is reviewed at least annually and in the event of major internal or external change.

Nominated risk owners are responsible for identifying, assessing and monitoring risks relevant to their area of accountability. Once identified, risks are assessed by the respective risk owner, and a score is allocated based on impact and probability, in accordance with a pre-agreed matrix. This assessment is based on a position without controls in place (gross risk) and considered with controls in place (net risk). The risk owner is responsible for identifying and documenting relevant control measures and managing the risk to remain within acceptable levels. As of 2024–25, these details are recorded in SureCloud, an online risk management application used by individual risk owners and the central Risk Team for the management, monitoring and reporting of business risks.

Risk Management

An overview of key climate-related risks and opportunities arising in connection with The Royal Mint's operations are presented in the table below. This includes the type of risk or opportunity (physical or transitional), specific risk/opportunity area and associated description. An assessment across both short- (2030), medium- (2040) and long-term (2050) time frames, as well as two different climate-related scenarios (2°C and 4°C) are also included. For each time frame and warming scenario, an assessment of the likelihood of the risk or opportunity occurring and the impact it would have on the business has been considered and presented as an overall rating of low, medium or high. For risks specifically, a low rating is more favourable than a medium or high, but the opposite applies for opportunities where a high rating is more favourable than a medium or low.

We continue to implement several different strategies to address the risks and opportunities documented, including:

- **business continuity plans** addressing unplanned disruptions to site and supply chain operations;
- targeted plans for **decarbonising on-site energy use**, including both technological and operational solutions as well as driving industry collaboration and leadership;
- active **engagement with key and strategic suppliers** to increase accuracy of carbon accounting and identify decarbonisation opportunities;
- ongoing **market research** into customer expectations and wider consumer behaviour, utilising a range of metrics and insight solutions;
- participation in **cross-industry working groups**, including on the definition of recycled gold and associated implications for carbon accounting; and
- continued development of **sustainable sourcing strategies** and related plans, including those related to precious metals as well as other strategically important materials such as product packaging.

SUMMARY OF MODELLED SCENARIOS FOR FUTURE CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risk Type	Risk Area	Description of Impact	Warming Scenario	Short Term (2030)	Medium Term (2040)	Long Term (2050)
Transition Risks						
Policy and Legal	Carbon pricing mechanisms.	Emerging and future regulations include carbon pricing mechanisms, which impact the buying and/or selling costs of affected products/services. For example, exposure to the EU or UK-based Carbon Border Adjustment Mechanism (CBAM) could impact the price of metals (e.g. steel) and also potentially other products (e.g. packaging) imported by The Royal Mint or its suppliers.	2°C	L	M	H
			4°C	H	H	H
Technology	Unsuccessful investment in new technologies.	To decarbonise its Scope 1 and 2 emissions, The Royal Mint will likely need to further invest in new technology. This may include novel approaches to established technologies such as battery storage or investment in developing technologies such as those using green hydrogen. Similar challenges will exist in decarbonising Scope 3 emissions where investment in plant, equipment and other infrastructure is required, either by The Royal Mint directly or within its supply chain.	2°C	M	M	L
			4°C	H	H	M
Transition Risks						
Market	Access to lower carbon products/services.	Scope 3 emissions currently comprise >95% of The Royal Mint's total GHG emissions, with emissions from precious metals (particularly gold) making the most significant contribution. There is the risk that an inability to access recycled gold and silver in a commercially viable way will directly impact The Royal Mint's ability to consistently decarbonise in this area.	2°C	H	H	M
			4°C	H	H	M
	Uncertainty in market signals	Insights into markets and customer profiles specific to The Royal Mint, coupled with cost-of-living uncertainty, and the consumer 'intention-action' gap, make it increasingly difficult to predict commercially viable propositions.	2°C	H	M	L
			4°C	H	H	M
Physical Risks						
Acute	Increased severity of extreme weather events such as droughts, floods, heatwaves, coldwaves and wildfires.	The Royal Mint's largely operates from a single site in Llantrisant, South Wales and localised extreme weather events could lead to operational downtime, hinder transportation routes, delay deliveries and limit access to essential materials. Similar risks are anticipated across The Royal Mint's supply chain, with certain goods and services potentially facing heightened exposure due to supplier location, continuity of operations and The Royal Mint's ability to access alternative sourcing options.	2°C	L	M	M
			4°C	M	H	H
Chronic	Longer-term shift in climatic patterns.	Persistent shifts in climate patterns may lead to recurring disruptions that impair operations, limiting The Royal Mint's capacity to recover fully before subsequent events occur. Such effects are also likely to be felt by The Royal Mint's supply chain.	2°C	–	M	L
			4°C	L	H	M
Transition Opportunities						
Products and services	Shift in consumer preferences.	Just as uncertainty in market signals is a potential risk, there is also evidence to suggest consumers increasingly favour lower-carbon products and services. This is particularly apparent in the Gen Y and Gen Z demographic.	2°C	M	M	L
			4°C	H	H	M
Markets	Development of new revenue streams from new/emerging environmental markets and products.	As climate change events drive increasing awareness and acceptance of related impacts – across different stakeholder groups – The Royal Mint is able to explore further activities, products and services that build on its position as a leader in sustainable precious metals.	2°C	H	M	M
			4°C	H	H	M
Resilience	Increased reliability, climate-resilience of supply chain.	The Royal Mint is able to work with targeted suppliers to support their investment in lower emissions technology and other initiatives that support more climate-resilient operations. This will not only help decarbonise The Royal Mint's Scope 3 emissions but also realise other potential benefits such as higher supplier production and lower waste volumes, quicker lead-in times, more reliable delivery schedules, etc.	2°C	L	M	H
			4°C	M	M	H

Note: H: High, M: Medium, L: Low

Metrics and Targets (Scope 1, 2 and 3 Emissions)

OUR NET-ZERO AMBITION

Against a current baseline year of 2021–22, our goal is to achieve net-zero GHG emissions across the value chain by 2050, with near-term targets set for 2030. Specifically, by 2030, we aim to achieve a 42% reduction in absolute Scope 1 and 2 GHG emissions and a 25% reduction in absolute Scope 3 GHG emissions. By 2050, we aim to achieve a minimum 90% reduction across organisation-wide Scope 1, 2 and 3 emission sources.

This year marks the second formal reporting period for The Royal Mint since achieving SBTi validation. The methodology, data and calculations used to report performance against our net-zero targets (and summarised in the table on page 46), has been verified without bias by ClimatePartner, an independent third-party specialising in GHG accounting. The verification was completed based on the principles of limited assurance engagement as outlined in the International Standard on Assurance Engagement (ISAE) 3000 (Revised) issued by the International Auditing and Standards Board. This opinion can be made available on request. Further information on the methodology adopted for reporting performance against net-zero targets is also provided in the *Notes to the Sustainability Report* (refer to page 48).

DECARBONISATION STRATEGY

For 2024–25, we continued to implement our formal Net Zero Programme, which is part of a broader portfolio of vision-critical transformation projects. The overall programme continues to be managed by the Head of Sustainability with support from a dedicated project manager and overseen by the Director of Operations. Designed to address specific aspects of our own operations as well as our supply chain, we continued to deploy specific decarbonisation and enabling workstreams, which for 2024–25, included a particular focus on energy use, precious metals sourcing, supplier emissions and employee engagement. Each workstream is led by a nominated business representative (collectively representing the Net Zero Working Group), with formal progress reporting and programme governance via regular Executive-Level Steering Committee meetings. Formal programme performance, including progress against net-zero targets, is reported to the Board on at least an annual basis.

NET ZERO

The Royal Mint has developed science-based decarbonisation targets, vaildated by SBTi, with the aim of becoming net zero by 2050. Prioritising direct reductions in our Scope 1, 2 and 3 GHG emissions, we commit to:

BY 2030

42% reduction

in absolute Scope 1 and 2 GHG emissions.

25% reduction

in absolute Scope 3 GHG emissions.

BY 2050

90% reduction

as a minimum, across organisation-wide Scope 1, 2 and 3 emissions.

Organisational GHG Footprint and Performance Against Targets

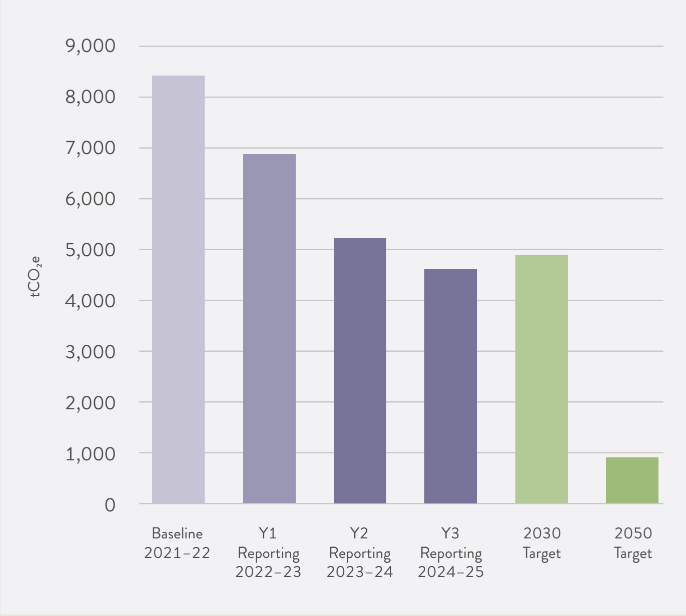
The following table provides a summary of The Royal Mint's organisational GHG footprint (also referred to as Corporate Carbon Footprint) and forms the basis of the verification process completed by Climate Partner (refer to page 44). The methodology used to calculate emissions follows the GHG Protocol. Further details on specific accounting inclusions, exclusions and assumptions are provided in the notes to the Sustainability Report.

		Baseline 2021–22		Y1 Reporting 2022–23		Y2 Reporting 2023–24		Y3 Reporting 2024-25		Change from Baseline
Scope	Emission Category	tCO_2e	% Share	tCO_2e	% Share	tCO_2e	% Share	tCO_2e	% Share	
Scope 1 and 2	Natural Gas	3,351	40%	2,601	38%	2,272	43%	1,829	40%	↓ 45%
	Fugitive GHG Emissions	0	0%	0	0%	0	0%	0	0%	● 0%
	Company Cars (Diesel/Unleaded)	1	0.01%	1.56	0.02%	0.31	0.01%	0.50	0.01%	↓ 60%
	Diesel Use On-site	23	0.27%	12	0.17%	12	0.22%	2.51	0.05%	↓ 89%
	Grid Electricity	5,093	60%	3,507	51%	1,604	30%	1,469	32%	↓ 71%
	Renewable Generation (Solar PV)	0	0%	0	0%	0	0%	0	0%	● 0%
	Renewable Generation (Wind Turbine)	0	0%	0	0%	0	0%	0	0%	● 0%
	Renewable Generation (CHP)	0	0%	797	12%	1,400	26%	1,314	28%	↑ >100%
			8,468		**6,919**		**5,288**		**4,616**	↓ **45%**
Scope 3	Water Treatment	17	0%	11	0%	9	0%	3	<0.5%	↓ 82%
	Natural Gas (CHP)	0	0%	3,121	0.20%	3,813	0.61%	3,973	1.51%	↑ >100%
	Waste	130	0.01%	123	0.01%	87	0%	22	<0.5%	↓ 83%
	Business Travel	299	0.03%	565	0.04%	510	0%	399	<0.5%	↑ 34%
	Employee Commuting	354	0%	395	0%	352	0%	269	<0.5%	↓ 24%
	Leased Assets: Utilities	0	0%	1.38	0%	2.22	0%	2.54	<0.5%	↑ >100%
	Investments: Utilities	1.48	0%	1.35	0%	1.45	0%	8.15	<0.5%	↑ >100%
	Purchased Goods and Services	96,512	8.91%	115,719	7.37%	96,977	16%	75,548	29%	↓ 22%
	Capital Goods	982,468	91%	1,448,360	92%	517,585	83%	181,100	69%	↓ 82%
	The Royal Mint's Operational and Transit Packaging	158	0.01%	287	0.02%	98	0.02%	83	<0.5%	↓ 47%
	The Royal Mint Experience Gifts	0.03	0%	0.03	0%	0.04	0%	0.01	<0.5%	↓ 63%
	Transmission and Distribution	451	0.04%	321	0.02%	139	0.02%	130	<0.5%	↓ 71%
	Well-to-tank (WTT)	2,206	0.20%	2,094	0.13%	1,541	0.25%	1,380	0.5%	↓ 37%
			1,082,597		**1,570,998**		**621,113**		**262,918**	↓ **76%**
Total			**1,091,064**		**1,578,357**		**626,401**		**267,533**	
		Baseline		**Y1 Reporting**		**Y2 Reporting**		**Y3 Reporting**		
		Scope 1	3,375	Scope 1	2,614	Scope 1	2,284	Scope 1	1,832	46%
		Scope 2	5,093	Scope 2	4,304	Scope 2	3,004	Scope 2	2,783	45%
		Scope 3	1,082,597	Scope 3	1,570,998	Scope 3	621,113	Scope 3	262,918	76%

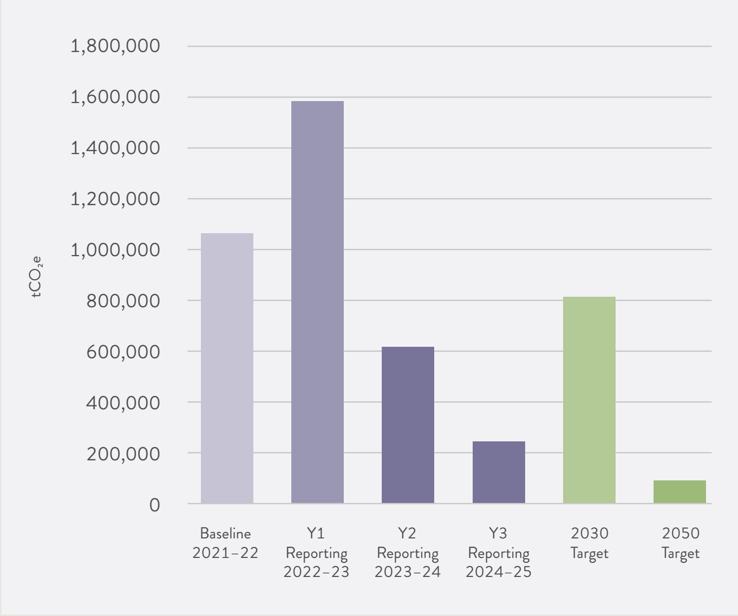
In terms of performance against targets, at the end of 2024–25 (Reporting Year 3), when compared against 2021–22 (the Baseline Year)[2]:

- there was a 46% overall decrease in emissions in **Scope 1 and 2**; and
- there was a 76% overall decrease in emissions in **Scope 3**.

SCOPE 1 AND 2



SCOPE 3



Scope 1 and 2

Almost all (>99%) of The Royal Mint's Scope 1 and 2 GHG emissions arise from on-site energy use. Total emissions were slightly less than the previous year (with a 13% year-on-year reduction) and are tracking ahead of our near-term (2030) net-zero targets.

We continue to explore opportunities to reduce energy use, for example through process improvements and investment in more energy efficient equipment. This year, changes in business activity, particularly the exit of the overseas currency market has also contributed to an overall decrease in energy demand. However, the Local Energy Centre (LEC), now in its second year of operation, continues to provide a critical source of renewable and lower carbon electricity, with a favourable impact on GHG emissions performance.

Our biggest challenge this year has been ensuring the efficient operation of the Combined Heat and Power plant (CHP) within a changing site energy profile. However, a novel, long-term solution has been identified through the supply of excess (lower carbon, cost-effective) electricity to a neighbouring business and will come into effect in early 2025–26.

[2]In 2025–26, we plan to re-baseline our corporate carbon footprint following our exit from the overseas currency market, ensuring our targets reflect current and expected future operations, whilst also taking the opportunity to update calculation methodologies and emissions factors where relevant.

In Scope 3

Whilst The Royal Mint reports under 13 different Scope 3 categories, the majority of emissions (>97%) arise from two categories: Capital Goods (comprising key precious and base metal purchases) and Purchased Goods and Services (comprising all other goods and services purchased).

Total emissions are significantly less than the previous year and have surpassed the required reduction for our near-term (2030) targets, whilst also tracking well against our long-term (2050) net-zero target. This continues to be influenced in part by elevated trading conditions in the baseline year, and a difficult trading year in the current reporting period. However, it is also attributed to the sourcing of higher proportions of recycled gold (and silver) by our key suppliers that has significantly reduced our related GHG emissions (reported within Capital Goods). We have also improved supplier emissions data (reported within Purchased Goods and Services) through our partnership with Emitwise. Whilst improving data quality does not inherently translate into emissions reductions, it is an important step in understanding supplier-specific impact and emissions hotspots.

For other categories reported, emissions when compared to the previous year are mostly lower (e.g. those associated with water treatment, waste, business travel, employee commuting, operational and transit packaging, and gifts sold in the gift shop at The Royal Mint Experience) and this largely reflects the slower trading year. Transmission and Distribution and well-to-tank emissions are also lower, in part influenced by reductions in energy use within Scope 1 and 2. There have been increases in emissions associated with utilities use within our one leased asset and two investment holdings.

THE ROYAL MINT LIMITED | ANNUAL REPORT 2024–25

Notes to the Sustainability Report

METHODOLOGY ADOPTED FOR REPORTING PERFORMANCE AGAINST NET-ZERO TARGETS.

> The methodology used for calculating GHG emissions and subsequent net-zero performance reporting follows the GHG Protocol Corporate Accounting and Reporting Standard Revised Edition 2004 and related Standards and Guidance (hereafter referred to as the GHG Protocol). Unless otherwise stated, conversion factors followed that provided in the UK Government GHG Conversion Factors for Company Reporting (hereafter referred to as the Department for Environment, Food & Rural Affairs (DEFRA) Guidelines).

APPROACH

An internal operating procedure is maintained to provide a record of and consistent approach to the calculation of relevant Scope 1, 2 and 3 emissions.

A specialist carbon consultancy (Capstone Consultancy) was originally engaged to support the development of baseline year emissions and subsequent net-zero targets, which were validated by SBTi in August 2023.

Reporting Year 1 (2022–23) and Year 2 (2023–24) emissions were calculated in-house and subject to successful independent verification (based on the principles of limited assurance) as part of the 2023–24 annual reporting cycle. This approach has also been followed for Reporting Year 3 (2024–25). Refer to page 44 for further information.

SCOPE 3 CATEGORIES REPORTED

The following Scope 3 emission categories have been identified as being material to our operations with related emissions reported accordingly:

Category 1: purchased goods and services

Category 2: capital goods

Category 3: fuel- and energy-related activities

Category 5: waste generated in operations (see also exclusions below)

Category 6: business travel (see also exclusions below)

Category 7: employee commuting

Category 8: upstream leased assets

Category 12: end-of-life treatment of sold products; and

Category 15: investments.

KEY ASSUMPTIONS AND MODELLING IN CALCULATING SPECIFIC SCOPE 3 EMISSIONS

Category 1: Purchased Goods and Services

A spend-based methodology has been primarily applied but an increasing number of supplier specific information has also been used. Emissions from downstream and upstream transportation and distribution are included in the 'Purchased Goods and Services' category as this is currently calculated using spend-based data. Our aim is to use more activity-based and consumption data with a view to separate out these emissions into their respective categories in the future.

Category 2: Capital Goods

A quantity (mass-based) methodology has been applied for precious and base metal products sourced from specific key and strategic suppliers. In apportioning the percentage of recycled precious metals received, this was based on data reported by each relevant supplier. Conversion factors were obtained from industry averages, reports commissioned by The Royal Mint and supplier-specific information. In terms of the definition of mined and recycled gold (and silver), which is relevant to the allocation of specific emission factors, there is ongoing debate within the precious metals industry on this subject and The Royal Mint has been actively engaged in these discussions. The position taken for GHG accounting purposes can be made available on request.

Category 6: Business Travel

For relevant data where spend only data was available (e.g. hire cars), fuel use based on a 50–50 (petrol–diesel assumption) split was modelled. For taxis and public transport, a £/passenger km assumption was applied following the Welsh Public Sector Net Zero Carbon Reporting Guide. For flights, where spend only was available, a £-spent conversion factor was applied following DEFRA Guidelines.

Category 7: Employee Commuting

In the absence of employee-specific information regarding commuting preferences, commuting assumptions followed the Welsh Public Sector Net Zero Carbon Reporting Guide.

Category 8: Upstream Leased Assets

Energy use associated with the lease of retail space in Burlington Arcade, London, for the 886 by The Royal Mint boutique store was extrapolated from utility bills available for the first six months of the financial year.

Category 12: End-of-life Treatment of Sold Products

For Operational and Transit Packaging, weight data used was calculated based on packaging specifications, and a disposal scenario was assumed whereby 100% of all packaging materials entered the commercial waste stream through the most likely disposal route.

For gifts sold in The Royal Mint Experience's on-site shop, weight data was calculated by direct weighing of indicative items, and a disposal scenario was assumed whereby 100% of all materials entered the commercial waste stream through the most likely disposal route.

For 2024, updated DEFRA waste disposal conversion factors were applied to both packaging and gift items. These figures are significantly lower than those used in 2023, following DEFRA's identification of an error in the 2023 methodology.

Category 15: Investments

The Royal Mint continued to hold an ~23% shareholding and representation on the Board of Directors of Sovereign Rarities Limited – a UK-based dealer and auctioneer of historic and modern coins. The company operates from a leased office location in London that occupies 1,403 square feet. Electricity is the only utility used. Annual energy consumption was estimated based on occupied floor area and guidance provided in CIBSE (the Chartered Institution of Building Services Engineers) Benchmarks, Guide F.

In December 2024, The Royal Mint purchased an ~8% shareholding and representation on the Board of Directors Excir Works Corporation, a Canadian clean-tech company that has developed proprietary technology to recover gold from printed circuit boards (e-waste). The company operates from office and warehousing space in two adjacent buildings in Calgary, occupying a total of 26,808 square feet. Utilities used are mains electricity and natural gas. Annual energy consumption was reported by Excir based on actual usage for the period January 2024 to December 2025, and GHG emissions calculated using guidance published by the Business Development Bank of Canada (BDC). Emissions were then apportioned to The Royal Mint based on the level and period of shareholding.

EXCLUSION OF SPECIFIC SCOPE 3 SUB-CATEGORIES

The following Scope 3 sub-categories are currently excluded from reporting:

Category 5: Waste Generated in Operations (Wastewater Treatment)

Emissions from mains water and water treatment has been excluded based on the following considerations:

- On-site water treatment:
  - Our operations involve treating a mix of river-abstracted water and mains water on-site before releasing it back; and
  - Due to the lack of exact quantities of mains water and river-abstracted water being treated, it is challenging to accurately account for the associated emissions
- Avoidance of double counting:
  - To prevent double counting, we decided to only account for the water treated on-site through the Water Treatment Plant lines 24 and 25; and
  - This approach ensures that some, albeit not all, of the mains water and river-abstracted water is considered, avoiding the potential for double counting in our emissions inventory.
- Mains supply conversion factor:
  - The mains supply conversion factor provided by the UK Government is based on the average power used by water companies to supply freshwater across the UK. Since the power for the pumping equipment is already included in our electricity consumption (Scope 2), reflecting this again in our emissions calculations would lead to potential duplication and overestimation.

Category 6: Business Travel (Hotel Stays)

Emissions from hotel stays have been excluded based on the following considerations:

- this is an optional reporting category under the GHG Protocol; and
- based on our existing emissions profile, hotel stays are likely to have an immaterial impact on our organisational GHG emissions footprint.

Statutory Reporting

> The Royal Mint operates from a single site that is regulated under Environmental Permitting Regulations 2016 (and the Control of Major Accident Hazards Regulations 2015 (COMAH)).

From an environmental management perspective, we continue to monitor our performance related to management of resources on-site, including energy consumption, water use and waste generation.

Specific details for the last five years are provided below, including information required to comply with the Streamlined Energy and Carbon Reporting (SECR) regulations April 2019.

ACCREDITATIONS

The Royal Mint holds the following International Organization for Standardization standards:

- ISO 14001 (2015) Environmental Management System; and
- ISO 50001 (2018) Energy Management System.

bsi ISO 14001 Environmental Management CERTIFIED

bsi ISO 50001 Energy Management CERTIFIED

ENERGY CONSUMPTION AND CO_2e EMISSIONS

During 2024–25, the use of energy continued to be a significant Scope 1 (direct GHG emission) and Scope 2 (caused indirectly) impact of The Royal Mint's operation. The Royal Mint continually explores opportunities to improve energy efficiency throughout its activities and supply chain. This includes process improvements, pursuing alternative means of energy generation, investment in more energy efficient equipment and the development of innovative technologies.

ENERGY USE AND COSTS

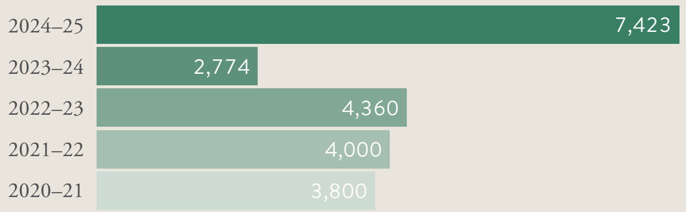
Year	Electricity Consumption (gigawatt hours)	Gas Consumption (gigawatt hours)	Energy Costs (£'000)
2024–25	18	10	3,286
2023–24	21	12	4,212
2022–23	25	14	7,622
2021–22	24	19	3,550
2020–21	26	20	3,881

During 2024–25, The Royal Mint received electrical energy from a number of sources:

- a local combined heat and power plant (CHP);
- grid generated electricity; and
- the remainder from solar and wind turbines directly supplying The Royal Mint site.

EMISSIONS INTENSITY RATIO

The emissions intensity ratio The Royal Mint uses is that within its Environmental Permit and agreed with Natural Resources Wales, and is energy use per tonne of Circulatory Coin. This is the last reporting year that this will be a valid emissions intensity ratio.



The energy consumption figures include both consumed grid energy (electrical and natural gas), renewable from wind and solar and the electrical energy generated by the CHP Plant.

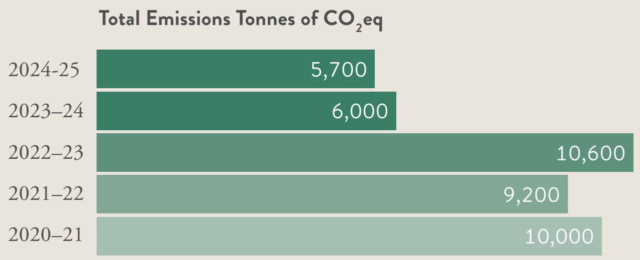
The significant increase in the 'Energy consumption per tonne Circulating Coin' figure is due to lower tonnage through the plants and the introduction of new energy consuming processes that are not associated with coin production.

Based on the 2024 GHG reporting – Conversion factor for electricity and gas, the CO_2e emissions for this and previous years is as per the following tables.

TOTAL EMISSIONS TONNES OF CO_2e

Total emissions for 2024–25 were 5,700 tonnes of CO_2e

There was a slight reduction in total emissions through the continuing turning off of the plant no longer in operation and greater use of electricity supplied by renewables and electrical energy supplied by a combined heat and power (CHP).

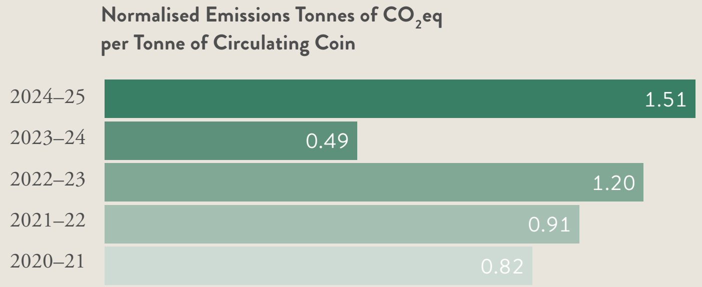


NORMALISED EMISSIONS TONNES OF CO_2e PER TONNE OF CIRCULATING COIN

For 2023–24, normalised tonnage was 0.49 CO_2e per tonne of Circulating Coin.

The emissions per tonne of circulatory coin is the current normalising factor that is used, as determined by The Royal Mint's environmental permit. This has been greatly impacted by reduction in volume of circulatory coin production.

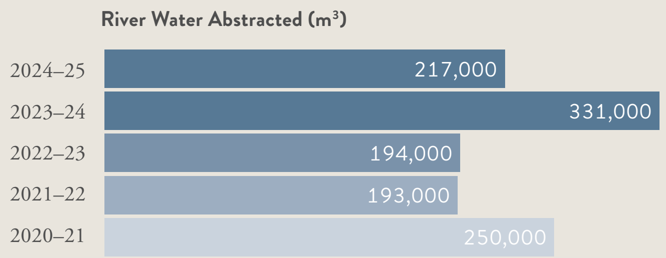
It is recognised that a new normalising factor(s) will be used in the future as the nature of The Royal Mint's operational changes.



WATER CONSUMPTION

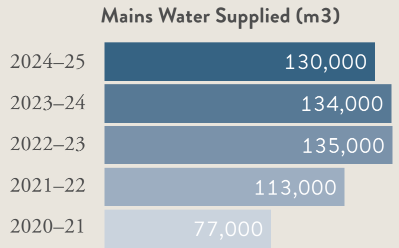
Large volumes of water are consumed within the coin-manufacturing process and as such The Royal Mint uses both potable (mains) and abstracted water in its processes. The Royal Mint continues to review its processes to identify opportunities to reduce water consumption, but the site also experiences issues with aging infrastructure and leaks do occur, which are repaired as quickly as they can be identified and located.

WATER ABSTRACTED (RIVER WATER) m^3

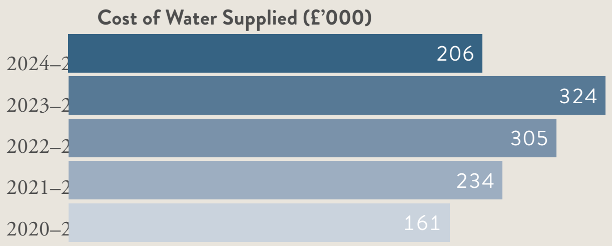


During 2024–25, 15,000 m^3 of the abstracted river water was returned to the river a few hundred metres downstream from the abstraction point.

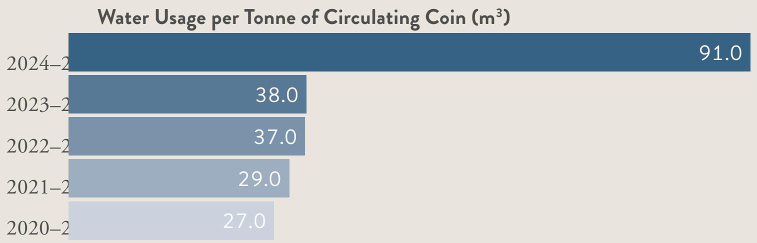
WATER SUPPLIED (MAINS WATER) m^3



COST OF MAINS SUPPLIED WATER



WATER USAGE PER TONNE OF CIRCULATING COIN



The significant increase in the Water Usage per Tonne of Circulating Coin during 2024–25 is due to lower tonnage through the plants and the introduction of new processes that are not associated with coin production.

This is the last year that this will be a valid KPI.

WASTE

We recognise that our products, in the majority, are produced from finite resources and there is a rising demand for these limited resources. To help reduce our impact, we endeavour to apply the waste hierarchy wherever possible and actively continue to look for options for recycling/recovery of our waste stream.

Year	Hazardous Waste (Tonnes)	Non-Hazardous Waste (Tonnes)	Recycled/Recovery (Tonnes)
2024–25	2,317	2,336	3,263
2023–24	3,100	3,957	4,022
2022–23	3,300	5,707	5,724
2021–22	3,295	5,966	5,979
2020–21	3,049	6,789	7,440

The waste figures are calculated from data supplied by internal weighing and information supplied by The Royal Mint's principal waste contractors as of 23 April 2025.

The removal of processes and the introduction of new processes has changed the nature of the waste streams generated. The decline in volume is expected to continue but in the short term, there may be an increase in the volume as plant is decommissioned.

GHG SCOPE ANALYSIS

Tonnes of CO_2e		2020–21	2021–22	2022–23	2023–24	2024–25
Scope 1	Natural gas usage (heating and furnaces)	3,730	3,350	2,610	2,270	1,800
	Use of vehicles owned by The Royal Mint	1	1.2	16	0.3	0.5
	Fugitive emissions (e.g. air conditioning and refrigeration leaks)	186	0	0	0	0
Scope 2	Electricity usage	5,420	5,000	6,940	2,990	2,780
Scope 3	Electricity transmission	470	430	320	140	130
	Business travel	32	299	565	510	528
	Water supply	14	20	24	24	20
	Water treatment (off-site)	13	13	8	9	3
	Waste disposal	149	135	123	86	22

NOTES TO SCOPE ANALYSIS REPORTING AND DATA

The above datasets are calculated to comply with the SECR regulations. Emission scopes and scope categories, data sources, and calculation methodologies are consistent with previous years. This includes reporting against a more limited set of Scope 3 categories, retrospective updating of conversion factors, which are revised by the UK Government year-on-year and some rounding of numbers. As such, some datasets may vary slightly to that reported for formal net-zero performance reporting. From 2025–26, all datasets used for SECR purposes, will be updated to reflect that used in net-zero performance reporting, which will correspond with the five years of data required for SECR, but will also be timely given the use of a new emissions intensity ratio for SECR purposes.

The fugitive emissions from air conditioning and refrigeration leaks figure have been calculated from any losses/removal identified during the six-month routine maintenance inspections undertaken and multiplied by the global warming potential of the gas replaced. The 2020–21 figure was the result of leaks totalling 92kg of refrigerant gas from two pieces of equipment on site.

Data collection is taken from records of meter readings for gas, electricity, mains supplied water and abstracted water.

The figures reported from 2021–22 for 'Use of vehicles owned by The Royal Mint' and 'Business travel' have been modified to the methodology and figures reported in the net-zero performance reporting submission.

For this report, The Royal Mint has used the UK Government Conversion Factors 2024 Condensed Set for Most Users V1. This data remains valid until 10 June 2025.

The UK electricity factor is prone to fluctuate from year to year as the fuel mix consumed in UK power stations (and auto-generators) and the proportion of net-imported electricity changes. These annual changes can be large as the factor depends very heavily on the relative prices of coal and natural gas as well as fluctuations in peak demand and renewables. Given the importance of this factor, the explanation for fluctuations will be presented here henceforth.

In the 2019 GHG Conversion Factors, there was a 10% decrease in the UK Electricity CO_2e factor compared to the previous year. In the 2020 update, the CO_2e factor decreased (compared with 2019) again by 9%. In the 2021 update, the CO_2e factor again decreased by 9% (in comparison to the 2020 update). The above decreases are all due to a decrease in coal use in electricity generation and an increase in renewable generation.

In the 2024 update, the UK Electricity CO_2e factor has remained at a similar level to 2023 update.

The CHP plant Electricity CO_2e factor as supplied by Infinite Renewables (the service provider) is 0.1386kg CO_2e per kWh of energy supplied.

Corporate Governance

INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of The Royal Mint Group's policies, aims and objectives. It is also designed to evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place throughout the year and up to the date of approval of the Annual Report. The Company has not adopted the UK Corporate Governance Code in full. However, it voluntarily applies certain principles and provisions of the Code, where these are considered appropriate and proportionate to the Company's size, structure and complexity.

The system of internal control is based on a framework of regular management information, administrative procedures, including the segregation of duties, and a system of delegation and accountability.

In particular, it includes:

- comprehensive budgeting systems with an annual operating plan and budget that is reviewed and agreed by the Board of Directors;
- regular reviews by the Board of periodic and annual reports, which indicate performance against the budget and latest forecast;
- setting targets and KPIs to measure financial and other performance;
- risk management framework as detailed below;
- clearly defined capital investment control guidelines; and
- formal physical and information security arrangements.

Executive Directors provide annual written confirmation in relation to the effectiveness of the system of internal control in their area of responsibility.

There were no lapses of data security in the year that were reportable to the Information Commissioner's Office.

RISK MANAGEMENT

Under the guidance of the Board of Directors and Audit and Risk Committee, The Royal Mint Group's risk management processes are undertaken by the Executive Management Team. They focus on the identification and management of the key risks that could affect the achievement of The Royal Mint Group's policies, aims and strategic objectives. The Executive Management Team is also responsible for overseeing the effective establishment and maintenance in operation of a management framework that evaluates and manages risk, which the team perform on a monthly basis as part of their review mechanism.

The Board of Directors set the risk appetite for The Royal Mint Group and, as part of its oversight process, has input into the procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives. It undertakes a review of risk management at least annually and reviews each major risk at least once a year.

The Royal Mint Group's risk management framework and practice aim to follow guidance issued by HM Treasury.

Together with a series of operational risk registers covering each of the areas they are responsible for, the Executive Management Team reviews the risk profile and maintains a register of key corporate risks. Updated regularly, these registers evolve as new risks are identified and formally elevated to the risk register.

The Royal Mint Group's Principal Risks and Uncertainties have been assessed as those which would threaten its business model, future performance, solvency or liquidity and reputation in 2024–25 and are detailed on page 18.

INTERNAL AUDIT

The Royal Mint Group operates internal audit arrangements to standards defined in the Public Sector Internal Audit Standards. During 2024–25, KPMG LLP undertook this function. Its annual audit plan and the results of its audit, including recommendations for improvement, are presented to the Audit and Risk Committee. It also provides an independent opinion on the adequacy of The Royal Mint Group's system of internal control.

KPMG LLP assessed the effectiveness of The Royal Mint's control framework as 'Moderate'.

THE BOARD OF DIRECTORS AND ITS COMMITTEES

During the year, the Board of Directors comprised the Chair of the Board, six Non-Executive Directors and four Executive Directors (the Chief Executive, Chief Financial Officer, Managing Director Currency and Chief Commercial Officer). The Board met nine times in 2024–25 (2023–24: ten times). Attendance by members at the Board and Committee meetings is set out below in relation to how many meetings they attended whilst in office:

	Board	Audit Committee	Remuneration Committee	Nominations Committee
Anne Jessopp	9	4*	4*	4*
Andrew Mills	6/6	N/A	N/A	N/A
Nicola Howell	9	N/A	N/A	N/A
Michael Davies	5/5	2/2*	N/A	N/A
Graham Love	7/7	3/3*	4*	3/3
Christopher Walton	3/3	1/1*	0/0*	2/2
William Spencer	9	4	N/A	4
Shimi Shah	8	N/A	4	4
Andrew Butterworth	9	4	4	4
Kate Barnett	9	4	N/A	4
Matthew Woolsey	9	4	N/A	4
Lisa Montague	9	N/A	4	4
Number of meetings	9	4	4	4

*Attended the Committee by invitation, not as members.

All Non-Executive Directors are considered independent upon appointment, with the exception of Andrew Butterworth who has a seat on the board as a representative of HM Treasury as shareholder. He is also a member of the Audit and Risk Committee, Remuneration Committee and Nominations Committee

Andrew Mills and Graham Love resigned as Directors on 31 December 2024 and 27 January 2025 respectively. Shimi Shah resigned as a director after year-end on 30 June 2025.

Michael Davies and Christopher Walton were appointed as Directors on 28 October 2024 and 27 January 2025 respectively.

THE ROLE OF THE BOARD

The Board's role is to provide entrepreneurial leadership of the Group to enhance and preserve long-term shareholder value in line with HM Treasury policy and within a framework of prudent and effective controls that enables risk to be assessed and managed.

The roles and responsibilities of the Board are to:

- develop the future strategy of the business required to realise the strategic objectives;
- review, as appropriate, the strategic objectives and agree them with the shareholder;
- ensure a three- to five-year plan is in place in order to realise the strategic objectives;
- ensure that the necessary management structure, financial and human resources are in place in order to achieve the agreed plan;
- determine the risk appetite of the organisation in furtherance of achieving the strategic objectives and ensure there is a robust ongoing process to identify and appropriately manage strategic and significant operational risks;
- regularly review objectives and management performance against annual plans and associated business KPIs;
- ensure the Group operates with appropriate values and standards and ensure that its obligations to its shareholders and others are understood and met;
- review, approve or propose strategic investment in line with investment authority limits as agreed with the shareholder;
- ensure that the Group operates at all times within applicable laws and regulations and within an appropriate procedural framework; and
- ensure that the board fulfils its duties in the Memorandum and Articles of Association of the Company, functions and any frameworks that may be agreed with the shareholder.

Quality information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. At each Board meeting, the Directors receive a report from the Chief Executive covering all areas of the business along with financial information detailing performance against budget/latest forecast. A rolling agenda also ensures the Board receives formal papers, inter alia, on the annual budget and Annual Report. All Directors have access to independent professional advice, at The Royal Mint Limited's expense, if required.

The Board of Directors confirms that it considers the Consolidated Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary to assess the Group's performance, business model and strategy.

Board reviews its effectiveness in a number of ways, including commissioning external reviews and conducting internally facilitated reviews in line with good corporate practice. During the year, an external review of the Board was performed by Socia Limited, an independent governance consultancy with no other connection to The Royal Mint. The evaluation included structured interviews with all Board members, observation of Board and committee meetings, and a review of key governance documentation. The review noted that the Board takes its responsibilities seriously and operates in a highly professional manner, and has guided the Group through a period of significant transformation. As the business is now moving from a phase of innovation to one of delivery the review made a number of recommendations aimed at strengthening the Board's effectiveness during this period of change and an action plan has already been developed to implement those recommendations. The next external review is scheduled for 2028.

The Board values the varied contribution that the diverse nature of the Board members brings and is supportive of the principle of boardroom diversity, of which gender is an important, but not the only, aspect. It is considered that the ratio of men to women should be at most 75–25 and our Board exceeded this during the year at 50–50, based on attendance in 2024–25.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee comprises no fewer than three independent Non-Executive Directors. The Committee invites the Chair of the Board, Chief Executive, Chief Financial Officer, Director of Corporate Finance, Financial Controller, Chief Risk Officer and senior representatives of both the internal and external auditors to attend meetings. The Board deems Andrew Butterworth as independent for the purposes of the Audit and Risk Committee, whilst the Chair of the Audit and Risk Committee has recent and relevant financial experience.

The Audit and Risk Committee monitors and reviews the effectiveness of the internal control systems, accounting policies and practices, financial reporting processes, risk management procedures, as well as the integrity of the financial statements. It also closely monitors and oversees the work of the internal auditors as well as ensuring the external auditors provide a cost-effective service and remain objective and independent. It has provided assurance to the Board by giving scrutiny to the Annual Report and financial statements, reviewing the results of work carried out by the internal and external audit, supporting the development of the risk assurance approach, and monitoring key risks and issues significant to the Group.

REMUNERATION COMMITTEE

The Committee comprises no fewer than three Non-Executive Directors and meets at least twice a year. Remuneration decisions are guided by a Remuneration Framework, which was agreed with HM Treasury at the time of the Company's vesting and subsequently updated and approved by HM Treasury in May 2020.

The Committee's primary role is to determine, in reference to this framework, the remuneration and performance-related incentive schemes of the Directors and Executive Management Team, subject to the consent of UK Government Investments (UKGI) if applicable. The Terms of Reference for the Committee are available on The Royal Mint Limited's website, and the Remuneration Report is set out on page 58.

NOMINATIONS COMMITTEE

The Nominations Committee comprises all Non-Executive Directors and meets as and when necessary. The Committee works with UKGI to appoint board members on the following basis:

- the Chair of the Board is appointed by the HM Treasury Minister on advice from HM Treasury and UKGI, in consultation with the Chief Executive and the Nominations Committee;
- the Chief Executive appointment is approved by the HM Treasury Minister, on advice of the Chair of the Board, HM Treasury and UKGI and in consultation with the Nominations Committee; and
- the Nominations Committee in consultation with UKGI and with UKGI's consent makes other Board appointments.

The Nominations Committee ensures that all Board recruitment seeks to build on this diversity and all roles are recruited using both advertisements and search.

EXECUTIVE MANAGEMENT TEAM

The Chief Executive has primary responsibility for the day-to-day management of the business. She discharges her responsibilities through an Executive Management Team, whose membership is made up from the executives leading the main functions of the business. The Executive Management Team formally meets on a regular basis and no fewer than ten times a year.

The roles and responsibilities of the Executive Management Team are:

- the implementation of the plan and efficient operation of the business;
- the development and subsequent implementation of a long-term strategy in conjunction with the Board;
- the development of an annual budget, for approval by the Board;
- the approval of capital expenditure over £150,000 and major contracts that don't require Board approval;
- monitor the risk profile in line with Board's risk appetite, oversee a risk management culture and a framework of effective controls;
- the development and implementation of performance improvement programmes;
- the establishment, maintenance and development of operating procedures; and
- with reference to the Remuneration Committee, develop remuneration systems for staff, including performance-related pay.

GOING CONCERN

The Group meets its day-to-day funding requirements through its revolving credit facility from the Royal Mint Trading Fund, specific banking arrangements with relationship banks and precious metals leasing facilities. A £36 million revolving credit facility from the Royal Mint Trading Fund is in place until the next renewal date of 30 November 2028. The Group has a £20 million overdraft that is renewed annually (most recently June 2025) and precious metals leasing facilities that are in place with a number of established providers.

A combination of subdued economic conditions and strategic decisions taken with the longer-term performance of the Group in mind have impacted on the short-term position of the Group. In particular, investment in the new businesses, exit costs associated with ceasing production of overseas currency and the business restructuring have all impacted on the overall funding position. However, the Group's forecasts and projections support the longer-term strategy and show that the Group expects to operate within the capacity of its current facilities for a period of at least 18 months from the date of signing these financial statements. This has been further supported by a financial assessment of key risks to the businesses, taking account of potential changes in trading performance through 'plausible downside scenarios' and 'reverse stress testing' up to 31 March 2027. None of the assessed plausible downside scenarios result in an ongoing need for additional funding and the likelihood of the reverse stress test scenarios materialising are considered highly improbable. In the unlikely event these scenarios do arise and continue for an extended period of time, the Group would take mitigating actions and are confident that the existing facilities, particularly the ability to draw down further on the significant headroom on the precious metals leasing facilities, would provide an appropriate level of support. On this basis, having assessed the principal risks and the other matters discussed in the Strategic Report, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements.

Anne Jessopp
CHIEF EXECUTIVE OFFICER
22 September 2025

Remuneration Report

Whilst the Company is not required under the Companies Act 2006 to produce a Directors' Remuneration Report, it has chosen to voluntarily disclose information on remuneration in accordance with the principles of the UK Corporate Governance Code, where appropriate. This report includes information on the remuneration of Key Management Personnel and the Board of Directors to promote transparency and good governance.

The disclosures in this report are not intended to comply in full with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

REMUNERATION COMMITTEE

The Committee's primary role is to determine, within the bounds of the Directors' Remuneration Framework agreed with the shareholder, the remuneration and performance-related incentive schemes of the Executive Management Team, subject to the consent of UKGI and HM Treasury ministers, if required. The Secretary to the Committee is the Chief People Officer and the Chief Executive is invited to attend the Committee. Directors do not take part in any decision affecting their own remuneration.

REMUNERATION POLICY

The Royal Mint Group's policy is to maintain levels of remuneration such as to attract, motivate and retain executives of a high calibre who can contribute effectively to the successful development of the business.

EXECUTIVE MANAGEMENT TEAM

At 31 March 2025, the team was made up of seven roles:

- Chief Executive;
- Chief Financial Officer;
- Chief Commercial Officer;
- Director of Operations;
- Chief People Officer;
- Chief Marketing Officer; and
- Chief Growth Officer.

EXECUTIVE MANAGEMENT TEAM'S TERMS, CONDITIONS AND REMUNERATION

The remuneration package of members of the Executive Management Team consists of the following elements:

i. Basic salary

The basic starting salary of a member of the Executive Management Team is determined as part of the recruitment and selection process. Thereafter it is subject to annual review and regular external benchmarking to ensure compliance with the Remuneration Framework.

ii. Short-Term Incentive Plan (STIP)

At the start of the year, the Remuneration Committee agreed the targets for the STIP for 2024–25. The purpose is to recognise and reward outstanding performance against planned business targets, with a strong focus on Economic Value Added (EVA) and operating profit. STIP awards are disclosed and accrued in the year they are earned. The maximum amount it was possible to earn for 2024–25 was 33% of basic salary for the Chief Executive and 30% of basic salary for the other members of the Executive Management Team.

iii. Long-Term Incentive Plan (LTIP)

The LTIP is in place to reward and recognise achievement of the strategic and sustainable development of the business. Targets relate to EVA and EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), and combine single and three-year timescales. The maximum amount it is possible to earn under each LTIP scheme is 33% of the basic salary for the Chief Executive and 25% for the other members of the Executive Management Team.

LTIP awards are disclosed and accrued in the year they are earned. Amounts are paid in the year following the conclusion of each three-year scheme.

There were three LTIP schemes operating during 2024–25. One started in 2022–23 and concluded in 2024–25 and any amount earned will be paid in 2025–26; the second started in 2023–24 and any amount earned will be paid in 2026–27. The third started in 2024–25 and any amount earned will be paid in 2027–28.

iv. Pension Scheme

All members of the Executive Management Team who joined after 1 January 2010 are members of The Royal Mint Group Personal Pension Plan, a defined contribution scheme.

All members of the Executive Management Team, who joined prior to 1 January 2010, were members of Prudential Platinum Pension – The Royal Mint Limited Scheme, a defined benefit pension scheme. The Prudential Platinum scheme was closed for additional contributions on 31 March 2015 and all members of the Executive Management Team who were members of the Prudential Platinum scheme at 31 March 2015 decided to accept a Cash Equivalent Transfer Value (CETV) into their private personal schemes. From 1 April 2015 all Executive Management Team members, who joined prior to 1 January 2010, have accrued benefits into the Civil Service Pension Scheme.

v. Discretionary Benefits Allowance

Any allowance paid is non-consolidated, non-pensionable and is not used for the basis of Incentive Plan calculations: payments are included within remuneration below.

The following sections provide details of the salaries, pension entitlements and fees of the board members and Executive Management Team.

The 2024–25 targets set by the Remuneration Committee in April 2024 were not met, so no amounts were earned under the STIP or under the single year timescale of the LTIP. The amounts earned under the LTIP in the following table reflect the achievement over the three-year timescales within the plan.

REMUNERATION AND INCENTIVE PLANS

Executive Management Team of The Royal Mint Limited	Total remuneration 2024–25 £'000	Remuneration before incentives 2025–25 £'000	STIP amounts earned 2024–25 £'000	LTIP amounts earned 2024–25 £'000	Total remuneration 2023–24 £'000	Remuneration before incentives 2023–234 £'000	STIP amounts earned 2023–24 £'000	LTIP amounts earned 2023–24 £'000
Anne Jessopp	288	266	-	22	269	249	-	20
Michael Davies	168	168	-	-	-	-	-	-
Andrew Mills	121	121	-	-	163	154	-	9
Leighton John	147	138	-	9	140	132	-	8
Nicola Howell	188	177	-	11	174	164	-	10
Sean Millard	171	161	-	10	155	147	-	8
Caroline Webb	144	144	-	-	143	137	-	6
Amanda Brady	149	143	-	6	134	131	-	3
Huw Lewis	-	-	-	-	149	149	-	-

Board members during the year were Anne Jessopp, Michael Davies, Andrew Mills and Nicola Howell. Michael Davies was appointed as Statutory Director on 28 October 2024 and Andrew Mills resigned as a Director on 31 December 2024. Michael Davies became a member of the Executive Team in May 2024, prior to his appointment as Statutory Director, and his remuneration in the table above covers that period.

No non-cash benefits-in-kind were provided during the year.

MEDIAN PAY

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. For the purpose of this disclosure, the remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include pension contributions or the cash-equivalent transfer value of pensions.

Using this basis, in 2024–25 the remuneration of the highest-paid director of The Royal Mint in 2024–25 was £288,000 (2023–24: £269,000). This was seven times (2023–24: seven times) the median remuneration of the workforce, which was £39,200 (2023–24: £37,600).

PENSION BENEFITS ACCRUED

The table should be read in the context of the notes that follow.

	Value of pension benefits 2024–25 in CSPS £'000	Value of pension benefits 2023–24 in CSPS £'000	Employee contributions paid 2024–25 £'000
Anne Jessopp	125	95	21
Andrew Mills	130	58	10
Leighton John	68	57	10

	Increase in accrued pension in year in excess of inflation £'000	Transfer value as at 31 March 2025 £'000	Transfer value as at 31 March 2024 £'000	Increase in transfer value less Employee Contributions £'000
Anne Jessopp	102	1,116	915	180
Andrew Mills	55	816	863	(57)
Leighton John	48	409	337	62

The 'Increase in transfer value less employees' contributions' corresponds to the difference between the value placed on benefits accrued at dates that are one year apart, the start and end of the year, less employee contributions. This largely relates to the value placed on the additional accrual of benefits over the year but also reflects any changes in assumptions used to calculate transfer values.

Michael Davies, Nicola Howell, Sean Millard, Amanda Brady and Caroline Webb are members of The Royal Mint Group Personal Pension Plan, a defined contribution scheme. Employer contributions made during the year were as follows:

- Michael Davies £20,100 (2023–24: £nil);
- Nicola Howell £21,283 (2023–24: £19,610);
- Sean Millard £9,664 (2023–24: £8,843);
- Caroline Webb £17,307 (2023–24: £12,716); and
- Amanda Brady £17,120 (2023–24: £15,750).

EMPLOYMENT AGREEMENTS

All permanent members of the Executive Management Team covered by this Annual Report hold open-ended appointments; their notice periods are six months.

Early termination (other than for misconduct or persistent poor performance) would result in the individual receiving compensation in line with the relevant redundancy scheme.

NON-EXECUTIVE DIRECTORS' TERMS, CONDITIONS AND FEES

The Chair of the Board is engaged under a letter of appointment from UKGI under delegated authority from HM Treasury. The other Non-Executive Directors apart from Andrew Butterworth are appointed by the Company with approval of UKGI. Either party can terminate their engagement upon giving three months' notice.

The Non-Executive Directors receive an annual fee. The Chair of the Board's fee is agreed by HM Treasury ministers. The fees of other Non-Executive Directors are agreed by the Nominations Committee and subsequently consented by UKGI.

	2024–25 £'000	2023–24 £'000
Graham Love	39	47
Christopher Walton	16	-
William Spencer	25	25
Shimi Shah	23	23
Kate Barnett	20	20
Matthew Woolsey	20	20
Lisa Montague	20	20

Christopher Walton was appointed on 27 January 2025 and Graham Love resigned on the same day.

Non-Executive Directors are reimbursed for reasonable travel and subsistence expenses claimed in the performance of their duties and the total amount paid to the Non-Executive Directors during 2024–25 was £6,000 (2023–24: £9,000).

Andrew Butterworth received no fees from The Royal Mint Limited.

Anne Jessopp
CHIEF EXECUTIVE OFFICER
22 July 2025

Independent Auditor's Report to the Members of The Royal Mint Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of The Royal Mint Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of cash flows and notes to the financial statements, including 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 are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties. We assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

Responsibilities of the directors

As explained more fully in the statement of directors' responsibilities set out on page 21, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent company and industry in which it operates through our general commercial and sector experience and discussions with management. We determined that the following laws and regulations were most significant: The Companies Act 2006, and UK-adopted international accounting standards (for the Group), the Companies Act 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework' (for the parent company).
- We obtained an understanding of how the group and parent company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes;
- We assessed the susceptibility of the group and parent company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

  - Assessing the design and implementation of controls management has in place to prevent and detect fraud;

  - Obtaining an understanding of how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;

  - Challenging assumptions and judgments made by management in its significant accounting estimates;

  - Identifying and testing journal entries, in particular those with unusual characteristics; and

  - Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the entity operates, and the understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation; and
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

USE OF THIS REPORT

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanne Love
SENIOR STATUTORY AUDITOR

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

22 July 2025

Consolidated Income Statement

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Before IFRS 9-related items and exceptionals 2024–25 £'000	IFRS 9-related items (note 5) 2024–25 £'000	Exceptionals (note 5) 2024–25 £'000	Total 2024–25 £'000	Before IFRS 9-related items and exceptionals 2023–24 (Restated*) £'000	IFRS 9-related items (note 5) 2023–24 £'000	Exceptionals (note 5) 2023–24 £'000	Total 2023–24 (Restated*) £'000
Revenue	2	1,315,323	-	-	1,315,323	1,352,451	-	-	1,352,451
Cost of sales		(1,277,705)	248	(26,182)	(1,303,639)	(1,295,050)	(175)	(2,305)	(1,297,530)
Gross profit/(loss)		37,618	248	(26,182)	11,684	57,401	(175)	(2,305)	54,921
Administrative expenses		(14,146)	-	(3,318)	(17,464)	(13,981)	-	(3,943)	(17,924)
Selling and distribution costs		(39,084)	-	(2,205)	(41,289)	(40,006)	-	-	(40,006)
Other (losses)/gains – net	23	340	(594)	-	(254)	852	(14)	-	838
Operating profit/(loss)	3	(15,272)	(346)	(31,705)	(47,323)	4,266	(189)	(6,248)	(2,171)
Finance income	6	945	-	-	945	617	-	-	617
Finance costs	6	(3,775)	-	-	(3,775)	(3,622)	-	-	(3,622)
Share of profit of associate accounted for using the equity method	10	232	-	-	232	179	-	-	179
(Loss)/profit before tax		(17,870)	(346)	(31,705)	(49,921)	1,440	(189)	(6,248)	(4,997)
Taxation	7				13,555				457
(Loss)/profit for the financial year					(36,366)				(4,540)
(Loss)/profit attributable to: owners of the parent					(36,366)				(4,540)

*Comparative figures have been restated – see note 1.33 for details.
All results above relate to Continuing Operations.
The Royal Mint Limited
Company registration number: 6964873

The notes on pages 72 to 106 form part of the financial statements.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024–25 £'000	2023–24 (restated)* £'000
(Loss)/profit for the financial year		(36,366)	(4,540)
Other comprehensive (expense)/income:			
Items that may subsequently be reclassified to profit or loss			
Losses on cash flow hedges		(1)	(258)
Hedging gains/(losses) reclassified to profit or loss		99	96
Items that will not be reclassified to profit or loss			
Remeasurements for defined benefit scheme	17	85	1,002
Deferred tax on remeasurements for defined benefit scheme	16	(21)	(251)
Other comprehensive income for the year, net of tax		162	589
Total comprehensive (expense)/income for the year		(36,204)	(3,951)
Total comprehensive (expense)/income attributable to:			
Owners of the parent		(36,204)	(3,951)

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital £'000	Share premium £'000	Retained earnings (restated*) £'000	Hedging reserve £'000	Total equity £'000
At 1 April 2024 (as previously stated)	6,000	39,319	28,524	(99)	73,744
Prior year restatement	-	-	(2,781)	-	(2,781)
At 1 April 2025	6,000	39,319	25,743	(99)	70,963
Loss for the financial year	-	-	(36,366)	-	(36,366)
Other comprehensive income/(expense)	-	-	64	98	162
Total comprehensive expense for the year	-	-	(36,302)	98	(36,204)
Gain from hedging transferred to carrying value of inventory purchased in the year	-	-	-	1	1
Transactions with owners – dividend	-	-	-	-	-
At 31 March 2025	6,000	39,319	(10,559)	-	34,760

* Comparative figures have been restated – see note 1.33 for details.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital £'000	Share premium £'000	Retained earnings (restated)* £'000	Hedging reserve £'000	Total equity £'000
At 1 April 2023 (as previously stated)	6,000	39,319	35,415	(96)	80,638
Profit for the financial year	-	-	(1,951)	-	(1,951)
At 1 April 2023 (restated*)	6,000	39,319	33,464	(96)	78,687
Loss for the financial year	-	-	(4,540)	-	(4,540)
Other comprehensive income/(expense)	-	-	751	(162)	589
Total comprehensive income/(expense) for the year	-	-	(3,789)	(162)	(3,951)
Gain from hedging transferred to carrying value of inventory purchased in the year	-	-	-	159	159
Transactions with owners – dividend	-	-	(3,932)	-	(3,932)
At 31 March 2024	6,000	39,319	25,743	(99)	70,963

* Comparative figures have been restated – see note 1.33 for details.

The notes on pages 72 to 106 form part of the financial statements.

Company Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital £'000	Share premium £'000	Retained earnings (restated)* £'000	Hedging reserve £'000	Total equity £'000
At 1 April 2024 (as previously stated)	6,000	39,319	26,523	(99)	71,743
Prior year restatement	-	-	(2,781)	-	(2,781)
At 1 April 2024 (restated)*	6,000	39,319	23,742	(99)	68,962
Loss for the financial year	-	-	(36,493)	-	(36,493)
Other comprehensive income/(expense)	-	-	64	98	162
Total comprehensive income for the year	-	-	(36,429)	98	(36,331)
Gain from hedging transferred to carrying value of inventory purchased in the year	-	-	-	1	1
At 31 March 2025	6,000	39,319	(12,687)	-	32,632

* Comparative figures have been restated – see note 1.33 for details.

Company Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital £'000	Share premium £'000	Retained earnings (restated)* £'000	Hedging reserve £'000	Total equity £'000
At 1 April 2023 (as previously stated)	6,000	39,319	33,856	(96)	79,079
Prior year restatement	-	-	(1,951)	-	(1,951)
At 1 April 2023 (restated*)	6,000	39,319	31,905	(96)	77,128
Loss for the financial year	-	-	(4,982)	-	(4,982)
Other comprehensive income/(expense)	-	-	751	(162)	589
Total comprehensive income / (expense) for the year	-	-	(4,231)	(162)	(4,393)
Gain from hedging transferred to carrying value of inventory purchased in the year	-	-	-	159	159
Transactions with owners – dividend	-	-	(3,932)	-	(3,932)
At 31 March 2024	6,000	39,319	23,742	(99)	68,962

* Comparative figures have been restated – see note 1.33 for details.

The notes on pages 72 to 106 form part of the financial statements.

Consolidated Statement of Financial Position

AS AT 31 MARCH 2025

	Notes	Group 2025 £'000	Group 2024 (restated)* £'000	Group 2023 (restated)* £'000
NON-CURRENT ASSETS				
Property, plant and equipment	8	58,122	70,277	68,399
Intangible assets	9	28,860	19,501	11,845
Investments	10	8,343	2,793	2,763
Deferred tax assets	16	3,457	-	-
Retirement benefit surplus	17	8,246	7,779	6,484
TOTAL NON-CURRENT ASSETS		107,028	100,350	89,491
CURRENT ASSETS				
Inventories	11	52,728	56,399	95,836
Derivative financial instruments	24	235	891	1,166
Current tax asset	7	4,373	1,749	898
Trade and other receivables	12	21,969	26,924	37,998
Cash and cash equivalents	22	7,684	10,640	7,242
TOTAL CURRENT ASSETS		86,989	96,603	143,140
CURRENT LIABILITIES				
Borrowings	13	(766)	(663)	(12,651)
Other liabilities	24	(346)	(1,672)	-
Trade and other payables	14	(109,342)	(95,930)	(128,527)
Provision for liabilities and charges	15	(3,468)	-	-
Derivative financial instruments	24	(61)	(439)	(833)
TOTAL CURRENT LIABILITIES		(113,983)	(98,704)	(142,011)
NET CURRENT ASSETS		(26,994)	(2,101)	1,129
NON-CURRENT LIABILITIES				
Borrowings	13	(26,452)	(11,336)	(2,062)
Other liabilities	24	(15,938)	(5,427)	-
Accruals and deferred income	14	(805)	(958)	(1,112)
Deferred tax liability	16	-	(8,044)	(8,215)
Provision for liabilities and charges	15	(2,079)	(1,521)	(544)
NET ASSETS		34,760	70,963	78,687
EQUITY				
Share capital	25	6,000	6,000	6,000
Share premium	25	39,319	39,319	39,319
Retained earnings at 1 April		25,743	33,464	26,660
(Loss)/profit for the year		(36,366)	(4,540)	8,214
Other		64	(3,181)	(1,410)
Retained earnings at 31 March		(10,559)	25,743	33,464
Hedging reserve		-	(99)	(96)
TOTAL EQUITY		34,760	70,963	78,687

* Comparative figures for derivatives financial instruments and retained earnings have been restated – see note 1.33 for further details.

The financial statements on pages 72 to 106 were approved by the Board of Directors and signed on its behalf on __ July 2025 by

Michael Davies
CHIEF FINANCIAL OFFICER

Company Statement of Financial Position

AS AT 31 MARCH 2025

	Notes	Company 2025 £'000	Company 2024 (restated)* £'000	Company 2023 (restated)* £'000
NON-CURRENT ASSETS				
Property, plant and equipment	8	58,122	70,277	67,344
Intangible assets	9	28,860	19,501	11,845
Investments	10	6,485	1,000	1,000
Deferred tax assets	16	3,457	-	-
Retirement benefit surplus	17	8,246	7,779	6,484
TOTAL NON-CURRENT ASSETS		105,170	98,557	86,673
CURRENT ASSETS				
Inventories	11	52,728	56,399	95,836
Derivative financial instruments	24	235	891	1,166
Current tax asset	7	4,373	1,749	898
Trade and other receivables	12	22,030	27,076	39,635
Cash and cash equivalents	22	7,421	10,375	6,994
TOTAL CURRENT ASSETS		86,787	96,490	144,529
CURRENT LIABILITIES				
Borrowings	13	(766)	(663)	(12,651)
Other liabilities	24	(346)	(1,672)	-
Trade and other payables	14	(109,410)	(96,025)	(128,657)
Provision for liabilities and charges	15	(3,468)	-	-
Derivative financial instruments	24	(61)	(439)	(833)
TOTAL CURRENT LIABILITIES		(114,051)	(98,799)	(142,141)
NET CURRENT ASSETS		(27,264)	(2,309)	2,388
NON-CURRENT LIABILITIES				
Borrowings	13	(26,452)	(11,336)	(2,062)
Other liabilities	24	(15,938)	(5,427)	-
Accruals and deferred income	14	(805)	(958)	(1,112)
Deferred tax liability	16	-	(8,044)	(8,215)
Provision for liabilities and charges	15	(2,079)	(1,521)	(544)
NET ASSETS		32,632	68,962	77,128
EQUITY				
Share capital	25	6,000	6,000	6,000
Share premium	25	39,319	39,319	39,319
Retained earnings at 1 April		23,742	31,905	25,436
(Loss)/profit for the year		(36,493)	(4,982)	7,879
Other		64	(3,181)	(1,410)
Retained earnings at 31 March		(12,687)	23,742	31,905
Hedging reserve		-	(99)	(96)
TOTAL EQUITY		32,632	68,962	77,128

* Comparative figures for derivatives financial instruments and retained earnings have been restated – see note 1.33 for further details.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting its own income statement and statement of comprehensive income.

The financial statements on pages 72 to 106 were approved by the Board of Directors and signed on its behalf on 22 July 2025 by

Michael Davies
CHIEF FINANCIAL OFFICER

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group 2024–25 £'000	Group 2023–24 (restated)* £'000
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/profit before tax		(49,921)	(4,997)
Depreciation on non-current assets		17,884	7,847
Amortisation on non-current assets		4,734	4,372
Gain on disposal of assets		(19)	-
Impairment		945	-
Finance income		(945)	(617)
Finance costs		3,775	3,622
Cash flow hedges		377	(122)
Share of associate		(232)	(180)
Changes in operating assets and liabilities:			
Difference between pension charge and cash contribution		(198)	21
Inventory		3,671	39,437
Trade and other receivables		3,811	10,687
Trade and other payables		14,221	(32,298)
Provisions		4,026	977
Cash (used) generated from operations		2,129	28,749
Interest paid		(2,811)	(2,675)
Net tax received		553	(429)
Net cash (used) generated from operating activities		(129)	25,645
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6,037)	(8,441)
Proceeds from disposal of property, plant and equipment		779	-
Purchase of intangible assets		(5,984)	(5,354)
Purchase of minority interest investment		(5,485)	-
Interest received		564	303
Dividends received		167	150
Net cash used in investing activities		(15,996)	(13,342)
CASH FLOW FROM FINANCING ACTIVITIES			
Drawdown of borrowings		15,000	10,000
Repayments of borrowings		(127)	(12,121)
Drawdown of precious metals facilities		425,198	174,519
Repayment of precious metals facilities		(425,787)	(177,198)
Principal lease payments		(1,222)	(744)
Dividends paid		-	(3,932)
Net cash received from financing activities		13,062	(9,476)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		(3,063)	2,827
Cash and cash equivalents at start of year		10,640	7,242
Effects of exchange rate changes on cash and cash equivalents		107	571
Cash and cash equivalents at end of year	22	7,684	10,640

*The drawdown and repayments of the precious metals facilities were previously netted from the movement in trade and other payables within 'Cashflow from operating activities". These have been disclosed separately within 'Cashflow from financing activities' in 2024–25 and the comparatives have been restated to be on a consistent basis.

The notes on pages 72 to 106 form part of the financial statements.

Notes to the Financial Statements

NOTE 1 MATERIAL ACCOUNTING POLICIES

1.1 GENERAL INFORMATION

The Royal Mint Limited ('the Company') is a private limited company incorporated in the UK and registered and domiciled in England and Wales. The address of its registered office is Llantrisant, Pontyclun, CF72 8YT. The Group, which comprises the Company and its subsidiaries ('the Group'), is a manufacturer, distributor and retailer of coins, bullion and related products.

1.2 MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below and are also applicable to the separate financial statements of the Company. Unless otherwise stated, these policies have been consistently applied to all the years presented.

1.3 BASIS OF PREPARATION

The consolidated financial statements of the Group 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.

The individual financial statements of the parent company, The Royal Mint Limited, have been prepared in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework (FRS 101), as issued by the Financial Reporting Council and in accordance with the Companies Act 2006.

As permitted by section 408 of the Companies Act 2006, the parent company's income statement and statement of comprehensive income have not been presented as part of these financial statements.

The financial statements have been prepared under the historic cost convention, as modified by revaluation of financial assets and liabilities, including derivative financial instruments, at fair value through profit or loss. Where the standard permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of The Royal Mint Limited Group, for the purpose of giving a true and fair view, has been selected; these particular policies adopted are described below. These policies have been applied consistently unless otherwise stated in dealing with items that are considered material to the financial statements.

The financial statements represent the consolidated financial statements of The Royal Mint Limited.

1.4 CONSOLIDATION

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group has rights or exposure to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Associates, which are entities over which the Company has significant influence but not control, are accounted for under the equity method of accounting that presents the share of the result for the period since acquisition within the Consolidated Income Statement and the share of the net assets in the Consolidated Statement of Financial Position.

Inter-company transactions, balances and unrealised gains on transactions between Group companies, along with unrealised losses, are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

1.5 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New standards, amendments and interpretations

For its annual reporting period commencing 1 April 2024, the Group has applied the following amendments for the first time:

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 *Leases*; and
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 Financial Instruments: *Disclosures – Supplier Finance Arrangements*.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been issued but are not mandatory for the Group's 31 March 2025 reporting period and have not been adopted early. These include *IFRS 18 Presentation and Disclosure in Financial Statements*, which was issued in April 2024 and replaces IAS 1. IFRS 18 introduces changes to the structure of the income statement, including defined subtotals and requirements to disclose management-defined performance measures.

Whilst the Group is still assessing the full impact, the standard is expected to affect the presentation and disclosures in the financial statements rather than recognition or measurement of transactions.

The Group does not expect the adoption of any other new standards to have a material impact on the financial statements in the current or future reporting periods.

1.6 SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

1.7 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of the Company and the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in sterling, which is the functional currency of the Company.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 Income Statement, except when deferred in equity as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents are presented in the Income Statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the Income Statement within 'Other gains/(losses)'.

1.8 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of those items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably; the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Income Statement during the financial year in which they are incurred.

Depreciation is calculated on a straight-line basis to charge the depreciable amount of the respective asset to income over its expected useful life. The determination of asset lives for depreciation purposes is reviewed on a regular basis. Assessing the useful economic life of an asset is based on management judgement taking into account historical experience, wear and tear and the impact of technological change. The useful lives of assets are as follows:

	Years
Freehold land and buildings (including integral features)	Up to 50
Plant and machinery	Up to 20

No depreciation is provided in respect of land or payments on account and assets in the course of construction.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within 'Other gains/(losses)' in the Income Statement.

1.9 INTANGIBLE ASSETS

Intangible assets

Directly attributable costs are recognised as an intangible asset where the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits;
- the existence of a market or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during development.

Payments on account and assets under the course of construction

Internal costs capitalised are those direct employee costs involved in the design and testing of IT systems. These costs are initially held within assets in the course of construction within intangible assets before being transferred to software within intangibles. Other costs included in this category relate to capital projects not yet completed.

Software

IT system, online website and licences for computer software are amortised on a straight-line basis over a period between three and eight years.

Patents

Patents acquired by the Group are amortised on a straight-line basis over a period of eight to ten years.

Development costs

Research costs are expensed as incurred.

Capitalised development costs are direct employee and other costs relating to technology for commercial production. Development costs are amortised when commercial production begins over the expected useful life of the technology and before then are held within assets in the course of construction within intangible assets.

IP Licences

Licence fees are capitalised when the criteria for recognition as an intangible asset are met. Any licence fees payable before the recognition criteria are met are expensed as incurred. On initial recognition, the intangible asset and a corresponding liability are measured as the present value of the future licence fees payable over the expected term of the licence. Future licence fees are discounted at the Group's incremental borrowing rate (the interest rate that management considers the Group would incur to borrow a similar amount over a similar term and with similar security).

Where an option exists to extend the licence beyond an initial term, the expected term of the licence includes the extension period only if it is reasonably certain that the extension option will be exercised. Where an early termination option exists, the expected term of the licence does not include the period beyond the termination option unless it is reasonably certain that the termination option will not be exercised. The likelihood that extension or termination options will be exercised is regularly assessed.

The intangible asset is amortised over the expected term of the licence. The corresponding liability is measured at the amortised cost such that the discount on the future licence fees payable is recognised as an interest expense over the term of the licence. If the terms of a licence are modified, the liability for licence fees is remeasured and a corresponding adjustment to the carrying amount of the licence is recognised. The adjusted carrying amount of the licence is amortised over the remainder of its expected term.

Contingent payments related to a licence such as royalties, profit-sharing and bonus payments are not capitalised and are recognised as an expense as incurred.

Section 1.30 provides details of the critical judgements associated with the Excir IP licence.

1.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that have suffered historical impairment are reviewed for possible reversal of the impairment at each reporting date.

1.11 FINANCIAL ASSETS

Financial assets are recognised when the Group becomes party to the contracts that give rise to them and are classified as financial assets at fair value through the Income Statement or financial assets at amortised cost, as appropriate. When financial assets are recognised, initially they are measured at fair value, being the transaction price, and in the case of financial assets not at fair value through the Income Statement, directly attributable transaction costs.

All standard purchases and sales of financial assets are recognised on the trade date, which is the date a commitment is made to purchase or sell the asset. Standard transactions require delivery of assets within the time frame generally established by regulation or convention in the marketplace. The Group classifies its financial assets as follows:

a. **Financial assets measured at amortised cost**
These include non-derivative financial assets held to collect contractual cash flows, where those cash flows solely represent payments of principal and interest. These assets are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest method, less any loss allowance for expected credit losses.

b. **Financial assets measured at fair value through profit or loss (FVTPL)**
The Group holds derivative financial instruments to hedge foreign currency and commodity price risks. These are measured at fair value through profit or loss, unless designated in an effective hedging relationship under IFRS 9 hedge accounting, in which case hedge accounting is applied. Changes in the fair value of derivatives not designated in a hedging relationship are recognised in the Income Statement.

1.12 IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises expected credit losses for financial assets measured at amortised cost. Expected credit losses are measured as the difference between the contractual cash flows due and the cash flows the Group expects to receive, discounted at the original effective interest rate where relevant. The estimate considers past events, current conditions and forward-looking information about future economic conditions.

The Group evaluates trade receivables and other financial assets individually or collectively, depending on the nature of the exposure and credit risk characteristics. Expected credit losses are recognised in the Income Statement as a separate line item and reduce the carrying amount of the financial asset through an allowance.

A financial asset is written off when there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are recognised in the Income Statement when received.

1.13 TRADE RECEIVABLES

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost, less an allowance for expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which requires recognition of a lifetime expected credit loss allowance for all trade receivables.

Expected credit losses are estimated based on historical loss experience, adjusted for current conditions and forward-looking information relevant to the credit risk of the trade receivables. The Group reviews significant individual balances to assess any increased credit risk and estimates impairment accordingly. The allowance for expected credit losses is recognised in the Income Statement and represents the difference between the carrying amount and the present value of estimated future cash flows. Trade receivables are written off when there is no reasonable expectation of recovery. Recoveries of amounts previously written off are recognised in the Income Statement.

1.14 FINANCIAL LIABILITIES

(a) Interest-bearing loans and borrowings
Obligations for loans and borrowings are recognised at commencement of the related contracts and are measured initially at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance costs. Borrowing costs are recognised in the Income Statement in the year in which they are incurred.

In line with the amendments to IAS 1 ('Classification of Liabilities as Current or Non-current' issued by the IASB in January 2020 and 'Non-current Liabilities with Covenants' issued by the IASB in October 2022), we classify our revolving credit facility from the Royal Mint Trading Fund as non-current, as we have access to the facility for at least 12 months after the reporting period.

(b) Financial liabilities at fair value through the Income Statement
Financial liabilities at fair value through the Income Statement includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Derivatives, including separated embedded derivatives, are classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Income Statement.

1.15 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to reduce exposure to risks associated with movements in foreign currency rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of forward metal contracts is determined by reference to current forward metal contracts with similar maturity profiles.

The Group applies hedge accounting for those derivative instruments that are designated in qualifying hedging relationships. At the inception of the hedge relationship, the Group formally documents the relationship between the hedging instrument and the hedged item, the risk management objective and strategy for undertaking the hedge, the nature of the risk being hedged, and how the hedge effectiveness will be assessed.

Under IFRS 9, hedge effectiveness is determined based on the existence of an economic relationship between the hedged item and the hedging instrument, the credit risk of the counterparties not dominating the value changes, and the hedge ratio being aligned with the risk management strategy. Hedges are reassessed on an ongoing basis to determine whether they continue to meet the hedge effectiveness requirements.

For the purpose of hedge accounting, the Group designates certain hedges as cash flow hedges, which hedge exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, whist the ineffective portion is recognised in the Income Statement within 'Other gains/(losses)'. Amounts taken to equity are transferred to the Income Statement when the hedged transaction affects the Income Statement in Cost of Sales, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the Income Statement in 'Other gains/(losses)'. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs and are transferred to the initial carrying amount of a non-financial asset or liability as above. If the related transaction is not expected to occur, the amount is taken to the Income Statement in

'Other gains/(losses)'.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the Income Statement in 'Other gains/(losses)'.

Contracts are reviewed at initiation to assess if they contain an embedded derivative and then accounted for where relevant.

1.16 INVENTORIES

Inventories are stated at the lower of cost and estimated net realisable value, after due allowance for obsolete or slow-moving items. Cost includes all direct expenditure and any attributable overhead expenditure incurred in bringing goods to their current state under normal operating conditions. The first in, first out or an average method of valuation is used. Net realisable value is the estimated selling price in the ordinary course of business less the costs of completion and selling expenses.

1.17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short-term, highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities.

The Group holds cash balances on behalf of its customers. An assessment is made of the rights to these funds in accordance with the requirements of IAS 32.

1.18 TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the original invoice amount (fair value) and subsequently measured at amortised cost using the effective interest method.

1.19 CURRENT AND DEFERRED TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the date of the Statement of Financial Position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group falls within the scope of the OECD's Pillar Two global minimum tax rules, as its consolidated annual revenue exceeds the €750 million threshold. The UK enacted legislation implementing the Pillar Two framework in July 2023, which is effective for the Group for the first time in this financial year. However, it does not have any additional financial impact, as the Group is already subject to an effective tax rate above the 15% minimum.

1.20 EMPLOYEE BENEFITS

a. **Pension obligations**
The Group operates both defined benefit and defined contribution pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

(i) Platinum Prudential Pension – The Royal Mint Limited Scheme

The surplus recognised in the Statement of Financial Position in respect of defined benefit pension plans is the fair value of plan assets less the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognised past service costs. A pension asset is recognised only to the extent that it is probable that it will lead to a return of economic benefits to the Group. The scheme will benefit from a refund of surplus assets assuming gradual settlement of the scheme's liabilities. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds, which are denominated in the currency in which the benefits will be paid and have terms to maturity approximating to the terms of the related pension liabilities. A pension asset is recognised to the extent that it is recoverable. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs, and gains/(losses) on curtailment or settlement are recognised in income on occurrence.

(ii) Principal Civil Service Pension Scheme (PCSPS) and Civil Servant and Other Pension Scheme (CSOPS)

Whilst the PCSPS and CSOPS are defined benefit schemes, the Company accounts for them as defined contribution schemes as the Group cannot determine its share of the underlying assets and liabilities due to them being multi-employer, unfunded defined benefit pension schemes.

(iii) Defined Contribution Scheme – The Royal Mint Limited Group Personal Pension Plan (GPP)

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b. **Profit-sharing and incentive schemes**
Based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments, the Group recognises a liability and an expense for profit-sharing and incentive schemes. An accrual is recognised when the Group is contractually obliged or where there is a past practice that has created a constructive obligation.

1.21 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

1.22 REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

The Group sells directly to customers and to wholesale providers. In both instances, revenue is recognised when control has passed to the buyer, which is generally on delivery of the goods and services supplied during the year and dependent on the terms of trade within the contract except in the case of 'bill and hold' arrangements, where revenue is recognised when the following requirements are satisfied:

- the reason for the bill-and-hold arrangement is substantive;
- the product is identified separately as belonging to the customer;
- the product is ready for physical transfer to the customer; and
- the entity does not have ability to use the product or to direct it to another customer.

For charged licence, storage fees and Exchange Traded Commodities (ETCs) revenue is recognised on delivery of the service.

Within the Precious Metals business, customers can enter into 'bullion buy-back' transactions whereby they sell physical and digital products to the Group, who then sell the equivalent ounces immediately on to the bank. As the Group is deemed to be the agent in this transaction, the revenue is recognised net of costs and is recognised at the point at which the sale of the precious metal ounces has completed.

No significant element of financing is deemed present, because the majority of sales are paid in advance of despatch with only a minority of sales being offered credit. A receivable is recognised when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

For the sale of Precious Metals, the Group is considered the Principal from the perspective of the end consumer and therefore sales and costs are recognised on a gross basis within revenue and cost of sales respectively.

For the sales of our Consumer products, it is the Group's policy to sell its products to the end customer with a right of return within 14 days. Therefore, a refund liability is recognised within provisions in respect of these returns. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). As the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

1.23 LEASES

The Group leases equipment and vehicles. Rental contracts are typically made for fixed periods from one month to seven years, but may have extension options.

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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. This may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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.

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. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payment that is not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group's incremental borrowing rate is the rate that it 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.

The lease liability is measured at the amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognised the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Precious metal leases

The Group enters into precious metal lease arrangements whereby the counterparty retains the risks and rewards of ownership of the metal until the Group exercises its right to purchase the metal.

These arrangements do not meet the definition of a lease under IFRS 16 because:

- the precious metals available under these leases are fungible commodities rather than non-fungible or specifically identified assets;
- the Group does not have the right to control the use of a specified asset during the lease term; and

- the Group does not have an obligation to purchase the metals under the lease agreements.

As a result, neither the physical metal nor the associated leases are recognised on the Group or Company's Statement of Financial Position.

1.24 EXCEPTIONAL ITEMS

Exceptional items are material items of income or expense that are separately disclosed due to their size, nature or incidence, and which are not expected to recur frequently. These items are presented separately on the face of the income statement to provide a clearer understanding of the Group's underlying performance.

1.25 DIVIDEND DISTRIBUTION

Dividends are recognised in the financial statements in the year in which the dividends are approved by the Company's shareholders.

1.26 SHARE CAPITAL

Ordinary shares are classified as equity.

1.27 GRANTS

Government capital grants are treated as deferred income and released to the income statement in accordance with the expected useful life of the related assets.

Revenue grants received on a cost-reimbursement basis are recognised as other income in the same period as the related eligible expenditure. These grants are recoverable through the submission of claims after the expenditure has been incurred, ensuring the grant income is matched to the costs it is intended to compensate.

1.28 INVESTMENTS

The investments in subsidiary undertakings are carried at cost.

Investments in associates are accounted for using the equity method of accounting. Under this method, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in the income statement, and its share of movements in other comprehensive income of the associate in other comprehensive income.

Where the Group's share of losses in an associate exceeds its interest in the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued unless the Group has a legal or constructive obligation to make further payments.

The carrying amount of investments in associates includes goodwill identified on acquisition, net of any accumulated impairment losses. Goodwill on associate is recognised in respect of the excess contribution paid for the acquisition of an interest in an associate company over the fair value of the share of net assets acquired.

Other investments are recognised initially at fair value, including transaction costs where the investment is not classified at fair value through profit or loss. Subsequent measurement depends on the classification of the investment:

- investments at fair value through profit or loss (FVTPL): these are measured at fair value, with changes in fair value recognised in the income statement;
- investments at fair value through other comprehensive income (FVOCI): these are measured at fair value, with changes in fair value recognised in other comprehensive income, unless impaired or derecognised; and
- investments at amortised cost: where the business model is to hold the investment to collect contractual cash flows, and those cash flows represent solely payments of principal and interest, the investment is measured at amortised cost using the effective interest method, less any loss allowance for expected credit losses.

Purchases and sales of investments are recognised on the trade date – the date on which the Group commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

1.29 GOING CONCERN

These accounts have been prepared on the going concern basis. The Group considers the appropriateness of adopting the going concern basis annually by assessing the future performance of the business against the available facilities. This takes into account the nature, rates and tenures of the respective facilities and uses the latest available financial forecast information for a period up to 31 March 2027. In addition to this base-case assessment, the Group tests the sensitivity of adopting the going concern basis to changes in assumptions – these risks are taken from a variety of sources, notably the Executive Risk Committee. For each assessed risk, a plausible downside scenario is tested and recorded and a reverse stress test is performed and evaluated as to the likelihood of such a scenario arising. All scenarios are modelled gross of any mitigating actions. Further details are included in the Corporate Governance report.

1.30 CRITICAL ACCOUNTING JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. **Precious metals sales**
Management has exercised judgement in determining whether the Group acts as a principal or an agent in its precious metals sales. This assessment is critical in determining whether revenue should be recognised on a gross or net basis. In making this determination, the Group considers whether it controls the stock before they are transferred to the customer and the Group has concluded that it acts as a principal, as it assumes the significant risks and rewards associated with the inventory purchase. This includes taking ownership of the metals before adding a premium to the sale price before selling to the customer. As such, revenue is recognised on a gross basis, reflecting the total consideration received from customers.

b. **Impairment of non-financial assets**
The Group assesses whether there have been any impairment indicators at the end of each reporting period whenever events or circumstances indicate that the carrying amount may not be recoverable. When value in use calculations are undertaken because an impairment indicator is in place, management estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the net present value of those cash flows. Key assumptions are disclosed in note 8.

c. **Identifying cash-generating units**
Management has exercised judgement in identifying the Group's cash-generating units (CGUs). Based on an assessment of how cash inflows are generated and monitored, the Group has identified two CGUs: one comprising all activities linked to the UK Coin contract and a second representing the Precious Metals Recovery business.

In determining the composition of the CGUs, management considered the high level of interdependence across the Currency, Consumer and Precious Metals Investments operating segments. These segments share significant common assets, infrastructure and resources, and are commercially underpinned by the UK coin contract and associated rights. Accordingly, these activities are treated as a single CGU. Further information is provided in note 8 of the financial statements.

d. Excir licence

The Group entered into an intellectual property (IP) licence agreement with Excir in March 2021. At that time, it was considered that the criteria for recognising the licence as an intangible asset had not been met as the technical feasibility and commercial viability of the technology had yet to be demonstrated. Therefore, the licence fees payable to Excir were initially recognised as an expense as incurred. Once feasibility and viability had been determined, there was a commitment to pay monthly licence fee payments to Excir from thereon, and therefore the criteria for recognising the licence as an intangible asset was judged to have been met. An intangible asset was recognised at an initial cost of £8.41 million, being the present value of the licence fees payable over the remainder of the expected term of the licence. A discount rate of 6.4% was applied, being the interest rate that management considered the Group would have incurred to borrow the amount of the future licence fees over the remainder of the expected term of the licence. A corresponding liability was recognised within other liabilities on the face of the Statement of Financial Position.

On 1 April 2024, certain amendments to the Group's technology licence agreement with Excir became effective. In particular, the minimum term of the licence was extended to 31 March 2039 and the profile of the licence fees was changed such that lower licence fees are payable during the first nine years and higher annual licence fees are payable thereafter. The liability for licence fees was remeasured as the present value of the amended licence fees payable over the minimum term of the licence discounted at 6.4%. As a result, the carrying amount of the liability increased by £8.65 million to £15.7 million and a corresponding increase in the carrying amount of the licence to £16.1 million. The revised carrying amount of the licence is being amortised over its minimum term. The amended licence agreement provides for profit-sharing and other contingent payments to Excir in place of the royalties that were payable under the original licence agreement. Any such payments are recognised as an expense as they are incurred.

1.31 KEY SOURCES OF ESTIMATION UNCERTAINTY

Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The key assumptions used in determining the net cost (income) for pensions include the discount rate and life expectancies. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year, taking into consideration the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Key assumptions are disclosed in note 17.

1.32 OTHER ACCOUNTING ESTIMATES AND ASSUMPTIONS

Inventory

Provision is made for those items of inventory where the net realisable value is estimated to be lower than cost or goods are obsolete.Net realisable value is based on both historical experience and assumptions regarding future selling values and is consequently a source of estimation uncertainty.

Property, plant and equipment

The determination of assets' lives for depreciation purposes is reviewed on a regular basis. Assessing the useful economic life of an asset is based on management estimate taking into account historical experience, wear and tear, the impact of technological change and trends in societal behaviour. Consequently, this represents a source of estimation uncertainty.

Restructuring provisions

Restructuring costs are recognised as soon as there is a present obligation resulting from a past event, and a reliable estimate of costs can be made. Determining whether an obligation exists is a key judgement for deciding when to record a restructuring accrual or provision. A constructive obligation for a restructuring is determined to have arisen when there is a detailed formal plan specifying the business or part of a business concerned and the Company has created a valid expectation in those affected that it will carry out the plan, by either starting to implement the plan or announcing its main features to those affected by it. Following the announcement in April 2024 of the closure of the overseas currency operations, the Company operated a voluntary leave scheme during 2024–25, offering employees an opportunity to exit the business and receive a one-off payment. The costs associated with the voluntary departure of those employees were charged as incurred during 2024–25. During February 2025, the company announced another restructure, and a formal consultation process was started for affected employees following the announcement. Employee termination fees were accrued at 31 March 2025.

1.33 PRIOR PERIOD RESTATEMENT – RESTATEMENT OF ACCOUNTING TREATMENT FOR PRECIOUS METALS FORWARD CONTRACTS

During the current year, the Group undertook a review of its accounting for its precious metals forward contracts previously recognised as derivative financial instruments under IFRS 9. As a result of this review, the Group has concluded that separate contracts previously accounted for as standalone derivatives should, in substance, be treated as a single unit of account.

The revised accounting treatment arises from the fact that:

- the contracts were entered into at the same time and in contemplation of one another;
- the contracts were with the same counterparty;
- they relate to the same underlying risk exposure; and
- there is no apparent economic or business purpose for structuring the transactions separately that could not have been achieved through a single instrument.

Taking these factors into account, the Group determined that the combined arrangement does not meet the definition of a derivative financial instrument. The restatement reflects a clarification of the accounting treatment based on further analysis of the contractual terms and their economic substance.

As a result of this reassessment, the Group has restated its comparative financial information for the year ended 31 March 2024. The impacts of the restatement are summarised on the next page.

Impact on Consolidated Statement of Financial Position

AS AT 31 MARCH 2024

	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Derivative financial assets	2,853	(2,853)	-
Derivative financial liability	(71)	71	-
Retained earnings	(28,524)	2,781	(25,743)

AS AT 31 MARCH 2023

	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Derivative financial assets	1,952	(1,952)	-
Derivative financial liability	(1)	1	-
Retained earnings	(35,415)	1,951	(33,464)

Impact on Consolidated Statement of Profit or Loss

FROM THE YEAR ENDED 31 MARCH 2024

	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Cost of sales	1,952	(1,952)	-
Other losses/(gains) – net	(2,782)	2,782	-
Loss before tax	(830)	830	-

FROM THE YEAR ENDED 31 MARCH 2023

	Previously reported (£'000)	Adjustment (£'000)	Restated (£'000)
Other losses/(gains) – net	(1,951)	1,951	-
Profit before tax	(1,951)	1,951	-

NOTE 2 SEGMENTAL REPORTING–GROUP

The Group is not required to apply IFRS 8 Operating Segments, and therefore any segment information below is voluntarily provided to enhance users' understanding of the Group's operations and is not designed to comply with IFRS 8.

The Group has determined its business segments based on internal management reports reviewed by the Board of Directors for the purposes of strategic decision-making. The Board reviews the business from a product perspective, as each segment offers products for different purposes and serves distinct markets.

The following table presents revenue, operating profit and certain asset and liability information regarding the Group's business segments for the years ended 31 March. Whilst being established as divisions, Collector Services and The Royal Mint Experience are included in the Consumer results, whilst the ETCs gains/losses are included within Precious Metals. The Lifestyle business and the Group's subsidiaries are currently unallocated due to immateriality.

A) ANALYSIS BY CLASS OF BUSINESS 2024–25

	Currency £'000	Consumer £'000	Precious Metals £'000	Precious Metals Recovery £'000	Total Segments £'000	Unallocated £'000	Total £'000
Segment revenue	30,252	97,506	1,184,364	924	1,313,046	2,277	1,315,323
Depreciation and amortisation	3,486	2,468	792	1,220	7,966	1,559	9,525
Operating (loss)/profit before IFRS 9 and exceptional items and allocation of central costs	(9,285)	8,639	15,744	(5,307)	9,791	(25,063)	(15,272)
IFRS 9 and exceptional items	(26,821)	(2,402)	(994)	(663)	(30,880)	(1,171)	(32,051)
Allocation of central costs	(5,646)	(6,675)	(2,852)	(460)	(15,633)	15,633	-
Total operating (loss)/profit	(41,752)	(438)	11,898	(6,430)	(36,722)	(10,601)	(47,323)
Segment assets and liabilities:							
Non-current assets	27,432	13,872	247	42,291	83,842	23,186	107,028
Current assets	11,627	21,701	23,807	7,863	64,998	21,991	86,989
Current liabilities	(7,432)	(8,697)	(31,832)	(2,299)	(50,260)	(63,723)	(113,983)
Non-current liabilities	(2,079)	(805)	-	(15,938)	(18,822)	(26,452)	(45,274)
Net assets/(liabilities)	29,548	26,071	(7,778)	31,917	79,758	(44,998)	34,760

ANALYSIS BY CLASS OF BUSINESS 2023–24

	Currency £'000	Consumer £'000	Precious Metals (restated)* £'000	Precious Metals Recovery £'000	Total Segments £'000	Unallocated (restated)* £'000	Total £'000
Segment revenue	65,603	135,731	1,150,099	-	1,351,433	1,018	1,352,451
Depreciation and amortisation	5,627	2,764	937	945	10,273	1,946	12,219
Operating (loss)/profit before IFRS 9 and exceptional items and allocation of central costs	(10,821)	25,346	20,317	(4,854)	29,988	(25,722)	4,266
IFRS 9 and exceptional items	(6,931)	-	(830)	-	(6,931)	494	(6,437)
Allocation of central costs	(3,150)	(7,156)	(4,893)	(819)	(16,018)	16,018	-
Total operating (loss)/profit	(20,902)	18,190	15,424	(5,673)	7,039	(9,210)	(2,171)
Segment assets and liabilities:							
Non-current assets	33,861	14,985	381	23,426	72,653	27,697	100,350
Current assets	34,057	25,391	11,236	-	70,684	25,919	96,603
Current liabilities	(18,161)	(14,302)	(11,032)	(1,111)	(44,606)	(54,098)	(98,704)
Non-current liabilities	(1,288)	(1,192)	-	(7,099)	(9,579)	(17,707)	(27,286)
Net assets/(liabilities)	48,469	24,882	585	15,216	89,152	(18,189)	70,963

* 2023–24 figures have been restated – see note 1.33 for details.

Central costs are allocated to the business units on a percentage basis determined by the support provided to the business units by the central cost centres.

The unallocated net assets/(liabilities) comprise cash at bank and in hand, overdraft, borrowings, derivative financial instruments, central stock items, current and deferred tax assets/(liabilities) along with receivables and payables balances that are not specifically attributed to a segment. The unallocated net assets/(liabilities) comprise cash at bank and in hand, overdraft, borrowings, derivative financial instruments, central stock items, current and deferred tax assets/(liabilities) along with receivables and payables balances that are not specifically attributed to a segment.

B) GEOGRAPHICAL ANALYSIS OF REVENUE

Revenue by destination is set out below:

	2024–25 £'000	2023–24 £'000
UK	658,071	355,887
Germany	67,284	116,879
Rest of Europe	142,545	105,388
United States of America	285,344	584,280
Rest of Americas	10,232	7,060
Asia	67,594	112,651
Africa	1,849	34,959
Rest of the World	82,404	35,347
Total revenue	1,315,323	1,352,451

During 2024–25, there was no customer (2023–24: one customer, £191.8 million) that represented in excess of 10% of revenue.

NOTE 3A GROUP AND COMPANY OPERATING PROFIT/(LOSS)

Group and Company operating profit is stated after charging/(crediting):	Group 2024–25 £'000	Group 2023–24 (restated)* £'000
Depreciation	17,884	7,847
Amortisation	4,734	4,372
Gain on disposal	(19)	-
Impairment	945	-
Research and development	3,159	847
Exceptional items (note 5)	31,705	6,248
Commodity hedges loss/(gain)	(594)	(14)
Foreign exchange (gain)/loss	(46)	(288)
Precious metal lease arrangement fees	3,371	3,781
Auditor's remuneration		
Audit of the Company and Group financial statements	206	201
Non-audit fees – other	7	77

NOTE 3B LEASES RECOGNISED IN THE INCOME STATEMENT

The Income Statement shows the following amounts relating to leases:

	Group 2024–25 £'000	Group 2023–24 £'000
Depreciation of right-of-use assets		
Plant and machinery	1,039	587
Interest expense (included in finance costs)	184	151
Expense relating to short-term leases (included in administrative expenses)	806	825
Expense relating to low-value leases (included in administrative expenses)	99	96

NOTE 4 REMUNERATION AND EMPLOYMENT

Due to only 13 people being employed by RM Experience Limited, there is no material difference between this note on a Company and Group basis. No other subsidiaries have any employees.

TOTAL GROUP STAFF COSTS

	2024–25		2023–24	
	£'000	£'000	£'000	£'000
Wages and salaries				
Staff with a permanent contract	35,637		39,036	
Other staff	1,174		1,471	
		36,811		40,507
Social security costs				
Staff with a permanent contract	3,773		4,018	
Other staff	130		158	
		3,903		4,176
Other pension costs				
Defined benefit:				
Staff with a permanent contract	2,399		2,573	
Defined contribution:				
Staff with a permanent contract	2,629		2,934	
Other staff	108		121	
		5,136		5,628
		45,850		50,311

AVERAGE NUMBER EMPLOYED

The monthly average number of people, including Directors, employed during the year:	2024–25 Number	2024–25 Number	2023–24 Number	2023–24 Number
Production				
Staff with a permanent contract	381		466	
Other staff	9		9	
		390		475
Sales and Marketing				
Staff with a permanent contract	217		246	
Other staff	10		11	
		227		257
Administration				
Staff with a permanent contract	154		162	
Other staff	7		5	
		161		167
		778		899

DIRECTORS' EMOLUMENTS

	2024–25 £'000	2023–24 £'000
Aggregate emoluments excluding long-term incentive scheme	895	870
Aggregate amounts receivable under long-term incentive scheme	33	40
Contributions under defined contribution pension scheme	40	25
Highest-paid Director:		
Total amounts of emoluments and amounts receivable under long-term incentive scheme	288	269
Accrued defined benefit pension at year-end	63	52
Accrued lump sum at year-end	1,116	915

Retirement benefits accrued to two Executive Directors under a defined benefit scheme during the year (2023–24: two).

NOTE 5

A) EXCEPTIONAL ITEMS

	Group 2024–25 £'000	Group 2023–24 £'000
Restructuring costs	6,100	-
Currency restructuring costs	4,730	2,560
Decommissioning costs	7,691	-
Accelerated depreciation	13,015	1,383
Impairment	-	1,018
Legal cost	169	-
Onerous contracts	-	1,287
Exceptional charge	31,705	6,248

Restructuring costs: following a business review, a formal consultation process was started in March, with affected employees confirmed by the end of March and leaving between March and June, with individual termination payments.

Currency restructuring costs: these relate to the exit of staff from the Currency business through a process that enabled staff to request to leave and receive a one-off payment.

Decommissioning costs: decommissioning costs were incurred or provided for in relation to the strategic decision to exit the currency overseas market.

Accelerated depreciation: following the decision to exit the overseas currency market, the assets associated with manufacturing overseas coins were written off on a straight-line basis by the end of the anticipated production life, resulting in accelerated depreciation of £13.0 million during 2024–25 (2023–24: £1.4 million).

Impairment: the Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable. During 2023–24, stores and spares items associated with the fixed assets used to manufacture overseas coins were impaired by £1.0 million.

Onerous contracts: during 2023–24, £1.3 million was provided for the onerous element of committed overseas contracts within the Currency business.

The split of Exceptionals is summarised below:

	Cost of sales 2024-25	Admin expenses 2024–25	Selling and distribution 2024–25	Group 2024–25
Restructuring costs	3,231	1,032	1,837	6,100
Currency restructuring costs	2,705	1,883	142	4,730
Decommissioning costs	7,231	234	226	7,691
Accelerated depreciation	13,015	-	-	13,015
Legal cost	-	169	-	169
Exceptional charge	26,182	3,318	2,205	31,705

	Cost of sales 2023-24	Admin expenses 2023-24	Selling and distribution 2023–24	Group 2023–24
Currency restructuring costs	-	2,560	-	2,560
Accelerated depreciation	-	1,383	-	1,383
Impairment	1,018	-	-	1,018
Onerous contracts	1,287	-	-	1,287
Exceptional charge	2,305	3,943	-	6,248

B) IMPACT OF IFRS 9 HEDGING INEFFECTIVENESS AND OPEN FOREIGN EXCHANGE CONTRACTS

The Group has highlighted separately on the face of the Income Statement the total impact of the profit or loss on open precious metals and foreign exchange contracts and hedging ineffectiveness under IFRS 9 at the year-end.

In accordance with the Group's accounting policy, the hedge accounting rules under International Financial Reporting Standard (IFRS) 9 have been adopted where appropriate. The ineffective portion of the gain or loss on the hedging instrument (as defined under the accounting rules of IFRS 9) is recorded in the Income Statement within 'Other gains/(losses)'.

The objective of the Group's hedging policy is to mitigate the cash flow impact of movements in the price of metal commodities where appropriate over time, the ineffectiveness impact of which for accounting purposes will be seen in different accounting periods depending on the relevant assessment under IFRS 9 rules.

The accounting treatment in this area is therefore not necessarily a reflection of the economic impact of the Group's hedging policy but represents the respective accounting impact of hedging ineffectiveness under IFRS 9.

NOTE 6 FINANCE (INCOME)/COSTS

	Group 2024–25 £'000	Group 2023–24 £'000
Interest income on pension plan liabilities	(381)	(314)
Interest and finance charges received/receivable for lease liabilities and financial liabilities not at fair value through profit and loss	(564)	(303)
Finance income	(945)	(617)
Interest and finance charges paid/payable for lease liabilities and financial liabilities not at fair value through profit and loss	3,775	3,622
Finance costs	3,775	3,622
Net finance costs	2,830	3,005

NOTE 7 TAXATION

Analysis of tax credit in year	Group 2024–25 £'000	Group 2023–24 £'000
UK corporation tax:		
- Current year	-	-
- Adjustments in respect of prior years	(2,033)	(35)
Deferred tax:		
- Current year	(12,916)	(564)
- Adjustments in respect of prior years	1,394	142
Tax credit	(13,555)	(457)

The tax credit for the year differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK (2024–25: 25%, 2023–24: 24%):

	Group 2024–25 £'000	Group 2023–24 (restated)* £'000
(Loss)/profit before tax	(49,921)	(4,997)
Profit multiplied by the standard rate of corporation tax of 25% (2022–23: 19%)	(12,480)	(1,249)
Effects of:		
Expenses not deductible for tax purposes	(857)	320
Income not taxable	(153)	(113)
Depreciation in respect of ineligible assets	574	478
Adjustments in respect of prior years	(639)	107
Taxation (credit)/charge	(13,555)	(457)

* 2023/24 figures have been restated – see note 1.33 for details.

In addition to the amount charged to the Income Statement, a deferred tax charge relating to actuarial gain on defined benefit pension schemes of £21,000 (2023–24: £251,000) has been charged directly to the Consolidated and Company Statements of Comprehensive Income.

Current tax asset	Group 2025 £'000	Group 2024 £'000
UK corporation tax	4,373	1,749

NOTE 8 PROPERTY, PLANT AND EQUIPMENT – GROUP

	Freehold land and buildings £'000	Assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Cost					
At 1 April 2024	31,217	20,581	115,875	4,451	172,124
Additions	-	5,953	-	1,384	7,337
Transfers	847	(6,771)	5,924	-	-
Disposals	-	-	(6,954)	-	(6,954)
At 31 March 2025	32,064	19,763	114,845	5,835	172,507
Accumulated depreciation					
At 1 April 2024	12,459	-	86,482	2,906	101,847
Charge for year	1,218	-	2,642	1,039	4,899
Accelerated depreciation	260	-	12,725	-	12,985
Disposals	-	-	(6,194)	-	(6,194)
Impairment	-	-	848	-	848
At 31 March 2025	13,937	-	96,503	3,945	114,385
Net book value at 31 March 2025	18,127	19,763	18,342	1,890	58,122

	Freehold land and buildings £'000	Payments on account and assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Cost					
At 1 April 2024	30,466	12,795	114,680	4,458	162,399
Additions	-	9,732	-	-	9,732
Transfers	751	(1,946)	1,195	-	-
Disposals	-	-	-	(7)	(7)
At 31 March 2024	31,217	20,581	115,875	4,451	172,124
Accumulated depreciation					
At 1 April 2023	11,252	-	80,429	2,319	94,000
Charge for year	1,207	-	4,671	587	6,465
Accelerated depreciation	-	-	1,382	-	1,382
At 31 March 2024	12,459	-	86,482	2,906	101,847
Net book value at 31 March 2024	18,758	20,581	29,393	1,545	70,277

Depreciation charges of £3.50 miillion (2023–24: £6.48 million), £694,000 (2023–24: £658,000) and £709,000 (2023–24: £659,000) are included within cost of sales, administration expenses and selling and distribution costs respectively.

Assets in the course of construction principally relate to Precious Metals recovery plant.

The Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable or for any assets which are not being amortised such as assets in the course of construction.

The Group uses the value-in-use method to estimate the recoverable amount of the related CGU and compares this to the remaining related tangible and intangible fixed assets. Management have identified there are two CGUs, one represents cash flows associated with the UK Circulating coin contract and the second CGU represents the Precious Metals Recovery business. Two separate assessments have been performed at the balance sheet date.

UK CIRCULATING COIN

The value in use of the CGU is measured using cash inflows associated with the UK coin contract that terminates in 2028. Whilst the process to award a new contract will be subject to Public Procurement principles, the Directors believe it to be reasonable to assume that The Royal Mint will be able to continue to generate cash inflows for this CGU post-2028. The impairment assessment has assumed cash inflows up to 2033. These cash inflows were compared to asset values of £53.3 million (2024: £87.8 million).

The discount rate for the UK Circulating Coin CGU of 8% (2024: 8%) has been determined by using a weighted average cost of capital adjusted for a risk factor. The recoverable amount is 140% (£74.7 million) higher than the net book value of the assets related to the UK Circulating Coin CGU (2024: 28% greater). A range of downside sensitivities have been modelled for the CGU but, given the size of the headroom, no reasonable sensitivity would result in an impairment.

PRECIOUS METALS RECOVERY (PMR)

The value in use is determined by using cash inflows for the PMR business projected over the remaining 24 years estimated useful lives of the related assets. The option to extend current technology licence with Excir is assumed to be exercised on termination of the existing agreement (after 14 years) for the remaining ten years of the impairment assessment. Cash inflows are based on the latest budget and medium-term plan (that has been extended with no growth beyond the fifth year) to the end of the projected useful life. These cash inflows were compared to asset values of £43.0 million (2024: £20.1 million).

The discount rate used for the PMR CGU of 10% (2024: 8%) has been determined by using a weighted average cost of capital adjusted for an additional risk factor to reflect the novelty of the PMR CGU. The recoverable amount is 68% (£29.1 million) higher than the net book value of assets relating to PMR (2024: 84% greater). Downside scenarios, including 30% slower ramp-up of the operational performance of the plant, a reduction of gold prices of up to 50% and increasing the discount rate to 15%, have been modelled and the recoverable amount remains above the net book value of assets for each scenario. For noting, each 1% increase in discount rate reduces the recoverable value by £5 million. Based on the modelling and downside scenarios, no impairment charge has been made during the year.

NOTE 8 PROPERTY, PLANT AND EQUIPMENT – COMPANY

	Freehold land and buildings £'000	Assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Cost					
At 1 April 2024	31,217	20,581	115,518	4,451	171,767
Additions	-	5,953	-	1,384	7,337
Transfers	847	(6,771)	5,924	-	-
Disposals	-	-	(6,597)	-	(6,597)
At 31 March 2025	32,064	19,763	114,845	5,835	175,507
Accumulated depreciation					
At 1 April 2024	12,458	-	86,126	2,906	101,490
Charge for year	1,218	-	2,642	1,039	4,899
Accelerated depreciation	260	-	12,725	-	12,985
Impairment	-	-	848	-	848
Disposals	-	-	(5,837)	-	(5,837)
At 31 March 2025	13,936	-	96,504	3,945	114,385
Net book value at 31 March 2025	18,128	19,763	18,341	1,890	58,122

	Freehold land and buildings £'000	Assets in the course of construction £'000	Plant and machinery £'000	Right of use assets (plant and machinery) £'000	Total £'000
Cost					
At 1 April 2023	30,466	12,795	113,315	4,458	161,034
Additions	-	9,732	1,008	-	10,740
Transfers	751	(1,946)	1,195	-	-
Disposals	-	-	-	(7)	(7)
At 31 March 2024	31,217	20,581	115,518	4,451	171,767
Accumulated depreciation					
At 1 April 2023	11,252	-	80,119	2,319	93,690
Charge for year	1,206	-	4,625	587	6,418
Accelerated depreciation	-	-	1,382	-	1,382
At 31 March 2024	12,458	-	86,126	2,906	101,490
Net book value at 31 March 2024	18,759	20,581	29,392	1,545	70,277

During the prior year, the wind turbine within RM Wynt Limited was transferred at net book value into the company. This appeared within the additions line at a value of £1.0 million.

NOTE 9 INTANGIBLE ASSETS – GROUP AND COMPANY

	Payments on account and assets in the course of construction £'000	Software licences £'000	IP licences £'000	Patents £'000	Development costs £'000	Total £'000
Cost						
At 1 April 2024	4,517	24,082	8,414	1,947	952	39,912
Additions	5,543	-	8,647	-	-	14,190
Transfers	(1,313)	1,313	-	-	-	-
Disposals	-	(10)	-	-	(952)	(962)
At 31 March 2025	8,747	25,385	17,061	1,947	-	53,140
Accumulated amortisation						
At 1 April 2024	-	17,062	945	1,452	952	20,411
Amortisation for year	-	3,443	1,065	196	-	4,704
Impairment	-	97		-	-	97
Accelerated amortisation	-	30	-	-	-	30
Disposals	-	(10)	-	-	(952)	(962)
At 31 March 2024	-	20,622	2,010	1,648	-	24,280
Net book value at 31 March 2024	8,747	4,763	15,051	299	-	28,860

Assets in the course of construction principally relate to the development of the Group's new ERP system.

IP licences relate to a licence agreement with Excir in relation to technology to be utilised in our Precious Metals Recovery business in the recovery of gold and other precious metals from e-waste.

Amortisation charges of £3.35 million (2023–24: £4.16 million) and £191,000 (2023–24: £212,000) are included within administration expenses and cost of sales respectively.

The Group assesses whether there have been any impairment indicators at the end of each reporting year whenever events or circumstances indicate that the carrying amount may not be recoverable or for any assets which are not being amortised such as assets in the course of construction. There have been no such events this year to indicate any impairment.

	Payments on account and assets in the course of construction £'000	Software licences £'000	IP licences £'000	Patents £'000	Development costs £'000	Total £'000
Cost						
At 1 April 2023	3,206	21,779	-	1,947	952	27,884
Additions	3,614	-	8,414	-	-	12,028
Transfers	(2,303)	2,303	-	-	-	-
At 31 March 2024	4,517	24,082	8,414	1,947	952	39,912
Accumulated amortisation						
At 1 April 2023	-	13,830	-	1,257	952	16,039
Amortisation for year	-	3,232	945	195	-	4,372
At 31 March 2024	-	17,062	945	1,452	952	20,411
Net book value at 31 March 2024	4,517	7,020	7,469	495	-	19,501

NOTE 10 INVESTMENTS – GROUP AND COMPANY

Investments in subsidiaries

The Group had the following subsidiaries at 31 March 2025 and 31 March 2024, all of which were directly held by The Royal Mint Limited. All are incorporated and domiciled in the UK and the address of the registered office for all is Llantrisant, Pontyclun, CF72 8YT.

Subsidiary	Registered number	% holding	Principal activity
RM Assets Limited	9058416	100	Precious metals (dormant)
RM Experience Limited	10953110	100	Tourism operator
RM Wynt Limited	10849239	100	Energy provider (dormant)
Precious Metals Recycling Limited	15063053	100	Precious metals recovery (dormant)

All subsidiaries are exempt from the requirement to have their financial statements audited under section 479A of the Companies Act 2006. The Royal Mint Limited has provided a guarantee under section 479C of the Companies Act 2006 in respect of each of these subsidiaries.

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Investment in associate	2,858	1,000	2,793	1,000
Other investments – FVTPL	5,485	5,485	-	-
Total investments	8,343	6,485	2,793	1,000

Investments in associate

On 1 June 2017, the Group acquired a 23.4% interest in an associate company, Sovereign Rarities Limited. Sovereign Rarities is also incorporated and domiciled in the UK and its principal activity is acting as a historic coin dealership. Its address is 2nd Floor 17–19 Maddox Street London W1S 2QH. The fair value of the consideration was £1,000,000 and the fair value of net assets acquired was £539,000 resulting in a notional goodwill balance of £461,000.

	Group 2025 £'000	Group 2024 £'000
Opening balance at 1 April	2,793	2,763
Share of profit for the year	232	180
Dividends received during the year	(167)	(150)
Closing balance at 31 March	2,858	2,793
At 31 March, Sovereign Rarities had the following:		
	2025 £'000	2024 £'000
Fixed Assets	347	71
Stock	10,203	11,025
Debtors	730	285
Cash	223	-
Current Assets	11,156	11,309
Liabilities	(1,257)	(1,416)
Net Assets	10,246	9,965
Royal Mint Limited's share of net assets (23.4%)	2,397	2,332
Goodwill arising on acquisition	461	461
Total value of investment in associate	2,858	2,793

Other investments

On 3 December 2024, the Group acquired an 8.3% equity interest in Excir Corporation, a privately held company incorporated in Canada, for a total purchase price of CAD 9.1 million. The investment was translated to £5.1 million at the exchange rate prevailing on the transaction date.

The investment has been designated as measured at FVOCI, as the Group intends to hold the investment for the long term and does not hold it for trading.

As at 31 March 2025, the fair value of the investment approximates cost. No fair value gain or loss has been recognised in other comprehensive income during 2024–25.

	Group and Company 2025 £'000	Group and Company 2024 £'000
Initial purchase price translated at acquisition rate	5,107	-
Capitalised transaction costs	378	-
Fair value adjustment (including FX)	-	-
Closing balance at 31 March	5,485	-

NOTE 11 INVENTORIES – GROUP AND COMPANY

	2025 £'000	2024 £'000
Metal inventory	22,590	27,147
Work in progress (excluding metal)	12,356	10,902
Stores and packing materials	5,269	5,250
Finished goods	12,513	13,100
	52,728	56,399

Inventories recognised as an expense in the year are recorded within cost of sales. Movement in the inventory provision during the year was a decrease of £3.5 million (2023–24: decrease of £4.0 million). During the year, inventories were reduced by £0.4 million to reflect their net realisable value (2023–24: £1.0 million).

The Group enters into precious metal arrangements whereby the lessor retains the risks and rewards of the metal until such time as the Company purchases the metal. The value of the physical metal is not recorded in the Statement of Financial Position. Inventory held in this regard amounted to £838.1 million at 31 March 2025 (2024: £823.1 million). Fees under these arrangements are recognised within cost of sales.

NOTE 12 TRADE AND OTHER RECEIVABLES

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Trade receivables	17,915	17,916	21,832	21,828
Loss allowance for expected credit losses	(1,086)	(1,086)	(580)	(580)
VAT recoverable	734	734	1,400	1,400
Prepayments and accrued income	4,230	4,230	3,841	3,841
Short-term investments	-	-	300	300
Amounts owed by related parties	177	177	131	131
Amounts owed by subsidiary undertaking	-	59	-	156
	21,969	22,030	26,924	27,076

Included within the receivables are the following:

	£'000	£'000	£'000	£'000
UK government bodies	48	48	379	379

The carrying value of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Pounds sterling	13,636	13,697	11,787	11,939
US dollars	7,111	7,111	13,643	13,643
Euros	1,222	1,222	1,494	1,494
	21,969	22,030	26,924	27,076

A provision is made for Consumer receivables based on expected credit losses for all trade receivables. The movement in provision for impairment in receivables is shown below:

GROUP AND COMPANY	2024–25 £'000	2023–24 £'000
At 1 April	(580)	(332)
Provided in the year	(506)	(248)
At 31 March	(1,086)	(580)

Further information is provided within 'Credit risk' section of note 24.

NOTE 13 BORROWINGS

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Lease obligations less than one year	631	631	528	528
Loans less than one year	135	135	135	135
Borrowings less than one year	766	766	663	663
Lease obligations greater than one year	1,259	1,259	1,016	1,016
Loans greater than one year	25,193	25,193	10,320	10,320
Borrowings greater than one year	26,452	26,452	11,336	11,336

The Company has a revolving National Loan Fund (NLF) credit facility from the Royal Mint Trading Fund of £36.0 million until 30 November 2028, of which £25 million was drawn down at 31 March 2025 (£10.0 million at 31 March 2024). Further details are provided within note 21.

In addition, the Company has a fixed term loan of which £328,000 was outstanding at 31 March 2025 (2024: £455,000); £135,000 is due in less than one year (2024: £135,000) and the remaining balance of £192,000 is due in more than one year (2024: £320,000). The Company also has an overdraft facility of £20.0 million, which was not used at the balance sheet date.

NOTE 14 TRADE AND OTHER PAYABLES

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Trade payables	8,397	8,397	9,495	9,495
Other payables	53,582	53,582	55,644	55,644
Payments received on account	9,728	9,728	13,048	13,048
Taxation and social security	1,211	1,199	1,221	1,212
Accruals and deferred income	35,042	35,038	16,063	16,052
Amounts owed to related parties	1,383	1,383	459	459
Amounts owed to subsidiary companies	-	83	-	115
Total trade and other payables – current	109,342	109,410	95,930	96,025

	Group 2024 £'000	Company 2024 £'000	Group 2023 £'000	Company 2023 £'000
Included within the payables are the following:				
UK government bodies	3,091	3,079	2,960	2,951
Public corporations and trading funds	47	47	76	76
	3,138	3,126	3,036	3,027

Other payables include amounts due from precious metals financing obligations that are typically paid within five months.

Non-current

The £805,000 of accruals and deferred income within non-current liabilities relate to a grant received from the Welsh Assembly Government in relation to the construction of The Royal Mint Experience (2024: £958,000).

NOTE 15 PROVISION FOR LIABILITIES AND CHARGES – GROUP AND COMPANY

	Decommissioning provisions	Onerous contracts £'000	Returns provision £'000	Total £'000
At 1 April 2024		1,288	233	1,521
Provided in year	-	-	352	5,547
Utilised in year	5,195	(1,288)	(233)	(1,521)
At 31 March 2025	5,195	-	352	5,547

	Onerous contracts £'000	Returns provision £'000	Total £'000
At 1 April 2023	-	544	544
Provided in year	1,288	211	1,499
Utilised in year	-	(522)	(522)
At 31 March 2024	1,288	233	1,521

The profile of settlement is set out below:

	Less than one year £'000	Between one and two years £'000	Between two and five years £'000	Over five years £'000
At 31 March 2025 – Group and Company	3,468	2,079	-	-
At 31 March 2024 – Group and Company	1,508	13	-	-

NOTE 16 DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is provided in full on temporary differences under the liability method using a tax rate of 25% (2024: 25%).

GROUP AND COMPANY	2024–25 £'000	2023–24 £'000
Liability at 1 April	8,044	8,215
Movements on deferred tax were:		
Charged to the Income Statement	(11,522)	(422)
Charged to Statement of Comprehensive Income	21	251
(Asset)/liability at 31 March	(3,457)	8,044

GROUP AND COMPANY	Assets £'000	Liabilities £'000	2025 net £'000	Assets £'000	Liabilities £'000	2024 net £'000
Accelerated tax depreciation	-	8,595	8,595	-	7,732	7,732
Derivative instruments	-	44	44	-	833	833
Retirement benefit obligation	-	1,999	1,999	-	1,887	1,887
Tax losses	(14,046)	-	(14,046)	(2,287)	-	(2,287)
Other	(49)	-	(49)	(121)	-	(121)
Deferred tax (asset)/liability	(14,095)	10,638	(3,457)	(2,408)	10,452	8,044

Movements in deferred tax (assets)/liabilities were:

	Accelerated tax depreciation £'000	Derivative instruments £'000	Retirement benefit obligations £'000	Tax losses £'000	Other £'000	Total £'000
At 1 April 2024	7,732	833	1,887	(2,287)	(121)	8,044
Charged/(credited) to the Income Statement	863	(789)	91	(11,759)	72	(11,522)
Charged to Statement of Comprehensive Income	-	-	21	-	-	21
At 31 March 2025	8,595	44	1,999	(14,046)	(49)	(3,457)

	Accelerated tax depreciation £'000	Derivative instruments £'000	Retirement benefit obligations £'000	Tax losses £'000	Other £'000	Total £'000
At 1 April 2023	6,179	595	1,562	-	(121)	8,215
Charged/(credited) to the Income Statement	1,553	238	74	(2,287)	-	(422)
Charged to Statement of Comprehensive Income	-	-	551	-	-	251
At 31 March 2024	7,732	833	1,887	(2,287)	(121)	8,044

Deferred tax charged/(credited) to the Consolidated and Company Statement of Comprehensive Income during the year was:

	2024–25 £'000	2023–24 £'000
Remeasurements on defined benefits schemes	21	251

Analysis of deferred tax liability	Group and Company 2025 £'000	Group and Company 2024 £'000
Deferred tax liability after 12 months	(3,457)	8,044

The deferred tax at 31 March 2025 has been calculated based on the rate of 25% that was substantively enacted at the balance sheet date (2024: 25%).

NOTE 17 RETIREMENT BENEFIT SCHEMES – GROUP AND COMPANY

DEFINED CONTRIBUTION SCHEME

The Group and Company operates a defined contribution scheme for employees who have joined the organisation since 1 January 2010 via The Group Personal Pension Plan (GPP). The related pension assets are held in trustee-administered funds separate from the Group. The total cost charged to the income statement of £2,737,469 (2024: £3,055,000) represents contributions payable to the scheme by the Group at rates specified in the plan rules.

DEFINED BENEFIT SCHEME

Defined benefit pension arrangements have been amended as set out below:

Prior to 1 January 2010	Employees were members of the Civil Service Pension Scheme, an unfunded defined benefit scheme.
1 January 2010 (Vesting)	New contributions to the Civil Service Pension Scheme ceased. Prudential Platinum Pension – The Royal Mint Limited Scheme (RMLS), a funded defined benefit pension scheme was created. All existing employees become members of the new RMLS. As part of the vesting process, employees were given the option to transfer deferred benefits from the Civil Service Pension Scheme into RMLS.
31 March 2015	RMLS was closed for additional contributions on 31 March 2015 and members were given the option to join the Principal Civil Service Pension Scheme (PCSPS) or the Civil Servant and Other Pension Scheme (CSOPS/Alpha), unfunded defined benefit pension schemes, or to join GPP, a defined contribution scheme for future accrual. 21 members opted to join GPP, with the remainder opting to join PCSPS or CSOPS.
From 1 April 2015	Members of RMLS had until August 2015 to decide what to do with their deferred benefits held within RMLS from the following options: i. remain in RMLS; ii. transfer into PCSPS or CSOPS; or iii. transfer into a defined contribution scheme (at Cash Equivalent Transfer Value). The majority of staff opted to transfer into a defined contribution scheme and only 1% opted to transfer into PCSPS or CSOPS.

In the Alpha scheme, employee contributions are salary-related and range between 4.6% and 8.05%, with a member building up a pension based on pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.32% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases, members may opt to give up (commute) the pension for a lump sum up to the limits set by the Finance Act 2004. Retirement age is linked to the state pension age.

Whilst Alpha is a defined benefit scheme, it is accounted for by the Company as a defined contribution scheme as the Company cannot determine its share of the underlying assets and liabilities due to it being a multi-employer unfunded defined benefit pension scheme. The cost of benefits is met by monies voted by Parliament each year.

The total cost charged to the Income Statement of £2.40 million (2023–24: 2.57 million) represents contributions payable to the scheme by the Company. As noted above RMLS was closed for additional contributions on 31 March 2015. The disclosures below relate to the residual RMLS in relation to deferred pensioners who left their benefits in the scheme and current pensioners.

Employer contributions expected to be paid for the year ended 31 March 2026 are £1.83 million.

RMLS SCHEME

The Company participates in Prudential Platinum Pension – The Royal Mint Limited, a funded defined benefit pension scheme in the UK. The sub-scheme is administered within a trust that is legally separate from the Company. The scheme will benefit from a refund of surplus assets assuming gradual settlement of the scheme's liabilities. There is an independent trustee who acts in the interest of the sub-scheme and all relevant stakeholders, including the members and the Company. The trustee is responsible for the investment of the sub-scheme's assets. This sub-scheme provides pensions and lump sums to members on retirement and to their dependants on death. Members who leave service before retirement are entitled to a deferred pension.

The Directors are aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)' case. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. In the Virgin Media case, the High Court ruled that alterations to scheme rules were void and ineffective if made without the written actuarial confirmation required under Section 37. This ruling was upheld by the Court of Appeal in June 2024. In a statement dated 5 June 2025, the government acknowledged the uncertainty this decision has caused and stated that it intends to introduce legislation to allow affected pension schemes to retrospectively obtain the necessary written actuarial confirmation where appropriate. The government noted that such action is aimed at providing clarity around scheme liabilities and member benefit levels to support long-term planning by schemes and sponsoring employers.

There may be further liability to the RMLS scheme for benefits that were reduced by previous amendments, if those amendments prove invalid (i.e. were made without obtaining Section 37 confirmation). The trustees and their legal advisers have commenced a review of historical scheme records to determine whether the required confirmations were obtained. They will continue to investigate the possible implications in light of both the court ruling and the proposed legislative developments.

At present, it is not possible to estimate the potential impact, if any, on the scheme and consequently on the defined benefit obligation in the financial statements. Any impact, if applicable, will be assessed and reflected in future reporting as appropriate.

RISKS

The residual RMLS poses a number of risks to the Company, including longevity risk, interest rate risk, inflation risk and salary risk. The trustee is aware of these risks and uses various techniques to control them. The trustee has a number of internal control policies, including a risk register, which are in place to manage and monitor the various risks they face.

ACTUARIAL VALUATION

The residual RMLS is subject to regular actuarial valuations, which are usually carried out every three years. The last was carried out with an effective date of 31 December 2022. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures which are determined using best estimate assumptions.

DETAILS OF VALUATION ASSUMPTIONS

An accounting valuation of the RMLS assets and liabilities for financial reporting purposes was carried out on 31 March 2025 by independent actuaries Xafinity Consulting. The liabilities have been valued using the projected unit method, taking into account benefits to 31 March 2015 when the scheme closed with allowance for future salary increases or future price inflation for members of the Platinum scheme.

The principal actuarial assumptions used were:	2025	2024
Discount rate	5.80%	4.90%
Price inflation RPI	2.90%	3.00%
Price inflation CPI (pre-2030)	1.90%	2.00%
Price inflation CPI (post-2030)	2.70%	2.80%
Revaluation of deferred pensions: benefits accrued before 1 February 2014	2.90%	3.00%
Revaluation of deferred pensions: benefits accrued after 1 February 2014 (pre-2030)	1.90%	2.00%
Revaluation of deferred pensions: benefits accrued after 1 February 2014 (post-2030)	2.70%	2.80%
Increase to pensions in payment: benefits accrued before 1 February 2014	2.90%	3.00%
Increase to pensions in payment: benefits accrued after 1 February 2014 (pre-2030)	2.00%	2.10%
Increase to pensions in payment: benefits accrued after 1 February 2014 (post-2030)	2.70%	2.80%
Mortality assumption – male pre- and post-retirement	121% S4PxA / 106% S4DxA CMI 2023 1.65% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 20% 2022 weighting 20% 2023 weighting	113% SAPS S3PMA CMI 2022 1.25% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 0.0% 2022 weighting
Mortality assumption – female pre- and post-retirement	107% S4PxA / 118% S4DxA CMI 2023 1.20% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 20% 2022 weighting 20% 2023 weighting	106% SAPS S3PFA CMI 2022 1.25% long-term trend 0.2% initial addition 0.0% 2020 weighting 0.0% 2021 weighting 0.0% 2022 weighting
Future expected lifetime of current pensioner at age 65		
Male aged 65 at year-end	85.3	85.8
Female aged 65 at year-end	88.4	88.7
Future expected lifetime of future pensioner at age 65		
Male aged 45 at year-end	87.1	87.1
Female aged 45 at year-end	89.8	90.2

NOTE 17 CONTINUED

The discount rate reflects the yield on the AA-rated corporate bonds of equivalent currency and term of liabilities as the scheme. The rate of inflation has been obtained by reference to the difference between the yields on long-term conventional and index-linked government bonds, and all Retail Prices Index (RPI)-linked pension increases in payment have been assessed with reference to the inflation assumption.

Amounts recognised in the Statement of Financial Position:	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Fair value of plan assets	19,534	21,501	20,428	23,173	22,695
Present value of plan liabilities	(11,288)	(13,722)	(13,944)	(21,577)	(24,635)
Net defined benefit asset/(liability)	8,246	7,779	6,484	1,596	(1,940)

Amounts recognised in the Income Statement: Service cost:	2024–25 £'000	2023–24 £'000
Administration expenses	51	40
Net interest credit	(381)	(314)
Amounts credited to the Income Statement	(330)	(274)

Re-measurements of the net (asset)/liability:

Loss/(gain) on scheme assets (excluding amounts included in interest expense)	2,725	(375)
Gain arising from changes in financial assumptions	(2,621)	(733)
Loss/(gain) arising from changes in demographic assumptions	(243)	(92)
Experience loss	54	198
Credit recorded in other comprehensive income	(85)	(1,002)
Total defined benefit credit	(415)	(1,276)

	2025 £'000	2024 £'000
Fair value of net asset at beginning of year	7,779	6,484
Movements in year:		
Administration expenses paid	52	19
Administration expenses charge	(51)	(40)
Net interest cost	381	314
Remeasurement gains/(losses):		
Actuarial gains/(losses) arising from changes in financial assumptions	2,621	733
Actuarial gains arising from changes in demographic assumptions	243	92
Return on scheme assets (excluding amounts included in interest expense)	(2,725)	375
Other experience items	(54)	(198)
Net scheme asset at end of year	8,246	7,779

	2025 £'000	2024 £'000
Fair value of assets at beginning of year	21,501	20,428
Movements in year:		
(Loss)/return on scheme assets (excluding amounts included in interest expense)	(2,725)	375
Interest income	1,046	984
Administrative expenses paid	52	19
Benefits paid	(289)	(265)
Administration expenses	(51)	(40)
Scheme assets at end of year	19,534	21,501

Actual return on assets over the year was £1.68 million (2023–24: loss of £1.36 million).

Changes in the present value of liabilities over the year:	2025 £'000	2024 £'000
Scheme liabilities at beginning of year	13,722	13,944
Movement in year:		
Interest cost	665	670
Re-measurement (gains)/losses:		
Actuarial gains arising from changes in financial assumptions	(2,621)	(733)
Actuarial gains arising from changes in demographic assumptions	(243)	(92)
Other experience items	54	198
Benefits paid	(289)	(265)
Scheme liabilities at end of year	11,288	13,722

Actual return on assets over the year was £1.36 million (2022–23: loss of £2.53 million).

The split of the scheme's liabilities by category of membership is as follows:	2025 £'000	2024 £'000
Deferred pensioners	8,964	11,024
Pensions in payment	2,324	2,698
	11,288	13,722
Average duration of the scheme's liabilities at the end of the period (years)	20	22

The major categories of scheme assets are as follows:	2025 £'000	2024 £'000
Return seeking		
UK equities	-	-
Overseas equities	-	-
Diversified growth fund	4,404	4,262
	4,404	4,262
Debt instruments		
Corporates	-	-
Index linked	15,130	17,239
	15,130	17,239
Total market value of assets	19,534	21,501

The equity and debt instruments are all unquoted. The diversified Growth Fund is akin to equity investments.
The scheme has no investments in the Company or in property occupied by the Company.
The Company expects to meet the cost of administrative expenses for the scheme during year ending 31 March 2026.

SENSITIVITY OF THE LIABILITY VALUE TO CHANGES IN THE PRINCIPAL ASSUMPTIONS

If the discount rate was 0.1% higher (lower), the scheme liabilities would decrease by £217,000 (increase by £223,000) if all the other assumptions remained unchanged.

If the inflation assumption was 0.1% higher (lower), the scheme liabilities would increase by £220,000 (decrease by £215,000). In this calculation, all assumptions related to the inflation assumption have been appropriately adjusted, that is the salary, deferred pension and pension in payment increases. The other assumptions remain unchanged.

If the salary increase assumption was 0.1% higher (lower), the scheme liabilities would not change if all the other assumptions remain unchanged as the scheme is closed to future accrual.

If life expectancies were to increase (decrease) by one year, the scheme liabilities would increase by £351,000 (decrease by £377,000) if all the other assumptions remained unchanged.

NOTE 18 DIVIDENDS

GROUP AND COMPANY	2024–25 £'000	2023–24 £'000
Dividends paid: nil (2023–24: 65.53p per share)	-	3,932

Post year-end, no dividend has been declared by the Board in respect of 2024–25.

NOTE 19 CAPITAL COMMITMENTS

GROUP AND COMPANY	2025 £'000	2024 £'000
Commitments in respect of contracts – tangible assets	233	1,020
Commitments in respect of contracts – intangible assets	2,794	1,390
	3,027	2,410

NOTE 20 OPERATING LEASE COMMITMENTS

GROUP AND COMPANY	2025 £'000	2024 £'000
Operating lease rentals due on leases expiring:		
Less than one year	13	55
Between one and five years	162	273
	175	328

The operating commitment note is no longer relevant under IFRS 16. However, as the exemption has been taken for short-term leases (lease contracts less than one year) and leases of which the underlying asset is of low value, these continue to be disclosed here as 'operating leases'.

NOTE 21 RELATED PARTY TRANSACTIONS

IMMEDIATE PARENT

The Royal Mint Limited has a revolving NLF credit facility of £36 million (2024; £36.0 million) from its immediate parent the Royal Mint Trading Fund, of which £25 million was drawn down at 31 March 2025 (£10.0 million at 31 March 2024). Whilst this facility is arranged through specific utilisation requests for durations of no more than 180 days, it is classified as non-current borrowing as we have access to the facility for at least 12 months after the reporting period. Interest charges are calculated based on SONIA + 2.75%, and payment of the interest due is settled at the end of each request. In the year, The Royal Mint Limited incurred interest charges of £1.6 million (2023–24; £2.0 million) through the revolving credit facility from the Royal Mint Trading Fund.

ULTIMATE PARENT AND OTHER GOVERNMENT BODIES

The Royal Mint Limited is a company wholly owned by HM Treasury. Regarded as a related party, HM Treasury has both an ownership and a customer role. The operation of the shareholding interest has been delegated to UKGI, which is responsible for oversight of the Company's objective of delivering a commercial return on capital employed and provision of relevant advice to the Economic Secretary to the Treasury reporting to Parliament. HM Treasury also contracts with the Company as a customer, under a Service Level Agreement, for the manufacture and distribution of UK circulating coin. During 2024–25, these sales amounted to £0.5 million (2023–24: £1.9 million). Balances outstanding to HM Treasury and other UK government bodies are disclosed within notes 12 and 14.

SUBSIDIARIES

During the year, RM Experience Limited charged £100,000 operating fee and recharged £385,000 of salary costs to The Royal Mint Limited. The amounts owed by The Royal Mint Limited at the year-end was £83,000 (2024: £115,000) and the amounts owed to The Royal Mint Limited was £59,000 (2024: £30,000).

RM Wynt Limited is no longer trading. Legacy amounts outstanding to The Royal Mint Limited is £0.5 million but the Company has made a provision against the recoverability of this intercompany receivable in 2023–24. The amounts outstanding at March 2024 was £126,000 which has been settled during the year.

RM Assets Limited is no longer trading. Legacy amounts outstanding to The Royal Mint Limited is £8.4 million but the Company has made a provision against the recoverability of this intercompany receivable many years ago.

ASSOCIATES

The Royal Mint Limited has an associate company with which it has transactions to buy and sell historic coins:

1. The Royal Mint Limited's purchases from Sovereign Rarities Limited were £3.54 million (2023–24: £3.53 million) and the amount outstanding at 31 March 2025 was £41,147 (2024: £125,540); and
2. The Royal Mint Limited's sales to Sovereign Rarities Limited were £3.02 million (2023–24: £5.75 million) and the amount outstanding at 31 March 2025 was £145,593 (2024: £708,172); and
3. The Royal Mint Limited received a dividend from Sovereign Rarities Limited of £167,667 during the year (2023–24 £150,000).

OTHER AFFILIATES

The Royal Mint Limited also contracts with The Royal Mint Museum Services Limited, a subsidiary of The Royal Mint Museum. The Royal Mint Museum is wholly owned by HM Treasury via the Royal Mint Trading Fund. The companies operate under a Service Level Agreement whereby:

1. The Royal Mint Limited provides employees, establishment and support services. The charges for this year are £471,434 (2023–24: £418,650). The amounts outstanding at year-end was £31,044 (2024: £131,393).
2. The Royal Mint Museum and the Royal Mint Museum Services Limited provide services to The Royal Mint Limited, in support of its business activities and to HM Treasury in support of its obligations to manage UK coinage. The revenue for this year is £482,424 (2023–24: £469,693) and the amounts outstanding at year-end was £12,434 (2024: 128,266).
3. The Royal Mint Museum received a quarterly donation from the Royal Mint Limited calculated in accordance with the agreement at vesting. Since 1 January 2018, the payment (calculated as previously) is in consideration for a non-exclusive licence to access and have use of the Museum's collection within the restrictions set out in the funding agreement signed 18 March 2018. The amount received for the year is £94,255 (2023–24: £154,573) and the amounts outstanding at the year-end was £11,719 (2024: £30,919).
4. The Royal Mint Limited has donated coins to the Museum collection, which are included within heritage assets at a cost of £156,275 (2023–24: £289,514).

MANAGEMENT

During the year, none of the Board members, members of the key management staff or other related parties have undertaken any material transactions with the Company. Total sales of £14,110 were made to management during the year.

REMUNERATION OF KEY MANAGEMENT STAFF

The Executive Management Team are considered key management staff. The remuneration of the key management staff is set out below:

GROUP AND COMPANY	2024–25 £'000	2023–24 £'000
Salaries and other employee benefits	1,376	1,327
Post-employment benefits	243	224
	1,619	1,551

Salaries and other employee benefits includes remuneration, STIP and LTIP amounts earned; further details can be found within the Remuneration Report.

NOTE 22 ANALYSIS OF NET DEBT

GROUP	At 1 April 2024 £'000	Non-cash changes £'000	Cash flow £'000	At 31 March 2025 £'000
Cash at bank and in hand	10,640	107	(3,063)	7,684
Obligations under lease	(1,544)	(1,568)	1,222	(1,890)
Loans	(10,455)	-	(14,873)	(25,328)
	(1,359)	(1,461)	(16,714)	(19,534)

GROUP	At 1 April 2023 £'000	Non-cash changes £'000	Cash flow £'000	At 31 March 2024 £'000
Cash at bank and in hand	7,242	571	2,827	10,640
Obligations under lease	(2,137)	(151)	744	(1,544)
Loans	(12,576)	-	2,121	(10,455)
	(7,471)	420	5,692	(1,359)

COMPANY	At 1 April 2024 £'000	Non-cash changes £'000	Cash flow £'000	At 31 March 2025 £'000
Cash at bank and in hand	10,375	107	(3,061)	7,421
Obligations under lease	(1,544)	(1,568)	1,222	(1,890)
Loans	(10,455)	-	(14,873)	(25,328)
	(1,624)	(1,461)	(16,712)	(19,797)

	At 1 April 2023 £'000	Non-cash changes £'000	Cash flow £'000	At 31 March 2024 £'000
Cash at bank and in hand	6,994	571	2,810	10,375
Obligations under lease	(2,137)	(151)	744	(1,544)
Loans	(12,576)	-	2,121	(10,455)
	(7,719)	420	5,675	(1,624)

NOTE 23 OTHER GAINS/(LOSSES) – NET

GROUP AND COMPANY	2024–25 £'000	2023–24 (restated)* £'000
Foreign exchange forward contracts (loss)/gain	(601)	235
Ineffectiveness of commodity hedges	7	(249)
Loss from IFRS 9 related items - net	(594)	(14)
Foreign exchange gain	46	288
Operational gains associated with ETC	141	411
Release of grant income	153	153
Other (losses)/gains – net	(254)	838

* Comparative figures have been restated – see note 1.33 for details.

In October 2024, the Group extended its offering of financial services listed products with the launch of three new currency-hedged ETCs, with all three products being backed by physical gold custodied by The Royal Mint.

Gold is traditionally quoted in US dollars meaning most gold products have exposure to gold in US dollars unless they are hedged. In currency hedged products, any movements in the hedge currency against the dollar is mitigated, leaving the investor solely exposed to the US dollars quoted gold price.

The ETC product portfolio now consists of the following:

1. The Royal Mint Responsibly Sourced Physical Gold ETC, trading with ticker code RMAU is currently listed on the UK (LSE), French (EuroNext), German (Xetra), Italian (Borsa Italiana), Mexican (BMV) and Polish (GPW) stock exchanges.
2. The Royal Mint Responsibly Sourced Physical Gold GBP Hedged ETC, trading with the ticker code RMPH is currently traded on the UK (LSE) stock exchange.
3. The Royal Mint Responsibly Sourced Physical Gold EUR Hedged ETC, trading with the ticker code RMEH is currently traded on the German (Xetra) and Italian (Borsa Italiana) stock exchanges.
4. The Royal Mint Responsibly Sourced Physical Gold CHF Hedged ETC, trading with the ticker code RMCH is currently traded on the Zurich (SIX) stock exchange.

All four products were launched in conjunction with HANetf Limited (a specialist white label ETF company). HANetf Limited established the 'issuer', which is an Irish special purpose vehicle called HANetf ETC Securities plc. HANetf Limited acts as the manager of the 'issuer' and is responsible for the day-to-day operation of the 'issuer', including ongoing maintenance, oversight and operations of the ETC.

As part of our Cooperation and Services agreement with HANetf Limited, the Group receives a brand licensing fee for the use of The Royal Mint logo and intellectual property for the ETC. The brand licensing fee is the balance of the total expense ratio (TER), which is a measure of the total cost of a fund to the investor) remaining after the deduction of all other fees and expenses and costs relating to the ETC.

NOTE 24 FINANCIAL INSTRUMENTS

GROUP AND COMPANY	2025 £'000	2024 (restated)* £'000
Derivative asset		
Foreign currency fair value	221	792
Commodity fair value	14	99
	235	891
Derivative liability		
Foreign currency fair value	(16)	(88)
Commodity fair value	(45)	(351)
	(61)	(439)

* Comparative figures have been restated – see note 1.33 for details.

FINANCIAL RISK MANAGEMENT

The main risk exposures arising from the Group's activities are currency, commodity price, interest rate, credit and liquidity. These risks arise in the normal course of business and are managed by the finance department through a combination of derivative and other financial instruments. The risk management programme seeks to limit the adverse effects on financial performance.

CURRENCY RISK

The Group publishes its financial statements in sterling and conducts business internationally resulting in exposure to foreign currency risk, primarily with respect to the euro and US dollar. The Group's risk management policy is to enter into forward contracts for all anticipated foreign currency cash flows (mainly in relation to sales contracts), where the future settlement date is the forecast payment date. Hedge accounting is not followed for foreign currency forward contracts.

	Contract amount 2025 £'000	Average forward rate 2025	Fair value 2025 £'000	Contract amount 2024 £'000	Average forward rate 2024	Fair value 2024 £'000
Forward contract – sell £/buy EUR						
Maturing in less than 1 year	220	1.1898	-	1,723	1.1648	(6)
Forward contract – sell £/buy USD						
Maturing in less than 1 year	1,401	1.2879	(3)	2,159	1.2677	6
Forward contract – buy £/sell USD						
Maturing in less than 1 year	9,930	1.2663	147	31,978	1.2385	513
Maturing in more than 1 year	-	-	-	3,469	1.2267	85
	9,930	1.2663	147	35,447	1.2326	598
Forward contract – buy £/sell EUR						
Maturing in less than 1 year	1,399	1.1285	61	7,821	1.1502	89
Maturing in more than 1 year	-	-	-	979	1.1255	16
	1,399	1.1285	61	8,800	1.1502	105

The movements shown below largely result from foreign exchange gains/losses on translation of US dollar and/or euro denominated trade payables and receivables. The first table below shows the impact of a 10% decrease in sterling and the second table the impact of a 10% increase in sterling against other currencies on the balances of financial assets and liabilities as at 31 March.

	Closing exchange rate 2025	Effect on net earnings of a 10% decrease 2025 £'000	Closing exchange rate 2024	Effect on net earnings of a 10% decrease 2024 £'000
Euros	1.1971	119	1.1693	160
US dollars	1.2954	766	1.2625	1,775
		885		1,935

	Closing exchange rate 2025	Effect on net earnings of a 10% increase 2025 £'000	Closing exchange rate 2024	Effect on net earnings of a 10% increase 2024 £'000
Euros	1.1971	(97)	1.1693	(131)
US dollars	1.2954	(627)	1.2625	(1,452)
		(724)		(1,583)

COMMODITY PRICE RISK

The Group by the nature of its business is exposed to movements in the prices of the following commodities – nickel, copper, zinc, gold, silver and platinum. In regard to base metals (nickel, copper and zinc), the Company uses commodity futures to hedge against price risk movements. All commodity futures contracts hedge a projected future purchase of raw materials, which are then closed out at the time the raw material is purchased. Commodity hedges are held in the Statement of Financial Position at fair value.

The open commodity hedges as at 31 March are as follows:

	Tonnes 2025	Value at average price 2025 £'000	Fair value 2025 £'000	Tonnes 2024	Value at average price 2024 £'000	Fair value 2024 £'000
Cash flow hedges:						
Copper futures – GBP-denominated contracts:						
Maturing in less than 1 year	-	-	-	75	530	-
Nickel futures – GBP-denominated contracts:						
Maturing in less than 1 year	-	30	(30)	96	1,500	(216)
Maturing in more than 1 year	-	-	-	18	286	(36)
	-	30	(30)	114	1,786	(252)

The tables below show the impact a 10% decrease/increase in commodity prices would have on the balances of financial assets and liabilities at 31 March.

	Closing price/tonne 2025 £	Effect on net earnings of a 10% decrease 2025 £'000	Effect on equity of a 10% decrease 2025 £'000	Closing price/tonne 2024 £	Effect on net earnings of a 10% decrease 2024 £'000	Effect on equity of a 10% decrease 2024 £'000
Copper	7,467	-	-	6,905	(43)	(10)
Nickel	12,132	-	-	13,075	(236)	83
		-	-		(279)	73

	Closing price/tonne 2025 £	Effect on net earnings of a 10% increase 2025 £'000	Effect on equity of a 10% increase 2025 £'000	Closing price/tonne 2024 £	Effect on net earnings of a 10% increase 2024 £'000	Effect on equity of a 10% increase 2024 £'000
Copper	7,467	-	-	6,905	63	(10)
Nickel	12,132	-	-	13,075	44	110
		-	-		107	100

INTEREST RATE RISK

The Group has exposure to interest rate risk, arising principally in relation to the NLF loans, cash held at bank and precious metal arrangements.

Cash held at bank and overdrafts are subject to interest rate risk where the risk is primarily in relation to movements in interest rates set by the Bank of England.

The Group enters into precious metal lease arrangements with fixed lease rates agreed at the inception of each contract. As these lease payments are not linked to market interest rates, the Group is not exposed to interest rate risk in relation to these leases.

The interest rate risk that arises from the above is deemed not to have a significant effect on income and operating cash flows, so no financial instruments are utilised to manage this risk.

If interest rates had increased/decreased by 10% it would have had the following effect on interest payable:

	2025 £'000	Effect on net earnings of a 10% change 2025 £'000	2024 £'000	Effect on net earnings of a 10% change 2024 £'000
Loans	25,328	181	10,455	81

CREDIT RISK

Exposures to credit risks are as a result of transactions in the Group's ordinary course of business. The major risks are in respect of:

1. trade receivables; and
2. counter parties:
   a. cash and cash equivalents; and
   b. financial instruments.

These risks are managed through policies issued by the Board of Directors.

Currency Receivables

Currency receivables are in general governments, central banks and monetary authorities. Credit risk is minimised by aiming to have down payments upon contract signature with remaining balances secured against letters of credit. Overdue balances are as follows:

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Currency receivables:				
2025	302	694	564	1,526
2024	-	-	172	-

Consumer Wholesale

Wholesale customers purchasing non-bullion products are set credit limits based on available financial information. If no information is available, a zero-credit limit is set and goods must be paid for in advance of despatch. Credit limits are regularly monitored and reviewed. If the wholesale customer purchases bullion products, the bullion is purchased specifically for the customer's order and is payable within 48 hours; coins are only despatched when payment is received. The table below shows overdue outstanding balances as at 31 March.

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Wholesale trade receivables:				
2025	4	1	-	14
2024	3	-	-	13

Consumer Coin Business to Consumer

Orders taken via the internet are paid for prior to despatch using major credit/debit cards. Orders taken via the call centre for new customers are payable in advance, whereas existing customers are given credit limits based on their purchasing history. Overdue balances are monitored by reference to their statement status (Status 0 = no missed payments, Status 1 = missed one payment, Status 2 = missed two payments and Status 3 = missed three or more payments). The table below shows outstanding balances as at 31 March.

	Statement 0 status £'000	Balance overdue statement status 1 £'000	Balance overdue statement status 2 £'000	Balance overdue statement status 3 £'000
Business to Consumer receivables:				
2025	2,180	57	44	83
Expected loss allowance at 31 March 2025	-	(11)	(20)	(83)
2024	2,951	160	16	63
Expected loss allowance at 31 March 2024	-	(32)	(7)	(63)

Precious Metals

Bullion is purchased specifically for customers' orders and is payable within 48 hours. Bullion is only despatched when payment is received.

	Between 31 and 60 days £'000	Between 61 and 90 days £'000	Between 91 and 120 days £'000	Over 120 days £'000
Precious Metals trade receivables:				
2025	12	158	53	254
2024	173	10	40	349

COUNTER-PARTY RISK

The Group purchases and sells derivative financial instruments from/to A, Aa-, BBB rated banks.

The maximum exposure to credit risk is limited to the carrying value of financial assets on the Statement of Financial Position as at the reporting date. For 2025, the amount is £14.18 million for the Group and £14.24 million for the Company (2024: Group £20.60 million and Company £20.75 million). Based on historical experience and the low level of default, the credit quality of financial assets that are neither past due or impaired is considered to be very high.

HIERARCHY DISCLOSURE UNDER IFRS 7

The fair value of derivative financial instruments is based on mark to market information and considered to be at Level 2 in terms of the hierarchy measurement requirements of IFRS 7, set out below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

CAPITAL MANAGEMENT AND LIQUIDITY RISK

The Group's objectives in managing capital are to safeguard its ability to continue as a going concern and provide returns to its shareholder. This is reviewed on a regular basis in the context of available facilities. The Group monitors capital by reviewing the Average Capital Employed (ACE) during the year. The ACE is calculated based on all assets and liabilities on the balance sheet, excluding defined benefit liability and any interest-bearing debt. The average is calculated over 13 months, incorporating both the opening and closing balance sheet position in the calculation. The average capital employed for the year ended 31 March 2025 was £99.9 million (2024: £116.7 million).

Liquidity risk is the risk that the Group may not be able to settle or meet its obligations on time or at a reasonable price. The Group's finance department is responsible for management of liquidity risk, which includes funding, settlements, related processes and policies. The Group manages liquidity risk by maintaining adequate reserves and monitoring actual cash flow against forecast. In addition, the Group has negotiated a revolving credit facility of £36.0 million until 30 November 2028, of which £25.0 million was drawn down at 31 March 2025 (2024: £10.0 million). It is anticipated that this will be sufficient to meet future requirements in conjunction with an overdraft facility of £20 million. The Group also has a fixed-term loan of which £328,000 was outstanding at 31 March 2025 (2024: £455,000).

The table below analyses the Group's contractual undiscounted cash flows of financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining year at 31 March to the contractual maturity date.

GROUP At 31 March 2025	Less than 1 year (restated)* £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	25,058	-
Lease liabilities	873	620	904	-
Other liabilities	1,353	1,431	4,293	19,504
Derivative financial instruments	61	-	-	-
Trade and other payables*	107,978	-	-	-

COMPANY At 31 March 2025	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	25,058	-
Lease liabilities	873	620	904	-
Other liabilities	1,353	1,431	4,293	19,504
Derivative financial instruments	61	-	-	-
Trade and other payables*	108,059	-	-	-

GROUP At 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	10,185	-
Lease liabilities	800	426	785	178
Other liabilities	1,470	1,200	3,600	2,400
Derivative financial instruments	440	-	-	-
Trade and other payables*	94,554	-	-	-

COMPANY At 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	135	135	10,185	-
Lease liabilities	800	426	785	178
Other liabilities	1,470	1,200	3,600	2,400
Derivative financial instruments	440	-	-	-
Trade and other payables**	94,659	-	-	-

*Excluding non-financial liabilities.
*Comparative figures have been restated – see note 1.33 for details.

Other liabilities included above relate to the licence fees payable to Canadian clean-tech Excir for technology to be utilised in our PMR business in the recovery of gold and other precious metals from e-waste.

FAIR VALUES

Set out in the following table is a comparison by category of fair values of financial instruments recognised in the financial statements at 31 March.

Fair value of cash and cash equivalents, trade receivables and payables are deemed to be approximately their book value due to their short-term maturity.

Fair value of commodity hedges is calculated as the present value of the estimated future cash flows. The fair value of foreign exchange forward contracts is determined using forward exchange rates at the date of the Statement of Financial Position.

CATEGORIES OF FINANCIAL INSTRUMENTS

The table below identifies the carrying values at 31 March for each category of financial assets and liabilities. There is no significant difference between the carrying value and fair value in either year.

	Group carrying value 2025 £'000	Company carrying value 2025 £'000	Group carrying value 2024 (restated)* £'000	Company carrying value 2024 (restated)* £'000
Assets as per the Statement of Financial Position:				
Derivatives used for hedging	14	14	99	99
Financial assets at amortised cost				
Trade and other receivables	16,829	16,889	21,683	21,835
Cash and cash equivalents	7,684	7,421	10,640	10,375
Derivatives at fair value through profit and loss	221	221	792	792
Liabilities as per the Statement of Financial Position:				
Borrowings	(27,218)	(27,218)	(11,999)	(11,999)
Other liabilities	(15,938)	(15,938)	(7,099)	(7,099)
Derivatives used for hedging	(45)	(45)	(351)	(351)
Derivatives at fair value through profit and loss	(16)	(16)	(89)	(89)
Trade and other payables	(107,978)	(108,059)	(94,554)	(94,659)

* Comparative figures have been restated – see note 1.33 for details

NOTE 25 SHARE CAPITAL AND SHARE PREMIUM

GROUP AND COMPANY

Allotted, called up and fully paid: £1 each (2023: £1 each)	Number of shares	Ordinary shares £'000
Share capital		
At 1 April 2024 and 31 March 2025	6,000,001	6,000

This represents the nominal value of shares that have been issued and fully paid. Each ordinary share has a nominal value of £1.

Share Premium

	2025 £'000	2024 £'000
Share premium account	39,319	39,319

The Share Premium reserve represents the amount received by the Company on the issue of shares in excess of their nominal value at the date of incorporation. The reserve is not distributable and may only be used in accordance with the provisions of the Companies Act 2006.

NOTE 26 ULTIMATE CONTROLLING PARTY

The ultimate controlling party of The Royal Mint Limited is HM Treasury.

The immediate parent entity of The Royal Mint Limited is the Royal Mint Trading Fund, whose registered office is at 1 Horse Guards Road, London, SW1A 2HQ. The Royal Mint Trading Fund is the largest group for which consolidated financial statements are prepared and publicly available, which include The Royal Mint Limited. The financial statements can be obtained from GOV.UK

THE ROYAL MINT®

THE ORIGINAL MAKER

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