

TASTY PLC

Report and financial statements

52 weeks ended 29 December 2024

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Directors and information

Directors

Keith Lassman (Non-Executive Chairman)
Daniel Jonathan Plant (Chief Executive Officer)
Wendy Dixon (Non-Executive Director)

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Chairman's statement

I am pleased to be reporting on the Group's annual results for the 52 week period ended 29 December 2024 and the comparative 53 week period ended 31 December 2023.

In response to external challenges that affected business operations and trading performance, particularly in the hospitality sector, the Board carefully evaluated strategic and restructuring options. After thorough consideration, it was determined that implementing a Court and creditor approved Restructuring Plan, alongside additional measures across the Group, was the most effective path to restoring profitability and ensuring long-term stability for the benefit of all stakeholders. The second half of 2024 was a transformative period for the Group and, following the difficult decisions made by the Board that resulted in a resized estate with a smaller workforce, the Group was in a more robust position to deal with the challenging economic environment that prevailed after the General Election.

The Restructuring Plan was initiated on 9 April 2024, leading to the immediate closure of nine trading restaurants, followed by the closure of two more in May and one in September. Additionally, the Group exited two non-trading restaurants and three sub-let properties, and renegotiated the lease agreements for three other sites. Beyond the formal Restructuring Plan, two additional restaurant closures took place in the year and one lease was assigned in June 2024.

In total, therefore, the reshaping of the estate resulted in the closure of 16 trading restaurants in 2024, being 1 dim t and 15 Wildwood. Unfortunately, this necessitated 300 redundancies across the business. While these measures were difficult, they were deemed essential to ensure the Group's long-term viability and the job security for the remaining approximately 700 employees. We deeply regret the loss of any employment and we extend our best wishes and sincere gratitude to those we were unable to retain for their hard work and support over the years.

As part of the Restructuring Plan, a £750,000 secured loan, which converted to equity following shareholder approval on 22 July 2024, was invested into the Group. Furthermore, post year-end the Group reached a full and final settlement with its insurer for £2.5m (approximately £1.5m net of creditor costs and legal costs) in connection with a claim for breach of contract regarding insurance coverage for losses incurred in 2020.

The Board is confident that it is now in a stable financial position and these strategic measures will establish a platform for future profitability and sustainable growth. Further details of the Restructuring Plan are set out below in the Strategic Report.

At the period end, the Group comprised 36 restaurants: 4 dim t and 32 Wildwood restaurants. The Group's performance did not meet management's expectations in the year, with like-for-like sales declining by 4.5%. The Group experienced disruption as a direct consequence of the Restructuring Plan and subsequent site closures. Sales were further impacted by events such as the 2024 Euros, the Olympics, and, most profoundly, by a decline in consumer confidence following the General Election. Remote working trends post Covid, transportation strikes, and adverse weather during key trading periods caused a further deterioration in customer footfall. This has all been compounded by the increased costs of living and the knock-on reduction in consumer spending leading to the overall decline in performance.

Delivery and takeaway sales continued to decline in the first half of the year. However, towards the year-end, trading improved slightly and returned to growth as a more targeted approach to promotions and discounting was adopted.

After taking into account all of the Group's non-trade adjustments, the Group reports a profit after tax for the period of £16.0m (2023: £14.5m loss after tax) which includes an £18.6m gain on lease

Chairman's statement

modification and disposal of lease liabilities due to the closure of restaurants (2023: £0.1m loss), impairment charge of £1.9m (2023: £12.3m) and £2.5m receipt from the insurance claim offset by £1.8m restructuring and Covid related legal fees.

Redundancies were an unfortunate consequence of the Restructuring Plan to ensure the long-term security of the Group but we would like to thank all our loyal and dedicated employees at every level who have worked tirelessly throughout all the challenges encountered.

Dividend

The Board does not propose to recommend a dividend (2023: £nil).

Outlook

The Board maintains a cautious outlook with many of the headwinds highlighted above continuing since the year-end, as well as the increase in the National Living Wage and employers' National Insurance contributions having come into effect from April 2025.

However, the Board believes that once the disruption from the Restructuring Plan subsides and the Group reaches a period of stability, the Group will experience a modest uplift in sales and should be able to return to profitability. The benefits of a smaller, more profitable estate in conjunction with the cost efficiencies should ensure a robust structure with greater agility for future growth.

We are optimistic that the Group will be well positioned to capitalise on new opportunities in the sector in 2025, extending beyond current operations allow us to explore new concepts, attract diverse audiences and consider potential partnerships.

Keith Lassman

K. Lassman

Chairman

6 May 2025

Strategic report for the 52 weeks ended 29 December 2024

Business Review

Tasty operates two concepts in the casual dining market: Wildwood and dim t.

Wildwood

Aimed at a broad market, our 'Pizza, Pasta, Grill' restaurant remains the Group's main focus. Our sites are primarily based on the high street. However, our estate comprises a number of leisure, retail and tourist locations that have historically traded well, highlighting the broad appeal of the offering. Located nationally, mainly outside of London, Wildwood at year-end is currently trading from 32 branded restaurants.

dim t

As at year-end, our pan-Asian restaurant now trades from 4 sites, serving a wide range of dishes, including dim sum, noodles, soup and curry.

Introduction

The hospitality industry continues to face a landscape with significant challenges and uncertainty. Although food and utility prices declined over the year, consumer spending remained unpredictable as the cost-of-living crisis continued to drain discretionary expenditure. The employment cost increases announced in the 2024 Autumn Budget will add further strain on the whole sector from April 2025 onwards. Despite these headwinds, we focused throughout the year on enhancing customer experience, optimising cost structures, and driving sustainable growth across our portfolio of restaurants.

Energy costs

The fixed price contract for both electricity and gas ended in June 2024 and the Group have fixed again for 15 months to September 2025 at a further 15% rate reduction.

Offering

We continuously review and expand our menu offerings, including the introduction of new set-price two and three-course menus, to enhance variety and value and to support specific day-part trading. Our Head of Food and central kitchen production have made significant improvements in food quality and consistency, as reflected in positive customer feedback collated through third party surveys and online platforms. With approximately three menu updates per year, we can adapt to ingredient supplies and pricing and evolving consumer preferences, whilst also expanding our vegan and gluten-free options. To remain accessible to a broad customer base, we have maintained an affordable and a highly competitive entry price point for our pizzas and pasta dishes for Wildwood and noodles at dim t, which continue to be well received by our guests.

People

The business remains focused on fostering the right environment to attract and retain top talent. Training and development for both our kitchen and front-of-house teams are central to our people strategy.

Towards the end of 2024, the Group launched its new Vision & Values, setting the stage for a renewed focus on growth and development. Our core values, Collaboration, Ownership, and Creativity, serve as the foundation for our four key missions: Hospitality, Compliance, Team, and Finance. These Vision & Values not only guide the development and training of our people but will also drive the Group

Strategic report for the 52 weeks ended 29 December 2024

forward. In 2025, our primary focus is on enhancing operational excellence while ensuring that the foundational work laid in 2023 is sustained, strengthened, and fully embedded as the standard.

The increases in the National Living Wage and National Insurance implemented in April 2025 will add to wage pressures, inevitably leading to higher labour costs that cannot be fully absorbed. However, we remain committed to improving labour efficiency by optimising sales during different trading day-parts and enhancing technology to improve forecasting and scheduling and, wherever possible, simplifying the menu.

We deeply regret all of the redundancies we have had to make through the resizing the business and the restructuring process. Losing loyal and dedicated employees at all levels, although necessary for the continued wellbeing of the Group, has been especially challenging, and we now believe we are in a strong position to safeguard the long-term stability of the Group and the security of our remaining team members.

We sincerely appreciate the hard work and commitment of those we were unable to retain and extend our best wishes for their future endeavours. Their contributions have been invaluable, and we are truly grateful for their support over the years.

Suppliers

Supply has remained largely steady, with only minor disruptions, and prices have been generally stable. We are grateful to our suppliers for their ongoing collaboration and unwavering support throughout our Restructuring Plan.

Property

The Group has successfully sold and surrendered two underperforming restaurants, assigned one lease and compromised 23 other leases in the tail of the estate. At the year end, the Group was trading out of 36 units with 6 of those leases compromised through the Restructuring Plan.

Restructuring Plan

Following a period of external challenges which adversely impacted the Group's business and trading performance, the Board concluded that it was in the best interests of the Group, to enter a Restructuring Plan under part 26A of the Company's Act 2006 to return the business to profitability and secure its long-term future. The Restructuring Plan was sanctioned by the High Court on 4 June 2024.

To fund the Restructuring Plan and provide additional working capital, the Group entered a loan agreement with a secured creditor for £750,000. The loan was required to be discharged by 31 December 2024, or later if agreed by both the Group and the lender, by either:

- payment, purchase, redemption or discharge in any other form agreed in writing between the Group and the Lender (including, subject to shareholder approval, conversion of the loan into equity); or
- payment in cash in an amount equal to £2.6m

The Group entered into a side agreement in relation to the loan to enable conversion of the principal amount of the loan to ordinary shares of £0.001 each in the capital of the Company at a conversion price of £0.0146, subject to and conditional on shareholder approval. Shareholder approval was

Strategic report for the 52 weeks ended 29 December 2024

granted at a General Meeting held on 22 July 2024 and, accordingly, the loan was converted into 51,369,863 ordinary shares on 26 July 2024.

The Group entered a Time to Pay arrangement with HMRC in relation to PAYE and VAT arrears of £2.1m. HMRC was excluded from the Restructuring Plan and continued to be paid in the normal course of business.

In accordance with the terms of the Restructuring Plan payments to local authorities in respect of business rates and council tax were not paid in April and May 2024.

Under the Restructuring Plan, the sum of £525,000 was agreed to be paid to compromised creditors in three equal tranches. The first was paid in August 2024, the second paid in March 2025 and the final payment is due in June 2025. Based on the current claim values this will result in a "dividend" of approximately 4.17p/£ to these Restructuring Plan creditors.

Events since the year-end

Insurance settlement

The Group reached a full and final settlement with its insurer for £2.5m (being approximately £1.5 million, net of creditor costs and legal costs) in connection with a claim for breach of a contract regarding insurance coverage for losses incurred in 2020.

HMRC time to pay arrangement

The Group paid off in full the residual HMRC debt early.

Current trading and outlook

Current trading is tracking behind last year but has been in line with management expectations. The decline is largely due to the cost-of-living crisis and the tail end impact of the Restructuring Plan. The workforce cost increase outlined in the 2024 Autumn Budget presents additional challenges and is negatively affecting the hospitality sector.

Three sites have closed post year-end as we finalise the tail of closures through the Restructuring Plan.

We remain committed to finding innovative ways to streamline our operations and enhance productivity while maintaining the quality of our offerings and delivering an exceptional customer experience.

The rationalisation of loss-making restaurants and a reduced central overhead should enable EBITDA and efficiency improvements, however the Board maintains a cautious outlook.

Financial review

Highlighted Items

The Group recognises a number of items in the financial statements which arise under accounting rules, of which some have no cash impact. These items include share-based payments and impairments to fixed assets. The above are included under 'highlighted items' in the statement of comprehensive income and further detailed in Note 5. These items, due to their nature, will fluctuate significantly year-on-year and are, therefore, highlighted to give more detail on the Group's trading performance.

Strategic report for the 52 weeks ended 29 December 2024

Full year results and key performance indicators

The Directors continue to use several performance metrics to manage the business but, as with most businesses, the focus on the income statement at the top level is on each of sales, EBITDA before highlighted items, and operating profit before highlighted items compared to the previous year. All key performance indicators that adjust for highlighted items do not constitute statutory or GAAP measures.

The table below shows key performance indicators both before and after IFRS 16:

	Post IFRS 16 52 weeks ended 29 December 2024	Pre IFRS 16 52 weeks ended 29 December 2024	Post IFRS 16 53 weeks ended 31 December 2023	Pre IFRS 16 53 weeks ended 31 December 2023
<i>Non-financial</i>				
Sites at year end	36	36	53	53
Open sites at year end	36	36	51	51
<i>Financial</i>				
	£'000	£'000	£'000	£'000
Sales	36,615	36,615	46,910	46,910
EBITDA before highlighted items	3,610	(293)	4,377	(922)
Depreciation of PP&E and amortisation	(1,319)	(1,301)	(1,589)	(1,658)
Depreciation of right-of- use assets (IFRS 16)	(1,890)	-	(2,524)	-
Operating profit/(loss) before highlighted items	401	(1,594)	264	(2,580)

Sales were £36.6m, down 21.9% on the corresponding period, mainly impacted by the closure of 16 trading units through the Restructuring Plan and the additional week in the comparative year (2023: £46.9m). EBITDA before highlighted items was £3.6m (2023: £4.4m). The EBITDA loss before highlighted items and IFRS 16 adjustments was £0.3m (2023: £0.9m loss). Operating profit before highlighted items (see Note 5) was £0.4m (pre-IFRS 16 equivalent: £1.6m loss, 2023: £0.3m).

The impact of the implementation of IFRS 16 "Leases" from 2020 has resulted in both depreciation on right-of-use ("ROU") assets for leases and the interest charge on lease liabilities being greater than the charge for rent that would have been reported pre-IFRS 16; the net impact on the reported profit for 2024 is £0.6m (2023: £0.5m). We have reviewed the impairment provision across the ROU assets and fixed assets and have made a net provision of £1.9m (2023: £12.3m).

After considering all of the non-trade adjustments, the Group reports a profit after tax for the period of £16.0m (2023: £14.5m loss after tax) which includes £18.6m gain on lease modification and disposal of lease liabilities due to the closure of restaurants (2023: £0.1m loss), impairment of £1.9m (2023: £12.3m) and £2.5m receipt from the insurance claim offset by £1.8m restructuring and other related legal fees. See Note 5 for the breakdown of highlighted Items.

Strategic report for the 52 weeks ended 29 December 2024

Net cash inflow for the period before financing was £1.9m (2023: £2.4m inflow) and is driven by a net cash inflow from operating activities of £1.9m (2023: £2.5m).

As at 29 December 2024, the Group had no outstanding bank loans (2023: £nil). Cash at bank at the end of the period was £3.3m (2023: £4.2m).

Principal risks and uncertainties

The Directors have the primary responsibility for identifying the principal risks the business faces and for developing appropriate policies to manage those risks.

Risks and uncertainties	Mitigation
Cashflow and liquidity The impact of cost-of-living crisis and other trading conditions on cashflow and liquidity	Cash preservation has been a top priority in recent years. The Group closely monitors cash balances and prepares regular forecasts, which are reviewed by the Board. These forecasts incorporate our best estimates and judgments based on available information and current market conditions. Additionally, management conducts sensitivity analyses to evaluate the potential impact of various events on future cash flows. At year end, the Group had an unutilised £250,000 overdraft facility. The Group received a loan of £750,000 to fund the Restructuring Plan and provide working capital. Post year end, the Group reached a full and final settlement with its insurer for £2.5m (being approximately £1.5m, net of creditor costs and legal costs) in connection with a claim for breach of a contract regarding insurance coverage for losses incurred in 2020.
Utilities	The biggest challenge faced by the Group, and many other businesses in recent years, has been the increase in utility prices. Thankfully this has eased in 2024, however, we continue to work with our energy broker to mitigate costs by focusing on reducing consumption and increasing efficiency. The Group's energy contracts have been fixed to September 2025 benefitting from an approximate 15% reduction on the previous contract.
Market Conditions Economic uncertainty and impact of global trading conditions and inflation could reduce customer confidence / spending.	Global market conditions have impacted food and drink primarily in the form of cost inflation and shortages of certain products. We work closely with our suppliers on assured supply and regularly re-tender prices. To minimise the impact of food cost increases we consider menu engineering and review recipes.
Competition	To mitigate this risk, we continue to invest in and renew our offering whilst maintaining accessibility, staying

Strategic report for the 52 weeks ended 29 December 2024

The casual dining market faces new competition on a regular basis.	committed to quality and the overall customer experience. We constantly review marketing initiatives to ensure that we remain relevant to our consumers and ahead of the competition. We review performance and success whilst exploring new opportunities.
People Loss of key staff and inability to hire the right people in a competitive labour market.	We have continued to focus on selection, induction, training and retention of our employees. The Group has made significant improvements in its selection process, onboarding training programmes and career development and as a consequence staff retention (outside of the necessary redundancies made as a result of the Restructuring Plan) is the highest since pre Covid. The Group launched its new Visions & Values, towards the end of 2024, which have laid the pathway for a new focus on growth and development. The Group offers competitive remuneration and is reviewing its overall benefits package.
Food standards and safety Failing to meet safety standards	The Group engages in regular internal and external compliance audits to ensure all sites are complying with regulations. Job-specific training that covers relevant regulations is provided to all staff on induction and whenever else necessary. Online reporting systems are utilised on a daily basis to gather relevant information on compliance. The Group regularly reviews the latest Government guidelines and best practice regarding allergens. The Group's activities are subject to a wide range of laws and regulations, and we seek to comply with legislation and best practice at all times.
Supply Chain A major failure of a key supplier or distributor could cause significant business interruption.	The Group monitors suppliers closely. In the event of a failure by a key supplier we have contingency plans in place to minimise disruption and where possible, we maintain buffer stock of high-risk products. We work closely with our suppliers on assured supply and regularly re-tender prices. To minimise the impact of food cost increases we consider menu engineering and review recipes.

On behalf of the Board.



Daniel Jonathan Plant
Chief Executive Officer

6 May 2025

Report of the directors for the 52 weeks ended 29 December 2024

The Directors present their report together with the audited financial statements for the 52 week period ended 29 December 2024 (comparative period 53 weeks to 31 December 2023).

Throughout the year, in performance of its duties, and in compliance with Section 172 of the Companies Act, the Board has had regard to the interests of the Group's key stakeholders (such as employees and customers) and taken account of the potential impact on these stakeholders of the decisions it has made. In order to comply with Section 172, the Board is required to include a statement setting out the way in which Directors have discharged these duties during the year. Details of how the Board had regard to the following S172 Matters are as follows:

S172 Matters	Specific examples
1. The likely consequences of any decision in the long term	• Our corporate governance framework as described in this annual report • Communications with our shareholders through our website, circulars, GM, AGM and post results investor meetings
2. The interests of the Group's employees	• Employee engagement through newsletters, communication tools, surveys and career development • Established whistleblowing and safeguarding procedures
3. The need to foster the Group's business relationships with suppliers, customers and others	• Building long-term relationships with suppliers • Encouraging and responding to customer feedback through websites, social media and our feedback system
4. The impact of the Group's operations on the community and the environment	• Local community involvement with the NHS • Working with the local community • Recycling where possible
5. The desirability of the Group maintaining a reputation for high standards of business conduct	• Regular staff training and communication • Restaurant visits and audit processes
6. The need to act fairly between members of the Group	• Maintaining an open dialogue with our shareholders • Stakeholder engagement

Report of the directors for the 52 weeks ended 29 December 2024

Results and dividends

The consolidated statement of comprehensive income is set out on page 40 and shows the profit for the period.

The Directors do not recommend the payment of a dividend (2023 - £nil).

Post balance sheet events

Post balance sheet events are set out in Note 30.

Future developments

The outlook and future developments are set out in the Chairman's statement on page 3 and the Strategic Report on page 5.

Principal activities

The Group's principal activity is the operation of restaurants.

Directors

The Directors of the Group during the period were as follows:

Executive

Daniel Jonathan Plant

Non-Executive

Keith Lassman

Wendy Dixon

Harald Samúelsson (resigned 30 September 2024)

Report of the directors for the 52 weeks ended 29 December 2024

Directors' interest in shares

Director	As at 29 December 2024		As at 31 December 2023	
	Ordinary shares of 0.1p each	%	Ordinary shares of 0.1p each	%
Daniel Jonathan Plant	12,317,448	6.23%	12,317,448	8.4%
Keith Lassman	1,421,983	0.72%	1,421,983	1.0%
Harald Samúelsson (resigned 30 September 2024)	-	-	-	-
Wendy Dixon	415,000	0.21%	-	-

B ordinary shares

Director	Number	Exercise price	Date	Vesting period	Expiry date
Daniel Jonathan Plant				1,2 4 years	
'B' shares issued	15,676,640	£0.00	15/01/2021		15/01/2026
Conversion to ordinary shares	(5,225,546)	£0.00	27/06/2022		
'B' shares balance	10,451,094	£0.00		1,2 4 years	15/01/2026

In January 2021, Daniel Jonathan Plant was awarded 15,676,640 'B' shares in the Company which can be converted to ordinary 'A' shares subject to achievement of hurdle rates relating to the Company's share price. Following achievement of the first hurdle, on 27 June 2022, 5,225,546 'B' shares converted to ordinary shares.

Report of the directors for the 52 weeks ended 29 December 2024

Employees

Applications from disabled persons are given full consideration providing the disability does not seriously affect the performance of their duties. Such persons, once employed, are given appropriate training and equal opportunities.

The Group takes a positive view toward employee communication and has established systems for ensuring employees are informed of developments and that they are consulted regularly.

Environment

Our recycling has increased to an average of 49.7% (2023: 40%) in sites where we manage the waste, we do not have data for sites whose landlords manage the refuse. Our refuse provider has confirmed that none of our waste goes to landfill.

As a result of Tasty PLC recycling, all cooking oil created from the Group's locations during 2024 that our cooking oil partner Olleco has collected and recycled 60,221L of used oil, creating a total of 112,019Kg of CO₂ savings. The oil is sent to the UK's largest processing site solely dedicated to producing biodiesel from used cooking oil. Cutting edge technology enables the production of EN14214 EU specification biodiesel that is ISCC certified, resulting in the biodiesel giving more than a 86% Greenhouse carbon saving compared to regular fossil diesel.

The carbon saving we achieved in 2024 equates to the equivalent of removing 1,758 average family cars from the roads.

The Group continues to work with its delivery partners in converting all our delivery packaging to biodegradable and recyclable materials. We have stopped using plastic straws, committed to a policy recommended by the Humane League and are always looking at ways to further reduce our carbon footprint.

Task Force on Climate-Related Financial Disclosure (TCFD)

This is the second time the Group reports on Task Force on Climate-Related Financial Disclosure (TCFD), reflecting our commitment to addressing climate-related risks and opportunities. As a restaurant business, we recognise the impact of climate change on our operations, supply chain, and customer preferences. This report details our governance, strategy, risk management, and metrics in alignment with the TCFD recommendations and plays a crucial role in strategic decision-making, reinforcing the Group's commitment to implementing strong governance frameworks for effectively managing climate-related risks and opportunities.

Report of the directors for the 52 weeks ended 29 December 2024

Governance

Disclosure Requirement	Current	Future and Plans for 2025
Describe the organisation's governance on climate-related risks and opportunities	The Board continues to meet monthly to discuss financial and non-financial matters including sales performance, consumer spending habits and the cost of goods. These discussions incorporate analysis of current and projected trends to support decision making. Although climate change is not classified as a standalone risk within the governance framework, the Group acknowledges its influence on the broader business risks identified. The Group recognises that extreme weather events can impact consumer behaviour, affecting both the desire to dine out and the ability to physically access venues. The Group recognises the risk of cost inflation on raw materials and utilities, which can be influenced by various factors, including environmental conditions. Global extreme weather events can disrupt supply chains and impact pricing, posing challenges to cost stability. The Group sees opportunities in maintaining two different brands across multiple locations, reducing the impact of disruptions in any single area. Additionally, the Group employs strategic menu engineering to manage food and beverage costs, mitigate price inflation, and minimise supply chain disruptions where possible.	The Sustainable Committee which consists of Finance Director, Ops Manager, Head of Procurement, Head of Food and Health & Safety Manager, meet on a quarterly basis to discuss climate change governance, risks and opportunities. The Finance Director gives feedback on the risk and opportunities, as well as operational suggestions to the Board at the monthly board meetings.

Report of the directors for the 52 weeks ended 29 December 2024

Describe management's role in assessing and managing climate-related risks and opportunities	Finance, Operations, Head of Food, Head of Procurement, Health & Safety and Directors currently hold weekly operational meetings to review key financial and non-financial KPIs. During these meetings, they consistently evaluate the impact of weather and climate conditions on trading activities. The weekly operational meeting addresses product availability, with discussions on solutions for out-of-stock items, including potential substitutes or alternative products. Monthly review meetings are also conducted to review site by site performance, ongoing trends and mitigating actions. We also hold regular meetings with our energy consultant to stay informed and gain insights into market trends	In FY25, the Finance Director will give feedback on the risk and opportunities, as well as operational suggestions to the Board at the monthly board meetings, with the Sustainability Committee overseeing this responsibility. Issues uncovered within the weekly Operational Meetings, including operational suggestions, will be raised in the quarterly Sustainability Committee meeting. These can be raised at the next monthly board meeting where appropriate.
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Strategy

The Group uses three timeframes to gauge the proximity of risk. They are defined as follow:

- Short-term (S): within 2 years
- Medium-term (M): 2 to 10 years
- Long-term (L): 10 years +

Disclosure Requirements	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Key Opportunities: 1. Energy Efficiency – Electricity (S) (M) (L) The increase in energy costs is an industry wide issue. The Group takes reasonable steps to manage energy expenses, however, there will inevitably be increases passed on through the supply chain. Additionally, extreme weather giving rise to increased heating or cooling using air conditioning also impacts energy usage. The Group currently consumes 6,857,304 kWh across its estate. This results in a considerable cost to the Group of £1.7m of electricity in financial year 2024. Through a mixture of behavioural change practices and technological interventions the Group will look to reduce energy consumption and cost in the coming financial year.

Report of the directors for the 52 weeks ended 29 December 2024

	The Group will explore measures such as buying renewable energy contracts, transitioning to energy efficient lightbulbs across the estate and peak-time consumption management through behavioural changes to maximise energy efficiency. The Group will again complete an SECR report next year to monitor progress and set new goals for the following year. We are currently working with energy broker MyEnergy to support us in this area. 2. Low emission products. (S) (M) (L) As the customer base becomes increasingly climate-conscious, improving the Group's climate-related credentials presents an opportunity to enhance the business's reputation and potentially enhance sales performance. Consumers are seeking more sustainable menu options and businesses with proven environmental credentials. In response, we will continue to offer a diverse menu, including plant-based choices, and uphold our commitment to sourcing Red Tractor-accredited meat where possible. With the Group restructuring almost complete, we can focus on advancing our climate strategy. The Group recognises the importance of measuring our environmental impact to inform decision-making. We will begin exploring our Category 1 emissions within Scope 3, where possible, and work closely with our suppliers to improve the accuracy of this reporting. Key Risks: 1. Flooding (S) (M) (L) Heavy rain, extreme cold, and intense heat can negatively impact people's desire to socialise outside or even choose to dine out generally. Flooding has been identified as a significant physical risk due to extreme weather conditions and can have a negative impact with guests and staff struggling to access locations. 2. Supply Chain Disruption (S) (M) (L) Severe weather events can disrupt the supply chain, with suppliers potentially unable to grow certain produce in specific regions, leading to supply shortages. Contingency plans are in place to source alternative products from secondary suppliers at short notice, although this often comes at a higher cost. Flexibility in menu engineering offers another solution to address supply chain challenges. Additionally, global weather events may cause trading patterns to become more volatile, affecting global supply and demand. The Group's geographically diversified portfolio helps mitigate this risk.
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Report of the directors for the 52 weeks ended 29 December 2024

Describe the impact of climate-related risks and opportunities on the organisation's business.	The Board recognises Climate Change as a principal risk and takes it into account when making key business and strategic decisions, where applicable. As highlighted above, particular attention is given to assessing current and potential future flood risks during evaluations of new sites, as well as enhancing day-to-day operations through improved energy efficiency. All identified risks with potential financial implications, as discussed earlier, are integrated into the Group's financial planning, with sensitivity scenarios prepared where relevant. Supply chain strategy is also a critical consideration, with a focus on maintaining secondary supplier relationships where product lines are vulnerable to the adverse effects of climate change. However, this could affect pricing, so both risks and benefits must be carefully evaluated. Flexibility in menu engineering serves as an alternative way to address supply chain disruptions.
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree or lower scenario	The Group strategy has demonstrated resilience against climate-related impacts. While cost pressures could have been addressed through price increases, we have passed very little to our guests. Instead, we have mitigated these increases through efficient cost control, tendering, and strategic menu engineering. Similarly, when faced with product shortages, we can swiftly communicate with suppliers to identify appropriate substitutions or established backup solutions when potential issues are anticipated. The Group, with support from external consultants, aims to align with the 1.5°C scenario outlined in the Paris Agreement. Recognising that this requires significant and effective changes to the current status quo, the Group will explore strategies to support this goal while ensuring sound financial performance. Additionally, the Group acknowledges that achieving this will require international coordination, and as such, will further examine the responsibility of our supply chain by exploring our Scope 3 emissions in the coming year. A 2°C rise in global temperatures could exacerbate extreme conditions such as heatwaves, droughts, floods, and wildfires. Moreover, the health impacts of air pollution and heat stress may increase demand for cooling, which could drive up energy prices and affect staff and customer availability, as well as supply chains. To address these challenges, the Group will continue to develop climate-related goals in line with best practices, supported by governmental institutions, external consultants, and technological advancements where appropriate.

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Risk Management

Disclosure Requirement	Current	Future and Plans for 2025
Describe the organisation's processes for identifying and assessing climate-related risks	The Group currently works with externally- appointed sustainability consultants, to identify, assess and manage climate- related risks and opportunities. This includes work on our mandated reporting such as ESOS and SECR and our energy broker to improve visibility on progress in Scope 1 and 2.	The Group is in the early stages of assessing climate related risks and will collaborate with an appointed sustainability consultant throughout FY25 to further refine and enhance the process.
Describe the organisation's processes for managing climate- related risks	Risks and opportunities are identified at Board level through discussions with operational heads, non-executive directors, and feedback from within the Group. The Board is responsible for ensuring that the Group meets its regulatory obligations and that shareholders receive relevant and timely information through our internal reporting structures.	The Group does not currently have a formal process in place for managing climate-related risks. However, the Group will work closely with its appointed sustainability consultants throughout FY25 to develop and strengthen its approach.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	The Board regards Climate Change as a principal risk, and as such, it is factored into key strategic decisions where relevant. The key areas of risk and opportunity are outlined in this report's disclosures. The Group will remain vigilant to external risks through ongoing weekly operational meetings, monthly board meetings, and consultations with external experts.	The Sustainability Committee includes a director, who reports identified risks and opportunities to the Board on a quarterly basis. The Board will then consider these proposals within monthly meetings and act where appropriate to align with the financial goals and strategy of the Group.

Metrics and Targets

Identifying, measuring, and reporting on climate-based metrics are imperative to track our progress to create realistic but challenging climate goals. Within Scope 1 and 2 our SECR reporting, including intensity metrics, will identify improvements and challenges each year.

The Group is aware that as with most businesses within hospitality, most of our emissions lie within Scope 3 – therefore the Group has and will continue to improve our measurement and tracking capability across Scope 3 in the coming year.

Report of the directors for the 52 weeks ended 29 December 2024

Disclosure Requirement	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Scope 1 and 2: Direct CO2 emissions are measured in our SECR report. The fluctuating energy prices over the past year have underpinned the importance of reducing our consumption, which we aim to achieve through behavioural changes and significant operational adjustments. We will continue working closely with our energy broker, My Energy, to reduce consumption and, consequently, lower the costs associated with Scope 1 and 2 emissions. Scope 3: We are working with refuse supplier to monitor and track disposal methods across different waste types. We will continue to progress this relationship in the coming year focusing on food waste and recycling proportions. Used cooking oil is collected and recycled through our oil supplier, minimising the impact of waste oil. Additionally, with the support of our chemical and cleaning supplier, we are moving to more sustainable cleaning materials. The Group, with support from its suppliers, will look to expand its capacity in Scope 3 measurement in FY25. This will help us create a climate-driven strategy in appropriate areas that improves our resilience as a business, cuts costs where available and strengthens the Group's brand.
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and the related risks	Please refer to the Streamlined Energy and Carbon Reporting ("SECR") statement in the Corporate Governance Section. Key Information: Scope 1 emissions: 1,254.20 tCO2e Scope 2 emissions: 1,557.45 tCO2e Total: 2,965.593191.28 tCO2e Intensity ratio tCO2e/m2: 0.162

Report of the directors for the 52 weeks ended 29 December 2024

Describe the targets used by the organisation to manage climate- relates risks and opportunities and performance against targets	The Group does not currently have any targets in relation to climate risks and opportunities. It will be the responsibility of the Sustainability Committee to set realistic targets for our climate-related risks and opportunities. We are aware of the possible positive and negative outcomes posed by the issues that we have identified. The Group will continue to develop its business strategy in line with sound financial planning and scenario sensitivity where appropriate. Furthermore, a development in our measurement capacity will increase the validity of our target setting and resultant performance against the targets set by the Board and Sustainability Committee.
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The Group presents its greenhouse gases (“GHG”) emissions and energy use data under Streamlined Energy and Carbon Reporting (“SECR”) for the 52-week period ended 29 December 2024:

	tCO ₂ e	tCO ₂ e
	52 weeks ended	53 weeks ended
	29 December 2024	31 December 2023
Scope 1 – Natural Gas	1,254	1,558
Scope 2 – Electricity	1,557	1,477
Scope 3 – Grey Fleet Mileage	154	156
Total	2,965	3,191

An energy intensity ratio of 0.162 (2023: 0.164) has been measured using the metric of tonnes CO₂e per m² floor area (“tCO₂e”).

The Group’s total energy consumption for the 52-week period ended 29 December 2024 was 15,013,296 kWh (2023: 16,294,993 kWh).

Donations

The Group made no charitable or political donations in the period (2023: £nil).

Financial Instruments

Details of the use of financial instruments and the principal risks faced by the Group are contained in Note 26 to the financial statements.

Report of the directors for the 52 weeks ended 29 December 2024

Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future having evaluated any plausible risks and uncertainties they could reasonably anticipate. In reaching this conclusion the Directors have prepared cash flow forecasts to the end of December 2026 to include the positive impact of the Restructuring Plan. The cash flow forecasts have included, amongst other things, sensitivity analysis to model the effect of changing economic assumptions in relation to cost increases and the associated cost of living crisis. The Group's energy contracts have been fixed to September 2025 benefitting from an approximate 15% reduction and food costs have been somewhat mitigated through menu changes. Nevertheless, the Directors expect the trading environment to remain challenging throughout 2025. The £750,000 secured loan was granted shareholder approval on 22 July 2024 and was converted to equity. Post year end, the Group reached a full and final settlement with its insurer for £2.5m (being approximately £1.5m, net of creditor costs and legal costs) in connection with a claim for breach of a contract regarding insurance coverage for losses incurred in 2020.

Given these factors, the Board believes it is appropriate for the Group to prepare its financial statements on a going concern basis.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved confirm that:

- so far as he/she is aware there is no relevant audit information of which the Company's auditor is unaware and
- that he/she has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

HaysMac LLP were appointed as the auditors and have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board.



Daniel Jonathan Plant
Chief Executive Officer
6 May 2025

Corporate Governance for the 52 weeks ended 29 December 2024

The Directors recognise the importance of sound corporate governance and intend to comply with the Corporate Governance Guidelines, to the extent appropriate for a company of its nature and size.

Changes to corporate governance regime

The Group adopted the Quoted Companies Alliance (QCA) Corporate Governance Code ("Code") following the changes to the AIM Rules for Companies implemented in September 2018. We will provide annual updates on our compliance with the Code. An updated QCA Code was published in 2023 (the 'QCA Code 2023') and the Board will report against the QCA Code 2023 in next year's annual report. Set out below is how we comply with the Code:

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

The Group owns and operates mid-priced pan-Asian and "pizza, pasta, grill" restaurants throughout the UK. Our objectives are to provide an excellent customer experience and thereby nurture and develop our brands through our branches to promote long term value for our shareholders.

The Group is constantly strengthening its operating model and over the last few years has increased the delivery offering and avenues of delivery. The challenge over the last year has been to manage the cost pressures.

Principle 2: Seek to understand and meet shareholder needs and expectations

An open dialogue with shareholders is important to the Group. At both the Group's AGM and separate meetings with institutional shareholders following the publication of the Group's year-end and half-yearly results, the Group seeks to engage with shareholders to better understand their concerns and objectives. Feedback following these meetings is reviewed and analysed by the Board.

The AGM is led by the Chairman, Keith Lassman, and the full Board attends. Individual investor meetings are generally attended by the CEO and the FD.

The results of the AGM are announced to the market and uploaded to the Group's website (www.dimt.co.uk/investor-relations).

The point of contact for shareholder liaison is:

Daniel Jonathan Plant, Chief Executive Officer

Tel: 020 7637 1166

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success.

The Group recognises the importance of good relations with stakeholders, both internal and external and we strive to improve and develop this. Feedback on how we perform as a Group and how we can improve is the key to its success.

Customers

We have invested in systems which give us access to customer feedback on a daily basis and allow us to harness the opinions of thousands of customers each month. Using this information, we learn about our customers and what they enjoy about our restaurants, food and their dining out experience. We will continue to leverage this improved knowledge to test menu development, promotional activity and continue to build loyalty to the brands.

Corporate Governance for the 52 weeks ended 29 December 2024

Consumer tastes and habits are continually changing and the ability to keep pace with the demands of the consumer is integral to long-term growth. The Group has invested in increasing the level of feedback received from customers using several channels, including mini wi-fi surveys in-store, a detailed customer feedback system and technology to collate online opinions. The Group has increased social media and marketing engagement and continually reviews ways of improving customer engagement. Offering new menu items on our menu is a key focus as well as adapting to trends.

Employees

It is especially upsetting to lose many loyal and dedicated employees at every level as a result of the Restructuring Plan and we wish everyone who we were unable to hold on to, good luck for the future. We are extremely grateful for all their hard work and support over the years.

We are still overcoming the long-term effects of the pandemic and we are working with an increasingly younger talent pool coupled with noticeable shifts identified in the needs and expectations of both current and prospective employees. We remain fully committed and invested in updating our core processes and this has been at the forefront of our people strategy.

Retention of employees is still very much an industry-wide challenge, with transient workers who are generally prepared to readily move jobs. However, despite pay being a highly sensitive factor, we have seen a large return of previous employees and a significant contingent of loyal committed employees remaining with the business who are happy with the career and development opportunities we offer. There has been an ongoing focus to reduce our staff turnover and as a result our staff retention rates have greatly improved.

Our Manager and Christmas Roadshows include team building exercises and celebrations in order to bring together the wider team away from their individual sites and ensure greater engagement and understanding of our new menus and the Christmas offer.

We constantly strive to look after the mental health and wellbeing of our colleagues. Our approach is to put people first by engaging more frequently with the teams and efficiently monitoring and tracking time off and annual leave. We have also rolled out a new internal communication platform which allows our colleagues to properly disconnect when not at work.

Training and development

The Group launched our new visions & values, towards the end of 2024, which have laid the pathway for a new focus on growth and development. Our core values are; collaboration, ownership and creativity, which underpin our 4 missions: Hospitality, Compliance, Team and Finance.

Our visions & values set the scene for our people's development and training, whilst also ensuring the Group can push forward. The focus for 2025 is to increase our operational excellence, ensure that our foundation laying work in 2023 is maintained, bolstered and becomes the absolute norm.

2025 will see a complete redesign and relaunch of our internal training platform, where a more concise, balanced and informative training structure will be made available, in addition to opening up communication channels, via surveys and internal streams.

Collaboration and creativity are also main stays throughout the year, with working groups being formed and new projects being worked on collectively by our operations and restaurant teams.

Corporate Governance for the 52 weeks ended 29 December 2024

The Group is also working to be able to present the business data and KPI's to our management teams in a more approachable format, giving the teams more understanding and to take fuller ownership of their restaurants.

Diversity

We continue to work to create and maintain a caring and open environment. Our recruitment practices are designed to be bias-free and to attract as wide an applicant base as possible.

For our Gender Pay Gap ("GPG") figures for 2024, we reported a smaller number of "full-pay relevant employees" ("FPE") at 791 employees of the 833 "relevant employees" ("RE"). The FPE accounted for 95%.

Our mean GPG is 14.94% which shows a slight increase on our 2023 figure of 13.73%.

We are delighted to report we have a 51:49 female/male split of the FPE. Of our management teams, including restaurant and central, 51% are female.

We are focused on offering flexible working and contracts to attract a broader and more diverse workforce. We are not complacent, and rigorous pay review, reward and recruitment processes are in place to ensure we are doing all we can to eliminate any gender pay gaps.

In addition, we continue to have the privilege of having a highly diverse workforce. This allows us to make sure we can attract the most talented employees regardless of background. This includes applications from disabled persons which are given full consideration providing the disability does not seriously affect the performance of their duties. Such persons, once employed, are given appropriate training and equal opportunities.

As well as equality and diversity training being a mandatory course for all general managers on our e-learning platform, we are also rolling out face-to-face training on these important topics.

Communication

We believe having open two-way communication lines between leadership and the team, is key to our success. We have implemented communication structures that allow us to consult with our team and effect change more effectively and efficiently within our restaurants. This also increases the availability of feedback to the leadership team. In addition, weekly newsletters are shared with all restaurants which allows us to update on all changes, share best practices, celebrate success, advertise internal vacancies and highlight learning and development opportunities for our managers and teams.

Modern day slavery

As part of our Group mission to "Do the Right Thing for our People, Customers and Suppliers" we oppose modern slavery in all its forms and will try to prevent it by any means that we can. We expect anyone who has any suspicions of modern slavery in our business or our supply chain to raise their concerns with us without delay.

We are committed to conducting our business activities with integrity and holding ourselves to a high ethical standard. To this end we have implemented an Anti-Slavery policy which will be reviewed annually. Our policy is available on the Wildwood website: <https://wildwoodrestaurants.co.uk/terms/>. This policy aims to minimise the risk of modern-day slavery within our restaurants or our extensive supply chain.

Corporate Governance for the 52 weeks ended 29 December 2024

Suppliers

We have built up a close relationship with most of our suppliers over several years and have a good understanding of our mutual business needs. Over the last 12 months we have seen inflationary increases as a directly result of utility increases and shortages caused by the war in Ukraine. These increases seem to have stabilised for now.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Audit, risk and internal control financial and non-financial controls

The Board has overall accountability for ensuring that risk is effectively managed across the Group and the Audit Committee has responsibility for reviewing the effectiveness of the Group's risk processes. The Board has overall responsibility for the Group's policies and procedures and for ensuring that they are in line with regulations and are sufficiently robust to ensure appropriate internal controls are maintained, while also providing a suitable framework within which the Group's function can operate.

The Group, in common with all businesses, could be affected by risks and uncertainties that may have a material effect on its business operations and achieving its strategic objectives including its business model, future performance, solvency or liquidity. Similarly, the risk management process and systems of internal control are designed to manage rather than eliminate the risk of failures to achieve the Group's objectives. Where possible, the Group seeks to mitigate these risks through these internal controls, but this can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Group has established internal financial controls, the effectiveness of which is regularly reviewed by the Executive Board and the Audit Committee, in light of an ongoing assessment of significant risks facing the Group.

The Directors utilise a large number of detailed performance indicators to manage the business.

- The Board is responsible for reviewing and approving overall Group strategy, approving budgets, plans and capital expenditure, and for determining the financial structure of the Group including treasury, tax and dividend policy (if applicable). Weekly and monthly results and variances from plans and forecasts are reviewed by the Board.
- The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper financial controls. The Board liaises with the Group's auditors in respect of both the half-yearly and year-end results and has a committee call once a year.
- Procedures are in place for budgeting and planning, for monitoring and reporting to the Board business performance against those weekly and monthly budgets and plans, and for forecasting expected performance over the remainder of the financial period. These cover profits, cash flows, capital expenditure and balance sheets. Weekly and monthly results are reported against budget and compared with prior periods, and forecasts for the current financial year are regularly revised in light of actual performance. Both weekly and daily figures are circulated to the Board.

The Group also has in place other internal controls which are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

Corporate Governance for the 52 weeks ended 29 December 2024

- close management of the day-to-day activities of the Group by the Executive Director;
- a structure with defined levels of responsibility, which promotes decision-making and rapid implementation while minimising risks;
- central control over key areas such as capital expenditure authorisation and banking facilities; and
- whilst there is no dedicated control manager there are clearly defined roles, responsibilities and practices to ensure that compliance is adhered to.

The Group continues to review its system of internal controls to ensure compliance with best practice, while also having regard to its size and the resources available. They also investigate any significant breaches of control and recommend how to prevent such breaches in future. As part of the Group's review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, risk management, business continuity and corporate social responsibility (including ethical trading, supplier standards, environmental concerns and employment diversity) have been assessed. The key elements of those non-financial controls are set out below.

Standards and policies

The Board is committed to maintaining appropriate standards for all the Group's business activities and ensuring that these standards are set out in written policies.

Approval process

All material contracts are required to be reviewed and signed by a Director of the Group and, where necessary, legal advice is obtained.

Re-assessment

The Group has business continuity plans to address key risks that have an immediate impact. Risks facing the business are re-assessed, and potential mitigating actions are considered and implemented to help protect against those risks.

Code of Conduct

Our Code of Conduct includes guidance on anything that is considered inappropriate; (including business integrity, anti-bribery, gifts, bullying, discrimination and racism) they are sent to everyone in the Group and are visible in all workplaces.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises a Non-Executive Chairman, Keith Lassman, an Executive Director, Jonny Plant, and one Non-Executive Director, Wendy Dixon.

All Directors are encouraged to use their independent judgement and challenge all matters, whether strategic or operational. Generally, regular board meetings are held monthly, with supplementary board meetings, for example, for approvals. In 2024 we had 15 regular board calls/meetings, and in 2025 we plan to continue monthly meetings. The board meetings were attended by the full Board. The Board is fully committed to Tasty plc and each member will contribute hours as required. The board meetings shown below include regular meetings and not special meetings.

Corporate Governance for the 52 weeks ended 29 December 2024

Attendance by directors	Board meetings 2024
Keith Lassman	15
Daniel Jonathan Plant	15
Harald Samúelsson (resigned 30 September 2024)	12
Wendy Dixon	14
Gordon Browne (as observer)	13

The Group has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of its directors' other commitments and interests, and changes to these commitments and interests are reported to and, where appropriate, disclosed to and agreed with the rest of the Board.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, including in the food and beverage sector. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The business reports weekly and monthly on its headline performance against its agreed budget. The Board reviews the weekly and monthly updates on performance, and any significant variances are examined at each meeting.

The Board ensures that they are kept up to date of industry developments, changes and new legislation through news updates and training where necessary.

The Company's Articles of Association require that one-third of the Directors must retire and, if desired, may stand for re-election by shareholders annually in rotation; and that any new Directors appointed during the year must stand for election at the AGM immediately following their appointment.

Independent advice

All Directors are able to take independent professional advice in respect of their duties at the Group's expense. In addition, the Directors have direct access to the advice and services of the Group's legal and accounting advisers, and the Nominated Adviser. Advice is also extended to experts on complex legal matters.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Due to the relatively small size of the Group and the Board, there is no formal process to assess the performance of each Board member. However, on an ongoing basis through regular meetings there is an opportunity to discuss development and training needs. Also, as part of this ongoing process the following is reviewed:

- their contribution is relevant and effective;
- that they are committed; and
- where relevant, they have maintained their independence.

Corporate Governance for the 52 weeks ended 29 December 2024

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board aims to lead by example and do what is in the best interests of the Group. The culture of the Group is to go the extra mile for customers, suppliers, shareholders and people. In order to grow our customer base, it is vital that all our employees act in a way that reflects the values of the business. Examples of this are:

- supporting local communities events;
- supporting NHS local hospitals and armed forces; and
- group participation in many charitable events.

We have stopped using plastic straws and committed to a policy recommended by the Humane League.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board programme

The Board meets monthly, and prior to the meeting sets an agenda, agreed by all members for discussion at the meeting. Additional meetings are convened should the need arise. Board packs are provided in advance of each meeting to allow time for review beforehand and subsequent discussion at the meeting. Minutes are taken at the meeting to record discussions, actions and resolutions.

Roles of the Board, Chairman and Chief Executive Officer

The Board, which from 1 October 2024, comprises a Non-executive Chairman, one Executive Director and one Non-executive Director, is responsible for the long-term success of the Group. The Board is responsible for overall Group strategy; approval of major investments; approval of the annual and interim results; annual budgets and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of the Group's branches, their annual budgets and their performance in relation to those budgets. There is a clear division of responsibility at the head of the Group. The Chairman is responsible for running the business of the Board and for implementing and monitoring corporate governance structures and processes. The Chief Executive Officer is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Group through the team.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Group reports weekly and monthly on its headline performance against its agreed budget, and the Board reviews the monthly update on performance and any significant variances are reviewed at each meeting. The Chief Executive Officer has weekly meetings and conference calls with the area managers and department heads.

Board committees

The Board is supported by the Audit and Remuneration Committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Group, to enable the committee to discharge its duties.

Corporate Governance for the 52 weeks ended 29 December 2024

The Audit and Remuneration Committees comprise the Non-executive Directors and are chaired by the Chairman. Other Directors are invited to attend as appropriate and only if they do not have a conflict of interest. The Audit and Remuneration Committees' members meet as required.

The Audit Committee receives, and reviews reports from management and the auditors relating to the annual and interim accounts and the accounting and internal control systems used by the Group. The Group last tendered the audit in 2019 and HaysMac LLP were appointed to replace the previous auditors. The external auditors may perform certain non-audit services for the Group. Any such non-audit services require pre-approval by the Audit Committee and are only permitted to the extent allowed by relevant laws and regulations. Full details of the auditor's remuneration are shown in note 4 to the Financial Statements.

The Audit Committee has primary responsibility for ensuring that the financial performance of the Group is properly measured and reported on. The Audit Committee receives, and reviews reports from the Group's management and auditor relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee meets once a year or more at appropriate intervals in the financial reporting and audit cycle and otherwise as required. The Audit Committee has unrestricted access to the Group's auditor. The principal areas of focus during the year included the following items:

- review of the Annual Report and financial statements.
- approval of the management representation letter.
- review of the auditors' fees and engagement letter. The Audit Committee met with the external auditors to review their Audit Plan, their report and significant findings arising during the audit.

The Remuneration Committee's principal responsibility is to review the scale and structure of the Executive Directors remuneration and the terms of their service contracts. The Audit Committee receives, and reviews reports from management and the auditors relating to the annual and interim accounts and the accounting and internal control systems used by the Group.

The Remuneration Committee intends that its policy and practice should align with and support the implementation of the Group's strategy and effective risk management for the long term. The policy is intended to motivate the right behaviours and to ensure that any risk created by the remuneration structure is acceptable to the Remuneration Committee and within the risk appetite of the Board and its strategy.

The Remuneration Committee considers the expectation of shareholders when setting pay structure and incentive policies. The Committee also considers whether the remuneration package should consist of fixed and variable pay elements.

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

The Group communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the Annual General Meeting ("AGM") and one-to-one meetings with significant existing or potential new shareholders.

The Board receives regular updates on the views of shareholders through briefings and reports from the Group's brokers. The Group meets with institutional investors following the half-yearly and year-end results.

Corporate Governance for the 52 weeks ended 29 December 2024

Where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the Group will on a timely basis, include an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.

For all historical annual reports and other governance-related material including notices of all general meetings over the last five years please refer to our website <https://dimt.co.uk/investor-relations/profile/>.

Executive Directors' Remuneration Report

The Group's remuneration policy is designed to provide competitive rewards for its Executive Director(s), taking into account the performance of the Group and the individual Executive(s), together with comparisons to pay conditions in the sector in which the Group operates. The committee seeks to establish a basic salary for each Executive determined by individual responsibilities and performance, taking into account comparable salaries for similar positions in companies of a similar size and sector.

Basic Salary

Basic salaries are reviewed on an annual basis or following a significant change in responsibilities. The Remuneration Committee seeks to establish a basic salary for each Executive by reference to individual responsibilities and performance, considering comparable salaries for similar positions in companies of a similar size and sector.

Incentive Shares

These are designed to reflect the Group's share price performance, aligning participants interests with those of shareholders. Further details of the scheme are set out on page 71.

Benefits

The Executive Director(s) are entitled to a range of benefits, including contributions to individual personal pension plans, private medical insurance and reviewing life assurance.

Service Contracts and Notice Periods

The Executive Director(s) are employed on rolling contracts subject to three or six months' notice. Service contracts do not provide explicitly for termination payments, but the Group may make payments in lieu of notice, being basic salary and other relevant emoluments for the notice period.

Non-Executive Directors

All Non-executive Directors have a letter of appointment subject to three months' notice. In the event of termination of their appointment they are not entitled to any compensation. Non-executive Directors' fees are determined by the Executive Directors having regard to the needs of the Group and comparative fees paid in the sector in which the Group operates. They are not eligible for pensions or other benefits.

Directors' Emoluments

The remuneration of each Director is set on page 60.

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. 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 the Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the AIM Rules for Companies issued by the London Stock Exchange.

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

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

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

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website (www.dimt.co.uk) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditors' report to the members of Tasty plc

Opinion

We have audited the financial statements of Tasty plc (the 'parent company') and its subsidiaries (the 'group') for the 52-week period ended 29 December 2024 which comprise:

Group	Company
• the Consolidated Statement of Comprehensive Income;	• the Company Statement of Changes in Equity;
• the Consolidated Statement of Changes in Equity;	• the Company Balance Sheet;
• the Consolidated Balance Sheet;	• the Company Statement of Cash flows;
• the Consolidated Statement of Cash flows;	• and related notes to the financial statements
• and related notes to the financial statements	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards (IFRSs).

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 29 December 2024 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with UK adopted IFRSs; 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's 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

As the Group comprises a parent holding company and one trading subsidiary the scope of our work was the audit of the financial statements of the Group and its trading subsidiary. The scope of the audit and our audit strategy was developed by using our audit planning process to obtain and update our understanding of the Group, its activities, its internal control environment, current and where relevant to our audit, likely future developments.

Our audit testing was informed by this understanding of the Group and accordingly was designed to focus on areas where we assessed there to be the most significant risks of material misstatement.

Audit work to respond to the assessed risks was performed directly by the audit engagement team who performed full scope audit procedures on the Parent Company and the Group as a whole.

Independent auditors' report to the members of Tasty plc

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How we addressed the key audit matter in the audit
Revenue recognition - The risk of incorrect or inappropriate treatment and recognition (principally the risk of overstatement) of food and beverage revenue and other income streams under IFRS. The majority of the Group's revenue transactions are noncomplex, with no judgement applied over the amount recorded. However, we consider there to be increased risks relating to fraud in revenue recognition in respect of the risk of management override of controls and journals to revenue. There is an elevated risk of errors in the recognition of cut off of revenue as the recognition of income around the year end may be more susceptible to override or error.	Our audit work included, but was not restricted to: • Evaluated the processes and controls relating to the recognition of revenue and related balance sheet accounts; • We completed a cash reconciliation test, as well as test a test in total between the till system and the accounting system; • As part of this review, we considered the operating effectiveness of the relevant accounting systems; • We reviewed a sample of the weekly reconciliations of till system to bank receipts/credit card receipts to consider the accuracy of information included within the respective accounting systems; • Our review also included an assessment of the appropriateness of the recognition of trade receivables, accrued income and the completeness of deferred income; • We applied data analytics techniques to visualise and group the Group's entire revenue population to identify how the Group's revenue is posted and to identify revenue transactions that fell outside of expectations of the standard revenue recognition cycles for further analysis; • We performed specific testing on revenue recognised around the year end ("cut off" testing) to assess the risk that revenue had been recognised in the wrong periods, this testing included a review of revenue from takeaway orders which was considered to be a higher risk.
Management override of controls Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, it is a risk of material	Our audit work included, but was not restricted to • Reviewing the controls of the group and performing walkthrough tests of the controls to determine any weaknesses which could lead to management override of controls. • Reviewing the appropriateness of journal entries recorded in the general ledger and

Independent auditors' report to the members of Tasty plc

Key audit matter	How we addressed the key audit matter in the audit
misstatement due to fraud and thus a significant risk on all audits. The specific risk to the Group is the manipulation of journal entries and accounting estimates, including assessment of asset impairment, assessments of debtor recoverability and discount rates used in the calculation of IFRS 16 leases and impairment calculations.	other adjustments made in the preparation of the group financial statements • Testing and evaluating significant transactions that are outside the normal course of business • Reviewing all areas requiring judgement or estimates in order to assess the appropriateness of the judgements and estimates made by management.
Risk of Impairment of property, plant and equipment and other assets - IAS 36 ensures that the assets of an entity are carried at no more than their recoverable amount and sets out indicators of impairment which should be considered in the preparation of financial statements. Continued economic uncertainty in the UK due to high levels of cost inflation, increasing interest rates and the broader 'cost of living crisis' combine to pose a risk of reduced demand for the group's products. Simultaneously the group is not immune to cost pressures and faces increasing costs for its inputs, particularly wages and salaries, food prices and energy costs. There is then, a risk that indicators of impairment exist as some sites may not have performed as expected and thus their carrying value cannot be supported or justified. This could lead to an impairment charge that has not been recognised by management.	Our audit work included, but was not restricted to • We obtained and reviewed management's calculations of the net present value ("NPV") of each restaurant site which management consider to represent cash generating units ("CGUs"). Management use these calculations for determining whether individual sites are impaired; • We critically assessed the methodology used by management to calculate the NPV by site and considered alternative models • We recalculated the NPV for each site and in total using our own model but management's inputs to test the integrity and arithmetical accuracy of management's calculations. • We reviewed the calculations and assessed whether these correctly identified the value in use of each site; • We assessed and challenged the estimates and judgements made and assumptions used, the key inputs being: ○ Forecast future results for each site ○ Discount rate ○ Future cashflow forecast, including capital spend ○ Growth rate ○ Lease length • We selected for further investigation, those sites where the surplus of the calculated NPV over carrying value was most sensitive to the risk of forecasts not being achieved • We obtained evidence to support the assumptions used and performed sensitivity analysis on the growth rate and discount rate; • We compared the capital spend to that in previous years. We considered the allocation of impairment between each class of fixed asset; • We reviewed the financial statement disclosures and considered the

Independent auditors' report to the members of Tasty plc

Key audit matter	How we addressed the key audit matter in the audit
	appropriateness of the disclosed sensitivities that are included.
Recognition of the insurance claim We are aware the Group received proceeds from an insurance claim shortly after the period end. There is a risk that the proceeds have been treated incorrectly and recognised in the incorrect period.	Our audit work included, but was not restricted to • We assessed the supporting claim documentation and ensured the claim been correctly accounted for in the financial statements. • We agreed the amount was received in the bank shortly after the period end. • We obtained and reviewed management's assessment of which period the proceeds should be recognised in for appropriateness. We challenged management on this and obtained supporting documentation of evidence that the amount has been agreed prior to the period end.
Accounting for convertible debt There is a risk that the loan note issued and converted in the year is incorrectly recognised in the financial statements under IFRS.	Our audit work included, but was not restricted to • We assessed the supporting convertible loan documentation. • We obtained and reviewed management's assessment of whether the debt meets the definition of a convertible loan note for appropriateness. • We reviewed the disclosures in the financial statements and ensured the disclosures are adequate.

Our application of materiality

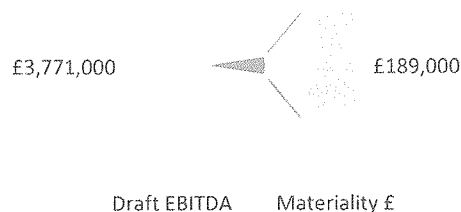
The scope and focus of our audit were influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

The materiality for the Group financial statements as a whole was set at £189,000 (31 December 2023 – £219,000). This was determined as being 5% of draft EBITDA before highlighted items.

Materiality was reassessed during the audit and it was considered reasonable to maintain materiality as £189,000.

Independent auditors' report to the members of Tasty plc

Tasty PLC Group materiality



EBITDA before highlighted items was selected as a benchmark because it is a Key Performance Indicator of the Group and stakeholders are principally interested in the underlying performance of the group.

The materiality for the Parent Company accounts was set at £94,400 (31 December 2023 – £109,000). This was determined as being 2% of gross assets.

On the basis of our risk assessment, our experience of prior year audits and review of the Group's control environment, performance materiality was set at 70% of materiality, being £132,000 (31 December 2023 – 70% of materiality being £153,000).

The reporting threshold to the audit committee was set as 5% of materiality, being £9,430 (31 December 2023 – £11,000). If, in our opinion in differences below this level warranted reporting on qualitative grounds, these would also be reported.

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 ability to continue to adopt the going concern basis of accounting included:

- Discussing management's assessment of the group's ability to remain a going concern;
- Reviewing and understanding the cash flow forecasts for the period to 27 December 2026 which are the central element of management's going concern assessment;
- Assessing and challenging the inputs in and judgements made in the preparation of the cash flow forecasts for the period to 27 December 2026;
- Performing stress tests including sensitivity analysis to model the effect of changing assumptions made or amending key data used in management's cash flow forecasts and considering the impact on the group's ability to adopt the going concern basis

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we

Independent auditors' report to the members of Tasty plc

conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period 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.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management:

Independent auditors' report to the members of Tasty plc

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements in respect of employment law, including but not limited to minimum wage regulation, and foods standards requirements. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate manual journal entries to revenue and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- The evaluation of management's controls designed to prevent and detect irregularities;
- The identification and review of manual journals, in particular journal entries which shared key risk characteristics; and
- The review and challenge of assumptions, estimates and judgements made by management in their recognition of accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Laura Mott

Laura Mott (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
10 Queen Street Place
London EC4R 1AG
6 May 2025

Consolidated statement of comprehensive income

for the 52 weeks ended 29 December 2024

	Note	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Revenue	3	36,615	46,910
Cost of sales		(34,562)	(44,754)
Gross profit		2,053	2,156
Other income	3	3,209	374
Operating expenses		12,068	(14,840)
Operating profit before highlighted items		401	264
Highlighted items	5	16,929	(12,574)
Operating profit/ (loss)	4	17,330	(12,310)
Finance income	6	122	140
Finance expense	6	(1,405)	(2,303)
Profit/ (loss) before income tax		16,047	(14,473)
Income tax	9	-	-
Profit/(loss) and total comprehensive profit/(loss) for the period		16,047	(14,473)
Earnings per share for loss attributable to the ordinary equity holders of the company			
Basic earnings per share	10	9.57p	(9.89p)
Diluted earnings per share	10	8.75p	(8.89p)

The notes on pages 47 to 78 form part of these financial statements.

Consolidated statement of changes in equity

for the 52 weeks ended 29 December 2024

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Total £'000
Balance at 25 December 2022	6,061	24,254	992	(33,355)	(2,048)
Total comprehensive loss for the period	-	-	-	(14,473)	(14,473)
Transactions with owners in their capacity as owners:					
Share based payments	-	-	-	11	11
Balance at 31 December 2023	6,061	24,254	992	(47,817)	(16,510)
Issue of ordinary shares	51	699	-	-	750
Total comprehensive profit for the period	-	-	-	16,047	16,047
Transactions with owners in their capacity as owners:					
Share based payments	-	-	-	25	25
Balance at 29 December 2024	6,112	24,953	992	(31,745)	312

The notes on pages 47 to 78 form part of these financial statements.

Company statement of changes in equity

for the 52 weeks ended 29 December 2024

	Share capital £'000	Share premium £'000	Retained profit £'000	Total £'000
Balance at 25 December 2022	6,061	24,254	(23,761)	6,554
Total comprehensive loss for the period	-	-	(1,176)	(1,176)
Transactions with owners in their capacity as owners:				
Share based payments	-	-	11	11
Balance at 31 December 2023	6,061	24,254	(24,926)	5,389
Issue of ordinary shares	51	699	-	750
Total comprehensive profit for the period	-	-	466	466
Transactions with owners in their capacity as owners:				
Share based payments	-	-	25	25
Balance at 29 December 2024	6,112	24,953	(24,435)	6,630

The notes on pages 47 to 78 form part of these financial statements.

Consolidated balance sheet

At 29 December 2024

		29 December 2024 £'000	31 December 2023 £'000
	Note		
Non-current assets			
Intangible assets	12	28	31
Property, plant and equipment	13	10,643	12,248
Right-of-use assets	13	20,715	23,289
Other non-current assets	17	15	65
		31,401	35,633
Current assets			
Inventories	16	1,293	1,921
Trade and other receivables	17	3,503	1,541
Cash and cash equivalents		3,301	4,177
		8,097	7,639
Assets Held for sale	13	113	-
Total assets		39,611	43,272
Current liabilities			
Trade and other payables	18	(9,978)	(10,403)
Lease liabilities	14	(1,407)	(2,186)
		(11,385)	(12,589)
Non-current liabilities			
Provisions	19	(342)	(342)
Lease liabilities	14	(27,500)	(46,745)
Other Payables	18	(72)	(106)
		(27,914)	(47,193)
Total liabilities		(39,299)	(59,782)
Total net (liabilities)/ assets		312	(16,510)
Equity			
Share capital	22	6,112	6,061
Share premium	23	24,953	24,254
Merger reserve	23	992	992
Retained deficit	23	(31,745)	(47,817)
Total equity		312	(16,510)

The financial statements were approved by the Board of Directors of the Company and authorised for issue on 6 May 2025 and signed on their behalf by Daniel Jonathan Plant.



The notes on pages 47 to 78 form part of these financial statements.

Company balance sheet

At 29 December 2024

Company number: 5826464

	Note	29 December 2024 £'000	31 December 2023 £'000
Non-current assets			
Investments	15	3,428	3,403
Other non-current assets	17	3,202	1,986
Total net assets		6,630	5,389
Equity			
Share capital	22	6,112	6,061
Share premium	23	24,953	24,254
Retained deficit	23	(24,435)	(24,926)
Total equity		6,630	5,389

The Parent Company, Tasty plc, has taken advantage of the exemption in s408 of the Companies Act 2006 not to publish its own income statement. The Parent Company made a profit of £0.5m (2023 – loss of £1.2m) for the period.

The Parent Company has not recognised leases under IFRS 16 in its balance sheet as management have concluded that the substance of the leases is held by the subsidiary, Took Us A Long Time Ltd ("TUALT") and recognised within its Company accounts (page 42).

The financial statements were approved by the Board of directors of the Company and authorised for issue on 6 May 2025 and signed on their behalf by Daniel Jonathan Plant.



The notes on pages 47 to 78 form part of these financial statements.

Consolidated statement of cash flows

For the 52 weeks ended 29 December 2024

	Note	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Operating activities			
Cash generated from operations	28	1,935	2,532
Net cash inflow from operating activities		1,935	2,532
Investing activities			
Proceeds from sale of property, plant and equipment		161	-
Costs due to sale of property, plant and equipment		-	(50)
Purchase of intangible assets		-	(9)
Purchase of property, plant and equipment	13	(288)	(250)
Interest received		122	140
Net cash outflow from investing activities		(5)	(169)
Financing activities			
Net proceeds from issues of ordinary shares		750	-
Finance expense	6	(29)	-
Finance expense (IFRS16)		(1,376)	(2,303)
Principal paid on lease liabilities	29	(2,151)	(2,885)
Net cash used in financing activities		(2,806)	(5,188)
Net increase/ (decrease) in cash and cash equivalents		(876)	(2,825)
Cash and cash equivalents brought forward		4,177	7,002
Cash and cash equivalents as at the end of the period		3,301	4,177

The notes on pages 47 to 78 form part of these financial statements.

Company statement of cash flows

For the 52 weeks ended 29 December 2024

	Note	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Operating activities			
Cash generated from operations		(750)	-
Net cash outflow from operating activities		(750)	-
Financing activities			
Net proceeds from issues of ordinary shares		750	-
Net cash flows used in financing activities		750	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents brought forward		-	-
Cash and cash equivalents as at the end of the period		-	-

The notes on pages 47 to 78 form part of these financial statements.

Notes

forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies

Tasty plc ("Tasty") is a publicly listed company incorporated and domiciled in England and Wales. The Company's ordinary shares are quoted on AIM. Tasty's registered address is 32 Charlotte Street, London, WC1T 2NQ. The Group's principal activity is the operation of restaurants.

(a) Statement of compliance

These financial statements of the Group and Company have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the United Kingdom ("adopted IFRSs"). These financial statements have also been prepared in accordance with those parts of the Companies Act 2006 that are relevant to companies that prepare their financial statements in accordance with IFRS.

(b) Basis of preparation

The financial statements cover the 52-week period ended 29 December 2024, with a comparative period of the 53-week period ended 31 December 2023. The financial statements are presented in sterling, rounded to the nearest thousand and are prepared on the historical cost basis. The accounting policies of the Company are consistent with the policies adopted by the Group.

(c) Going concern

As at 29 December 2024, the Group had net assets of £0.3m (2023: net liabilities of £16.5m). The Group meets its day-to-day working capital requirements through the generation of operating cashflow, equity raises and bank finance. The Group's principal sources of funding are:

- Issues of ordinary share capital in the Company on AIM.
- Bank debt when required.

At the time of approving the financial statements, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future having evaluated any plausible risks and uncertainties they could reasonably anticipate. In reaching this conclusion the Directors have prepared cash flow forecasts to the end of December 2026 to include the positive impact of the Restructuring Plan. The cash flow forecasts have included, amongst other things, sensitivity analysis to model the effect of changing economic assumptions in relation to cost increases and the associated cost of living crisis. The Group's energy contracts have been fixed to September 2025 benefitting from an approximate 15% reduction and food costs have been somewhat mitigated through menu changes. The £750,000 secured loan was granted shareholder approval on 22 July 2024 and was converted to equity. Post year end, the Group reached a full and final settlement with its insurer for £2.5m (being approximately £1.5m, net of creditor costs and legal costs) in connection with a claim for breach of a contract regarding insurance coverage for losses incurred in 2020.

Given these factors, the Board believes it is appropriate for the Group to prepare its financial statements on a going concern basis.

Notes

forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

(d) Leases

The Group's accounting policies for leases are as follows:

Lessee accounting

IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset in exchange for consideration.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets, and
- Leases with a duration of 12 months or less.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

The Group's leases are held across Tasty plc or Took Us Long Time Ltd ("TUALT"). In determining where the assets and liabilities should be accounted for, we have reviewed which entity derives the benefit and rights to use the asset. In assessing this we have reviewed where the trade occurs, where staff are employed and where day to day activity is managed from. We have concluded that the substance of the lease is that it is held by TUALT and accordingly recognised the lease liabilities within the TUALT company financial statements.

The lease liabilities recognised in TUALT but in the name of Tasty plc totalled £24m at 29 December 2024 (31 December 2023: £39m). Accordingly, this balance represents a contingent liability for the Company only.

Lessor accounting

Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

Based on an analysis of the Group's operating leases as at 29 December 2024 on the basis of the facts and circumstances that exist at that date, the Directors of the Group have assessed that the impact of this change has not had any impact on the amounts recognised in the Group's consolidated financial statements.

Notes

forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises these payments as an expense on a straight-line basis over the lease term. Currently the Group has no low value assets or short-term leases.

Covid-19 related rent concessions

IFRS 16 defines a lease modification as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. The Group has considered the Covid-19 related rent concessions and applied the lease modifications accounting.

(e) Changes in accounting policies and disclosures

New standards, amendments to standards or interpretations adopted by the Group

Amendments to accounting standards applied in the 52 weeks ended 29 December 2024 were as follows:

- IAS 1: Further amendment to the Classification of Liabilities as Current or Non-Current;
- IFRS 16: Lease Liability in a Sale and Leaseback;
- IAS 1: Non-current Liabilities with Covenants; and
- IAS 7 and IFRS 7: Supplier Finance Arrangements
- IFRS 18: Presentation and Disclosure in Financial Statements

The application of these did not have a material impact on the Group's accounting treatment and has therefore not resulted in any material changes.

New standards, amendments to standards or interpretations not yet adopted by the Group

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial years beginning on or after 1 January 2025. No standards have been early adopted by the Group.

- IAS 21: Lack of Exchangeability.

We are currently assessing the impact of these new accounting standards and amendments. The amendments are not expected to have any significant impact on the Group.

Notes

forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

(f) Basis of consolidation

The consolidated financial statements consolidate the results of the Company and its subsidiary, Took Us A Long Time Limited. The accounting period of the subsidiary is coterminous with that of the Company.

The accounting policies of the subsidiary are consistent with those of the Group. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

(g) Revenue

The Group's revenue is derived from goods and services provided to the customers from dine-in, delivery and takeaway. Revenue is recognised at the point in time when control of the goods has transferred or service provided to the customer. Control passes to the customers at the point at which food and drinks are provided and the Group has a present right for payment.

(h) Other income

Included in Other income is rental income from operating leases. Rental income is recognised in the period to which it relates and rent-free periods would be spread over the terms of the lease. The cost of these leases is included within the cost of sales. The Group has recognised the insurance settlement, Apprenticeship Government funding and lease compensation in Other income.

(i) Retirement benefits: Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated income statement in the period to which they relate.

(j) Share based payments

Certain employees (including Directors and senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (e.g. options, shares etc).

The cost of this is measured by reference to the fair value at the date on which they are granted. The fair value is determined by using an appropriate pricing model (e.g. binomial or Monte Carlo model).

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(k) Borrowing costs

Borrowing costs, principally interest charges, are recognised in the income statement in the period in which they are incurred. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. This is also applicable to fees for amendments to the loan facilities. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(l) Externally acquired intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives. The amortisation expense is included within the cost of sales line in the consolidated income statement.

The significant intangibles recognised by the Group and their useful economic lives are as follows:

<u>Intangible asset</u>	<u>Useful economic life</u>
Trademarks	10 years

(m) Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly over their expected useful lives and it is calculated at the following rates:

Leasehold improvements	over the period of the lease
Fixtures, fittings and equipment	10% per annum straight line
Computers	20% per annum straight line
Electric Vehicle	20% per annum straight line
Right-of-use assets	over the period of the lease

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forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

Property, plant and equipment are reviewed for impairment in accordance with IAS 36 Impairment of Assets, when there are indications that the carrying value may not be recoverable. Impairment charges are recognised in the statement of comprehensive income. See note 2(d) for further details.

(n) Non-current assets held for sale

Non-current assets are classified as held for sale when the Board plans to sell the assets and no significant changes to this plan are expected. The assets must be available for immediate sale, an active programme to find a buyer must be underway and be expected to be concluded within 12 months with the asset being marketed at a reasonable price in relation to the fair value of the asset.

Non-current assets classified as held for sale are measured at the lower of their carrying amount immediately prior to being classified as held for sale and fair value less costs of disposal. Following their classification as held for sale, non-current assets are not depreciated.

(o) Provisions

The Group has recognised provision for dilapidations for a number of sites, where the need to carry out the work has been identified but a full survey and commission has not been undertaken and therefore management has applied their judgment in determining the provision.

(p) Loans and receivables

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet. The Company's loans and receivables comprise only inter-Company receivables. Cash and cash equivalents include cash in hand and deposits held with banks. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from the company's subsidiary recognised based on a forward-looking expected credit loss model which uses the forecast results of the subsidiary as a key input. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are

Notes

forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

(q) Apprenticeship funding and levy

The payments made under the levy represent a prepayment for training services expected to be received and is recognised as an asset until the receipt of the service. When the training service is received, an appropriate expense is recognised. The apprenticeship grant income is deferred until apprentices receive training under the rule of the scheme and we are satisfied that we have fully complied with the scheme. In the period to 29 December 2024, the Group has recognised the apprenticeship funding as Other Income. This is due to the apprenticeship programme's conclusion in early 2024 and the expiration of the inspection window.

(r) Financial liabilities

Financial liabilities include trade payables, and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost.

Bank borrowings were initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Interest expense includes initial transaction costs and any premium payable on redemption as well as any interest payable while the liability is outstanding.

(s) Inventories

Raw materials and consumables

Inventories are stated at the lower of cost and net realisable value. Cost comprises costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling price less costs incurred up to the point of sale.

Crockery and utensils (Smallwares)

Smallware inventories are held at cost which is determined by reference to the quantity in issue to each restaurant. Smallware inventory relates to small value items which have short life spans relating to kitchen and bar equipment. These items are recorded under inventory as they are utilised in providing food and beverage to customers.

(t) Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. 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 assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit.

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forming part of the financial statements for the 52 weeks ended 29 December 2024

1 Accounting policies (continued)

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

Deferred tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities recorded for reporting purposes and the amounts used for tax purposes.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

(u) Investments

Investments in subsidiaries are included in the Company's Statement of Financial Position at cost less provision for impairment.

(v) Share capital

The Company's ordinary shares are classified as equity instruments.

(w) Operating profit

Operating profit is stated after all expenses, but before financial income or expenses. Highlighted items are items of income or expense which because of their nature and the events giving rise to them, are not directly related to the delivery of the Group's restaurant service to its patrons and merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

(x) Earnings per share

Basic earnings per share values are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

2 Critical accounting estimates and judgements

The preparation of the Group's financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amount of assets and liabilities, and the disclosure of contingent liabilities at the statement of financial position date and amounts reported for revenues and expenses during the year.

However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liability affected in the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

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forming part of the financial statements for the 52 weeks ended 29 December 2024

(a) Share based payments (Note 25)

The Group operates equity share-based remuneration schemes for employees. Employee services received and the corresponding increase in equity are measured by reference to the fair value of the equity instruments at the date of grant, excluding the impact of any non-market vesting conditions. The fair value of share options is estimated by using valuation models, such as binomial or the Monte Carlo model on the date of grant based on certain assumptions. Those judgements, estimates and assumptions are described in Note 25 and include, among others, the dividend growth rate, expected volatility, expected life of the options (for options with market conditions) and number of options expected to vest.

(b) Accruals (Note 18)

In order to provide for all valid liabilities which exist at the balance sheet date, the Group is required to accrue for certain costs or expenses which have not been invoiced and therefore the amount of which cannot be known with certainty. Such accruals are based on management's best estimate and past experience. Delayed billing in some significant expense categories such as utility costs can lead to sizeable levels of accruals. The total value of accruals as at the balance sheet date is set out in note 18.

(c) Impairment reviews (Note 13)

In performing an impairment review in accordance with IAS 36 it has been necessary to make estimates and judgements regarding the future performance and cash flows generated by individual trading units which cannot be known with certainty. The Group views each restaurant as a separate cash generating unit ("CGU"). Where the circumstances surrounding a particular trading unit have changed then forecasting future performance becomes extremely judgemental and for these reasons the actual impairment required in the future may differ from the charge made in the financial statements. When assessing a CGU recoverable amount, the value in use calculation uses a discounted cash flow model which is sensitive to the discount rate and the growth rate used after taking into account potential sale value. The fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs. The cashflow projections are influenced by factors which are inherently uncertain to forecast such as footfall and inflation and non-controllable costs such as rates and license costs.

All assets (ROU and fixed assets) are reviewed for impairment in accordance with IAS 36 Impairment of Assets, when there are indications that the carrying value may not be recoverable. Impairment charges are recognised in the statement of comprehensive income.

All assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the recoverable amount is higher than the carrying amount of the CGU, no further assessment is required. Where the carrying value of an asset or a CGU exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to dispose of the asset), the asset is written down accordingly. In the absence of any information about the fair value of a CGU, the recoverable amount is deemed to be its value in use. Value in use is calculated using cash flows over the remaining life of the lease for the CGU discounted at 9.25% (2023: 9.75%), being the rate considered to reflect the risks associated with the CGUs. The discount rate is based on the Group's weighted average cost of capital ("WACC") and an allowance for risk which is used across all CGUs due to their similar characteristics. The discount rate in 2024 has decreased in

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forming part of the financial statements for the 52 weeks ended 29 December 2024

line with the Bank of England base rate. The lease length used in the value in use calculations is management's best estimate of the expected life at the impairment review date.

The cost-of-living crisis has resulted in increased uncertainty in the performance across CGUs over the short-term future and the cashflow over the next 12 months may not always be indicative of the future cashflows. Historically a combination of past performance and future trading forecast is often used as a guide in estimating future cashflow, or comparison with similar sites. In assessing the current impairment provision there has been a greater reliance on longer term future forecasts as short-term forecasts are impacted by the "cost of living crisis" and inflation. The cashflow of each CGU has been determined based on management's judgement of performance, impact of the utility costs and expected recovery in future years and therefore each CGU's cashflow has been selected based on an individual criterion. Management's judgement has been applied in selecting this criterion due to the uncertainty arising from amongst other conditions, cost of living increases and utility cost pressures and therefore a 0.5% growth rate (2023: 2.0%) has been applied. Included within the cashflow is management's estimate of the capital expenditure required to maintain performance of the sites in the future years. The carrying amount of Fixed Assets and ROU assets and the sensitivity of the carrying amounts to the assumptions and estimates are outlined in Note 13.

(d) Intercompany provision (Note 17)

In carrying out a review of intercompany loan in accordance with IFRS 9 it has been necessary to make estimates and judgements regarding the repayment of the loan by its subsidiary to the Company. A sensitivity analysis has been performed on the repayment of loan value.

(e) Crockery and utensils (Smallwares) inventory

The cost of replenishing smallwares is expensed directly through the income statement. Smallwares is recognised at historic cost and tested for impairment on an annual basis.

(f) Lease liabilities (Note 1(d))

The calculation of lease liabilities requires the Group to determine an incremental borrowing rate ("IBR") to discount future minimum lease payments. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR rate of 4.5% therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. As at 29 December 2024, a sensitivity analysis has been conducted on the lease liabilities which shows that increasing the IBR rate by 1% will decrease the lease liability by £1.5m and decrease the right-of-use asset pre-impairment by £1.8m.

(g) Provision

A dilapidation provision is made for a number of sites, where the need to carry out the work has been identified but a full survey and commission has not been undertaken and therefore management has applied their judgment in determining the provision. In arriving at the dilapidation provision for these sites management have reviewed the leases and have used their judgement and experience gained from years of working in hospitality and property industry.

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forming part of the financial statements for the 52 weeks ended 29 December 2024

(h) Lease recognition

The Group's leases are held across Tasty plc or Took Us Long Time Ltd ("TUALT"). In determining where the assets and liabilities should be accounted for, we have reviewed which entity derives the benefit and rights to use the asset. In assessing this we have reviewed where the trade occurs, where staff are employed and where day to day activity is managed from. We have adjudged that the substance of the lease is that it is held by TUALT and accordingly recognised the lease liabilities within the TUALT company accounts.

3 Revenue, other income and segmental analysis

The Group's activities, comprehensive income, assets and liabilities are wholly attributable to one operating segment (operating restaurants) and arises solely in the one geographical segment (United Kingdom) that the Group is located and operates in. All the Group's revenue is recognised at a point in time being when control of the goods has transferred to the customer.

An analysis of the Group's total revenue is as follows:

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Sale of goods and services: dine-in	33,241	42,342
Sale of goods and services: delivery and takeaway	3,374	4,568
	36,615	46,910

An analysis of the Group's other income is as follows:

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Sub-let site rental income	106	328
Insurance settlement	2,500	-
Apprenticeship Government funding	198	-
Lease compensation	311	-
Other	94	46
	3,209	374

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forming part of the financial statements for the 52 weeks ended 29 December 2024

4 Operating profit/(loss)

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
This has been arrived at after charging		
Staff costs	16,640	20,275
Share based payments	25	11
Post closure costs	222	48
Amortisation of intangible assets	3	3
Depreciation of right-of-use assets (IFRS16)	1,890	2,524
Depreciation property, plant and equipment	1,316	1,589
Dilapidations provision charge	-	3
Restructure and consultancy	1,770	69
Impairment of property, plant and equipment	466	4,086
Impairment of right-of-use assets	1,450	8,192
Loss on disposal of property, plant and equipment	225	84
Auditor remuneration:		
Audit fee - Parent Company	15	13
- Group financial statements	65	59
- Subsidiary undertaking	15	13
Audit related assurance services	-	-
Taxation advisory services	-	-
Other advisory services	-	-

5 Highlighted items – charged to operating expenses

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Loss on disposal of property, plant and equipment	(225)	(84)
Insurance settlement	2,500	-
Restructure and consultancy	(1,770)	(69)
Impairment of property, plant and equipment	(466)	(4,086)
Impairment of right-of-use assets	(1,450)	(8,192)
Share based payments	(25)	(11)
Post closure costs	(222)	(48)
Gain/(loss) on lease modifications/disposals	18,587	(84)
	(16,929)	(12,574)

The above items have been highlighted to give more detail on items that are included in the consolidated statement of comprehensive income and which when adjusted shows a profit or loss that reflects the ongoing trade of the business.

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forming part of the financial statements for the 52 weeks ended 29 December 2024

6 Finance income and expense

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Interest receivable	122	140
Finance income	122	140
Interest payable	29	-
Finance expense (IFRS 16)	1,376	2,303
Finance expense	1,405	2,303

7 Employees

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Staff costs (including Directors) consist of:		
Wages and salaries	15,147	18,489
Social security costs	1,232	1,468
Other pension costs	261	318
Equity settled share-based payment expense	25	11
	16,665	20,286

The average number of persons, including Directors, employed by the Group during the period was 807 of which 783 were restaurant staff and 24 were head-office (2023: 1,036 of which 1,011 were restaurant staff and 25 were head-office staff).

No staff are employed by the Company (2023: no staff).

Of the total staff costs £15.2m was classified as cost of sales (2023: £18.7m) and £1.4m as operating expenses (2023: £1.6m). Redundancy costs of £0.25m (2023: £0.06m) have been included as a cost of Restructure and Consultancy in Note 4.

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8 Directors and key management personnel remuneration

Key management personnel identified as the Directors are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and represent the Directors of the Group listed on page 2. The remuneration of the Directors for the period ended 29 December 2024 is as follows:

	Emoluments £'000	Bonus £'000	Share based payments £'000	Pensions £'000	Benefits in kind £'000	Social security costs £'000	Other Payments	2024 Total £'000
Directors								
J Plant	170	-	15	-	2	22	-	209
K Lassman	40	-	-	-	-	4	-	44
Harald Samúelsson (resigned 30 September 2024)	26	-	-	-	-	2	-	28
Wendy Dixon	35	-	-	-	-	4	-	39
Key Management								
Gordon Browne	124	10	-	-	-	16	-	150
Total	395	10	15	-	2	48	-	471

	Emoluments £'000	Bonus £'000	Share based payments £'000	Pensions £'000	Benefits in kind £'000	Social security costs £'000	Other Payments	2023 Total £'000
Directors								
J Plant	160	-	16	-	-	21	-	197
K Lassman	40	-	-	-	-	4	-	44
M Vachhani (resigned 31 March 2023)	49	-	-	3	2	9	30	93
Harald Samúelsson	46	-	-	-	-	5	-	51
Wendy Dixon (appointed 22 June 2022)	35	-	-	-	-	4	-	39
Key Management								
Gordon Browne (appointed 04 May 2023)	79	-	-	-	-	10	-	89
Total	409	-	16	3	2	53	30	513

Benefits in kind includes private medical insurance.

Company

The Company paid no director emoluments during the year (2023: £nil).

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forming part of the financial statements for the 52 weeks ended 29 December 2024

9 Income tax expense

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
UK Corporation tax		
Adjustment in respect of previous years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Total deferred tax	-	-
Total income tax credit	-	-

The tax charge for the period is lower than the standard rate of (2023: higher than) corporation tax in the UK. The differences are explained below:

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Profit/(loss) before tax	16,047	(14,473)
Tax on profit/(loss) at the ordinary rate of corporation tax in UK of 25% (2023 – 25%)	4,011	(3,397)
Effects of		
Fixed assets differences	141	732
Expenses not deductible for tax	276	36
Remeasurement of deferred tax for changes in tax rates	-	(171)
Movement in deferred tax not recognised	(4,428)	2,806
Adjustment in respect of previous years	-	-
Other movements	-	(6)
Total tax charge	-	-

Factors affecting future tax charges

There should be no factors affecting future tax charges as the corporation tax rate has remained static at 25% (i.e. has not increased or decreased).

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forming part of the financial statements for the 52 weeks ended 29 December 2024

10 Earnings per share

	29 December 2024 Pence	31 December 2023 Pence
Basic Profit/(loss) per ordinary share	9.57p	(9.89p)
Diluted Profit/(loss) per ordinary share	8.75p	(8.89p)
	2024 Number '000	2023 Number '000
Profit/(loss) per share has been calculated using the numbers shown below:		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	167,766	146,315
Adjustments for calculation of diluted earnings per share:		
Ordinary B shares	10,451	10,451
Options	5,105	6,085
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	183,323	162,851
	2024 £'000	2023 £'000
Profit/(loss) for the financial period	16,047	(14,473)

The weighted average number of ordinary shares outstanding is increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

11 Dividend

No final dividend has been proposed by the Directors (2023: £nil).

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12 Intangibles

	Trademarks £'000	Total £'000
At 25 December 2022	25	25
Additions	9	9
Amortisation of trademarks	(3)	(3)
At 31 December 2023	31	31
Additions	-	-
Amortisation of trademarks	(3)	(3)
At 29 December 2024	28	28

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forming part of the financial statements for the 52 weeks ended 29 December 2024

13 Property, plant and equipment and right-of-use assets

	Leasehold improvements £'000	Furniture and fixtures computer equipment & vehicle £'000	Total fixed assets £'000	Right-of-use assets £'000	Total £'000
Cost					
At 25 December 2022	37,849	10,893	48,742	54,818	103,560
Additions	(14)	264	250	1,173	1,423
Lease modifications	-	-	-	333	333
Disposals	(521)	(193)	(714)	(405)	(1,119)
At 31 December 2023	37,314	10,964	48,278	55,919	104,197
Additions	60	228	288	764	1,052
Lease modifications	-	-	-	24	24
Disposals	(11,272)	(2,700)	(13,972)	(17,606)	(31,578)
Reclassified as held for sale	(663)	(81)	(744)	(471)	(1,215)
At 29 December 2024	25,439	8,411	33,850	38,630	72,480
Depreciation					
At 25 December 2022	23,195	7,853	31,048	22,305	53,353
Provided for the period	871	718	1,589	2,524	4,113
Impairment / (reversal of impairment)	3,518	568	4,086	8,192	12,278
Disposal	(526)	(167)	(693)	(391)	(1,084)
At 31 December 2023	27,058	8,972	36,030	32,630	68,660
Provided for the period	770	546	1,316	1,890	3,206
Impairment	253	213	466	1,450	1,916
Disposals	(11,204)	(2,749)	(13,953)	(17,605)	(31,558)
Reclassified as held for sale	(613)	(39)	(652)	(450)	(1,102)
At 29 December 2024	16,264	6,943	23,207	17,915	41,122
Net book value					
At 29 December 2024	9,175	1,468	10,643	20,715	31,358
At 31 December 2023	10,256	1,992	12,248	23,289	35,537

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During the 52 weeks ended 29 December 2024, the Group recognised an impairment charge of £1.9m (2023: impairment charge of £12.3m) due to impairment of ROU assets £1.4m (2023: £8.2m) and impairment of fixed assets £0.5m (2023: impairment charge of £4.0m). The impairment movement is due to the reassessment by each individual CGU following a change in performance and/or change in assets. The impairment calculation is sensitive to changes in the assumptions and estimates used in the underlying forecasts of future performance and cash flows.

A 1% decrease in the discount rate would reduce the net impairment charge by £0.7m, an increase of 1% would increase the impairment charge by £0.7m and a 1% increase in the growth rate would reduce the impairment charge by £0.6m.

The total carrying value of the CGUs that have been impaired in the period is £19.3m (2023: £30.8m). These have been impaired to their value in use of £16.3m (2023: £16.4m). The total carrying value of the CGUs that have been released in the period is £14.5m (2023: £15.5m).

Assets held for sale accounted for a carrying value of £0.2m (2023: £nil) and impaired to value in use of £0.1m.

The key judgements and estimates in the inputs in calculating the impairments are outlined in note 2(c).

Company

The Company holds no property, plant and equipment.

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14 Leases

	29 December 2024 £'000	31 December 2023 £'000
Current		
Lease liabilities	1,407	2,186
	1,407	2,186
Non-current		
Lease liabilities	27,500	46,745
	27,500	46,745
	28,907	48,931
Due within one year	1,407	2,186
Due two to five years	11,646	17,122
Due over five years	15,854	29,623
	28,907	48,931

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate of 4.5% and the Bank of England (BoE) base rate at the time of any lease modification or a new lease. The average rate used for modification in 2024 was 4.89% (2023: 4.67%). The lease liabilities as at 29 December 2024 were £28.9m (2023: £48.9m).

The right-of-use assets all relate to property leases. The right-of-use assets as at 29 December 2024 were £20.7m (2023: £23.3m). During the period ended 29 December 2024 the Group made a provision for impairment of the right-of-use assets against a number of sites totalling £1.4m (2023: impairment of £8.2m).

15 Investments

	£'000
Company	
At 25 December 2022	3,392
Share based payment in respect of subsidiary	11
At 31 December 2023	3,403
Share based payment in respect of subsidiary	25
At 29 December 2024	3,428

The Company's investments are wholly related to a 100% ordinary shareholding in Took Us a Long Time Limited (2023: 100% holding), a company registered in England and Wales with registered offices at 32 Charlotte Street, London W1T 2NQ. Took Us a Long Time Limited is primarily engaged with the operation of restaurants.

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16 Inventories

	29 December 2024 £'000	31 December 2023 £'000
Raw materials and consumables	517	697
Smallware inventories	776	1,224
	1,293	1,921

In the Directors' opinion there is no material difference between the replacement cost of inventories and the amounts stated above. Raw material and consumable inventory purchased and recognised as an expense in the period was £9.2m (2023: £12.0m).

17 Trade and other receivables

	29 December 2024 £'000	31 December 2023 £'000
Trade receivables	26	149
Prepayments and other receivables	3,492	1,457
Total trade and other receivables	3,518	1,606
Less non-current portion (deposits)	(15)	(65)
	3,503	1,541
Company		
Amounts due from subsidiary	3,202	1,986
Total trade and other receivables	3,202	1,986
Classified as non-current	3,202	1,986

There has been an increase in the credit risk of this loan since it was advanced due to the deterioration in the market and the resulting impact on the performance of the trading company. The Company has previously made loans to the trading subsidiary of £28.7m (2023: £28.1m).

The Directors of the Company consider this loan to be classed as Level 2 under the General Approach set out in IFRS 9. The Company has made provisions of £25.5m (2023: £26.1m) which represents the lifetime expected credit losses. In assessing the lifetime expected credit losses consideration has been given to a number of factors including internal forecasts of EBITDA, cashflow and the consolidated net asset value of the Group at the balance sheet date.

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18 Trade and other payables

	29 December 2024 £'000	31 December 2023 £'000
Trade payables	3,233	4,359
Taxations and social security	2,239	1,947
Accruals and deferred income	4,125	3,648
Other payables	453	555
Total trade and other payables	10,050	10,509
Less non-current portion (deposits)	(72)	(106)
	9,978	10,403

Included within trade payables are £0.2m (2023: £0.15m) due to related parties (note 27).

19 Provisions

	29 December 2024 £'000	31 December 2023 £'000
At the beginning of the period	342	339
Dilapidations provision charge in the period	-	3
At the end of the period	342	342

The Group has historically recognised a provision of £0.3m for dilapidations for a number of sites, where the need to carry out restoration work has been identified but a full survey and commission has not been undertaken and therefore management has applied their judgment in determining the provision.

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20 Deferred tax

	29 December 2024 £'000	31 December 2023 £'000
At the beginning of the period	-	-
Profit and loss credit/(charge)	-	-
	-	-
Accelerated capital allowances	-	-
Tax losses carried forward	-	-
At the end of the period	-	-

Due to the uncertainty of future profits, a deferred tax asset of £4.1m (2023: £8.4m) is not recognised in these financial statements.

21 Share capital

	Number Ordinary A	Number Ordinary B	Number Deferred	£'000
Called up and fully paid:				
Ordinary shares at 0.1 pence	59,795,496	-	-	60
Deferred shares at 9.9 pence (as a result of sub-division)	-	-	59,795,496	5,920
Ordinary shares issued at 0.1 pence	81,294,262	-	-	81
Ordinary B shares at 0.00001 pence	-	15,676,640	-	0
At 26 December 2021	146,315,304	10,451,094	59,795,496	6,061
Ordinary B shares at 0.00001 pence converted to ordinary A shares	5,225,546	(5,225,546)	-	0
At 25 December 2022	146,315,304	10,451,094	59,795,496	6,061
At 31 December 2023	146,315,304	10,451,094	59,795,496	6,061
Conversion Shares at 1.46 pence	51,369,863	-	-	51
At 29 December 2024	197,685,167	10,451,094	59,795,496	6,112

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Share Capital

In January 2021 Daniel Jonathan Plant was awarded 15,676,640 'B' shares in Tasty plc, which can be converted to 'A' shares subject to achievement of hurdle rates. Following achievement of the first hurdle on 27 June 2022, 5,225,546 'B' shares were converted to ordinary shares.

In April 2024, the Group entered a loan agreement with a secured creditor for £750,000 to fund the implementation of the Restructuring Plan and provide additional working capital. On 26 July 2024, the full principal amount of the loan was converted to 51,369,863 ordinary shares.

22 Reserves

Share capital comprises of the nominal value of the issued shares.

Share premium reserve is the amount subscribed in excess of the nominal value of shares net of issue costs.

Cumulative gains and losses recognised in the income statement are shown in the Retained deficit reserves, together with other items taken direct to equity.

The merger reserve arose in 2006 on the creation of the Group.

23 Leases

Operating leases where the Group is the lessor

The total future values of minimum operating lease receipts are shown below. The receipts are from sub-tenants on contractual sub-leases.

	29 December 2024 £'000	31 December 2023 £'000
Within one year: receipts	-	290
Within two to five years: receipts	-	1,131
Over five years: receipts	-	1,293
	-	2,714

24 Pensions

The Group made contributions of £nil (2023: £3,000) to the personal pension plan of the Directors. During the year the Group made contributions to employee pensions of £0.3m (2023: £0.3m). As at 29 December 2024, contributions of £119,000 due in respect of the current reporting period had not been paid over to the schemes (2023: £134,000).

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25 Share based payments

	Weighted average exercise price (pence)	Number '000
At 25 December 2022	0.9	13,427
Exercised	-	-
Lapsed	3.10	(1,065)
Cancelled	-	-
Issued	2.75	4,175
At 31 December 2023	1.23	16,536
Exercised	-	-
Lapsed	1.22	(980)
Cancelled	-	-
Issued	-	-
At 29 December 2024	1.23	15,556

The exercise price of options outstanding at the end of the period ranged between 0p and 4p (2023: 0p and 4p) and their weighted average remaining contractual life was 0.52 years (2023: 1.41 years).

Of the total number of options outstanding at the end of period none have vested and are exercisable at the end of the period (2023: £nil)

The market price of the Company's ordinary shares as at 29 December 2024 was 0.95p and the range during the financial year was from 0.95p to 2.05p (as at 31 December 2023 was 1.2p and the range during the financial year was from 0.03p to 3.75p).

On 20 June 2023 options of 4.175m were granted at a grant price of 2.75p per share reflecting the opening share price. The options vest over three years and expire in 10 years and no other conditions are attached. A charge of £45,000 was recognised over the three years based on a volatility of 61.3% and risk rate of 4.36% using the Binomial method. The volatility is weighted on a four year basis and the risk free rate is based on risk free rate on the mid point between the vesting date and expiry.

On 29 July 2019 options of 3.5m were granted at a grant price of 4.4p reflecting the opening share price. The options vest over three years and expire in 10 years and no other conditions are attached. A charge of £60,000 was recognised over the three years based on a volatility of 63.5% and risk rate of 0.5% using the Binomial method. The volatility is weighted on a four year basis and the risk free rate is based on risk free rate on the mid point between the vesting date and expiry.

On 17 October 2019 options of 1m were granted at a grant price of 3.3p reflecting the opening share price. The options vest over three years and expire in 10 years and no other conditions are attached. A charge of £12,000 was recognised over the three years based on a volatility of 61.6% and risk rate of 0.5% using the Binomial method. The volatility is weighted on a four year basis and the risk free rate is based on risk free rate on the mid point between the vesting date and expiry.

In January 2021 Daniel Jonathan Plant was awarded 15.7m 'B' shares in Tasty plc which can be converted to 'A' shares subject to achievement of certain hurdle rates. These 'B' shares were issued

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at nominal value of 0.00001 pence. Following achievement of the first hurdle on 27 June 2022, 5,225,546 'B' shares converted to 'A' ordinary shares.

A charge of £181,000 will be recognised over the four years based on a volatility of 85% and risk rate of -0.05% using the Monte Carlo method. The volatility is weighted on a four year basis and the risk free rate is based on yield on a 4-year zero coupon government security at the grant date.

The 15.6m share outstanding as at 29 December 2024 comprise of the options issued in July 2019, October 2019, January 2021 and June 2023. There are no other outstanding options.

26 Financial instruments

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Liquidity risk

The Group does not have any material exposure to currency risk or other market price risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- loans and borrowings
- trade receivables
- cash and cash equivalents
- trade and other payables

The Group's financial instruments apart from cash and cash equivalents are measured on an amortised cost basis. Due to the short-term nature of trade receivables and trade/ other payables, the carrying value approximates their fair value.

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	29 December 2024 £'000	31 December 2023 £'000
Financial assets		
Cash and cash equivalents	3,301	4,177
Trade and other receivables	41	214
Total financial assets	3,342	4,391

Financial liabilities (amortised cost)

Trade and other payables	3,686	4,914
Finance leases	28,907	48,931
Total financial liabilities	32,593	53,845

	29 December 2024 £'000	31 December 2023 £'000
Company - Financial assets (amortised cost)		
Intercompany loan	3,202	1,986

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

The Group's assets and liabilities are wholly attributable to one operating segment (operating restaurants) and arises solely in one geographical segment (United Kingdom).

Credit risk is the risk of the financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from rebates from suppliers, sub-letting income and trade receivables.

Trade and other receivables are disclosed in note 17 and represent the maximum credit exposure for the Group.

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The following table sets out the ageing of trade receivables:

	29 December 2024 £'000	31 December 2023 £'000
Ageing of receivables		
<30 days	20	145
31-60 days	-	7
61-120 days	-	15
>120 days	5	2
Provision for doubtful debt	-	(20)
	25	149

The Group's principal financial assets are cash and trade receivables. There is minimal credit risk associated with the Group's cash balances. Cash balances are all held with recognised financial institutions. Trade receivables arise in respect of rebates from a major supplier and therefore they are largely offset by trade payables. As such the net amounts receivable form an insignificant part of the Group's business model and therefore the credit risk associated with them is also insignificant to the Group as a whole. Accordingly, the Company does not consider there to be any risk arising from concentration of receivables due from any counterparty.

The Company's principal financial assets are intercompany receivables. These balances arise due to the funds flow from the listed Company to the trading subsidiary and are repayable on demand. The credit risk arising from these assets are linked to the underlying trading performance of the trading subsidiary. See note 17 for further details on intercompany debt.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Group seeks to maintain cash balances to meet its expected cash requirements as determined by regular cash flow forecasts prepared by management.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

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	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
Trade & other payables	3,671	-	-	-	15
Finance leases	499	892	2,240	7,094	18,182
As at 29 December 2024	4,170	892	2,240	7,094	18,197

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
Trade & other payables	4,808	49	-	-	57
Finance leases	404	1,404	3,332	10,240	33,552
As at 31 December 2023	5,212	1,453	3,332	10,240	33,609

Non-current other payables are sub-let site rent deposits.

Interest rate risk

The Group seeks to minimise interest costs by regularly reviewing cash balances.

Interest rate risk arises from the Group's use of interest-bearing loans linked to LIBOR. The Group is exposed to cash flow interest rate risk from long term borrowings at variable rate. The Board considers the exposure to the interest rate risk to be acceptable.

Surplus funds are invested in interest bearing, instant access bank accounts.

Loans and borrowings

The Group had no outstanding bank loan during the period.

Capital disclosures

The Group's capital is made up of ordinary share capital, deferred share capital, share premium, merger reserve and retained earnings totalling £0.3m (2023: Retained deficit £16.5m).

The Group's objective when maintaining capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Group is not subject to any externally imposed capital requirements. There have been no changes in the Group's objectives for maintaining capital nor what it manages in its capital structure.

The Group manages its capital structure and makes adjustments to it in the light of strategic plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

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27 Related party transactions

The Directors are considered to be the key management personnel. Details of directors' remuneration are shown in Note 8.

The Group pays fees, rent and associated insurance to a number of companies considered related parties by virtue of the interests held by significant shareholders in such companies.

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Rent, insurance and legal services charged to the Group:		
- Kropifko Properties Ltd	(32)	(114)
- KLP Partnership	(125)	(156)
- ECH Properties Ltd	(27)	(81)
- Proper Proper T Ltd	(107)	(106)
- Super Hero Properties	(145)	-
- Benja Properties Ltd	(154)	-
- Howard Kennedy LLP	(8)	-
Balance due to related parties:		
- Kropifko Properties Ltd	-	39
- KLP Partnership	38	40
- ECH Properties Ltd	29	30
- Proper Proper T Ltd	37	38
- Super Hero Properties	48	-
- Benja Properties Ltd	45	-
	197	147

The rent paid to related parties is considered to be a reasonable reflection of the market rate for the properties.

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28 Reconciliation of profit/(loss) before tax to net cash inflow from operating activities

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Group		
Profit/(loss) before tax	16,047	(14,473)
Finance income	(122)	(140)
Finance expense	29	-
Finance expense (IFRS 16)	1,376	2,303
Share based payment charge	25	11
Depreciation of right-of-use assets (IFRS 16)	1,890	2,524
Depreciation of property plant and equipment	1,316	1,589
Impairment of property, plant and equipment	466	4,086
Impairment of right-of-use assets	1,450	8,192
Loss on disposal of property plant and equipment	20	84
Amortisation of intangible assets	3	3
Dilapidations provision charge	-	3
Recognition of grant income	(198)	-
Disposal of lease liabilities (IFRS 16)	(18,587)	-
Other	(38)	-
Decrease in inventories	628	270
(Increase)/decrease in trade and other receivables	(1,912)	92
Decrease in trade and other payables	(458)	(2,012)
	1,935	2,532

	52 weeks ended 29 December 2024 £'000	53 weeks ended 31 December 2023 £'000
Company		
Profit/(loss) before tax	466	(1,176)
Decrease in trade and other receivables	(1,216)	1,176
	(750)	-

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29 Reconciliation of financing activity

	Lease liabilities	Lease liabilities	Bank Loan	Bank Loan	Total
	Due within 1 year £'000	Due after 1 year £'000	Due within 1 year £'000	Due after 1 year £'000	£'000
Net debt as at 25 December 2022	1,953	48,358	-	-	50,311
Cashflow	(2,885)	-	-	-	(2,885)
Addition / (decrease) to lease liability	3,118	(1,613)	-	-	1,505
Net debt as at 31 December 2023	2,186	46,745	-	-	48,931
Cashflow	(2,151)	-	-	-	(2,151)
Addition / (decrease) to lease liability	1,372	(19,245)	-	-	(17,873)
Net debt as at 29 December 2024	1,407	27,500	-	-	28,907

30 Post Balance Sheet Events

The Group reached a full and final settlement with its insurer for £2.5m (being approximately £1.5m net of creditor costs and legal costs) in connection with a claim for breach of a contract regarding insurance coverage for losses incurred in 2020, which was received on 8 January 2025.

Three Wildwood restaurants were closed between January and March 2025 and a further lease assigned in May 2025.

The Group paid off in full the residual HMRC debt early.