

DANIEL THWAITES PLC

ESTABLISHED 1807



ANNUAL REPORT & ACCOUNTS 2026



Contents

About us	4
Financial Highlights	5
Strategy	6
Chairman's Statement	8
Strategic Report	
OPERATING REVIEW	10
FINANCIAL REVIEW	14
PROMOTING THE SUCCESS OF OUR COMPANY S172 (1) STATEMENT	16
PRINCIPAL RISKS AND UNCERTAINTIES	18
SUSTAINABILITY	21
Governance	
BOARD OF DIRECTORS	24
REPORT OF THE DIRECTORS	25
CORPORATE GOVERNANCE	26
Independent Auditor's Report	32
Financial Statements	
GROUP PROFIT AND LOSS ACCOUNT	37
GROUP STATEMENT OF COMPREHENSIVE INCOME	37
GROUP BALANCE SHEET	38
GROUP AND PARENT STATEMENT OF CHANGES IN EQUITY	39
GROUP STATEMENT OF CASH FLOWS	40
PARENT BALANCE SHEET	41
ACCOUNTING POLICIES	42
NOTES TO THE ACCOUNTS	46
Annual General Meeting	60
Shareholder Information	62

About Us

Daniel Thwaites PLC is one of the UK's longest established family brewers with a strong regional presence in the North of England.

We have an estate of approximately 300 freehold properties, comprising pubs, inns, hotels & spas and our craft brewery. Our strong family connections shape the way we do business with an eye for quality and a generous blend of innovation, craftsmanship and warm hospitality.

We look for our properties to be the best in their local marketplace, and to drive value for our shareholders and customers who put their trust in us to deliver superb hospitality in outstanding properties in great locations and of course, brew some fabulous beers along the way.

Pride of Daniel Thwaites (Staff Awards).



Financial Highlights

TURNOVER

£127.0m

2025: £120.6m

OPERATING PROFIT

(Before property disposals)

£13.0m

2025: £11.8m

PROFIT BEFORE TAX

£10.6m

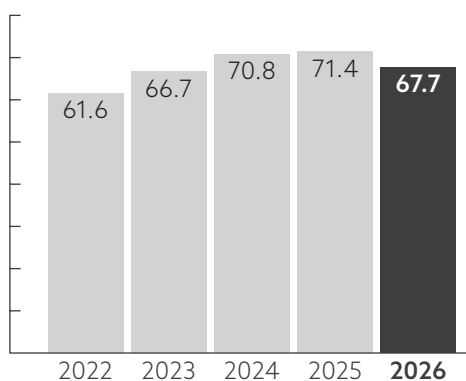
2025: £9.8m

EARNINGS PER SHARE

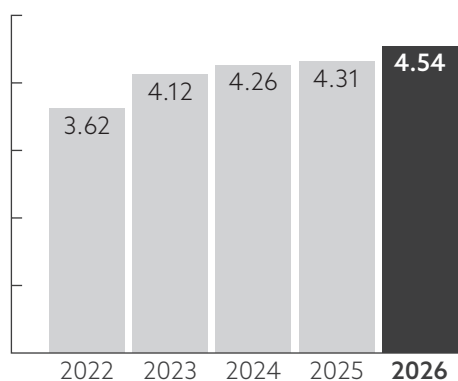
13.6p

2025: 12.9p

NET DEBT £M



NET ASSETS PER SHARE £



Strategy

Daniel Thwaites is a deliberately diversified regional hospitality and leisure business operating in the pub, hotel and spa market predominantly in England. The business has been built up with an eye for quality, a premium offer and differentiation.

OUR PURPOSE – WHY WE EXIST

Our purpose is to make people feel at ease. We do that through our real hospitality, delivered in a socially responsible way, by friendly faces in our outstanding properties in great locations.

OUR STRATEGY - HOW WE DRIVE DIFFERENTIATION AND CREATE VALUE

Our strategic framework of performance drivers guides continuous improvement, innovation and change within the business so that it does not stand still and is agile in developing for the future.

REAL HOSPITALITY

In each of our properties we challenge ourselves to understand and continue to adapt and improve our high standards of service time and again to bring a premium experience to our customers, making it easy for them to decide to return or to visit us in one of our other properties.

We take special care in crafting the offering in each of our properties to provide thoughtful and delightful touches and small details that make a big difference. Our properties are all unique and our attention to detail brings out their individuality.

FRIENDLY FACES

Our business would be nothing without our incredible people and teams. We seek to attract and retain energetic people who have a natural desire and ability to make people feel at ease.

CULTURE

As a result of the diversification of our business across a number of differing markets we have a valuable insight into how different things work in different settings. We have a culture of collaboration, sharing and learning across the business, working as one single organisation to adopt best practice.

SOCIAL RESPONSIBILITY

We are socially responsible throughout our business and do what we believe to be the right thing. In particular we offer the highest quality, sustainable products. Wherever possible we source our products and services locally and it is always our preference to buy British if possible.

OUTSTANDING PROPERTIES IN GREAT LOCATIONS

We expect our properties to be the best in their area and this requires us to continually improve the quality of the estate and the returns we make. We review our properties regularly to recycle capital where we believe a property cannot meet the returns available to us elsewhere.

We recognise the importance of regular investment in our freehold assets, keeping them in good order. When we do invest, we create high quality design driven schemes that enhance the customer experience.

OUR BUSINESSES

We believe that the diversification of the business provides some resilience throughout the normal course of the business cycle. We also believe that in the long term the freehold ownership of our portfolio is preferable to operating leasehold properties and adds long term value and protection.

THWAITES PUBS

Over time we have assembled an estate of pubs that represents the best of the Great British Pub – friendly locals, serving lovely beers and offering wonderful home cooked food at the heart of their community.

OUR TENANTED PUBS

We own an estate of well-invested tenanted pubs that has been built up over two centuries and can count amongst it some of the best pubs in the country. The tenancies are run in partnership with entrepreneurial operators where both parties' interests are aligned in building and running a successful pub, and our teams are on hand to provide business support and help solve day-to-day issues. The shared income model of a tenanted pub provides a robust model that is cash generative. Our tenanted pubs also support our brewery providing a vital route to market for our beers.

OUR MANAGED PUBS

We own a small number of managed pubs, which either by virtue of their size or because in due course they will be converted to tenancies, we run under direct management. These are pubs that have a long-term sustainable future within the business, where we can take advantage of our central infrastructure running our other managed properties to trade them profitably.

THWAITES BREWERY... CRAFT BREWERS SINCE 1807

Brewing is in our blood, it's what we do day in, day out. It's not just a job; it's a way of life and has been for over 200 years.

Since Daniel Thwaites first set out from his family farm in the Lake District and started his brewery in 1807, our brewers have continued to create beautifully balanced, delicious beers. We believe that the heritage of our brewery brings a rich equity to the rest of our business. We are proud of the quality of the beers we brew and only sell our beers in our own properties; we think that makes them that little bit more special and provides another reason to visit.

STAYING WITH THWAITES - SMALL DETAILS, BIG DIFFERENCE...

We have been passionate about delivering superb hospitality since Daniel Thwaites opened his first pub over 200 years ago. Be it a trip away for business or leisure, we know how important it is to be comfortable, well looked after and feel welcome. Immense care and attention has been taken in putting together a collection of hotels, spas and inns with an eye to quality and beautiful and thoughtful touches which appeal to a discerning customer base.

OUR INNS - MANAGED PUBS WITH BEDROOMS

We own and run a portfolio of larger pubs, or inns, with typically between 20-40 bedrooms, where the income split is broadly equal between the rooms, food and drink.

Our inns are typically old and historic buildings that ooze charm. We build on this through investment in thoughtfully designed schemes to modernize them and make them feel characterful and special. We serve home cooked food and interesting specials that give them a premium feel.

OUR HOTELS AND SPA HOTELS

We own and operate a family of ten hotels and spas with a strong local following that stand out from the mass market chains. We enrich the customer offer by creating different experiences throughout our hotels and are unwavering in ensuring that the products and services that we provide throughout our properties are of good quality and the design is interesting.

We invest thoughtfully in the physical environment throughout our hotels to make them feel different and help our customers feel at ease. We actively want to stand out from the international chains by providing a more enjoyable environment, characterised by interesting design, friendly service, home cooked food and attention to detail.



Chairman's Statement

The Company has delivered a very strong performance in challenging conditions and has shown that when the stars are aligned our properties are positioned to trade very well. The positioning of our properties towards experience and quality is resonating with our customers.

The year got off to a strong start with a sustained period of sunny weather and the investments that we made last spring, particularly in the inns, meant that trade was brisk. We did increase prices this year to try to accommodate some of the uplift in the cost of employing our teams, which included increases to National Insurance, but we tried to keep these to a minimum. Instead, we have examined how we operate the business and have re-engineered our offer and the way that we operate to try to deliver savings through efficiencies.

As the year progressed our sales momentum was sustained and operating margins improved as the changes made earlier in the year were realised. Our investment in Langdale Chase is maturing as it is now in its second full year of trading and it was pleasing that its profits doubled year on year. The success of our recent investments has encouraged us to step up the investment programme in the coming year.

We were delighted that we were awarded AA Hotel Group of the Year which is a testament to the hard work and dedication of our teams across the business.

Toll House, Lancaster.



RESULTS

Turnover for the year to 31 March 2026 grew by 5% to £127.0m (2025: £120.6m).

Operating profit before property disposals grew by 10% to £13.0m (2025: £11.8m). The earnings per share increased by 5% to 13.6p (2025: 12.9p).

Net Debt on 31 March 2026 was £67.7m (2025: £71.4m), which is a decrease of £3.7m due to strong cash generation from trading and the receipts from the sale of several properties.

The Bank of England base rate fell from 4.5% at the start of the year to 3.75% at the end of March 2026. This reduction is slower than previously forecast and consequently we have seen a gain on our interest rate swaps measured at fair value of £0.4m and our swap liabilities have reduced to £1.2m.

Our historic defined benefit pension scheme continues to show a surplus of £28.3m (2025: £29.7m), consequently the Company is not required to contribute to either the scheme or its running costs for the foreseeable future.

The profits retained for the year together with the cumulative impact of these positive factors on our balance sheet provided a net asset value per share on 31 March 2026 of £4.54 (2025: £4.31).

Several large packages of shares became available during the year and we were able to buy back 2,187,500 shares for an average price of £0.91, a total cost of £2.0m.

ACQUISITIONS, DEVELOPMENTS AND DISPOSALS

In October 2025 we acquired the lease of the Blue Bell Cider House in Hockley Heath which sits within our tenanted pub business. This is a high-volume canal side pub close to the Bulls Head in Earlswood which is one of our inns.

Capital expenditure was £13.4m (2025: £14.7m), and whilst a reduction from last year was still a sizeable investment to improve the quality and offerings in our properties.

During the year we sold six pubs that no longer met our requirements and four surplus ancillary properties with total proceeds of £3.6m (2025: £2.1m).

DIVIDEND

An interim dividend of 0.95p per share (2025: 0.9p) was paid in January 2026 and the Board recommends a final dividend of 2.8p per share (2025: 2.6p). The Board will keep the level of dividend under review, continuing to assess the level of future dividend in the light of Company performance.

BOARD

Andrew Stothert stepped down from the Board on 31 December 2025 after seven years as a non-executive director. Andrew has been invaluable in challenging the Board and the Executive Team to look at everything through the eyes of our customer and consider how we communicate with our guests. I would like to thank him for his support and wise counsel over that time.

PEOPLE

In addition to winning an award from the AA this year, we were also placed first in the Hospitality Awards Learning and Development category, which is well deserved recognition of the progress that we have made in creating development pathways through our business and helping individuals to grow and progress.

The excellent set of results this year has been delivered against the backdrop of a tough trading environment and wider sector challenges that have required us to ask our teams to confront change, which they have risen to admirably. I would like to express my sincere thanks to all of our teams and people across the business who are the backbone of our Company. Your passion and warm hospitality is found in every corner of the Company and is the cornerstone of our success.

I would also like to thank our shareholders; the Company is in a strong financial position and well positioned for the future as a direct result of your ongoing support.

OUTLOOK

We have started the year with an early Easter and despite some sunshine it was cool, but trading was in line with expectations. We have invested in several expanded and more permanent outdoor bars and these will help us to handle higher volumes when our pubs, hotels and inns are at their peak.

The situation in the Middle East is creating a lot of uncertainty on several different fronts. Energy costs have soared, and the timing of a resolution is extremely uncertain, following which we expect a period of normalisation. The Company has hedged most of its energy costs for the remainder of this year at rates that were prevailing before the war.

The wider inflationary aspects of the war are yet to emerge, but it is likely that food prices will rise and interest rates may stay higher for longer. We will review pricing and menus as things become clearer but are mindful of providing good value for money. The company has secure long-term bank facilities, and all of these are at a fixed rate or are hedged to fixed rates.

This summer we have the football World Cup which we hope will have a positive impact on our pubs.

The ability for people to travel overseas this summer has also been called into doubt due to availability of aviation fuel, which may present an opportunity for a strong staycation season. It seems that the general public are currently sitting on their hands, undecided as to what to do; if there is a burst in domestic activity it is likely to come late. Should that be the case our fantastic collection of pubs, inns, hotels and spas are perfectly placed to be able to capitalise on this.

RICHARD BAILEY CHAIRMAN

17 June 2026

Strategic Report

OPERATING REVIEW

OVERVIEW

The Company started the year with significant headwinds from increases in employment costs and taxes, and a challenging consumer environment. Fortunately, we immediately encountered an outstanding period of good weather, and Easter fell towards the end of April, which meant that we got off to the best start possible, ahead of expectations.

Investment into our inns was loaded into the early part of the year, which was beneficial throughout the spring and we also had the benefit of the Buck Inn in Malham, which we acquired in March 2025, and brought into our inns estate.

Entering the summer, we experienced some unsettled weather but fortunately in the key months of July and August nature smiled on us again and we broke sales records right across the business. Langdale Chase saw some outstanding trade and exceeded our expectations.

Trading throughout the rest of the year was largely marginally better than we had hoped and October was a strong month for the managed businesses, with strong half term pickup and operational cost savings from various efficiency programmes feeding through in the hotels.

Much of the summer and autumn was spent trying to help the government to understand that their proposals to significantly increase business rates for the hospitality industry would be disastrous. It was a relief to our pub tenants that pubs were spared the increases when the government changed their minds to raise taxes on them further. This has been helpful in encouraging people to continue to want to run tenanted pubs and our application numbers are strong.

This has been the first full year of using Reputation, which measures the quality of our service in our managed properties. Once we got to grips with it, we saw sustained improvements in our scores across the business and ended the year with most of our properties ahead of their benchmark. This year we will roll the tool out to our tenanted pub estate.

Towards the end of the year, we rebuilt all of the websites across the company, tweaking our branding and bringing much better customer functionality to our online booking system. We believe that the new sites, which are far more visually appealing will help to promote direct sales and reduce online commissions.

We continued to make some major investments to every area of the business although perhaps a little less than in the previous year. As a result, disruption from closure reduced over the course of the year and the investments that we did make on the whole exceeded their targeted returns.

FINANCIAL RESULTS

Turnover for the year was £127.0m, (2025: £120.6m), an increase of 5%. The Operating profit for the year was £13.2m, (2025: £12.2m) and the profit before tax, which benefited from a mark to market gain on interest rate swaps was £10.6m (2025: £9.8m). Net debt reduced to £67.7m, (2025: £71.4m) a decrease of £3.7m. At the year end the Company had banking facilities of £82.5m, giving headroom to its debt facilities of £14.8m.

PUBS AND INNS

	2026	2025	2024
Turnover £m	66.3	63.6	63.0
EBITDA* £m	18.2	17.8	17.1
Operating profit £m	14.9	14.6	13.9
Average number of pubs and inns	207	211	218

*EBITDA is operating profit before depreciation and is reconciled to operating profit in the Financial Review on page 14.

UNDERSTANDING OUR PUBS

Our freehold estate of tenanted pubs numbers 193 properties. We continue to recycle capital into new, more attractive tenanted and managed pub opportunities, where there is the potential to invest and add value. We actively dispose of pubs that we do not believe have a long-term future with us.

Our pub estate encompasses community locals to destination food led pubs in both rural and town centre locations, ranging geographically from Cumbria to the Midlands, and from North Wales to Yorkshire.

We have been operating tenanted pubs for a long time, and we have a strong reputation for our well-established approach. We strongly value our reputation as a partner of choice, acting with integrity, and focusing on investing alongside proven operators to expand and improve the premises with a focus on establishing good quality food offerings. Where the property has the scope, and we believe the demand exists, we support the development of letting bedrooms. We have an estate of high quality, sustainable businesses with multiple income streams that can generate attractive cashflows.

Our tenanted pubs are a mature business, looking to deliver returns at least in line with inflation. They tend to be heavily influenced by the weather and are subject to the vagaries of the British summer.

PUBS PERFORMANCE

The turnover of our tenanted pubs once again grew year on year by 1%, with EBITDA and operating profit both growing by 1% on the previous year.

Uncertainty around tax increases, particularly business rates, had proved an impediment to people entering the industry, however the mid-year U-turn by the government eased fears and we saw an uplift in the number of people enquiring about running their own pub.

The number of pubs that needed to be re-let started the year at 15 and ended the year at 13. Our vacancy rate of about 6% is materially better than the overall pub industry and reflects our reputation in the north as a company that is run to traditional family values.

We continue to develop our WayInn franchise agreement, and have some very successful pubs running on this model. At any point in time approximately 5-10% of the estate is run on this model which flexes over time as our customers can switch between this, and a more traditional tenancy agreement.

Beer volumes decreased by 1% year on year with wines and spirits up by 1% and soft drinks 2% up. Tenanted pub sales decreased by 1% and gross margin fell by 0.3%, largely because of the continuing strength of Guinness sales, which makes us lower margins. Gaming machine income has continued a good run, up 6% year on year and we continue to focus on machine penetration and switching to contactless payments for pool tables. A new factor in the marketplace has been the rise of online linked and automatic darts boards which have proved to be very popular where we have added them to the overall offer, as they drive both increased visits and dwell time.

We had a quieter year of investment into the tenanted pubs with just seven mid-spend schemes. Transformational schemes were delivered at the Brown Cow, Chorley, Swan and Cemetery, Bury and Wagonmakers, Bury. These schemes are delivering us strong returns and give us confidence to continue with our strategy.

In October we acquired the lease on The Blue Bell Cider House, Hockley Heath which is a high-quality addition to the estate. We do not usually take on lease liabilities, but this pub is in a fantastic canal side location where we believe we can add value and generate a strong return on investment.

UNDERSTANDING OUR INNS

We own and manage a growing portfolio of inns, and we will continue to look to expand this segment of our business in the future through the acquisition of high-quality properties in outstanding locations.

Our Inns are positioned at the premium end of the market, they have a busy bar at their core, a home cooked food offering and high quality, comfortable accommodation – they focus on providing outstanding hospitality and offer an attractive and more personal alternative to the mid-market hotel chains.

This segment of the market has performed strongly over the past few years and is positioned for continued growth as customers look for something special that is authentic and honest, delivered by operators who can provide a quality experience consistently.

INNS PERFORMANCE

The inns have had another good year of growth with sales increasing by 8% on the previous year. A continuing focus on our outdoor areas saw our drinks sales increase by 12% and our food sales by 7%.

Last year we put additional focus onto our food offer, which has led to changes in the size of our menus, with a tighter core menu and specials delivered on a more frequent rotational basis. This has been effective at increasing spend per head and food margins.

Our investment programme in the inns was timed for the start of the year with large spends at Bulls Head, Earlswood, Royal Oak, Keswick and Toll House, Lancaster. Later in the year we also refreshed the Lister Arms in Malham. There were some stand out performances across the inns this year and records were broken across the board. An increase in EBITDA of 10% reflected some very strong performances.

We continue to look for new properties to add to the inns, whilst there are many properties on the market, we remain highly selective.

Strategic Report continued

UNDERSTANDING OUR HOTELS & SPAS

	2026	2025	2024
Turnover £m	60.7	57.0	52.5
EBITDA* £m	11.9	10.5	9.1
Operating profit £m	8.9	7.4	6.2
Average number of hotels	10	10	10

*EBITDA is operating profit before depreciation and is reconciled to operating profit in the Financial Review on page 14

We own and operate ten hotels which are spread across England. Our hotels are positioned towards the premium end of the market, and most have leisure and spa facilities. In recent years we have invested in them to amplify the individual character of each hotel in its local area, supported by a great food and drink offering with local nuances. Our vision, like our inns, is to create a collection of interesting, characterful contemporary hotels, that are the best in their local area.

HOTELS & SPAS PERFORMANCE

Turnover increased by 6%, driven by a strong increase in room occupancy, which increased year on year by 6%, overall rooms yield increased by 7% as we adopted a conservative approach to rooms pricing in a price sensitive market. Overall, our rate strategy during the year was successful.

Our spas and health and beauty treatments are playing an increasingly important role in the success of our hotels and allow us to differentiate our offering from the competition. The far-sighted investments made into our spa facilities are now sought after in a market with a customer base that is becoming increasingly focused on wellness. It was therefore pleasing that this area of our hotels posted very strong year on year growth of 14%. The investment made into the Solent Hotel & Spa pool hall last autumn has been a great success and played an important role in the overall growth rate with sales there up 45% year on year and still growing.

Langdale Chase Hotel on Lake Windermere has continued to receive fantastic reviews and a growing following. Once more it was listed in the Times Top 100 Hotels in the UK, up four places year on year at number nine. The hotel is trading strongly and is very popular, the team are to be congratulated on the overall experience which is leading to exceptional Reputation scores, strong repeat business and EBITDA more than doubling year on year.

During the year we invested approximately £0.6m in delivering solar panel schemes at Aztec Hotel & Spa, North Lakes Hotel & Spa and our Head Office. These investments are creating a base load of electricity production that helps to insulate us from the vagaries of the energy market and are delivering returns in excess of 25%.

SUMMARY AND FUTURE DEVELOPMENTS

The Company has delivered a very strong set of results in the circumstances and strong top line growth, which when coupled with operational initiatives to mitigate increases in the cost base has converted into a strong operating profit growth of 10%. The Company is in a good position to consolidate the gains made over the last year and is financially strong.

We have plans in the coming year to step up our investment programme, however we are keeping a very close eye on developments in the Middle East and the impact that may have on our customers propensity to spend and will adapt our plans accordingly.

The first month of our financial year has not been as strong as last year, and the weather has played a role in this. However, the diversified and well invested nature of our Company means that we have some excellent opportunities open to us to continue to grow.



Financial Review

RESULTS

Turnover for the year ended 31 March 2026 increased by 5% to £127.0m (2025: £120.6m), whilst operating profit was 8% higher at £13.2m (2025: £12.2m).

The measurement of the interest rate swaps at fair value resulted in a gain in the profit and loss account of £0.4m (2025: £1.2m).

Profit before taxation for the year was £10.6m (2025: £9.8m).

BUSINESS REVIEW

The key issues facing the Group are covered in the Chairman's Statement and Strategic Report. The KPIs used by the Group to monitor its overall financial position can be summarised as follows:

	2026	2025
Group		
	£m	£m
Turnover	127.0	120.6
EBITDA	19.8	18.9
Depreciation	6.6	6.7
Operating profit	13.2	12.2
Profit before tax	10.6	9.8
Net debt	67.7	71.4
Earnings per share (pence)	13.6	12.9
Pubs and Inns		
	£m	£m
Turnover	66.3	63.6
EBITDA	18.2	17.8
Depreciation	3.3	3.2
Operating profit (before Group central charges)	14.9	14.6
Average number		
Tenanted	194	197
Managed	13	14
Hotels & Spas		
	£m	£m
Turnover	60.7	57.0
EBITDA	11.9	10.5
Depreciation	3.0	3.1
Operating profit (before Group central charges)	8.9	7.4
Average number	10	10

The principal non-financial indicators monitored by management are:

PUBS AND INNS

Utility consumption, health and safety incidents, beer volumes, customer ratings and tenant recruitment.

HOTELS

Utility consumption, room occupancy rates, customer ratings, health and safety incidents, spa memberships and wedding and event numbers.

INTEREST RATE SWAPS MEASURED AT FAIR VALUE

The Group holds derivative liabilities in the form of interest rate swaps for £45m which are recognised as a financial liability. The movement in the fair value of these interest rate swaps during the year resulted in a gain in the profit and loss account for the year ended 31 March 2026 of £0.4m (2025: £1.2m). See note 18 to the financial statements for further details.

INTEREST PAYABLE

Net interest payable decreased to £4.7m (2025: £5.3m) due to lower debt levels and lower interest rates.

TAXATION

There is a tax charge of £2.8m on the profit for the year, an effective rate of 26.4%.

EARNINGS PER SHARE

Earnings per share of 13.6p (2025: 12.9p).

DIVIDEND

An interim dividend of 0.95p has been paid and the Board recommends a final dividend of 2.8p per share, which will make a total of 3.75p for 2026 (2025: 3.5p).

CASH FLOW AND FINANCING

The Group's net borrowing decreased by £3.7m, from £71.4m on 31 March 2025 to £67.7m on 31 March 2026 due to cash generated from operating activities.

The Group has £40.5m of long-term debt, £31m of bank loans and cash balances of £3.8m on 31 March 2026. The Group has three-year revolving credit bank facilities of £40m which were renewed in December 2025.

The long-term debt reduced from £45m to £40.5m during the year as the first amortisation of £4.5m was paid in December 2025. The next amortisation of this debt is due in December 2026 which is less than twelve months from the date of approval of the balance sheet and therefore shown within current liabilities on 31 March 2026.

PENSIONS

The defined benefit pension scheme had a surplus, before tax, of £28.3m on 31 March 2026 which was a decrease of £1.4m from the surplus of £29.7m, before tax, on 31 March 2025.

The Group did not pay any contributions into the scheme during the year, and the scheme paid all its administration costs.

PROPERTY

During the year we sold six pubs and four ancillary properties for a total of £3.6m generating a profit against book value, after disposal costs, of £0.2m.

In line with our accounting policy, 20% of our properties were subject to a formal revaluation, and additionally an internal valuation review was carried out on the rest of our property estate. This resulted in an increase in the total value of our property portfolio of £2.4m, of which £2.8m was added to the revaluation reserve and £0.4m deducted from cost and charged to the profit and loss account.

TREASURY POLICY AND FINANCIAL RISK MANAGEMENT

Treasury policies are subject to Board approval. All borrowings are in sterling and comprise a mixture of fixed interest loans and facilities carrying SONIA related floating rates. The Group has interest rate swaps for £45m where it is committed to pay the difference between SONIA and fixed interest rates. On 31 March 2026 a financial liability of £1.2m (2025: £1.7m) has been recognised in respect of these interest rate swap contracts.

GOING CONCERN

On 31 March 2026 the Company had total borrowing facilities of £82.5m, which were made up of the long-term loan of £40.5m, revolving credit facilities of £40m, and overdraft facilities of £2m. When compared to net debt of £67.7m on 31 March 2026, this gave headroom of £14.8m.

The three-year revolving credit facilities were renewed in December 2025.

The Company has generated positive operating cashflows over the period, which has allowed it to invest £13.4m in capital projects during the year, whilst comfortably meeting its banking covenants. Financial modelling shows that it is expected to be cash generative and meet its banking covenants for at least the next twelve months from the date of signing the financial statements.

The directors therefore have a reasonable expectation that the Group has sufficient resources to continue in operational existence, and meet its liabilities as they fall due, for the period of at least 12 months from the approval of these financial statements. Accordingly, the directors continue to adopt a going concern basis of preparation of these financial statements.

KEVIN WOOD FINANCE DIRECTOR

17 June 2026

North Lakes Hotel & Spa.



Promoting the success of our Company - S172 (I) Statement

OUR APPROACH

As you will see elsewhere in this report, our approach to the running of the business, which we believe underpins its long-term success, is governed by a strong set of principles which create a cultural thread throughout the Company – the culture exists through our teams, but its direction is set by the way the Board behaves and operates.

The success of the Company, in no small part, relies on the partnerships and relationships that we form at all levels, be it with our employees, our customers, our suppliers or any of the other groups that we interact with – and so it has been for all our 219 year history.

As a Board we have a duty to run the business in such a way that balances the interests and considerations of all our stakeholders and to promote the business for the benefit of our members.

In governing and directing the business with the interests of our members in mind, we must however consider the interests of our employees, how we manage the ongoing success of our relations and dealings with customers and suppliers, ensure that we have an eye to our communities and the impact that our business has on the environment. An overriding concern is also of course understanding how we maintain, protect and grow our reputation that has been so carefully built up over more than two centuries.

These stakeholder considerations are intrinsically woven through every decision we make. Often these decisions are easy, governed by our principles and just who we are as a family business; they come naturally because of our strong heritage, history and desire to run the business with its long terms interests at our core. Sometimes we have to take decisions that seem at the time to be to the detriment of one or more of these groups – when this is the case, we always look to be honest and open, we will be fair and reasonable so that when history judges those decisions with the benefit of hindsight, we have the confidence to stand behind them.

In balancing our approach to running the business, we know that we are successful when we find that our stakeholders want to be associated with Daniel Thwaites.

OUR EMPLOYEES

Board Considerations

Our employees and teams are our biggest asset, their hard work, dedication and commitment is the cornerstone of our success and intrinsic to our future. Within the business we are privileged to attract some truly talented individuals, as well as benefiting from the experience, stability and support of many families who have worked with and for

Thwaites for decades and through different generations of the same family.

The Board places health, wellbeing and safety at the heart of its decision making. The Company offers most of its permanent employees, access to a private healthcare scheme and external support with mental health counselling, where that is needed. Over the past few years, the Board has developed the remuneration structure so that it exceeded the National Living Wage, and this remains its medium-term objective, although in the current environment there are challenges to this.

Employee Communications

Keeping our teams abreast of developments is done through management briefings, annual results briefings and a Company newsletter.

We operate new starters and leavers surveys together with regular reviews that have improved our employee retention rates.

In addition, we operate a companywide open-forum social network which has a high level of take up and has proved very popular.

Diversity and inclusion

Our preference wherever possible is to create development pathways within the business to allow for development of an individual's career, which also has the advantage of identifying individuals who have a strong cultural fit with the business. The Company advertises vacancies both internally and externally, with the objective of filling vacancies with the best candidate for the role based upon attitude, skills, experience and knowledge.

The Company operates an equal opportunities policy that looks to promote fairness and not to discriminate in any way. It is our policy to give equal opportunity to disabled persons where they have the ability to fulfil a role and where we can provide a role, we will support them as part of our family.

Training and development

From the moment that someone joins our family business it is our responsibility to ensure that they feel welcome and enabled to do their role to the best of their ability. We recruit people who we believe will fit well within our business and have a mixture of both on the job training, internal and external training to ensure that they have the right tools for the job.

New starters receive an induction into the business and onboarding into their role. We have an internal review and development process called ELMA, which is quite

simply a conversation - designed to give our managers an opportunity to talk to their team members about the difference that they make to the Company, how things are going and what personal goals we can set to help them to enjoy their job more and make more of a difference to the success of our business.

OUR SHAREHOLDERS

Board Considerations

All Board decisions are made with the long-term success of the business in mind, which ultimately is in the best long-term interests of the members.

This requires a balance between returns today, in the form of dividends, and returns in the future through investment that will help to grow the profits and pay dividends in years to come. Where these conflict, investment today to protect the strength of the business in the future will prevail.

Shareholder Communications

The company responds to shareholder letters and queries promptly as they arise. It consults with the family representative on key strategic decisions.

Annual General Meeting (AGM)

The Board encourages shareholders to attend to meet the directors and ask questions. When this is not possible the Board encourages all shareholders to exercise their voting preferences by using the proxy cards that are included in the notice of meeting.

The Company website is regularly updated and provides additional information.

OUR COMMUNITIES

Board Considerations

Charitable Giving

Our business is linked into local communities across the whole of the north-west of England as well as further afield through our network of properties. We have a long history of charitable giving, and we continue to support local charities both around our head office and also around our pubs and hotels the length and breadth of England.

The Board sets aside a charitable fund as part of the budgeting process each year, based upon affordability, on top of which initiatives across the business raise additional charitable donations each year.

Energy Usage and Carbon Footprint

The Company has for a long time been a believer in investing to reduce its energy consumption and carbon footprint both because it is the right thing to do for the environment and because judicious investment can provide sensible financial returns. Where investment is made to reduce the Company's environmental impact the Board applies a slightly reduced hurdle rate to its investment returns.

Waste

One of the largest areas of waste in the hospitality industry is food waste. The Board monitors food waste and has set objectives to reduce this.

OUR SUPPLIERS

Board Considerations

Our business model depends on strong partnerships with our suppliers to be able to fulfil the needs and requirements of our customers. The Board promotes the use of local family firms where possible to support local communities and other family businesses. Wherever possible the Board directs that the Company should buy British, to support British businesses and minimise logistics and food miles. The Company agrees terms with our suppliers and as a matter of principle pays them to those terms insofar as there is no dispute. Where possible the Board approves multi-year contracts to secure certainty of supply of goods and services for a known period at a known price.

PENSIONERS

Board Considerations

The Company administers a defined benefit pension scheme, the Daniel Thwaites 1959 Pension Scheme. The scheme was closed to new members and future accrual many years ago. The Board is wholly committed to meeting the obligations of this scheme over time and to funding any deficits over periods agreed with the Pension Trustees.

The Board supervises the funding position of the scheme and works with the Trustees on investment policy, tactical projects to strengthen the funding position and recovery plans with the objective of managing the wind down of the scheme in such a way that contributions from the Company are balanced with risks taken within the scheme whilst not jeopardizing the long-term sustainable growth of the business which ultimately underpins the Company's covenant to the scheme.

KEY DECISIONS

The key decisions that were made during the year included the following:

- Selling price increases to recover cost inflation whilst minimising the impact on customer volumes and spend.
- Capital investment of £13.4m, including major refurbishment schemes at the Toll House in Lancaster, Lister Arms in Malham and bedrooms at the North Lakes Hotel & Spa.
- Further investment in solar schemes at the Aztec Hotel & Spa, North Lakes Hotel & Spa and the offices at Mellor Brook.
- The buy back and cancellation of 2,187,500 ordinary shares.
- The disposal of six pubs and the decision to put further properties on the market.

Principal Risks and Uncertainties

RISK	IMPACT	MITIGATION
Economic		
PANDEMIC OR ANOTHER MAJOR WORLD EVENT	A major world event could have a significant impact on the business. The Covid-19 pandemic had a significant impact on the hospitality industry. The Company had never previously envisaged the closure of the total business for long periods of time under directive of the UK Government. The closure had a severe detrimental impact on turnover, profitability and cash flow. Subsequently, the wars in Ukraine and Iran have added additional pressure due to substantial increases in energy and food prices.	The Company demonstrated during the pandemic that it could take prompt and decisive action to immediately reduce costs, minimise cash burn and focus on ensuring the Company had sufficient banking facilities to ensure it could navigate its way through the crisis. Selling prices have been increased where possible to partially mitigate the impact of price increases, whilst not deterring customers due to the cost-of-living crisis.
CONSUMER CONFIDENCE	The Company's business operations are sensitive to economic conditions and in particular to consumer spending. Changes in economic conditions could affect consumer spending and therefore our revenue.	Our business encompasses pubs, hotels and inns, with offers targeted at different consumer groups giving a degree of diversification.
COST INFLATION	There is an on-going risk of increases in costs. In particular employment costs including above inflation increases in the national living wage, utilities and food costs.	All costs are reviewed monthly, and our purchasing team negotiates to protect against significant cost increases on major inputs.
PROPERTY VALUES	Property values are impacted by changes to economic conditions, along with our ability to make disposals at appropriate values.	The long-term value of our properties is regularly assessed. Decisions around investment and disposal are made on an individual site basis.
INTEREST RATES	The company has £45m of fixed interest rate swaps on which it is committed to paying the difference between SONIA and the fixed rates. The cost of servicing the swaps is therefore dependent on SONIA.	The SONIA rate is monitored on an on-going basis, along with the buy- out cost of the swaps. Swaps are paid off when the Board considers it to be in the best interests of the Company based upon expectations of future interest rates and the financial position of the Company.
PENSION SCHEMES	The company operates a defined benefit pension scheme which has been closed to new entrants for many years. Recent changes to gilt yields have resulted in a surplus on the balance sheet. However, changes to the investment strategy and the assumptions used to calculate the liabilities can have a large impact on the assessment of the pension scheme funding levels	Management closely monitors any developments in relation to pension scheme funding, and works with the Trustees to ensure that appropriate decisions are made on a timely basis.

RISK	IMPACT	MITIGATION
Regulatory		
ALCOHOL CONSUMPTION	In recent years the government has increased its focus on alcohol consumption as public concern over alcohol related social problems and the associated health issues has increased. There is a risk that further legislation, including additional tax, may adversely affect the business.	We are committed to acting responsibly and promote safe drinking campaigns in our marketing. We have diversified our business to focus on other income streams, which include accommodation, food and spas.
THE TIED PUB MODEL	The beer tie has been the target of ongoing government scrutiny. In addition, the government is currently reviewing legislation on the Pubs Code for larger tenanted pub companies. The nature of this legislation could negatively impact our tenanted pub business.	Our tenanted code of practice has improved the transparency and openness of our tied agreements. We actively monitor proposed legislation and engage with the government directly and through trade bodies.
HEALTH AND SAFETY	A failure to comply with health and safety legislation (including food safety, allergens and fire legislation) could lead to injury, illness or the loss of life of our customers, employees or tenants, with a resulting reputational and financial impact.	We have a range of policies and procedures in place to ensure compliance with regulatory requirements in relation to health and safety. Independent risk assessments and audits are carried out, and recommendations acted upon. We record, investigate and report on all incidents.
GDPR (GENERAL DATA PROTECTION REGULATION)	A breach of confidential data could have a significant reputational and financial impact.	We have a Data Governance and Compliance Group that meets on a regular basis to ensure the appropriate processes and procedures are in place and adhered to in the business. Training is given to all appropriate staff and updated on an annual basis.
Operational		
SUPPLY CHAIN	Business operations could be adversely affected by any lengthy interruption in supply or large cost increases from suppliers which cannot be passed on to customers.	We review the financial position of our major suppliers to assess the risk of them ceasing to be able to trade. We also have multiple suppliers where possible to ensure limited dependence on an individual supplier.
PEOPLE	Our business is highly reliant on the people we employ. Labour or skill shortages, including the impact of Brexit, high employee turnover or failure to recruit and retain the best employees and tenants may impact our ability to deliver our operational and strategic objectives.	We aim to recruit the best people with the right skills and offer training and development opportunities to ensure that we retain them. We have a sponsorship licence to bring skilled labour from abroad.
IT SYSTEMS	Our business is increasingly dependent on information systems and technology in order to operate effectively. A prolonged failure could severely impact on the profitability of the business.	We have appropriate back-up systems and disaster recovery plans in place. Our key business systems are all hosted in off-site, secure data centres.
CYBER ATTACK	A cyber-attack could paralyse our operational systems, preventing the business from operating. Ransomware attacks could result in significant financial impact.	We have a range of monitoring and control tools in place in our systems. We perform annual penetration tests by an external consultancy to identify any areas of vulnerability.

Principal Risks and Uncertainties continued

RISK	IMPACT	MITIGATION
Financial		
BANKING FACILITIES	We need to ensure that sufficient and appropriate bank facilities are in place to meet the ongoing funding requirements of the business.	Business decisions are taken with regard to their impact on banking arrangements. We meet regularly with our bankers and provide them with appropriate information on the performance of the business. A significant proportion of our debt is long term, by way of debentures with the Prudential Assurance Company Limited.
BANKING COVENANTS	The Company has a set of covenants with its lenders which are tested on a regular basis. Failure to achieve these covenants would lead to a default of the loan agreements.	The Board regularly reviews the forecast profitability and cash flows of the business to ensure that it comfortably complies with its covenant requirements. The Company has very long-term relationships with its funders and communicates on a very regular basis, so that any issues that may arise are identified early and appropriate mitigating actions put in place.
INTERNAL CONTROLS	We are reliant on maintaining sound systems of internal control to prevent the risk of fraud or material error in the financial statements.	We perform a regular review of our internal control systems to ensure that they remain appropriate and sustainable.



Our approach to sustainability

Our BREW principles guide how we work together to invest in our communities, care for our environment, and take responsibility for our legacy.

BELONGING

We strive for a genuine sense of community and belonging in our brewery, inns, hotels and pubs. From our people to our guests and partners, everyone should feel welcomed, valued, and a part of something special.

HOW:

- Work with local charities that directly impact communities and the environment
- Create a home-from-home through community engagement projects
- Engage teams with our mission and principles so everyone feels empowered to play their part
- Have local sustainability champions to engage teams with our environmental principles

ENVIRONMENT

We're proud of the landscapes and places that shape our story. We protect and nurture them through thoughtful, sustainable practices that help our local environments thrive.

HOW:

- Reducing our packaging consumption
- Reducing our carbon and energy consumption with green initiatives like installing solar panels
- Regularly reviewing our water usage to minimise wastage
- Championing upcycling and repurposing when investing in our properties
- Choosing natural and hard-wearing materials in our properties to ensure long-term use and enjoyment
- Campaigning for environmental causes such as 'Love Windermere'

RESPONSIBILITY

We honour our heritage and communities by acting with integrity, care, and respect. We take responsibility for our actions and their impact, to craft a sustainable future for all.

HOW:

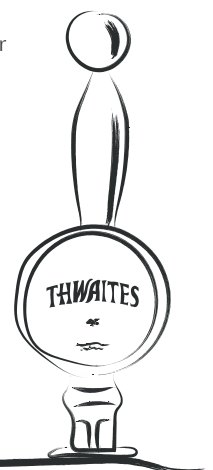
- Sustainable sourcing through our supply chains particularly in our food production and buying process
- Innovation in our menus, with a focus on seasonal and local ingredients
- Remaining accountable through governance and audits to meet our targets
- Regularly reviewing suppliers' commitment to sustainability

WELLBEING

The wellbeing of our people and guests is the cornerstone of our warm hospitality. We look after one another and help our people and guests feel their best.

HOW:

- We empower our teams to take meaningful action through learning and development
- We put social wellbeing at the heart of our approach to hospitality, so our teams feel supported and cared for
- We share the stories of what we're up to and the impact we're having to put guests at ease in our properties
- We celebrate our places by connecting guests with the landscape through activities like guided walks and more



Sustainability continued

BREW

During the year we launched our new sustainability programme, BREW, embedding sustainability into four core pillars: Belonging, Responsibility, Environment and Wellbeing. Together, these pillars guide how we operate, shaping our decisions, supporting our people, and ensuring we create lasting positive impact across our business and communities.

BELONGING

We foster a strong sense of community and belonging across our brewery, inns, hotels and pubs. For our people, guests and partners alike, we aim to create environments where everyone feels welcomed, valued and part of something meaningful.

We empower local champions who promote sustainability in their everyday roles. At Cottons Hotel, a cross-departmental team led by maintenance has focused on improving energy use and sustainability. Meeting regularly, they share ideas, propose energy-saving solutions and challenge behaviours to drive positive change. Their efforts have reduced utility costs by over 7% while strengthening overall sustainability performance.

We encourage our teams to participate in local charitable activities, and the Company matches the funds they raise.

RESPONSIBILITY

We honour our heritage and communities by acting with integrity, care and respect. Taking responsibility for our actions and their impacts, we are committed to helping build a more sustainable future.

We have continued to innovate our menus, prioritising local and seasonal ingredients to reduce food miles and support regional producers, while enhancing quality for our guests. Our teams work closely with trusted suppliers to showcase the best of local produce across our menus.

We support the Natasha Allergy Foundation, the UK's Food Allergy Charity which raises awareness of allergies and conducts research into preventing and eradicating allergic diseases.

ENVIRONMENT

We are proud of the landscapes and places that shape our story, and we are committed to protecting and enhancing them through thoughtful, sustainable practices.

We have invested in solar panels across our larger hotels and our brewery and offices. These installations total over 3,500 panels and generate around 900,000 kWh per annum.

We have also continued to reduce food waste, achieving over a 45% reduction since our baseline year. Across our inns and pubs, we restore and reuse furniture, using reclaimed and upcycled materials, such as at The Lister Arms, where original tables and chairs were given a new lease of life.

WELLBEING

The wellbeing of our people and guests is central to the warm hospitality we provide. We support one another to ensure our teams and guests feel valued, supported and at their best.

The launch of Thwaites on Tap has enabled us to share stories across the business, strengthening connection and learning what others are achieving. Our "What's Brewing" team champions wellbeing across the business, listening to feedback, supporting initiatives, promoting charitable causes, celebrating success and maintaining engaging communications.

We are committed to developing future talent through our apprenticeship and graduate programmes, complemented by continuous training that equips our teams with the skills and knowledge to grow, succeed and deliver high standards across our operations.

STREAMLINED ENERGY AND CARBON REPORT

The Group has followed the 2019 HM Government Environment Reporting Guidelines and Greenhouse Gas Protocol and has used the Government Emissions Factor Database 2025.

The data below includes the brewery, head office and managed sites. Tenanted pub sites are not included as the company is not responsible for, and does not have visibility of, their consumption.

	2026	2025
Consumption (kWh)		
Gaseous and other fuels (scope 1)	21,331,685	23,553,065
Grid-supplied Electricity (scope 2)	13,951,810	14,627,295
Transportation (scope 1)	588,939	530,347
Total	35,872,434	38,710,707
Emissions (tCo2e)		
Gaseous and other fuels (scope 1)	3,894	4,275
Grid-supplied Electricity (scope 2)	2,469	3,029
Transportation (scope 1)	160	117
Total	6,523	7,421

Note

Scope 1: consumption and emissions relate to direct combustion of natural gas, and fuels utilised for company vehicle fleets.

Scope 2: consumption and emissions relate to indirect emissions relating to the consumption of purchased electricity used in the brewery, head office, and managed sites in daily business operations.

Intensity Metrics	2026	2025
tCO2e/£m Turnover	51.4	61.6
tCO2e/FTE	5.4	6.3

We have continued to take action to reduce our environmental impact, with a focus on renewable energy generation, monitoring consumption and reducing our carbon emissions.

Our electricity consumption has reduced by 4.6% year on year which is largely due to our investments in solar schemes in our hotels. During the year we installed solar panels at the Aztec Hotel & Spa, the North Lakes Hotel & Spa and at our office at Mellor Brook. These installations should generate about 750,000 kWh of electricity a year. We are planning to do further solar installations during the next financial year.

Our gas consumption has decreased by 9% due to investment in more efficient boilers and equipment in our properties and a focus on ensuring hot water is at the most efficient temperature.

Water companies are increasing their costs each year at rates significantly in excess of inflation as water companies invest in infrastructure. We have now installed automatic water meters in all our managed properties to provide hourly consumption data to see when we are consuming most water, identify potential leaks during periods when consumption is expected to be minimal and compare relative usage across properties of similar size and activity level.

We work very closely with our suppliers to offer the highest quality sustainable products and wherever possible we source local products and services. We also buy British wherever possible.

The company car fleet has now achieved our objective of being made up of fully electric and hybrid cars only. Consumption has increased this year due to the increase in the number of training and support roles that work across our properties.

KEVIN WOOD
FINANCE DIRECTOR

17 June 2026



Board of Directors

EXECUTIVE DIRECTORS

Richard Bailey, BA, ACA - Executive Chairman

Richard Bailey joined the Board as a non-executive director in 2002, taking up a full-time role in 2009. He was Chief Executive Officer from 2011 to 2019 when he was appointed Executive Chairman. He qualified as a Chartered Accountant with KPMG and has a BA Hons in Economics from Durham University. He is Chairman of the Independent Family Brewers of Britain and Vice-Chairman of the British Beer and Pub Association.

Kevin Wood, MEng, ACA - Finance Director

Kevin Wood joined the Board as Finance Director in March 2010. He qualified as a Chartered Accountant with PwC and has an MEng in Chemical Engineering from Nottingham University.

NON-EXECUTIVE DIRECTORS

Ann Yerburgh

Ann Yerburgh was appointed to the Board in March 1974, was Chairman from August 2000 until March 2019, and chairs the remuneration committee.

Roseanna McKinley

Roseanna McKinley was appointed to the Board on 1 June 2022 and represents the wider ownership interests of the Yerburgh family.

Mark Fisher, BA

Mark Fisher was appointed as an independent non-executive director on 1 June 2019. He was previously the Chief Development Officer for Merlin Entertainments plc, responsible for their business development, creative and brands organisation.

Kevin Georgel

Kevin Georgel was appointed as an independent non-executive director on 1 June 2025. He is currently the Chief Executive of family-owned St Austell Brewery in Cornwall and was previously Chairman of the British Beer and Pub Association and the former CEO of Admiral Taverns.

COMPANY SECRETARY

Jayne Kirkham, BA, ACA

Jayne joined the company in 2006, was appointed Company Secretary on 1 April 2025, and is a qualified Chartered Accountant.

Sundial, Bury.



Report of the Directors

The directors of Daniel Thwaites PLC submit their annual report and audited financial statements for the financial year ended 31 March 2026.

ACTIVITIES

The Group's principal activity is the operation of pubs, inns and hotels.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

This report should be read in conjunction with the Chairman's Statement and the Strategic Report, which are incorporated in this report by reference and, which provide further details of the Group's activities during the year, likely future developments, financial instruments, SECR disclosures and the risk management objectives and policies.

DIVIDENDS

The directors have recommended a final dividend of 2.8p to be paid on 31 July 2026 to shareholders on the register at close of business on 3 July 2026. This makes a total dividend for the year of 3.75p.

DIRECTORS

The directors who held office during the year are set out below:

Richard Bailey, BA, ACA (Executive Chairman)

Kevin Wood, MEng, ACA (Finance Director)

Ann Yerburgh*

Roseanna McKinley

†Mark Fisher, BA*

†Andrew Stothert* (resigned 31 December 2025)

†Kevin Georgel* (appointed 1 June 2025)

*Member of the Remuneration Committee

†Independent Non-Executive Director

In accordance with the Company's Articles of Association, Kevin Wood and Roseanna McKinley retire by rotation, and being eligible, offer themselves for re-election.

None of the directors had any material interest during the year in any contract of significance in relation to the Group's business.

DIRECTORS' INDEMNITY

The directors have the benefit of the indemnity provision contained in the Company's Articles of Association. This provision, which is a qualifying third-party indemnity provision, was in force throughout the current financial year and remains in force at the date of this report.

EMPLOYEE INVOLVEMENT

It is the policy of the Group to keep employees regularly informed on matters of importance and interest. The

directors also give attention to all aspects of health and safety within the Group as well as giving disabled persons full and fair consideration in respect of employment, training, career development and promotion. There are also opportunities for employees who become disabled to continue in their employment or to be retained for other positions within the Group. Further information can be found in the Section 172(1) Statement on pages 16 to 17.

ENGAGEMENT WITH KEY STAKEHOLDERS

In accordance with the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018), the Companies Statement is contained within the Section 172(1) Statement on pages 16 to 17.

CHARITABLE AND POLITICAL CONTRIBUTIONS

The Group made charitable donations of £75,000. The Group made no political contributions.

SIGNIFICANT SHAREHOLDINGS

So far as the Company is aware the following shareholders held legal or beneficial interests in ordinary shares of the company exceeding 3% on 31 March 2026:

Yerburgh Family Settlement Trusts	42.0%
Albany Trustees	15.4%

POST BALANCE SHEET EVENTS

The Company purchased 500,000 of its own shares in April 2026, see details in note 20.

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE COMPANY'S AUDITOR

The directors who held office at the date of approval of this Directors' Report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Group and the Company's auditor is unaware; and
- each director has taken all the steps that he or she ought to have taken as a director (i) to make himself or herself aware of any relevant audit information and (ii) to establish that the Group and the Company's auditor is aware of that information.

AUDITOR

In accordance with section 489 of the Companies Act 2006, a resolution for the re-appointment of MHA is to be proposed at the Annual General Meeting.

By order of the Board

JAYNE KIRKHAM
COMPANY SECRETARY

17 June 2026

Corporate Governance

THE BOARD AND COMMITTEES

The Board meets regularly throughout the year and is responsible for strategy, performance, approval of major projects and general treasury and risk management policies. The Board is also responsible for maintaining a framework for Corporate Governance and internal controls which it believes is appropriate to the Company.

The Board includes two executive and four non-executive directors. All appointments to the Board are for a specified term. Directors are subject to re-election by rotation, with one third of their number re-elected each year by shareholder approval at the Annual General Meeting. All newly appointed directors stand for re-election at the Annual General Meeting following their appointment. All the directors of the Company are resident in the UK and bring a wide range of skills and experience to the Board.

There is an established procedure whereby directors, in furtherance of their duties, may take independent professional advice at the expense of the Company. The Board ensures that all directors continually update the skills and knowledge required to fulfil their roles. All directors have access to the advice and services of the Company Secretary.

The Board has not established an Audit Committee as the directors consider that the current arrangements with the external Auditor are effective. The Board regularly monitors and reviews the Auditor's independence, objectivity and effectiveness. The Auditor meets with the directors to present and agree the audit strategy prior to the commencement of the audit and then presents the results of the audit at the Board meeting following completion.

All Board appointments are formally considered by the Board, and therefore there is no requirement for a separate Nominations Committee.

DIRECTORS' ATTENDANCE RECORD

The following table shows the attendance record of individual directors at scheduled meetings of the Board and Remuneration Committee during the year ended 31 March 2026.

Director	Board attended	Remuneration Committee attended
Richard Bailey	5/5	N/A
Kevin Wood	5/5	N/A
Ann Yerburgh	5/5	1/1
Roseanna McKinley	4/5	N/A
Andrew Stothert	3/3	1/1
Mark Fisher	5/5	1/1
Kevin Georgel	5/5	1/1

REMUNERATION REPORT

The Remuneration Committee meets regularly and, having taken the relevant advice, determines on behalf of the Board the remuneration package of the executive directors and other senior executives. The Remuneration Committee aims to ensure that remuneration packages are competitive and designed to attract, retain and motivate directors and executives of the right calibre.

In particular, the Committee has regard to the levels of remuneration in the Group and in specific sectors and businesses with which Group companies compete and is also sensitive to salary levels in the wider community. The Group operates performance related reward policies, designed to provide the correct balance between fixed and variable remuneration.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for overseeing and maintaining the Company's system of internal financial control and risk management and places a high level of importance on maintaining a strong control environment.

In establishing these systems, the directors have considered the nature of the Company's business with regard to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The following key features of the system, which have remained unchanged during the year, are:

- A five-year strategic plan is updated on an annual basis and approved by the Board
- A comprehensive annual budget is prepared and approved by the Board
- Monthly results are reported against budget and variances closely monitored by the Board
- Cash flow forecasting on a rolling basis to ensure covenant compliance
- All major capital expenditure projects are presented to the Board with detailed feasibility reports which are followed up with regular post completion performance reviews
- Business continuity plans and IT security measures are regularly reviewed
- An annual risk management review is undertaken

THE QUOTED COMPANIES ALLIANCE CORPORATE GOVERNANCE CODE 2023

The Quoted Companies Alliance Corporate Governance Code (The QCA Code) is constructed around ten broad principles. Set out below is a summary of how the Company currently complies with each key principle of this code.

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

HOW WE APPLIED	WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS
<p>Our purpose is to make people feel at ease. We do that through our real hospitality, delivered in a socially responsible way, by friendly faces in our outstanding properties in great locations.</p> <p>The Company strategy is to operate as a diversified regional hospitality and leisure business operating in the pub and hotel markets, predominantly in England.</p> <p>Our business model is to invest in freehold properties to create long term sustainable and profitable assets. We constantly seek new properties to add to our portfolio that increase the overall quality, whilst disposing of those that no longer give acceptable returns.</p> <p>The Board reviews the strategy of the Company on an annual basis.</p>	<p>Strategy (pages 6 – 7)</p> <p>Principle Risks and Uncertainties (pages 18 – 20)</p>

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

HOW WE APPLIED	WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS
<p>Our strong family connections shape the way we do business through our guiding principles of:</p> <ul style="list-style-type: none">• Quality• Innovation• Craftsmanship, and• Hospitality <p>Our objective is to create a culture that is focussed on the long-term sustainable success of the business.</p> <p>The Board operates a policy of collective responsibility with regard to all decision making, with the Chairman being responsible for the smooth functioning of its activities.</p> <p>The business is run in such a way that balances the interest and considerations of all its stakeholders and to promote the business for the benefit of its members. This involves considering the interest of employees, how it manages the on-going success of its relations and dealings with customers and suppliers. We are aware of the impact we have on the communities in which we operate and the impact on the environment and are taking positive steps to improve.</p>	<p>Sustainability (pages 21 – 23)</p> <p>Corporate governance (pages 26 – 31)</p> <p>Promoting the success of our Company Statement (pages 16 – 17)</p>

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

HOW WE APPLIED	WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS
<p>Communications with shareholders are given a high priority with information provided regularly in interim and annual financial statements and any issues of concern can be addressed to the Board by any shareholder.</p> <p>The Board uses the Annual General Meeting to communicate with shareholders and welcomes their participation. The Directors are available to answer any questions from shareholders</p> <p>The Company is principally a family business, with the Yerburgh family (direct descendants of Daniel Thwaites) controlling a majority of the shares whilst the remainder are held by private individuals.</p> <p>The Yerburgh family appoints a non-executive to the Board and part of their role is to communicate with other family shareholders about Company developments.</p>	<p>Corporate Governance (pages 26 – 31)</p> <p>Report of Directors (page 25)</p>

Corporate Governance continued

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

HOW WE APPLIED

The success of the Company relies on the partnerships and relationships that we form at all levels, be it with our employees, our customers, our suppliers or any other groups that we interact with.

We take seriously our duty to run the business in such a way that balances the interests and considerations of all of our stakeholders and to promote the business for the benefit of our members.

In governing and directing the business with the interest of our members in mind, we take into consideration the interest of our employees, how we manage the ongoing success of our relations and dealings with customers and suppliers, ensure that we have an eye to our communities and the impact that our business has on the environment. An overriding concern is also of course understanding how we maintain, protect and grow our reputation that has been so carefully built up over more than two centuries.

We actively encourage and review feedback from customers, via online and other review mechanisms. We regularly conduct engagement surveys to get feedback from staff, together with regular staff conversations through our ELMA process.

Suppliers feedback through regular meetings and reviews.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Promoting the success of our Company (pages 16 – 17)

Sustainability report (pages 21 – 23)

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

HOW WE APPLIED

The Board meets regularly throughout the year and is responsible for strategy, performance, approval of major projects and general treasury and risk management policies.

The Board is also responsible for establishing and maintaining a system of internal risk management, with particular focus on health and safety, a strong financial control environment and sustainability.

The principal risks and uncertainties are monitored by the Board.

The Board considers risks to the business on a regular basis and updates the risk register, which identifies the principal risks and any mitigating actions in place to protect against those risks.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Principle Risks and Uncertainties (pages 18 – 20)

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

HOW WE APPLIED

The Company is led by the Board of Directors. The Executive Chairman is responsible for the constitution and running of the Board and is responsible for assembling a talented team of executives, running the Group's business and implementing Group strategy.

Any significant commitment or role outside the business or potential conflict of interest is declared by the Director concerned and reviewed and approved by the executive Chairman.

The Company does not have a separate Chairman and Chief Executive. The role of Executive Chairman was created in consultation with the Family Shareholders, whose preference is that the Board is led by a family member and are wholly supportive of the role.

Each of the operating businesses has its own operations director and the Family Shareholders believe that the autonomy of the operating businesses and the strategic development of them benefits from this segregation of duties.

The Company has a Remuneration Committee, which is led by a different person to the Executive Chairman to avoid a conflict of interest.

The Board includes four non-executive directors (three of which are independent) and two executive directors. Due to the size and structure of the Company and the make-up of the Board, the Directors do not consider it necessary to appoint a senior independent director at this point but will keep the matter under regular review. All appointments to the Board are for a specified term. All directors are subject to re-election at the Annual General meeting. All newly appointed directors stand for re-election at the Annual General Meeting following their appointment. All the directors of the Company are resident in the UK and bring a wide range of skills and experience to the Board.

The Board has not established an Audit Committee as the directors consider that the current arrangements with the external Auditor are effective. The Board regularly monitors and reviews the Auditor's independence, objectivity and effectiveness. The Auditor meets with the directors prior to the commencement of the audit and attends the board meeting at which the annual accounts are approved. The Board gives full consideration to all reports received from the Auditor. The Auditor also has the opportunity to meet directly with the Non-Executive Directors.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Strategic Report (pages 10 – 13)

Corporate Governance (pages 26 – 31)

Report of the Directors (page 25)

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

HOW WE APPLIED

The Board is satisfied that it has the appropriate balance of skills and experience. The Executive Directors have considerable expertise and experience in their roles as well as professional qualifications. The Non-Executive Directors possess a range of industry, business, financial and commercial expertise to bring both balance, insight and relevance to the Board.

Where new Board appointments are considered, the search for candidates is conducted with the help of agents and recommendations and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

The Board ensures that all directors continually update the skills and knowledge required to fulfil their role both on the Board and on Board committees.

There are procedures in place whereby the Directors, in furtherance of their duties, may take independent professional advice at the expense of the Company.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Corporate Governance (pages 26 – 31)

Board of Directors (page 24)

Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

HOW WE APPLIED

The Remuneration Committee annually reviews and evaluates the performance of the Directors and the executive management team. Every three years each Director retires by rotation and is proposed for re-election to the Board at the Annual General Meeting.

Following each Annual General Meeting, the Executive Chairman is proposed for re-election by the Board. An external Board effectiveness review took place during the year ended 31 March 2026. The review was carried out by Boardclik, which assessed the Boards effectiveness as above their benchmark and did not identify any significant issues to be addressed.

Succession planning is given due consideration by the Executive Chairman and the Board. The family shareholders review their representation on the Board on an annual basis. Independent non-executive directors typically serve on the Board for periods between six and nine years, but this is reviewed when they retire by rotation and are re-elected every three years. On 1 June 2025, Kevin Georgel was appointed as an independent non-executive director to facilitate future rotational change, with Andrew Stothert stepping down on 31 December 2025. Succession plans for Executive directors are considered with reference to practicality and the size of the Board and Company.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Corporate Governance (pages 26-31)

Corporate Governance continued

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

HOW WE APPLIED

The Remuneration Committee exists to provide governance to the Board and is made up of a minimum of three Non-Executive Directors.

The Remuneration Committee meets regularly and, having taken the relevant advice, determines on behalf of the Board the remuneration package of the Executive Directors and the executive management team. The Remuneration Committee aims to ensure that remuneration packages are competitive and designed to attract, retain and motivate directors and executives of the right calibre.

In particular, the Committee has regard to the levels of remuneration in specific sectors and businesses with which the Company competes and is also sensitive to salary levels in the wider community. The Company operates performance related reward policies, designed to provide the correct balance between fixed and variable, and short and longer term, remuneration.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Corporate Governance (pages 26 – 31)

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

HOW WE APPLIED

The Board uses the Annual General Meeting to communicate with shareholders and welcomes their views and answers their questions.

The Company is quoted on the Aquis Exchange where all regulatory news is displayed, all of which is also displayed on the Company's website.

Constitutional and governance information can also be found on the Company's website.

WHERE TO FIND FURTHER INFORMATION IN THE ACCOUNTS

Corporate Governance (pages 26 – 31)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS102").

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 parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

JAYNE KIRKHAM
COMPANY SECRETARY

17 June 2026

Independent Auditor's Report

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Daniel Thwaites PLC. For the purposes of the table on pages 33 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Daniel Thwaites PLC and its subsidiaries (the "Group"). The "Parent Company" is defined as Daniel Thwaites PLC, as an individual entity. The relevant legislation governing the Parent Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

OPINION

We have audited the financial statements of Daniel Thwaites PLC for the year ended 31 March 2026.

The financial statements that we have audited comprise:

- the Group Profit and Loss Account
- the Group Statement of Comprehensive Income
- the Group Balance Sheet
- the Group and Parent Company Statement of Changes in Equity
- the Group Statement of Cash Flows
- the Parent Balance Sheet and
- Notes 1 to 25 to the financial statements, including material accounting policies

The financial reporting framework that has been applied in the preparation of the Group and Parent Company's financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2026 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with those 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

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

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's assessment of going concern and challenging the key assumptions made;
- Considering the inherent risks to the Group's and the Parent Company's operations and specifically their business model;
- Evaluating how those risks might impact on the available financial resources;
- A review of the post year end management accounts and forecasts covering at least 12 months following approval of the financial statements;
- Evaluating the banking facilities and covenants in place and assessing the risk of any covenants being breached and facilities being withdrawn;
- Performing sensitivity analysis to identify the point at which covenants would be breached and assessing the likelihood of this happening; and
- Viability assessments at Group and Parent Company levels, including consideration of reserve levels and business plans.

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 Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OVERVIEW OF OUR AUDIT APPROACH

SCOPE Our audit was scoped by obtaining an understanding of the Group, including the Parent Company, and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

The Parent Company, Daniel Thwaites PLC, is the only trading company in the Group with all subsidiary companies being dormant throughout the year. As such, we have completed an audit on the Group as a single aggregated set of financial statements.

MATERIALITY	2026	2025	
OVERALL: GROUP	£5,000,000	£3,000,000	1.5% (2025: 1%) of total assets
COMPANY	£4,999,000	£2,999,000	1.5% (2025: 1%) of total assets

SPECIFIC MATERIALITY FOR THE PROFIT AND LOSS

ACCOUNT: GROUP	2026	2025	
GROUP	£2,500,000	N/A	2% (2025: N/A) of revenue
COMPANY	£2,499,000	N/A	2% (2025: N/A) of revenue

KEY AUDIT MATTERS

RECURRING Valuation of properties

KEY AUDIT MATTERS

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

VALUATION OF PROPERTIES

KEY AUDIT MATTER DESCRIPTION At 31 March 2026, the Group and Parent Company reported land and properties net book value of £281.2m (2025: £277.2m).

Land and properties include properties revalued both internally by the Group's own staff and externally by external valuation experts, with a percentage of the properties valued each year externally on a rotational basis. Given the size of the valuation of these properties on the Group's balance sheet and the judgemental nature of valuations, a small change in the assumptions and estimates used in this valuation could lead to a significant and material impact on the Group's total assets, and we have therefore determined this to be a key audit matter, along with the associated disclosures.

The relevant accounting policy is discussed on page 42 along with the significant estimates and judgements. The revaluations during the year are in Note 11.

HOW THE SCOPE OF OUR AUDIT RESPONDED TO THE KEY AUDIT MATTER

We undertook the following procedures:

- We have targeted key properties and selected a sample of properties from the residual population, using a risk-based approach.
- For any properties that were externally valued during the year, we have obtained assurance over the valuation by obtaining the valuation reports for the properties that were externally valued during the year, and compared to the carrying value at the balance sheet date. We have also assessed the qualification of the valuers
- For any properties valued internally by management, we have reviewed the methodology used, including setting our own expectations using the third party valuation evidence from the externally valued properties and other publicly available information where relevant. We have investigated any instances where there are deviations from our expectations and corroborated accordingly.
- We consider the risk to be greater for properties valued internally by management. As such, we have performed a wider review, in addition to the key properties and sample selected, of any further outliers compared to our expectations. This has included consideration of whether the valuations contain any management bias and a stand back assessment comparing the trends in the externally valued properties to those internally valued.
- We have reviewed the disclosures in the financial statements with respect to the revaluation amounts, qualifications of the valuers and the valuation methodology and considered if these are in line with the requirements of the accounting standards.

KEY OBSERVATIONS COMMUNICATED TO THE GROUP'S BOARD We did not identify any material misstatements in relation to the valuation of the properties.

Independent Auditor's Report continued

OUR APPLICATION OF MATERIALITY

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Group was set at £5,000,000 (2025: £3,000,000) and in respect of the Parent Company was set at £4,999,000 (2025: £2,999,000) which was determined on the basis of 1.5% (2025: 1%) of the Group's total assets and 1.5% (2025: 1%) of the Parent Company's total assets. Parent Company materiality was restricted to be below that of Group materiality. Total assets was deemed to be the appropriate benchmark for the calculation of materiality as this is a key area of the financial statements, given the property portfolio held, and is believed to be of most interest for the users of the financial statements as it shows the strength of the balance sheet.

A specific materiality for the Profit and Loss Account was used because misstatements affecting revenue and profit-related balances could reasonably influence user decisions at a lower level than overall balance sheet based materiality. This materiality in respect of the Group was set at £2,500,000 (2025: N/A) and in respect of the Parent Company was set at £2,499,000 (2025: N/A) which was determined on the basis of 2% (2025: N/A) of the Group's total revenue and 2% (2025: N/A) of the Parent Company's total revenue. Parent Company materiality was restricted to be below that of Group materiality. Total revenue was deemed to be the appropriate benchmark for the calculation of specific materiality as this is a key area of the financial statements, given the trade of the business, and is believed to be of most interest for the users of the financial statements as this benchmark is commonly used to measure performance of the Group. No specific materiality for the Profit and Loss account was applied in the previous year.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Overall performance materiality for the Group was set at £3,500,000 (2025: £2,100,000) and for the Parent Company was set at £3,499,000 (2025: £2,099,000) which represents 70% (2025: 70%) of the above materiality levels. Profit and Loss performance materiality for the Group was set at £1,750,000 (2025: N/A) and for the Parent Company was set at £1,749,000 (2025: N/A) which represents 70% (2025: N/A) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £250,000 (2025: £150,000) and Profit and Loss adjustments exceeding £125,000 (2025: N/A) in respect of the Group and Parent Company to the Board as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

OVERVIEW OF THE SCOPE OF THE GROUP AND PARENT COMPANY AUDITS

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. This assessment takes into account the size, risk profile, organisation / distribution and effectiveness of group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each component.

In assessing the status of the Group companies, all are dormant apart from the Parent Company. Therefore, the only company in the scope of audit is the Parent Company itself.

THE CONTROL ENVIRONMENT

We evaluated the design and implementation of those internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle.

CLIMATE-RELATED RISKS

In planning our audit and gaining an understanding of the Group and Parent Company, we considered the potential impact of climate-related risks on the business and its financial statements. Management have concluded that climate-related risks are not material to these financial statements. We reviewed the climate-related disclosures included in the other information of the annual report to assess whether they are materially consistent with the financial statements and our understanding of the business obtained during the audit. Internal specialists were involved in these reviews.

REPORTING ON 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

STRATEGIC REPORT AND DIRECTORS REPORT

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

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

In the light of the knowledge and understanding of the Group and the Parent Company and 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 by branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

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

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

AUDITOR 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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.

IDENTIFYING AND ASSESSING POTENTIAL RISKS ARISING FROM IRREGULARITIES, INCLUDING FRAUD

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's, including the Parent Company's, own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Group focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation or those that had a fundamental effect on the operations of the Group.
- We enquired of the directors and management concerning the Group's and the Parent Company's policies and procedures relating to:

Independent Auditor's Report continued

- identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to manipulation of internal metrics to influence management remuneration, posting inappropriate journals to increase profits to comply with covenants, the risk of fraud in revenue in respect of revenue occurrence and management bias in accounting estimates, particularly in respect of fixed asset valuation.
- reviewing legal and professional expenditure to identify any evidence of ongoing litigation or non-compliance with relevant regulations;
- enquiry of management around actual and potential litigation and claims; and
- challenging the assumptions and judgements made by management in its significant accounting estimates, in particular those relating to the determination of the valuation of properties as reported in the key audit matter section of our report, particularly where management, rather than external valuers, have performed the valuations at the year end date.
- 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.

AUDIT RESPONSE TO RISKS IDENTIFIED

In respect of the above procedures:

- We corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's board meetings and inspection of correspondence with regulatory and tax authorities.
- Audit procedures performed by the engagement team in connection with the risks identified included:
 - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements;
 - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
 - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
 - auditing the risk of fraud in revenue, including through sales transaction testing to provide comfort over revenue occurrence in the financial statements;

USE OF OUR REPORT

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

**Paul Spencer BSc (Hons) FCA
(Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
Preston, United Kingdom
17 June 2026**

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Financial Statements

Group Profit and Loss Account

for the year ended 31 March 2026

	Note	2026 £m	2025 £m
Turnover	1	127.0	120.6
Cost of sales		(98.5)	(93.9)
Gross profit		28.5	26.7
Distribution costs		(4.9)	(5.1)
Administrative expenses		(10.7)	(9.9)
Other operating income	3	0.1	0.1
Operating profit before profit on property disposals	2	13.0	11.8
Profit on property disposals		0.2	0.4
Operating profit		13.2	12.2
Net interest payable	5	(4.7)	(5.3)
Gain on interest rate swaps measured at fair value	16	0.4	1.2
Net finance income on pension asset	10	1.7	1.7
Profit on ordinary activities before taxation	1	10.6	9.8
Taxation on profit for the year	6	(2.8)	(2.2)
Profit on ordinary activities after taxation		7.8	7.6
Basic and diluted earnings per share	8	13.6p	12.9p

Group Statement of Comprehensive Income

for the year ended 31 March 2026

	2026 £m	2025 £m
Profit on ordinary activities after taxation	7.8	7.6
Other comprehensive income (loss):		
Surplus on revaluation of land and properties	2.8	2.2
Movement on deferred tax relating to revaluation of properties	(0.6)	(0.5)
Recognised actuarial loss on pension scheme	(2.6)	(6.3)
Movement on deferred tax relating to pension scheme	0.6	1.6
Total comprehensive income for the year	8.0	4.6

Group Balance Sheet

as at 31 March 2026

	Note	2026 £m	2025 £m
Fixed Assets			
Tangible assets	11	325.8	319.9
Investments	12	0.8	0.8
		326.6	320.7
Current Assets			
Stocks	14	1.0	0.9
Trade and other debtors	15	6.2	7.3
Cash at bank and in hand		3.8	2.6
		11.0	10.8
Creditors due within one year			
Trade and other creditors	16	(23.5)	(20.8)
Loan capital	17	(4.5)	(33.5)
		(28.0)	(54.3)
Net current liabilities			
		(17.0)	(43.5)
Total assets less current liabilities			
		309.6	277.2
Creditors due after one year			
Deferred tax	16	(68.2)	(42.2)
	19	(12.4)	(11.3)
Net assets excluding pension asset			
		229.0	223.7
Pension scheme asset	10	28.3	29.7
Net assets including pension asset			
		257.3	253.4
Capital and reserves			
Called up share capital	20	14.1	14.7
Capital redemption reserve	21	1.7	1.1
Revaluation reserve	21	81.3	80.1
Profit and loss account		160.2	157.5
Equity shareholders' funds			
		257.3	253.4

The accounts on pages 37 to 59 were approved by the Board of Directors and authorised for issue on 17 June 2026 and signed on its behalf by

Richard Bailey
Chairman

Kevin Wood
Finance Director

Company Registered No. 51702

Group and Parent Statement of Changes in Equity

for the year ended 31 March 2026

	Called-up share capital £m	Capital redemption reserve £m	Revaluation reserve £m	Profit and loss account £m	£m
Group					
At 31 March 2024	14.7	1.1	78.6	156.4	250.8
Profit for the year	-	-	-	7.6	7.6
Recognised actuarial loss on pension schemes	-	-	-	(6.3)	(6.3)
Movement on deferred tax relating to actuarial loss	-	-	-	1.6	1.6
Surplus on property revaluation	-	-	2.2	-	2.2
Movement on deferred tax relating to revalued assets	-	-	(0.5)	-	(0.5)
Total comprehensive income	-	-	1.7	2.9	4.6
Dividends paid	-	-	-	(2.0)	(2.0)
Revaluation element of depreciation charge	-	-	(0.1)	0.1	-
Transfer on disposal of properties	-	-	(0.1)	0.1	-
At 31 March 2025	14.7	1.1	80.1	157.5	253.4
Profit for the year	-	-	-	7.8	7.8
Recognised actuarial loss on pension schemes	-	-	-	(2.6)	(2.6)
Movement on deferred tax relating to actuarial loss	-	-	-	0.6	0.6
Surplus on property revaluation	-	-	2.8	-	2.8
Movement on deferred tax relating to revalued assets	-	-	(0.6)	-	(0.6)
Total comprehensive income	-	-	2.2	5.8	8.0
Dividends paid	-	-	-	(2.1)	(2.1)
Revaluation element of depreciation charge	-	-	(0.1)	0.1	-
Purchase and cancellation of shares	(0.6)	0.6	-	(2.0)	(2.0)
Transfer on disposal of properties	-	-	(0.9)	0.9	-
At 31 March 2026	14.1	1.7	81.3	160.2	257.3
Parent					
At 31 March 2024	14.7	1.1	55.3	178.6	249.7
Profit for the year	-	-	-	7.6	7.6
Recognised actuarial loss on pension schemes	-	-	-	(6.3)	(6.3)
Movement on deferred tax relating to actuarial loss	-	-	-	1.6	1.6
Surplus on property revaluation	-	-	2.2	-	2.2
Movement on deferred tax relating to revalued assets	-	-	(0.5)	-	(0.5)
Total comprehensive income	-	-	1.7	2.9	4.6
Dividends paid	-	-	-	(2.0)	(2.0)
Revaluation element of depreciation charge	-	-	(0.1)	0.1	-
Transfer on disposal of properties	-	-	(0.1)	0.1	-
At 31 March 2025	14.7	1.1	56.8	179.7	252.3
Profit for the year	-	-	-	7.8	7.8
Recognised actuarial loss on pension schemes	-	-	-	(2.6)	(2.6)
Movement on deferred tax relating to actuarial loss	-	-	-	0.6	0.6
Surplus on property revaluation	-	-	2.8	-	2.8
Movement on deferred tax relating to revalued assets	-	-	(0.6)	-	(0.6)
Total comprehensive income	-	-	2.2	5.8	8.0
Dividends paid	-	-	-	(2.1)	(2.1)
Revaluation element of depreciation charge	-	-	(0.1)	0.1	-
Purchase and cancellation of shares	(0.6)	0.6	-	(2.0)	(2.0)
Transfer on disposal of properties	-	-	(0.6)	0.6	-
At 31 March 2026	14.1	1.7	58.3	182.1	256.2

Group Statement of Cash Flows

for the year ended 31 March 2026

	Note	2026 £m	2025 £m
Cash flow from operating activities			
Operating profit before profit on property disposals		13.0	11.8
Non cash items			
- Depreciation		6.6	6.7
- Pension scheme administration expenses		0.5	0.6
- Impairment of tangible fixed assets		0.4	0.8
Movement in working capital			
- Stocks		(0.1)	-
- Debtors		-	0.5
- Creditors		1.7	0.3
Cash flow from operating activities		22.1	20.7
Tax received (paid)		0.4	(1.7)
Net cash flow from operating activities		22.5	19.0
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(13.4)	(14.7)
Receipts from disposal of tangible fixed assets		3.6	2.1
Trade loans advanced	12	(0.5)	(0.6)
Trade loans repaid	12	0.5	0.6
Net cash flow used in investing activities		(9.8)	(12.6)
Cash flow from financing activities			
Interest paid on loans and overdrafts		(5.0)	(5.3)
Interest (paid) received on interest rate swaps		(0.1)	0.3
Other interest received		0.2	-
Repayment of bank loans		(2.5)	-
Purchase of own shares		(2.0)	-
Equity dividends paid		(2.1)	(2.0)
Net cash flow used in financing activities		(11.5)	(7.0)
Net increase (decrease) in cash and cash equivalents		1.2	(0.6)
Cash and cash equivalents at beginning of year		2.6	3.2
Cash and cash equivalents at end of year		3.8	2.6

Notes to the Group Statement of Cash Flows

Cash and cash equivalents consist of:			
Cash at bank and in hand		3.8	2.6
Cash and cash equivalents		3.8	2.6
Loan capital		(71.5)	(74.0)
Net debt		(67.7)	(71.4)
Reconciliation of net cash flow to movement in net debt			
Increase (decrease) in cash		1.2	(0.6)
Cash flow from decrease in debt		2.5	-
		3.7	(0.6)
Net debt at beginning of year		(71.4)	(70.8)
Net debt at end of year		(67.7)	(71.4)

Parent Balance Sheet

as at 31 March 2026

	Note	2026 £m	2025 £m
Fixed Assets			
Tangible assets	11	325.8	319.9
Investments	12	0.8	0.8
Investment in subsidiary undertakings	13	11.5	11.5
		338.1	332.2
Current Assets			
Stocks	14	1.0	0.9
Trade and other debtors	15	6.2	7.3
Cash at bank and in hand		3.8	2.6
		11.0	10.8
Creditors due within one year			
Trade and other creditors	16	(36.1)	(33.4)
Loan capital	17	(4.5)	(33.5)
		(40.6)	(66.9)
Net current liabilities			
		(29.6)	(56.1)
Total assets less current liabilities			
		308.5	276.1
Creditors due after one year			
Deferred tax	16	(68.2)	(42.2)
	19	(12.4)	(11.3)
Net assets excluding pension asset			
		227.9	222.6
Pension scheme asset	10	28.3	29.7
Net assets including pension asset			
		256.2	252.3
Capital and reserves			
Called up share capital	20	14.1	14.7
Capital redemption reserve	21	1.7	1.1
Revaluation reserve	21	58.3	56.8
Profit and loss account		182.1	179.7
Equity shareholders' funds			
		256.2	252.3

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

The parent company made a profit after tax of £7.8m (2025 £7.6m)

The accounts on pages 37 to 59 were approved by the Board of Directors and authorised for issue on 17 June 2026 and signed on its behalf by

Richard Bailey
Chairman

Kevin Wood
Finance Director

Company Registered No. 51702

Accounting Policies

BASIS OF PREPARATION

Daniel Thwaites PLC is a public company limited by shares, incorporated and domiciled in the UK. See page 62 for registered office address.

These Group and parent company financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Operating Review and the Risks and Uncertainties section of the Strategic Report. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Financial Review section of the Strategic Report. Consequently, the directors believe that the Company is well placed to manage its business risks successfully.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified at fair value through the profit or loss, tangible fixed assets measured in accordance with the revaluation model.

GOING CONCERN

On 31 March 2026, the Group had net debt of £67.7m and available bank facilities of £82.5m, giving headroom of £14.8m. The bank facilities include the long-term loan of £40.5m, revolving credit facilities of £40m and overdraft facilities of £2m.

A financial model has been prepared, and stress tested, which shows that the Group meets its banking covenants for at least the next 12 months.

The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for this reason they continue to adopt the going concern basis in preparing the annual financial statements.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

Fixed Asset Valuation

The key area of judgement and estimates is the assessment of valuation of the Group's properties. The directors review the book value of each individual property on an annual basis considering current and prospective levels of trade and industry published trading multiples based on the location, mix of business and sustainability of that business. It is difficult to apply a sensitivity to this assessment of valuation as trading multiples vary by business type, mix of business and location. In addition, alternative use and

development options for properties are also considered when assessing potential valuations.

Defined benefit pension Scheme

The surpluses on the defined benefit pension schemes are determined using actuarial assumptions. Due to the long-term nature of the liabilities, the assumptions around life expectancy and discount rates are subject to a degree of estimation (see note 10).

The Trust deed and Rules provide an unconditional right for the Company to recover a surplus through refunds from the scheme, so accordingly the defined benefit pension asset has been recognised in the financial statements.

Whilst judgements and estimates have been made in assessing asset values and provisions, the directors consider the risk of material adjustment in the next year to be low.

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2026. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

Under FRS 102 (Sections 1.8 and 1.12) the Company is exempt from the requirement to present its own statement of cash flows.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

Land and properties (except those separately classified as non-trading) are carried under the revaluation model and all other fixed asset categories are carried under the historical cost model.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate

items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- plant and equipment: periods between 3 and 25 years
- fixtures and fittings: periods between 5 and 15 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Residual value is based on prices prevailing at the date of acquisition or subsequent valuation. Where, because of high estimated residual value, depreciation is immaterial, no depreciation is charged but an annual review for impairment is performed. Both residual values and useful lives are reviewed and adjusted, if appropriate, at each financial year end.

The profit or loss on disposal of properties is the difference between the net amount realised and book value. Valuation differences realised on disposal are transferred from the revaluation reserve to the profit and loss account reserve.

It is the Group's policy to value 20% of its properties by external valuers each year, so that all properties are externally valued over a five-year period. The remaining properties are subject to valuation by the Group's own professionally qualified staff each year

Land and properties include properties revalued by external valuers and the Group's own professionally qualified staff.

The head office and brewery site are stated at cost, less provision for depreciation and impairment. This has been designated as a separate class of fixed assets, land and properties non-trading.

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

A revaluation loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Revaluation losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. A revaluation loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise, revaluations are recognised in the statement of comprehensive income until the carrying amount reaches the asset's depreciated historic cost. Thereafter, revaluation losses are recognised in the profit and loss account unless it can be demonstrated that the recoverable amount of the asset is greater than its revalued amount, in which case the loss is recognised in the statement of comprehensive income to the extent that the recoverable amount of the asset is greater than its revalued amount.

Revaluation gains are recognised in the profit and loss account only to the extent (after adjusting for subsequent depreciation) that they reverse revaluation losses on the same asset that were previously recognised in the profit and loss account. All other revaluation gains are recognised in the statement of comprehensive income.

INVESTMENTS

The Group's long-term trade loans are recognised as investments within fixed assets and are stated at cost less amounts provided for impairment losses.

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less amounts written off as impairment losses.

STOCKS

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments. Financial instruments are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

Accounting Policies continued

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derivative financial instruments

Derivative financial instruments in the form of interest rate swaps are recognised at fair value. The gain or loss on re-measurement is recognised immediately in the profit and loss account. Hedge accounting is not carried out.

Interest-bearing borrowings

Interest-bearing borrowings are recognised at transaction price adjusted for transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Derecognition of financial assets and liabilities

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

TRADE AND OTHER DEBTORS / CREDITORS

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Impairment of financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its' carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate or the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

LOANS TO AND FROM SUBSIDIARIES

Loans to and from subsidiaries are non-interest bearing and have no fixed repayment dates and are therefore disclosed as current assets or liabilities in the parent balance sheet.

PENSIONS

Defined contribution plans

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

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability (asset) taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the entity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Re-measurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

TURNOVER

Turnover represents amounts recognised by the Group in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Revenue streams principally consists of food, drink and accommodation sales, which are recognised at the point at which goods or services are provided.

OPERATING LEASE

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

INTEREST RECEIVABLE AND INTEREST PAYABLE

Interest payable and similar charges include interest payable on loans, revolving credit facilities and overdrafts.

Other interest receivable and similar income include interest receivable on funds invested.

Interest receivable and interest payable are recognised in profit and loss as they accrue, using the effective interest method.

TAXATION

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on asset revaluations and rolled over taxable gains to the extent that the taxable gains are not offset by carried forward and future taxable losses.

Notes to the Accounts

1. TURNOVER AND SEGMENTAL ANALYSIS

The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker (CODM). The CODM is the Executive Chairman.

The Group has two operating segments, which are largely managed separately according to the nature of the operations:

- Pubs and inns - which comprises both tenanted and managed pubs
- Hotels - which are all operated on a managed basis

	Turnover		Profit before tax		Net assets	
	2026 £m	2025 £m	2026 £m	2025 £m	2026 £m	2025 £m
Segmental analysis						
Turnover (all from UK trade), profit before tax and net assets:						
Pubs and Inns	66.3	63.6	14.9	14.6	159.9	159.4
Hotels	60.7	57.0	8.9	7.4	138.0	137.4
Group Central Charges	-	-	(10.6)	(9.8)	-	-
Net interest payable	-	-	(3.0)	(3.6)	-	-
Gain on interest rate swaps measured at fair value	-	-	0.4	1.2	-	-
	127.0	120.6	10.6	9.8	297.9	296.8
Pension scheme asset	-	-	-	-	28.3	29.7
Financial liability for interest rate swaps	-	-	-	-	(1.2)	(1.7)
Net debt	-	-	-	-	(67.7)	(71.4)
	127.0	120.6	10.6	9.8	257.3	253.4

2. OPERATING PROFIT

Operating profit is stated after charging:

	2026 £m	2025 £m
Depreciation	6.6	6.7
Operating leases - plant and equipment	0.5	0.5
Operating leases - property	0.1	0.1
Pension schemes - defined benefit	0.6	0.6
Pension schemes - defined contribution	1.0	1.0

3. OTHER OPERATING INCOME

	2026 £m	2025 £m
Business Rates relief	0.1	0.1

4. AUDITOR'S REMUNERATION

	2026 £'000	2025 £'000
Fees payable:		
Statutory audit fees (for the parent and the group)	65.3	63.4

5. NET INTEREST PAYABLE

	2026 £m	2025 £m
Interest payable:		
On variable rate loans and overdrafts	1.8	2.2
On fixed rate loans	3.1	3.2
	4.9	5.4
Interest receivable and similar income	(0.2)	(0.1)
	4.7	5.3

6. TAXATION

	2026 £m	2025 £m
The tax charge comprises:		
Current tax		
UK corporation tax at 25%	1.6	1.4
Adjustments in respect of prior years	0.1	(1.0)
	1.7	0.4
Deferred tax		
Origination and reversal of timing differences (note 19)	0.9	0.6
Pension cost relief in excess of pension cost charge	0.3	0.3
Adjustments in respect of prior years	(0.1)	0.9
	1.1	1.8
Tax on profit on ordinary activities	2.8	2.2

The difference between the total tax charge and the amount calculated at the standard rate of corporation tax in the UK of 25% is explained below:

	2026 £m	2025 £m
Profit for the year	7.8	7.6
Total tax expense	2.8	2.2
Profit on ordinary activities before tax	10.6	9.8
Tax on profit on ordinary activities at standard rate of corporation tax	2.7	2.5
Disallowed expenses	0.1	(0.2)
Adjustments in respect of prior years	-	(0.1)
Tax on profit on ordinary activities	2.8	2.2

7. DIVIDENDS PAID

	2026 £m	2025 £m
Prior year final	1.5	1.5
Current year interim	0.6	0.5
	2.1	2.0

The 2025 final dividend of 2.6p per share was paid on 1 August 2025 to shareholders on the register on 4 July 2025. The 2026 interim dividend of 0.95p per share was paid on 9 January 2026 to shareholders on the register on 12 December 2025.

The directors have recommended a dividend in respect of 2026 of 2.8p per share for approval at the Annual General Meeting. This amounts to £1.6m but has not been reflected in the financial statements. The dividend is payable on 31 July 2026 to shareholders on the register on 3 July 2026.

8. EARNINGS PER SHARE

	2026 £m	2025 £m
Profit attributable to ordinary shareholders	7.8	7.6
Gain on interest rate swaps measured at fair value	(0.4)	(1.2)
Underlying profit attributable to ordinary shareholders	7.4	6.4
	Number '000	Number '000
Weighted average number of ordinary shares in issue during the year	57,548	58,828
Earnings per share	13.6p	12.9p
Underlying earnings per share	12.9p	10.9p

The gain on interest rate swaps measured at fair value is adjusted in calculating underlying EPS, as it is a volatile, non-cash movement linked to changing predictions of future interest rates. A diluted EPS is not presented as there are no dilutive financial investments.

9. STAFF COSTS

	2026 £m	2025 £m
Group and parent		
Wages and salaries	38.6	36.4
Social security costs	4.2	3.0
Other pension costs	1.0	1.0
	43.8	40.4

	Full time		Part time	
	2026 No.	2025 No.	2026 No.	2025 No.
The average number of persons employed by the Group and Company was:				
Pubs and Inns	284	290	336	313
Hotels	504	497	499	510
Group central services	66	68	6	7
	854	855	841	830

10. PENSION SCHEMES

Defined contribution

Eligible employees are able to join the Group's defined contribution scheme, the assets of which are held separately from those of the Group in an independently administered fund. The pension charge to the profit and loss account represents contributions payable by the Group and amounts to £1.0m (2025: £1.0m).

Defined benefit

The Group operates a defined benefit scheme (the Daniel Thwaites 1959 Pension Scheme) which has been closed to new entrants since 1 April 2001 and closed to future accrual with effect from 31 August 2009. The scheme is funded by contributions from the Group and, prior to closure, also from the employees. The assets of the scheme are held separately from the assets of the Group in trustee administered funds.

The last full triennial review took place on 1 January 2024, and the Company engages the Actuary to prepare the FRS102 valuation for the Group, including at 31 March 2026.

The main assumptions used by the Actuary were:

	2026	2025
Rate of increase in pensions payment	3.55%	3.35%
Discount rate	6.05%	5.75%
Price inflation (RPI)	3.55%	3.35%
Price inflation (CPI)	3.15%	2.95%
Cash commutation (proportion taken on retirement)	60%	60%
Mortality - males	97% SAPS S4 CMI 2025 1.5%	97% SAPS S4 CMI 2023 1.5%
Mortality - females	99% SAPS S4 CMI 2025 1.5%	99% SAPS S4 CMI 2023 1.5%

Life expectancies under the 1959 scheme mortality assumptions are shown below:

	2026 Years	2025 Years
Current pensioners (at 65) - males	87	87
Current pensioners (at 65) - females	89	89
Pensioners retiring in 20 years (at 65) - males	89	88
Pensioners retiring in 20 years (at 65) - females	91	91

10. PENSION SCHEMES continued

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	Change in assumption	Impact on scheme liabilities
Discount rate	decrease 0.25%	increase 2.6%
Price inflation (RPI and CPI)	increase 0.25%	increase 0.6%
Cash commutation (proportion taken on retirement)	decrease 10%	increase 0.2%
Rate of mortality (change to life expectancy)	decrease LTIR 0.25%	decrease 0.5%

	Value	
	2026 £m	2025 £m
Equities	14.9	-
Bonds	31.8	30.6
Gilts	79.8	99.3
Other	2.3	2.1
Fair value of scheme assets	128.8	132.0
Present value of scheme liabilities	(100.5)	(102.3)
Surplus in schemes	28.3	29.7
Related deferred tax liability	(7.1)	(7.4)
Net pension asset	21.2	22.3

The difference between assets and liabilities is extremely volatile; it can alter very significantly depending on the date at which the measurements were carried out.

In the year to 31 March 2027, the group does not expect to pay contributions to its defined benefit pension scheme.

	Scheme assets		Scheme liabilities		Net surplus	
	2026 £m	2025 £m	2026 £m	2025 £m	2026 £m	2025 £m
Movement in surplus in the year						
At the beginning of the year	132.0	143.6	(102.3)	(108.7)	29.7	34.9
Administration costs	(0.5)	(0.6)	-	-	(0.5)	(0.6)
Net finance income on pension asset	7.4	6.8	(5.7)	(5.1)	1.7	1.7
Benefits paid	(6.2)	(5.8)	6.2	5.8	-	-
Actuarial (loss) gain	(3.9)	(12.0)	1.3	5.7	(2.6)	(6.3)
At the end of the year	128.8	132.0	(100.5)	(102.3)	28.3	29.7

10. PENSION SCHEMES continued

	2026 £m	2025 £m
Group Profit and Loss Account		
Pension costs charged against operating profit:		
Administration expenses	(0.5)	(0.6)
Charge in respect of defined contribution scheme	(1.0)	(1.0)
	(1.5)	(1.6)
Net interest on pension asset	1.7	1.7
Total charge	0.2	0.1
Actual return on scheme assets	3.5	(5.2)
Amounts recognised in the statement of comprehensive income		
Actuarial loss	(2.6)	(6.3)
Deferred tax	0.6	1.6
Recognised actuarial loss on pension schemes less related tax	(2.0)	(4.7)

Relationship between the reporting entity and the trustees (managers) of the defined benefit scheme

The pension assets are held in separate trustee administered schemes to meet long term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interests of the scheme's beneficiaries. The appointment of trustees to the scheme is determined by the scheme's trust documentation. The Group is responsible for the appointment and removal of the trustees except for the two member nominated trustees of the scheme who are elected by the membership and can only be removed with the consent of all the trustees.

Future funding obligations in relation to defined benefit scheme

The most recently completed triennial actuarial valuation of the Group's defined benefit scheme was performed by an independent actuary for the trustees of the scheme and was carried out as at 1 January 2024. Due to the significant surplus in the Scheme, it was agreed that no further contributions would be payable and the Scheme would pay the PPF levy and the expenses of the Scheme.

The next triennial valuation of the Scheme is due to be completed as at 1 January 2027. The 1959 scheme provides death-in-service benefits which are insured and the Group pays these insurance premiums directly as requested.

11. TANGIBLE FIXED ASSETS

	Land and properties £m	Land and properties- non trading £m	Plant and machinery £m	Fixtures and fittings £m	Total £m
Group					
Cost or valuation:					
At 31 March 2025	279.7	6.7	5.7	143.1	435.2
Additions	4.6	(0.1)	0.5	8.4	13.4
Disposals	(2.9)	-	-	(1.8)	(4.7)
Revaluation	2.4	-	-	-	2.4
At 31 March 2026	283.8	6.6	6.2	149.7	446.3
Depreciation:					
At 31 March 2025	2.5	-	3.1	109.7	115.3
Charge for the year	0.2	-	0.2	6.2	6.6
Disposals	(0.1)	-	-	(1.3)	(1.4)
Revaluation	-	-	-	-	-
At 31 March 2026	2.6	-	3.3	114.6	120.5
Net book value 31 March 2026	281.2	6.6	2.9	35.1	325.8
Net book value 31 March 2025	277.2	6.7	2.6	33.4	319.9

As at 31 March 2026, in accordance with Group policy, 20% of the pub estate and two inns were revalued by external valuers, Christie & Co. The valuation was on the basis of Existing Use Value in respect of these properties in accordance with the RICS Valuation Standards, Sixth Edition.

At the same date two hotels were revalued by external valuers, Colliers. The properties were valued on the basis of Existing Use Value as fully operational individual hotel units in accordance with the RICS Valuation Standards, Sixth Edition.

In addition, a valuation review was carried out on the remainder of the estate, by the Company's own professionally qualified staff. Valuations are carried out with reference to the fair maintainable trade of the property and appropriate multipliers.

	2026 £m	2025 £m
Land and properties at cost or valuation:		
Freehold	261.2	258.7
Long leasehold	29.2	27.7
	290.4	286.4
Cost or valuation of land and properties:		
As valued 2026	69.7	-
As valued 2025	54.6	59.5
As valued 2024 and prior	128.2	188.3
At cost*	37.9	38.6
	290.4	286.4
The historical cost of land and properties as shown above:		
Cost	207.6	205.5
Accumulated depreciation	(2.2)	(2.2)
Net book value	205.4	203.3

* Due to the timing of purchase of these assets they have yet to be formally valued. The purchase price is deemed to be a reasonable approximation of the asset's market value.

11. TANGIBLE FIXED ASSETS continued

	Land and properties £m	Land and properties- non trading £m	Plant and machinery £m	Fixtures and fittings £m	Total £m
Parent					
Cost or valuation:					
At 31 March 2025	279.7	6.7	5.7	143.1	435.2
Additions	4.6	(0.1)	0.5	8.4	13.4
Disposals	(2.9)	-	-	(1.8)	(4.7)
Revaluation	2.4	-	-	-	2.4
At 31 March 2026	283.8	6.6	6.2	149.7	446.3
Depreciation:					
At 31 March 2025	2.5	-	3.1	109.7	115.3
Charge for the year	0.2	-	0.2	6.2	6.6
Disposals	(0.1)	-	-	(1.3)	(1.4)
Revaluation	-	-	-	-	-
At 31 March 2026	2.6	-	3.3	114.6	120.5
Net book value 31 March 2026	281.2	6.6	2.9	35.1	325.8
Net book value 31 March 2025	277.2	6.7	2.6	33.4	319.9

	2026 £m	2025 £m
Land and properties at cost or valuation:		
Freehold	261.2	258.7
Long leasehold	29.2	27.7
	290.4	286.4
Cost or valuation of land and properties:		
As valued 2026	69.7	-
As valued 2025	54.6	59.5
As valued 2024 and prior	128.2	188.3
At cost*	37.9	38.6
	290.4	286.4
The historical cost of land and properties as shown above:		
Cost	230.6	228.8
Accumulated depreciation	(2.2)	(2.2)
Net book value	228.4	226.6

* Due to the timing of purchase of these assets they have yet to be formally valued. The purchase price is deemed to be a reasonable approximation of the asset's market value.

12. INVESTMENTS

	Trade loans £m
Group and Parent	
Cost:	
At 31 March 2025	0.9
Additions	0.5
Disposals and repayments	(0.5)
At 31 March 2026	0.9
Provision for impairment	
At 31 March 2025	0.1
Decrease in the year	-
At 31 March 2026	0.1
Net book value 31 March 2026	0.8
Net book value 31 March 2025	0.8

13. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	Shares in subsidiaries £m	Loans to subsidiaries £m
Parent		
Cost less amounts written off:		
At 31 March 2025	11.5	(12.6)
Movements	-	-
At 31 March 2026	11.5	(12.6)

Loans from subsidiaries are non-interest bearing and have no fixed repayment date.

The company had the following 100% owned subsidiary undertakings all of which were dormant throughout the year:

Shire Hotels Limited, Shire Inns Limited, Lodge on the Park Limited, Park Hotels Limited, Thwaites Inns Limited, Yerburch Estates Limited, Rosewood Limited, Wirral Inns Limited, Royal Oak Limited, Yates and Jackson Limited, Star Lager Brewing Limited, Preston Breweries Limited, Bury Brewery Limited, Daniel Thwaites (Trustee) Limited, Langdale Chase Hotel Limited, Langdale Chase Limited, Lady Anne Middleton's Hotel Limited.

The registered address is the same for all companies and is given on page 62.

14. STOCKS

	2026 £m	2025 £m
Group and Parent		
Finished goods and goods for resale	1.0	0.9

15. DEBTORS

	Group		Parent	
	2026 £m	2025 £m	2026 £m	2025 £m
Due within one year				
Trade debtors	3.2	3.5	3.2	3.5
Other debtors	0.9	1.0	0.9	1.0
Prepayments and accrued income	2.1	1.7	2.1	1.7
Corporation tax	-	1.1	-	1.1
	6.2	7.3	6.2	7.3

16. CREDITORS

	Group		Parent	
	2026 £m	2025 £m	2026 £m	2025 £m
Group and Parent				
Due within one year				
Trade creditors	10.0	9.7	10.0	9.7
Other taxation and social security	2.6	2.9	2.6	2.9
Other creditors	3.5	3.3	3.5	3.3
Corporation tax	1.0	-	1.0	-
Accruals and deferred income	6.4	4.9	6.4	4.9
Loans from subsidiaries (note 13)	-	-	12.6	12.6
	23.5	20.8	36.1	33.4

	Group		Parent	
	2026 £m	2025 £m	2026 £m	2025 £m
Due after one year				
Loan capital (note 17)	67.0	40.5	67.0	40.5
Interest rate swaps	1.2	1.7	1.2	1.7
	68.2	42.2	68.2	42.2

Group and Parent	Total £m
Interest rate swaps	
At 31 March 2025	1.7
Interest income arising from financial liabilities	(0.1)
Movement in fair value	(0.4)
At 31 March 2026	1.2

17. LOAN CAPITAL AND OTHER BORROWINGS

	2026 £m	2025 £m
Group and Parent		
Bank loans - revolving credit facilities	31.0	29.0
Term loan	40.5	45.0
	71.5	74.0

The term loan which was initially taken out in 1999 (£25m) and increased in 2003 (to £45m) is secured by a first floating charge over all of the assets of the parent company and bears interest at an average fixed rate of 7.02% per annum. The term loan is repayable by nine equal annual instalments of £4.5m payable on 16 December in each year until 2034.

The revolving credit facilities were renewed in December 2025 for a term of three years with interest rates linked to Bank of England base rate and are repayable in December 2028.

In accordance with the terms of the borrowing facilities, the Group is required to comply with certain financial covenants. As at, and for the year ended 31 March 2026, the Group has complied with the terms of those financial covenants.

Borrowings are repayable as follows:

	2026 £m	2025 £m
After five years	18.0	22.5
Between two and five years	44.5	13.5
Between one and two years	4.5	4.5
	67.0	40.5
Within one year	4.5	33.5
	71.5	74.0

Borrowing facilities:

	2026 £m	2025 £m
The group has the following undrawn committed borrowing facilities available:		
Expiring within one year	2.0	8.0
Expiring between two and five years	9.0	-

18. FINANCIAL INSTRUMENTS

The Group and parent's financial instruments are classified and accounted for according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. All financial assets and liabilities are denominated in sterling.

The Financial Review section within the Strategic Report provides an explanation of the group's funding, liquidity and interest rate management policies.

The interest rate profile of the group's borrowings was as follows:

	Fixed rate borrowings £m	Floating rate borrowings £m	Weighted average of fixed borrowings Rate (%)	Weighted average of fixed borrowings Period (years)
At 31 March 2026	40.5	31.0	7.02%	3
At 31 March 2025	45.0	29.0	7.02%	4

As at 31 March 2026, the Group has interest rate swap contracts with a notional value of £45m. At the year end none of these swap contracts are hedged against current variable rate borrowings.

The primary financial instruments are as follows:

	Carrying value	
	2026 £m	2025 £m
Financial assets measured at amortised cost		
Trade loans	0.8	0.8
Cash	3.8	2.6
Trade debtors	3.2	3.5
Other debtors	0.9	1.0
Financial liabilities measured at amortised cost		
Loan capital	(71.5)	(74.0)
Trade creditors	(10.0)	(9.7)
Other creditors	(3.5)	(3.3)
Accruals	(6.4)	(4.9)
Financial liabilities measured at fair value through the profit and loss account		
Interest rate swaps	(1.2)	(1.7)

19. DEFERRED TAXATION

Group and parent

Deferred taxation is provided in the accounts at 25%

The elements of deferred tax are as follows:

	2026 £m	2025 £m
Accelerated capital allowances	4.2	3.4
Deferred tax on revaluation of properties	1.1	0.5
Deferred tax excluding that relating to pension asset	5.3	3.9
Deferred tax on pension scheme surplus (note 10)	7.1	7.4
Total deferred tax liability	12.4	11.3
Movement in the provision		
At 31 March 2025	3.9	
Deferred tax charged to the profit and loss account	0.8	
Deferred tax on revaluation of properties	0.6	
At 31 March 2026	5.3	
Deferred tax relating to pension surplus		
At 31 March 2025	7.4	
Deferred tax charged to the profit and loss account	0.3	
Deferred tax charged in the statement of comprehensive income	(0.6)	
At 31 March 2026	7.1	

The Group has recognised a deferred tax liability in respect of capital gains of £1.1m (2025 : £0.5m).

The Group is not expecting there to be a material movement in the deferred tax liability over the next 12 months.

20. CALLED UP SHARE CAPITAL

Group and parent

	Allotted and Fully Paid Up	
	2026 £m	2025 £m
56,640,000 (2025: 58,827,500) ordinary shares of 25p each	14.1	14.7

Each share provides full rights in respect of voting, dividends and distributions.

The Company purchased 2,187,500 ordinary shares during the year. These shares had a nominal value of £546,875 and were purchased for £1,998,762, an average price of £0.91 per share which represented 3.7% of the share capital.

A further 500,000 shares with a nominal value of £125,000 were purchased in April 2026 for £450,000, a price of £0.90 per share.

21. RESERVES

Group and parent

Revaluation reserve - where property, plant and equipment is revalued, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

Capital redemption reserve - a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.

22. FUTURE CAPITAL EXPENDITURE

	Group		Parent	
	2026 £m	2025 £m	2026 £m	2025 £m
Contracted for but not provided	-	1.0	-	1.0

23. LEASE COMMITMENTS

Group and parent

	Plant and equipment		Property	
	2026 £m	2025 £m	2026 £m	2025 £m
Non-cancellable operating lease rentals are payable as follows:				
Within one year	0.4	0.5	0.1	0.1
One to five years	0.5	0.7	0.3	0.2
Over five years	-	-	0.7	0.1
	0.9	1.2	1.1	0.4

24. DIRECTORS' REMUNERATION

	2026 £'000	2025 £'000
Aggregate amount:		
Directors' emoluments (Note)	1,581.8	782.7
Company pension contributions to money purchase schemes	42.4	41.4
	1,624.2	824.1
Highest paid director:		
Directors' emoluments (Note)	887.2	383.2
Company pension contributions to money purchase schemes	26.7	26.0
	913.9	409.2

Note

Directors emoluments include annual bonus and long-term incentive plan of £752,000 (2025: £nil) and for the highest paid director of £493,000 (2025: £nil)

Retirement benefits are accruing to two directors under the Group's defined contribution pension scheme (2025: two) and are payable to one director under the Group's defined benefit pension scheme (2025: one).

There is no further compensation of key management personnel other than that disclosed above (2025 : none).

25. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party or parent company.

Annual General Meeting

Notice of Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at Solent Hotel & Spa, Rookery Avenue, Whiteley, Fareham, PO15 7AJ on Friday, 24 July 2026 at 12.00 noon for the transaction of the following business:

ORDINARY BUSINESS

To consider, and if thought fit, pass the following resolutions which will be proposed as ordinary resolutions.

1. To receive and adopt the accounts for the year ended 31 March 2026 and the reports of the directors and the auditor, and to approve and declare a final dividend for the year ended 31 March 2026
2. To re-elect Kevin Wood as a director
3. To re-elect Roseanna McKinley as a director
4. To approve and confirm the remuneration of the directors for the year ended 31 March 2026
5. To reappoint MHA as auditor and authorise the directors to determine their remuneration

SPECIAL BUSINESS

To consider, and if thought fit, pass the following resolutions of which resolutions 6 and 8 will be proposed as ordinary resolutions and resolution 7 as a special resolution.

6. THAT, for the purposes of section 551 of the Companies Act 2006 (the Act) the directors of the Company be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) up to an amount equal to the aggregate nominal amount of the authorised but unissued share capital of the Company provided that this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors of the Company may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

This authority is in substitution for any and all authorities previously conferred upon the directors for the purposes of section 551 of the Act, without prejudice to any allotments made pursuant to the terms of such authorities.

7. THAT, subject to the passing of resolution 6 above, the directors of the Company be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 6 above as if section 561 of the Act did not apply to any such allotment provided that the power conferred by this resolution shall be limited to:
 - i. the allotment of equity securities for cash in connection with an issue or offer of equity securities (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings of equity securities subject only to such exclusions or other arrangements as the directors of the Company may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange in any territory; and
 - ii. the allotment (otherwise than pursuant to resolution 7.1) of equity securities for cash up to an aggregate nominal amount of £708,000.

The power conferred by this resolution 7 shall expire (unless previously renewed, revoked or varied by the Company in general meeting), at such time as the general authority conferred on the directors of the Company by resolution 6 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

8. To authorise the Company generally and unconditionally to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 25 pence each in the capital of the Company provided that:
 - i. the maximum aggregate number of ordinary shares that may be purchased is 5,664,000. Representing 10% of the issued share capital of the Company;

- ii. the minimum price (excluding expenses) which may be paid for each ordinary share is 25 pence.
- iii. the maximum price (excluding expenses) which may be paid for each ordinary share is an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share of the Company (as derived from the AQUIS Exchange website) for the five business days immediately preceding the day on which the purchase is made; and
- iv. unless previously renewed, varied or revoked, the authority conferred by this resolution shall expire at the earlier of the conclusion of the Company's next Annual General Meeting and the date which is six months from the end of the Company's next financial year save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

NOTES

Resolution 6 – Authority to allot relevant securities

The Company requires the flexibility to allot shares from time to time. The directors are limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006 (the Act).

Accordingly, resolution 6 would grant this authority (until the next Annual General Meeting or unless such authority is revoked or renewed prior to such time) by authorising the directors (pursuant to section 551 of the Act) to allot relevant securities up to an amount equal to the aggregate nominal amount of the authorised but unissued share capital of the Company at 31 March 2026. The directors believe it to be in the interests of the Company for the Board to be granted this authority, to enable the Board to take advantage of appropriate opportunities which may arise in the future.

Resolution 7 – Disapplication of statutory pre-emption rights

This resolution seeks to disapply the pre-emption rights provisions of section 561 of the Act in respect of the allotment of equity securities for cash pursuant to rights issues and other pre-emptive issues, and in respect of other issues of equity securities for cash up to an aggregate nominal value of £708,000 being an amount equal to approximately 5 per cent of the current issued share capital of the Company. If given, this power will expire at the same time as the authority referred to in resolution 6. The directors consider this power desirable due to the flexibility afforded by it.

Resolution 8 - Authority to make market purchases of shares

Resolution 8 seeks authority for the Company to make market purchases of its own ordinary shares. If passed, the resolution gives authority for the Company to purchase up to 5,664,000 of its ordinary shares, representing 10 per cent of the Company's issued ordinary share capital.

Resolution 8 specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire at the conclusion of the Company's next Annual General Meeting in 2026 or, if earlier, the date which is six months from the end of the Company's financial year which commenced on 1 April 2026.

Any shares purchased under this authority will be cancelled.

As a member of the Company entitled to attend and vote at the meeting convened by this notice you are entitled to appoint another person as your proxy to exercise all or any of your rights to attend and to speak and vote in your place at the meeting. Your proxy need not be a member of the Company.

You may appoint more than one proxy in relation to the meeting convened by this notice provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. You may not appoint more than one proxy to exercise rights attached to any one share.

By order of the Board

Jayne Kirkham
Company Secretary

17 June 2026

Shareholder Information

REGISTERED OFFICE

Daniel Thwaites PLC
Myerscough Road
Mellor Brook
Blackburn
Lancashire
BB2 7LB
Telephone: 01254 686868

COMPANY SECRETARY

Jayne Kirkham, ACA
jaynekirkham@thwaites.co.uk

REGISTRARS

MUFG Corporate Markets and Shareholder Services
Central Square
29 Wellington Street
Leeds
LS1 4DL
Telephone: 0371 664 0300
www.mpms.mufg.com

AUDITOR

MHA
Richard House
9 Winckley Square
Preston
PR1 3HP

FINANCIAL CALENDAR

Annual General Meeting
Friday 24 July 2026
12.00 noon at Solent Hotel & Spa, Rookery Avenue,
Whiteley, Fareham, PO15 7AJ.

Announcement of Interim Results
November 2026

REGISTERED NUMBER

51702

SHARE PRICE INFORMATION

The Company's share price is quoted daily in the Financial Times under the AQUIS (AQSE) section.

Further information about the Company is available on our website:

www.thwaites.co.uk

Our Paradise IPA wins Silver medal at the International Brewing Awards.



Myerscough Road
Mellor Brook
Lancashire
BB2 7LB

thwaites.co.uk