

Registered number: 13420745

Punch Pubs Group Limited
Annual Report and Financial Statements
10 August 2025

Punch Pubs Group Limited

Directors of the Company

Ed Bashforth
Stephen Dando

Registered office

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Company number

13420745

Auditors

Cooper Parry Group Limited
Sky View
Argosy Road
East Midlands Airport
Derby
DE74 2SA

Principal bankers

Barclays Bank plc
One Snowhill
Snow Hill Queensway
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B3 2WN

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the company is that of an intermediate holding company. The principal activity of the Group is the leasing of public houses to independent publicans, pub retailing, the brewing of beer and the wholesale supply of beer products to lessees.

These financial statements show the consolidated result of the Group.

Operations are managed at the ultimate UK parent entity, CF Cooper Holdings Limited.

RESULTS AND DIVIDENDS

The loss after taxation for the 52 week period ended 10 August 2025 amounted to £28.3 million (2024: Loss after taxation for the 52 week period £5.3 million). The directors do not propose the payment of a dividend (2024 interim dividend: £20.6 million).

The underlying profit after taxation for the 52 week period ended 10 August 2025 amounted to £20.7 million (2024: underlying profit after taxation for the 52 week period £21.8 million).

KEY PERFORMANCE INDICATORS

Revenue

For the 52 weeks to 10 August 2025 total revenue was £337.9 million compared to £323.5 million in the prior year period of 52 weeks to 11 August 2024, with the conversion of pubs from the Leased & Tenanted estate over to our Pub Partnership estate, together with opportunistic acquisitions of single sites and small pub portfolios being the predominant driving forces leading to the increase. Over the 52 week period Pub Partnership revenue has increased by 5.2% from £198.1 million to £208.4 million.

EBITDA

EBITDA for the period was £95.9 million (prior year 52 weeks: £88.6 million) of which £98.4 million was classed as Underlying EBITDA (prior year 52 weeks: £91.1 million).

Both segments (Leased and Tenanted and Pub Partnership) delivered like-for-like sales growth for the 52 week period when compared to the prior year. Underlying outlet EBITDA for the pub estates before central costs increased by £7.1 million to £129.8 million.

Underlying EBITDA for the 52 weeks to 10 August 2025 of £98.4 million compares positively to the £76.0 million of Adjusted Underlying EBITDA from the wider Punch Group in the year to August 2019, being the most recent financial year prior to the Covid pandemic.

Profit before tax

The underlying profit before taxation for the 52 week period ended 10 August 2025 was £26.3 million (2024: £26.1 million).

Nominal net debt

The nominal net debt excluding deferred issue costs at 10 August 2025 was £631.0 million (11 August 2024: £625.7 million).

	10 August 2025 £m	11 August 2024 £m
Borrowings (note 21)	(640.0)	(631.0)
Cash and Cash equivalents	9.0	5.3
	<u>(631.0)</u>	<u>(625.7)</u>

SECTION 172 STATEMENT

Under section 172 of the Companies Act the directors of the company have a duty to promote the success of the company for the benefit of shareholders as a whole. This section of the report is designed to set out how the directors have complied with their obligations in this regard.

The directors of the Group have acted in a way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the Group's employees
- the need to foster the Group's business relationships with suppliers, customers and others,
- the impact of the Group's operations on the community and the environment,
- the desirability of the Group maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Group.

Stakeholders: The directors believe it is important to work together with stakeholders, building positive relationships in order to deliver long-term sustainable success. The Group's key stakeholders are as follows:

Shareholders: There is close engagement between the Group board, key management personnel and investors to deliver the strategic objectives of the Group as referred to in the Strategic Report and maximise its shareholders' returns.

Employees: The Group is committed to regular, two way communications between the board and employees, with strong structures and channels in place for consultation and feedback. The leadership team deliver regular business briefs to employees on the Group's performance and also hold regular, two-way consultation sessions with employees.

We know that a huge part of what makes our business such a great place to work is our inclusive culture and environment, where all of our people can truly be themselves, whilst realising their full potential. This means that all employees and applicants are treated equally, regardless of their age, disability, race, religion or belief, gender, sexual orientation, marital or civil partnership status.

The Group is an equal opportunities employer, committed to providing equal opportunities in recruitment, promotion, career development, training and reward to all employees without discrimination. The Group gives full consideration to applications for employment from disabled persons, where the requirements of the job can be adequately fulfilled by such persons. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions.

Publicans: The Group operates as a population of over 1,200 individual pub businesses, creating exciting possibilities through the pub-by-pub approach, with publicans at the heart of everything we do, using our scale for the benefit of each of our pubs, publicans and their guests.

Debt holders: The Group is largely financed through a secured loan and revolving credit facility. Debt providers receive quarterly reporting updates on the relevant security group.

Suppliers: The Group seeks to maintain strong, long term, relationships with key suppliers to ensure high quality and service levels are sustained. Senior members of the management team regularly meet with key suppliers to ensure relationships are upheld. We require suppliers to adhere to relevant Group policies and complete a questionnaire and upload documents on; Ethical Trading, Modern Slavery and Anti Bribery.

It is the Group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Group and its suppliers, provided that all trading terms and conditions have been complied with.

Regulators and government: The Group's policy is to conduct all of our business in an honest and ethical manner. The Group takes a zero tolerance approach to bribery and corruption and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

The legal and regulatory landscape is risk assessed as part of our risk management framework, and there is ongoing engagement with regulators through correspondence and regular meetings to discuss key issues that impact the Group.

The directors also review the Group's tax policy annually.

At board meetings the directors address compliance by the Group with its governance codes and reinforces the board's requirements that its business be conducted to all due ethical standards and with integrity. Appropriate regulation is considered in all board decision making and regulatory policies adapted if required to ensure best practice.

Community: The Group is committed to managing the wider social, environmental and economic impacts of its operations, including with regard to responsible drinking, ethical behaviour, corporate social responsibility and acting in an environmentally friendly manner.

We are committed to making a positive contribution to the communities within which we operate, including the payment of taxes, reducing our environmental impact and creating employment opportunities.

PRINCIPAL RISKS AND UNCERTAINTIES

Liquidity risk

The Group is primarily financed by loan notes, with the capital balance of the loan being repayable in December 2030. The board continues to review alternative sources of finance. Further information on how the securitised group manages its liquidity risk is provided in note 22 to the financial statements.

Capital risk

The Group's capital structure is made up of loan notes, issued share capital and reserves. The Group is able to generate sufficient returns to service the debt. Debt is monitored by a variety of measures which are reported to debt providers on a quarterly basis.

GOING CONCERN

The directors have made enquiries into the adequacy of the Group's financial resources, through a review of the Group's budget and medium-term financial plan, including capital expenditure plans and cash flow forecasts.

The directors are satisfied that they have a reasonable expectation that the company and the Group have sufficient resources together with the ability to access additional liquidity when the Group needs to withstand adjustments to the base forecast, as well as the downside scenario and to continue in operational existence for the foreseeable future. For this reason, the Group continues to adopt the going-concern basis in preparing its financial statements.

On behalf of the Board

S Dando

Director

Date: 02 December 2025

DIRECTORS' REPORT

The directors present their report and financial statements for the 52 weeks ended 10 August 2025.

Directors

The directors who served during the 52 weeks ended 10 August 2025 are:

- Ed Bashforth
- Stephen Dando

Directors' indemnities

As permitted by the articles of association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision, as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. Throughout the financial year, the Company also purchased and maintained, directors and officers' liability insurance, in respect of itself and its directors.

Statement of directors' responsibilities

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

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRSs as adopted by the UK) and applicable law and have elected to prepare the parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework Standards.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that period. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether applicable UK-adopted IFRSs in accordance with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business; and

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 company and the Group to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. The directors have taken all the steps which they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors consider that the annual report and financial statements, taken as a whole, provide the information necessary to assess the Group's performance, business model and strategy and are fair, balanced and understandable.

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

To the best of our knowledge:

- the Group's financial statements are prepared in accordance with the UK-adopted international accounting standards and have been prepared in accordance with the requirements of the Companies Act 2006; and
- the strategic report and directors' report include a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties which it faces.

Streamlined energy and carbon reporting

The company has taken the exemption available to not disclose its own reporting on the grounds that it is included within the consolidated accounts of CF Cooper Holdings Limited.

Audit information

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware, and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The company has elected to dispense with the obligation to appoint an auditor annually under s487 of the Companies Act 2006.


Political and charitable contributions

During the period the Group made charitable contributions of £44,167 (2024: £50,320). No political contributions were made during the period (2024: £nil). The Group does not make political donations and has no intention of making donations nor incurring such expenditure.

Future developments

The Group's principal activities continue to be the operation of public houses ("pubs"). The company intends to continue to operate the Group's pubs predominantly under the leased and tenanted model, but with a growing number of pubs operated under the Pub Partnerships model.

On behalf of the Board

Signed by:

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S Dando
Director
Date: 02 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUNCH PUBS GROUP LIMITED

Opinion

We have audited the financial statements of Punch Pubs Group Limited (the "parent company") and its subsidiaries ("the Group") for the 52 week period ended 10 August 2025 which comprise the consolidated income statement, the consolidated statement of total comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company balance sheet, the company statement of changes in equity and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group and parent company financial statements is applicable law and UK adopted international accounting standards.

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 10 August 2025 and of the group's loss for the 52 weeks then ended;
- the group and parent company financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the financial statements 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 group and parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the group and 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 and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUNCH PUBS GROUP LIMITED

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:

Our assessment focused on key laws and regulations the parent company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, UK adopted international accounting standards, and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the parent company through discussions with directors and other management, and from our commercial knowledge and experience of the pub sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias, in particular the director's assessment of impairment of property, deferred tax asset recoverability and post employment benefits;
- investigated the rationale behind significant or unusual transactions;
- reviewed director's assessment of its revaluation policy; and
- reviewed nominals of certain nominal codes for indication of any management override.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

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. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

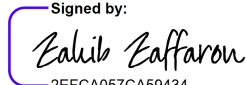
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUNCH PUBS GROUP LIMITED

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.

Signed by:



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Zahib Zaffaron (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Sky View

Argosy Road

East Midlands Airport

Castle Donnington

Derby

DE74 2SA

Date: 02 December 2025

CONSOLIDATED INCOME STATEMENT

For the 52 weeks ended 10 August 2025

	Notes	52 weeks ended 10 August 2025			52 weeks ended 11 August 2024		
		Underlying items £m	Non- underlying items ¹ £m	Total £m	Underlying items £m	Non- underlying items ¹ £m	Total £m
Revenue	2	337.9	-	337.9	323.5	-	323.5
Operating costs before depreciation and amortisation		(239.5)	(2.5)	(242.0)	(232.4)	(2.5)	(234.9)
EBITDA²		98.4	(2.5)	95.9	91.1	(2.5)	88.6
Depreciation and amortisation		(18.6)	-	(18.6)	(17.5)	-	(17.5)
Profit/(Loss) on sale of non-current assets		-	1.8	1.8	-	(0.6)	(0.6)
Loss on disposal of right of use assets		-	-	-	-	(0.1)	(0.1)
Impairment	12	-	(5.9)	(5.9)	-	(0.4)	(0.4)
Revaluation of properties	10	-	(43.8)	(43.8)	-	(21.9)	(21.9)
Operating profit / (loss)		79.8	(50.4)	29.4	73.6	(25.5)	48.1
Finance income	4	0.8	-	0.8	0.4	-	0.4
Finance costs	5	(54.3)	-	(54.3)	(47.9)	-	(47.9)
Profit / (loss) before taxation		26.3	(50.4)	(24.1)	26.1	(25.5)	0.6
Taxation (charge) / credit	8	(5.6)	1.4	(4.2)	(4.3)	(1.6)	(5.9)
Profit / (loss) for the financial period attributable to owners of the parent company		20.7	(49.0)	(28.3)	21.8	(27.1)	(5.3)

¹ Non-underlying items are explained further in note 6² EBITDA represents earnings before depreciation and amortisation, profit on sale of property, plant and equipment and non-current assets classified as held for sale, impairment, movement in valuation of properties, finance costs and tax of the Group.**COMPANY INCOME STATEMENT**

For the 52 weeks ended 10 August 2025

As permitted by section 408 of the Companies Act 2006, the company's Income Statement has not been included in these financial statements. The company's profit for the 52 weeks ended 10 August 2025 was £nil (52 weeks ended 11 August 2024: £20.6m).

The notes on pages 14 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 10 August 2025

		52 weeks ended 10 August 2025	52 weeks ended 11 August 2024
	Notes	£m	£m
Loss for the financial period attributable to owners of the parent company		(28.3)	(5.3)
Other items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement of defined benefit pension scheme	25	(1.3)	(3.8)
Unrealised surplus on revaluation of properties	10	107.3	23.9
Movement in deferred tax relating to components of other comprehensive income that cannot be reclassified into profit or loss	8	(1.1)	-
Other comprehensive profit for the period (net of tax)		104.9	20.1
Total comprehensive profit for the period attributable to owners of the parent company		76.6	14.8

The notes on pages 14 to 45 form part of these financial statements.

BALANCE SHEET

as at 10 August 2025

	Notes	GROUP		COMPANY	
		10 August 2025	11 August 2024 (Restated)	10 August 2025	11 August 2024
		£m	£m	£m	£m
Non-current assets					
Property, plant and equipment	10	1,006.7	905.9	-	-
Right of use assets	20	62.5	61.7	-	-
Other intangible assets	11	1.0	1.2	-	-
Investments in subsidiary undertakings	13	-	-	292.4	292.0
Investments in associate company	13	-	-	-	-
		1,070.2	968.8	292.4	292.0
Current assets					
Assets classified as held for sale	18	4.5	9.9	-	-
Inventories	14	4.4	4.0	-	-
Trade and other receivables	15	14.0	14.7	-	-
Cash and cash equivalents	17	9.0	5.3	-	-
		31.9	33.9	-	-
Total assets		1,102.1	1,002.7	292.4	292.0
Current liabilities					
Trade and other payables	19	(65.8)	(56.3)	-	-
Short-term borrowings	21	-	(31.0)	-	-
Lease liabilities ¹	20	(5.0)	(4.8)	-	-
		(70.8)	(92.1)	-	-
Non-current liabilities					
Borrowings	21	(630.5)	(595.5)	-	-
Lease liabilities ¹	20	(70.3)	(66.6)	-	-
Retirement benefit obligations	25	-	-	-	-
Deferred tax liability	16	(29.8)	(24.6)	-	-
		(730.6)	(686.7)	-	-
Total liabilities		(801.4)	(778.8)	-	-
Net assets		300.7	223.9	292.4	292.0
Equity					
Called up share capital	23	-	-	-	-
Reorganisation reserve		(40.4)	(40.4)	-	-
Revaluation reserve		184.8	77.9	-	-
Capital reserve		1.5	1.3	2.0	1.6
Retained earnings		154.8	185.1	290.4	290.4
Total equity		300.7	223.9	292.4	292.0

¹ Impact of restatement is explained in Note 20

The notes on pages 14 to 45 form part of these financial statements.

The financial statements were approved and authorised by the board and signed on its behalf on
02 December 2025

S Dando

Company number: 13420745

STATEMENT OF CHANGES IN EQUITY

For the 52 weeks ended 10 August 2025

	Called up share capital	Reorganisation reserve	Revaluation reserve	Capital reserve	Retained earnings	Total equity
GROUP	£m	£m	£m	£m	£m	£m
Total equity at 13 August 2023	-	(40.4)	54.8	1.0	214.0	229.4
Profit / (loss) for the period	-	-	-	-	(5.3)	(5.3)
Other comprehensive gains / (losses) for the period	-	-	23.9	-	(3.8)	20.1
Total comprehensive profit / (loss) for the period	-	-	23.9	-	(9.1)	14.8
Transfer on disposal of non-current assets	-	-	(0.8)	-	0.8	-
Dividends paid	-	-	-	-	(20.6)	(20.6)
Share based payment	-	-	-	0.3	-	0.3
Purchase of NCI	-	-	-	-	-	-
Total equity at 11 August 2024	-	(40.4)	77.9	1.3	185.1	223.9
Profit / (loss) for the period	-	-	-	-	(28.3)	(28.3)
Other comprehensive gains / (losses) for the period	-	-	107.3	-	(2.4)	104.9
Total comprehensive profit / (loss) for the period	-	-	107.3	-	(30.7)	76.6
Transfer on disposal of non-current assets	-	-	(0.4)	-	0.4	-
Dividends paid	-	-	-	-	-	-
Share based payment	-	-	-	0.2	-	0.2
Total equity at 10 August 2025	-	(40.4)	184.8	1.5	154.8	300.7
COMPANY						
Total equity at 13 August 2023	-	-	-	1.4	290.4	291.8
Profit / (loss) for the period	-	-	-	-	20.6	20.6
Total comprehensive profit for the period	-	-	-	-	20.6	20.6
Dividends paid	-	-	-	-	(20.6)	(20.6)
Share based payment	-	-	-	0.2	-	0.2
Total equity at 11 August 2024	-	-	-	1.6	290.4	292.0
Profit / (loss) for the period	-	-	-	-	-	-
Other comprehensive gains / (losses) for the period	-	-	-	-	-	-
Total comprehensive profit / (loss) for the period	-	-	-	-	-	-
Transfer on disposal of non-current assets	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Share based payment	-	-	-	0.4	-	0.4
Total equity at 10 August 2025	-	-	-	2.0	290.4	292.4

Called up share capital represents the nominal value of shares that have been issued.

Reorganisation reserve represents the difference between net assets of the subsidiaries acquired and the price paid on the acquisition of the Group's subsidiaries.

Revaluation reserve represents amounts revalued in relation to properties.

Capital reserve represents capital contributions received from the company's immediate parent undertaking.

Retained earnings represents all current and prior periods retained profit and losses after the payment of dividends.

The notes on pages 14 to 45 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the 52 weeks ended 10 August 2025

	GROUP	
	52 weeks ended 10 August 2025	52 weeks ended 11 August 2024 (Restated)
	£m	£m
Cash flows from operating activities		
Operating profit	29.4	48.1
Depreciation and amortisation	18.6	17.5
(Profit)/Loss on sale of non-current assets and non-current assets classified as held for sale	(1.8)	0.6
(Profit)/Loss on sale of right of use assets	-	0.1
Impairment	5.9	0.4
Revaluation of properties	43.8	21.9
(Increase) / decrease in inventories	(0.4)	0.1
Decrease in trade and other receivables	0.9	2.1
Increase in trade and other payables	4.6	4.2
Payment of interest - lease liabilities ¹	(5.8)	(5.0)
Difference between pension contributions paid and amounts recognised in the income statement	(1.1)	(3.7)
Cash generated from operations	94.1	86.3
Income tax received	-	-
Net cash generated from operating activities	94.1	86.3
Cash flows from investing activities		
Purchase of property, plant and equipment		
- acquisitions	(20.0)	(25.2)
- investments	(40.0)	(28.8)
Proceeds from sale of property, plant and equipment	12.6	14.8
Purchase of other intangible assets	(0.1)	(0.5)
Intercompany financing	-	2.5
Interest received	0.8	0.4
Net cash used in investing activities	(46.7)	(36.8)
Cash flows from financing activities		
Repayment of borrowing	(600.0)	-
Issue of debt	630.1	-
Net proceeds/(repayment) from facility drawdown	(31.0)	11.0
Dividends paid	-	(20.6)
Payment of capital element of lease liability ¹	(3.9)	(4.7)
Interest paid	(38.9)	(40.2)
Net cash used in financing activities	(43.7)	(54.5)
Net increase / (decrease) in cash and cash equivalents	3.7	(5.0)
Cash and cash equivalents at beginning of period	5.3	10.3
Cash and cash equivalents at end of period	9.0	5.3

¹ The comparative figures for 11 August 2024 have been restated to show separately the interest and capital elements of lease liability payments.

The notes on pages 14 to 45 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES***Basis of preparation***

The consolidated financial statements presented in this document have been prepared in accordance with IFRS as adopted by the United Kingdom. The company's financial statements have been prepared in accordance with FRS 101 reduced disclosure framework as adopted by the United Kingdom and as applied in accordance with the provisions of the Companies Act 2006. The company has taken advantage of the exemption provided under s408 of the Companies Act 2006 not to publish its individual income statement and related notes.

The Group and company financial statements are presented in pounds Sterling and all values are rounded to the nearest hundred thousand pounds, except where indicated.

Going concern

The directors have made enquiries into the adequacy of the Group's financial resources, through a review of the Group's budget and medium-term financial plan, including capital expenditure plans and cash flow forecasts.

The Group has modelled a range of scenarios, with the base forecast being one in which, over the next 12 months, the Group expects to benefit from inflation positively impacting leased and tenanted net income together with the benefits of monitoring sales and profitability in the 107 pubs converted to the Management Partnerships estate since Augusts 2021.

A more cautious scenario has been analysed, in which sales decline by 5% in the next 12 months, compared with the current projected forecast. The Group has reviewed, and is satisfied with, the mitigating actions which it could take if such a decline were to occur. Such actions could include reducing discretionary expenditure.

The directors are satisfied that they have a reasonable expectation that the company and the Group have sufficient resources together with the ability to access additional liquidity when the Group needs to withstand adjustments to the base forecast, as well as the downside scenario and to continue in operational existence for the foreseeable future. For this reason, the Group continues to adopt the going-concern basis in preparing its financial statements.

Liquidity and financing:

The Group is financed through a £640.0m secured loan maturing December 2030 and a £85.0m revolving credit facility agreement. As at the 10 August 2025, the period end date, the Group had £9m of cash balances and £85.0m remaining undrawn against the revolving credit facility.

Basis of consolidation

Consolidated financial statements comprise the financial statements of the parent company (Punch Pubs Group Limited) and all of its subsidiaries. The book-value method of accounting has been applied for those subsidiaries acquired under common control.

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to or has rights to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Using the book-value method, a subsidiary acquired under common control would be consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Assets and liabilities of the transferred subsidiary company are recognised in the consolidated financial statements at the transferred company's book value, adjusted to align to the Group's accounting policies where applicable. Any difference between the book value of the assets and liabilities received and the consideration paid is recognised directly to equity under reorganisation reserve.

The Group's interests in the associate company are incorporated in the financial statements using the equity method of accounting. Investments in associate company are carried at cost plus post-acquisition changes in the Group's share of accumulated comprehensive income, less distributions received and less any impairment in value.

Other investments in which the Group has an interest are reviewed dependent on how much control the Group has. If the Group maintains day-to-day control over the investment, taking into account any potential voting rights, the investment is treated as a subsidiary and the results and position are consolidated into the Group financial statements.

Non-controlling interest in the net assets of the consolidated subsidiaries are identified separately from the Group's equity in those subsidiaries. The income for the year is allocated to the share attributable to the group and the non-controlling interest.

All intra-group balances and transactions, including unrealised profits arising from intra-group transactions, are eliminated in full. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)

Property, plant and equipment (note 10)

Revaluation

Properties are revalued annually, on a five-year rolling basis, to fair value in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation - Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together, where applicable, within the UK National Supplement effective 1 May 2024 (together the "Red Book") and IFRS 13. The valuation is based on historic, current and future projected trading levels of each property, taking into account the location, physical attributes and sustainability of rent of each property. Changes in the assumptions of underlying valuations, such as the assessment of fair maintainable trade for each property and valuation multiples, could impact the carrying value of land and buildings. In some cases it is not appropriate to value the property by reference to the trading level, in these cases the valuation is made by reference to the underlying value of the property. This was performed by Savills (UK) Limited, independent chartered surveyors.

Surpluses arising from a revaluation increase are recognised directly in other comprehensive income in the revaluation reserve or are recognised as a credit in the income statement to the extent that they reverse a revaluation decrease of the same asset previously recognised as a charge to the income statement. Any deficit arising from a revaluation decrease is recognised as a charge to other comprehensive income in the revaluation reserve to the extent that there is a credit balance in the revaluation reserve in respect of that asset. Any further decrease in value is recognised as a charge to the income statement.

Landlord's fixtures and fittings include removable items, which are generally regarded as within landlord ownership. These are depreciated in accordance with the policy detailed below.

Depreciation is provided to write off the cost of property, plant and equipment, less estimated residual values, by equal annual instalments as follows:

Licensed properties, unlicensed properties and owner-occupied properties

50 years or the life of the lease if shorter with certain integral parts of buildings over 10-30 years

Landlord's fixtures and fittings, office furniture and fittings and motor vehicles

5 years

Information technology equipment

3 to 5 years

Freehold land is not depreciated.

An annual assessment of residual values is performed and there is no depreciable amount if residual values are the same as, or more than, book value. Residual values are based on the estimated amount that would be currently obtainable from disposal of the asset net of disposal costs if the asset were already of the age and condition expected at the end of its useful life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)**Intangible Assets (note 11)**

Other intangible assets relates to computer software and licences that are depreciated over the shorter of the life of the asset or the contract term of the licence. If there is no contract term or end date of the licence the estimated useful lives of the assets are as follows:

Software

3 to 10 years

Impairment (note 12)

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A review for indicators of impairment is performed annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment charge is recognised in the income statement in the year in which it occurs. When an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Borrowings (note 21)

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowings.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated taking account of any issue costs, and any discounts or premiums on settlement.

If any debt or borrowings are terminated costs and fees are recognised as a gain or loss on the extinguishment of the debt. Any debt arrangement costs associated with previous loans that were extinguished in the year will be recognised as non-underlying finance costs.

Gains and losses are recognised in the income statement when the liabilities are derecognised, as well as through the amortisation process.

When debt is purchased from the market, a profit or loss is recognised at the point of purchase. The debt is then held at amortised issue value until it is cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of the proceeds, net of direct issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)**Taxation (note 8)**

Income tax expense comprises both the income tax payable, based on taxable profits for the year, and deferred tax.

Deferred tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts except where the deferred tax liability arises from the initial recognition of goodwill or where the deferred tax asset or liability arises on an asset or liability in a transaction which is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised.

Deferred tax is calculated using tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Movements in deferred tax are charged or credited in the income statement, except where they relate to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax balances are not discounted.

Pensions (note 25)

The Group operates one defined benefit scheme which requires contributions to be made to separately administered funds. The asset or liability recognised in the balance sheet in respect of the Group's defined benefit arrangements is the difference between the fair value of scheme assets and the present value of scheme liabilities. Any defined benefit assets are limited to the present value of economic benefits in the form of any future refunds from the scheme or reductions in future contributions to the scheme. The cost of providing benefits under the scheme is determined using the projected unit credit actuarial method. The current service cost is charged to operating profit. A single net interest cost or income, which is calculated on the net defined benefit liability by applying the discount rate to the net defined benefit liability, is shown in finance costs and finance income as appropriate. The cumulative net deficits on this defined benefit pension scheme have been recognised in full in equity at the date of transition to IFRS and the difference between the actual return on plan assets and interest income, together with actuarial gains and losses, are included within remeasurements of defined benefit scheme which are recognised in the consolidated statement of comprehensive income. A net pension asset may only be recognised when the Group has an unconditional right to a refund or to reductions in future contributions. As a result, no asset has been recognised at the period end.

The Group also contributes to money purchase pension plans for employees. Contributions are charged to the income statement as they become payable.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation to transfer economic resources as a result of past events.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. Provisions are discounted if the effect of the time value of money is material. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT. All operations take place solely in the United Kingdom.

Drink and food sales

Revenue in respect of drink and food sales is recognised at the point at which the goods are provided, net of any discounts or volume rebates allowed.

Rents receivable

Rents receivable are recognised on a straight line basis over the lease term.

Machine income

The Group's share of net machine income is recognised in the period to which it relates.

Inventories (note 14)

Inventories are stated at the lower of cost and net realisable value. Stock is measured on a first in first out basis.

Trade and other receivables (note 15)

Trade receivables are recognised and carried at original invoice amount less an impairment for any uncollectible amount. Impairment provisions for trade debtors 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 debtors 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 debtors.

Cash (note 17)

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Non-current assets classified as held for sale (note 18)

Properties identified for disposal which are classified in the balance sheet as non-current assets held for sale are held at the lower of carrying value on transfer to non-current assets held for sale, as assessed at the time of transfer, and fair value less costs to sell. The fair value less costs to sell is based on estimated net disposal proceeds which are provided by third party property agents who have been engaged to sell the properties.

Non-current assets, liabilities and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale and completion is expected within one year from the date of classification.

Other investments

Other investments, such as holdings in shares in other companies, are held at fair value, and any movements in the fair value are taken to the income statement in the period they occur.

Dividend distribution (note 9)

Final dividends are recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when they are paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)**Lessee accounting (note 20)**

The Group leases various licensed properties, offices and other commercial properties as well as vehicles under lease agreements. At inception of a contract the Group assesses whether the contract contains a lease. A lease is present where the contract grants the right to control the asset for a period of time in exchange for consideration. Where a lease is identified a right of use asset and a corresponding lease liability is recognised other than leases classed as "Short term," less than 12 months, or "Low value," under the available exemptions. Where the exemption has been taken advantage of the lease cost are recognised on a straight line basis over the life of the lease within the Consolidated Income Statement.

Lease liability - initial recognition

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date. If the interest rate implicit to the lease isn't readily available the payments are discounted at the Group's incremental borrowing rate, between 6.125% and 8.45%.

Lease payments included within the initial recognition include:

- Fixed payments (including in-substance fixed payments)
- Variable lease payments that depend on an index or rate at the commencement date
- Amounts expected to be payable by the lessee under residual value guarantees
- Exercise price of a purchase option if the Group is reasonably certain to exercise that option
- Payments for penalties for terminating the lease if the lease term reflects the Group exercising the option

Lease liability - subsequent measurement

The lease liability is subsequently measured by increasing the carrying value to reflect interest on the lease liability and by reducing the carrying value to reflect the lease payments.

Lease liability - remeasurement

The lease liability is remeasured where:

- Change in the assessment of the original lease information; being a change in the lease term or exercise of a purchase option.
- Lease payments change due to a change in an index or a rate or a change in expected payment under the residual value guarantee
- The lease contract is modified and the lease modification isn't treated as a separate lease

Where the lease liability is remeasured an equivalent adjustment is made to the right of use asset unless its carrying value is reduced to zero, in which case the adjustment is recognised in the income statement.

When the lease liability is remeasured due to a change in the lease or in the assessment of a purchase option a revised discount rate is used based on the contract, or if none is available the Group's incremental borrowing rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)

Right of use asset - initial recognition

The right of use asset comprises the following:

- Initial measurement of the lease liability
- Any lease payments made at the commencement date, less any lease incentives received
- Any initial direct costs incurred by the Group in taking out the lease
- Estimate of costs to be incurred by the Group to restore the underlying asset to the condition required by the lease

Right of use - subsequent measurement

The right of use asset is depreciated over the shorter of the lease term and useful life of the asset on a straight line basis.

If a change in contract has been identified, see the “Lease liability- remeasurement” section for further information, the right of use asset will also be adjusted.

An impairment review will be undertaken in-line with the Group impairment policy, as further described in note 1, any identified impairment will be recognised against the right of use asset.

Sale and leaseback

A sale and leaseback transaction is where the Group sells an asset and immediately reacquires the use of the asset by entering into a lease with the counterparty. If a sale and leaseback meets the criteria for a sale under IFRS 15 the transaction will be accounted for under IFRS 16. The group measures the right-of-use asset arising for the leaseback in proportion to the carrying balance of the asset directly before the sale and this will be recognised as an addition to the right of use asset and lease liability. The previous balance held for the asset will be derecognised in its entirety. For any sales that don't meet the recognition criteria under IFRS 15 a finance liability will be recognised for the consideration received.

For any sale and leaseback assets that are sold at above the market value of the asset these are accounted for as additional financing provided by the counterparty and be recognised as an increased lease liability for the amount. The premium received will be recognised as Sale and leaseback finance premium within the Cashflow statement. Any assets sold at below market value will be accounted for as a prepayment of the lease liability.

Lessor accounting

The Group is a lessor of licensed properties to publicans. Leases are classified as either operating leases or finance leases. If a lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset it is classified as a finance lease. All other leases are classified as operating leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)

Share-based payment transactions

A number of employees of the Group (including directors) receive an element of remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares in a parental entity ('equity-settled transactions').

Equity settled transactions are measured at fair value at the date of grant. The fair value of transactions involving the granting of shares is calculated by an external valuer using the most appropriate valuation mode at the date of issue. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares in the relevant settling entity.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period based on the company's estimate of how many of the awards will eventually vest. 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 conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification to the original award, as described in the previous paragraph.

Significant accounting judgements

Management uses a range of measures to monitor the group's performance. Management judgement has been used to determine those items that should be classified as non-underlying so as to give a better understanding of the underlying trading performance of the group.

In order to provide a trend measure of underlying performance, profit is presented excluding items which management consider will distort comparability, either due to their significant non-recurring nature or as a result of specific accounting treatments. Non-underlying items include:

- Financial and operational restructuring costs;
- Share based payments charge;
- Profit / (loss) on sale of properties;
- Loss on lease remeasurement;
- Impairment and valuation of non-current assets;
- Goodwill impairment charge;
- Grant income

Significant accounting estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

On an ongoing basis, management evaluates its estimates including those relating to income taxes, deferred tax, financial instruments, property, plant and equipment, goodwill, intangible assets, valuations, provisions and post-employment benefits.

Management bases its estimates on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making estimates about the carrying value of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates that have a significant effect on the amounts recognised in the financial statements are detailed below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

1. ACCOUNTING POLICIES (continued)***Deferred tax asset recoverability (note 16)***

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be utilised.

Valuation of property, plant and equipment (note 10)

The Group has a policy to revalue the properties on a 5 year rolling basis based on the year end date.

As at 23 February 2025 a revaluation of 100% of the pub estate has been undertaken by Savills (UK) Limited, independent chartered surveyors, in accordance with the Royal Institute of Chartered Surveyors RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together, where applicable, with the UK National Supplement effective 1 May 2024, (together the “Red Book”) and IFRS 13. The valuation is based on current and future projected trading levels of each property, taking into account the location, physical attributes and sustainability of rent of each property. Changes in assumptions underlying valuations, such as the assessment of fair maintainable trade for each property, could impact the carrying value of land and buildings.

Post-employment benefits (note 25)

The present value of defined benefit pension scheme liabilities is determined on an actuarial basis and depends on a number of actuarial assumptions. Any change in these assumptions could impact the carrying amounts of pension liabilities.

Corporate information

Punch Pubs Group Limited is a private limited company incorporated and domiciled in England.

Changes in accounting policies and Standards

The Group has applied the following interpretations and amendments for the first time in these financial statements:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 - Non-current Liabilities with Covenants
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The application of these new interpretations and amendments did not have a material impact on the financial statements.

Certain new accounting standards and interpretations have been published that are not yet effective and have not been adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

2. SEGMENTAL ANALYSIS

The business consists of a Leased and Tenanted segment (L&T), and a Pub Partnership (PP) segment, each having its own clear strategy. Each of these strategic business units consists of a number of cash generating units (CGUs), which are individual pubs. These CGUs generate their own revenues, which are consolidated to give the Group revenue and as a result, Group revenue is not reliant on one significant customer.

Following the alignment of operations and operating agreements, the previously reported Management Partnership division (MP) and the Laine division have been aggregated into the PP segment in accordance with Paragraph 12 of IFRS 8. The economic characteristics and risks of the divisions are similar with both divisions operating pubs under the same model whereby the pub is operated by a limited company and by a self-employed management partner, who receives a share of the pub's sales.

The comparative figures for 11 August 2024 have been restated in accordance with Paragraph 29 of IFRS 8 with no impact on total EBITDA before non-underlying items, total assets or total liabilities. Certain overhead costs were previously disclosed within the Laine segment, but are now disclosed as part of central unallocated operating costs.

The Chief Operating Decision Maker, represented by the Board, reviews the performance of the segments separately, at an underlying EBITDA level, as included in the internal management reports.

The Group operates and originates solely in the United Kingdom.

	52 weeks ended 10 August 2025			Total £m
	L&T £m	PP £m	Unallocated £m	
Drink revenue	97.3	163.6	-	260.9
Food revenue	-	37.7	-	37.7
Rental income	28.5	1.1	-	29.6
Other revenue ¹	3.7	6.0	-	9.7
Underlying revenue	129.5	208.4	-	337.9
Underlying operating costs ²	(56.9)	(151.2)	(31.4)	(239.5)
EBITDA before non-underlying items	72.6	57.2	(31.4)	98.4
Underlying depreciation and amortisation				(18.6)
Operating non-underlying items				(50.4)
Net finance costs				(53.5)
UK income tax charge				(4.2)
Loss for the financial period attributable to owners of the parent company				(28.3)

¹ Other revenue includes grants of a revenue nature which are recognised in the income statement in the same period as the related expenditure.

² Unallocated underlying operating costs represent corporate overheads that are not allocated down to the divisional performance.

	52 weeks ended 11 August 2024 (Restated)			Total £m
	L&T £m	PP £m	Unallocated £m	
Drink revenue	94.4	157.1	-	251.5
Food revenue	-	33.7	-	33.7
Rental income	27.9	1.2	-	29.1
Other revenue ¹	3.1	6.1	-	9.2
Underlying revenue	125.4	198.1	-	323.5
Underlying operating costs ²	(55.2)	(145.6)	(31.6)	(232.4)
EBITDA before non-underlying items	70.2	52.5	(31.6)	91.1
Underlying depreciation and amortisation				(17.5)
Operating non-underlying items				(25.5)
Net finance costs				(47.5)
UK income tax charge				(5.9)
Loss for the financial period attributable to owners of the parent company				(5.3)

Assets and liabilities

	10 August 2025			Total £m
	L&T £m	PP £m	Unallocated ¹ £m	
Segment assets	652.8	417.2	4.7	1,074.7
Unallocated assets ¹	-	-	27.4	27.4
Total assets	652.8	417.2	32.1	1,102.1
Segment liabilities	(19.8)	(54.3)	(1.2)	(75.3)
Unallocated liabilities ¹	-	-	(726.1)	(726.1)
Total liabilities	(19.8)	(54.3)	(727.3)	(801.4)
Net assets / (liabilities)	633.0	362.9	(695.2)	300.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

2. SEGMENTAL ANALYSIS (CONTINUED)

Assets and liabilities	11 August 2024 (Restated)			Total £m
	L&T £m	PP £m	Unallocated £m	
Segment assets	636.5	337.6	4.6	978.7
Unallocated assets ¹	-	-	24.0	24.0
Total assets	636.5	337.6	28.6	1,002.7
Segment liabilities	(17.8)	(52.2)	(1.4)	(71.4)
Unallocated liabilities ¹	-	-	(707.4)	(707.4)
Total liabilities	(17.8)	(52.2)	(708.8)	(778.8)
Net assets / (liabilities)	618.7	285.4	(680.2)	223.9

¹ Unallocated segment assets and liabilities represent assets and liabilities that are not allocated to the divisional performance.

There are no sales between the segments. Segment assets include property, plant and equipment, non-current assets held for sale, right of use assets and other intangible assets and exclude inventories, receivables, cash and taxation, whilst all liabilities other than lease liabilities are unallocated.

Capital expenditure

	10 August 2025			Total £m
	L&T £m	PP £m	Unallocated £m	
Acquisition spend	18.0	2.0	-	20.0
Investment spend	21.6	18.2	0.2	40.0
Total capital expenditure	39.6	20.2	0.2	60.0

	11 August 2024 (Restated)			Total £m
	L&T £m	PP £m	Unallocated £m	
Acquisition spend	25.2	-	-	25.2
Investment spend	18.5	9.9	0.4	28.8
Total capital expenditure	43.7	9.9	0.4	54.0

3. ANALYSIS OF EXPENSES

The following items have been included in arriving at operating profit / (loss):

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Drink and food costs	103.7	101.3
Depreciation and amortisation	18.6	17.5
Impairment losses (note 12)	5.9	0.4
Re-valuation of properties (note 10)	43.8	21.9
(Profit)/Loss on sale of property, plant and equipment and non-current assets classified as held for sale	(1.8)	0.6
Profit on disposal of right of use assets	-	0.1
Other costs ¹	138.3	133.6
Total costs deducted from revenue to determine operating profit¹	308.5	275.4

¹ Non-underlying expenses of £2.6m are included within other costs above, see note 6 for further details.

Auditors' remuneration is as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Audit services		
Statutory audit of Group financial statements	0.1	0.1
Statutory audit of subsidiary companies pursuant to legislation	0.1	-
Non-audit services		
Other services	0.5	-

The accounts of the parent company do not include details of remuneration receivable by the auditor and its associates for non-audit services, as the Group accounts are required to include this information as required by Regulation 5(1)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 on a consolidated basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

4. FINANCE INCOME

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Bank interest receivable	0.8	0.2
Intercompany loan interest receivable	-	0.2
Total finance income	0.8	0.4

5. FINANCE COSTS

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Interest payable on loan notes	43.0	40.0
Interest payable on lease liabilities	5.8	5.0
Net pension interest costs	0.6	0.5
Amortisation of deferred issue costs	4.9	2.4
Total finance costs	54.3	47.9

6. NON-UNDERLYING ITEMS

In order to provide a trend measure of underlying performance, profit is presented excluding items which management consider will distort comparability, either due to their significant non-recurring nature or as a result of specific accounting treatments. Included in the income statement are the following non-underlying items:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Operating non-underlying items		
Restructuring and other one-off costs ¹	(2.4)	(1.8)
Share based payment charge (Note 29)	(0.2)	(0.3)
Profit/(Loss) on sale of property, plant and equipment	1.8	(0.6)
Loss on disposal of right of use asset	-	(0.1)
One-off lease expenses	-	(0.4)
Lease remeasurement gains	0.1	-
Impairment losses (note 12)	(5.9)	(0.4)
Movement in valuation of properties ²	(43.8)	(21.9)
Total non-underlying items before tax	(50.4)	(25.5)
Tax		
Tax impact of non-underlying items	0.6	(1.6)
Adjustments to tax in respect of prior periods	0.5	-
	1.1	(1.6)
Total non-underlying items after tax	(49.3)	(27.1)

¹ £0.4m (2024: 0.6m) of restructuring costs, £0.9m (2024: £0.4m) of one-off costs relating to the conversion of pubs to the Pub Partnership division and £1.1m (2024: £0.8m) of professional fees and other one-off costs.

² The movement in the valuation of properties of £43.8m (2024: £21.9m) comprises a downward valuation of £68.2m (2024: £21.9m), where the fair value of an asset is less than the net book value, offset by a credit of £24.4m (2024: £nil) where the fair value of the asset is greater than the net book value and the credit reverses a previous charge to the income statement for impairment.

Non-underlying cash impact

All costs associated with restructuring and other one off-costs, and PP conversion had a cash flow impact within the year.

The share based payment charge, lease remeasurement gains, impairment losses, and movement in valuation of properties incurred no cash impact in the year.

Profit on sale of property, plant and non-current assets held for sale resulted in a cash inflow of £12.6m in the year.

The non-underlying tax adjustments are expected to be offset against brought forward losses and no cash settlement is expected.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

7. EMPLOYEES AND DIRECTORS

The staff costs are set out below:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Wages and salaries	22.6	24.1
Social security costs	2.2	2.2
Share based payment	0.2	0.3
Other pension costs	1.3	1.3
	26.4	27.9

The average number of employees employed by the Group during the period was as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
Management and administration ¹	329	341
Retail staff ¹	84	165
	413	506

¹ Employee numbers relate to actual employees rather than full time employee equivalents.

The remuneration paid to the Directors during the period was as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£000	£000
Directors' remuneration	883	850
Company contributions to money purchase pension schemes	108	110
	991	960

The amounts paid in respect of the highest paid director are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£000	£000
Director's remuneration	566	559
Company contributions to money purchase pension schemes	69	66
	635	625

The emoluments relate to services provided to the Group in the current period and are paid by a subsidiary company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

8. TAXATION**(a) Tax on profit on ordinary activities****Tax (charged) / credited in the income statement**

	52 weeks ended 10 August 2025			52 weeks ended 11 August 2024		
	Underlying £m	Non- underlying £m	Total £m	Underlying £m	Non-underlying £m	Total £m
Current tax						
UK corporation tax - current period	(0.9)	0.9	-	0.6	(0.6)	-
UK corporation tax – adjustments in respect of prior years	-	-	-	-	-	-
	(0.9)	0.9	-	0.6	(0.6)	-
Deferred tax (note 16)						
Origination and reversal of temporary differences – current period	(4.7)	-	(4.7)	(4.9)	-	(4.9)
Origination and reversal of temporary differences – adjustments in respect of prior years	-	0.5	0.5	-	(1.0)	(1.0)
	(4.7)	0.5	(4.2)	(4.9)	(1.0)	(5.9)
Total tax (charge)/ Credit	(5.6)	1.4	(4.2)	(4.3)	(1.6)	(5.9)

Tax on items charged to equity

In addition to the amount credited to the income statement, tax movements recognised directly in equity through the consolidated statement of comprehensive income were as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Deferred tax		
Deferred tax charge on loss on actuarial valuation of pension schemes	-	-
Deferred tax charge on other items charged to equity	(1.1)	-
Deferred tax charge recognised directly in equity	(1.1)	-

(b) Reconciliation of the total tax charge

The effective rate of tax is different to the full rate of corporation tax. The differences are explained below:

	52 weeks ended 10 August 2025			52 weeks ended 11 August 2024		
	Underlying items £m	Non- underlying items (note 6) £m	Total £m	Underlying items £m	Non-underlying items (note 6) £m	Total £m
Profit / (loss) on ordinary activities before tax	26.3	(50.4)	(24.1)	26.1	(25.5)	0.6
Tax at current UK tax rate of 25.00% (2024: 25.00%)	(6.6)	12.6	6.0	(6.5)	6.4	(0.1)
Effects of:						
Net effect of expenses not deductible for tax purposes and non-taxable income	1.0	(11.7)	(10.7)	2.1	(6.9)	(4.8)
Adjustments to tax in respect of prior periods	-	0.5	0.5	-	(1.0)	(1.0)
Total tax (charge) / credit reported in the income statement	(5.6)	1.4	(4.2)	(4.4)	(1.5)	(5.9)

Details of the non-underlying tax credits and charges are included in note 6.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

8. TAXATION (continued)**(c) Deferred liability tax recognised in the consolidated income statement**

	52 weeks ended 10 August 2025			52 weeks ended 11 August 2024		
	Underlying	Non-underlying	Total	Underlying	Non-underlying	Total
	items	items (note 6)		items	items (note 6)	
	£m	£m	£m	£m	£m	£m
Temporary differences	(9.2)	-	(9.2)	(9.8)	(1.0)	(10.8)
Accelerated capital allowances	4.5	-	4.5	4.9	1.0	5.9
Adjustments in respect of prior periods	-	0.5	0.5	-	(1.0)	(1.0)
	(4.7)	0.5	(4.2)	(4.9)	(1.0)	(5.9)

See note 16 for the movement in net deferred tax and for factors affecting the tax charge in future periods.

9. DIVIDENDS

During the year no dividend has been paid or proposed (2024: interim dividend paid of £20.6m).

10. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Public House Fixture and Fittings	Total
	£m	£m	£m
Cost or valuation			
At 13 August 2023	861.2	42.3	903.5
Additions	44.6	9.4	54.0
Disposals	(9.3)	(0.6)	(9.9)
Revaluation	(0.1)	(1.5)	(1.6)
Net transfers to non-current assets classified as held for sale	(7.0)	0.3	(6.7)
Adjustments in respect of prior periods	0.7	0.6	1.3
At 11 August 2024	890.1	50.5	940.6
Additions	48.5	11.5	60.0
Disposals	(4.1)	(1.1)	(5.2)
Revaluation	60.1	(2.6)	57.5
Net transfers to non-current assets classified as held for sale	(2.8)	(1.3)	(4.1)
At 10 August 2025	991.8	57.0	1,048.8
Accumulated depreciation			
At 13 August 2023	8.3	14.8	23.1
Charge for the year	2.4	10.2	12.6
Disposals	(0.1)	(0.4)	(0.5)
Revaluation	(2.9)	(0.7)	(3.6)
Impairment losses (note 12)	4.1	-	4.1
Net transfers to non-current assets classified as held for sale	(2.6)	0.2	(2.4)
Adjustments in respect of prior periods	0.7	0.7	1.4
At 11 August 2024	9.9	24.8	34.7
Charge for the year	3.0	9.7	12.7
Disposals	(0.8)	(0.7)	(1.5)
Revaluation	(5.7)	(0.3)	(6.0)
Impairment losses (note 12)	3.4	0.9	4.3
Net transfers to non-current assets classified as held for sale	(1.7)	(0.4)	(2.1)
At 10 August 2025	8.1	34.0	42.1
Net book value at 10 August 2025	983.7	23.0	1,006.7
Net book value at 11 August 2024	880.2	25.7	905.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group's policy is to revalue its properties on a five year rolling basis. During the period ended 10 August 2025 a revaluation of 100% of the pub estate has been undertaken by Savills (UK) Limited, independent Chartered surveyors.

The impact on the financial statements of the revaluation in the current year is as follows:

- increase the net book value of property, plant and equipment as at 10 August 2025 by £63.5m;
- recognise a net non-underlying charge against operating profit of £43.8m. This reflects the impact of downward revaluations of £68.2m where the fair value of the asset is below the net book value and upwards revaluations of £24.4m where the fair value of the asset is above the net book value and there has been a previous downwards revaluation recognised within operating profit;
- recognise a £107.3m credit to the revaluation reserve. This reflects the impact of upward revaluations of £120.7m where the fair value of the asset is above the net book value and downwards revaluations of £13.4m where the fair value of the asset is below the net book value and there have been a previous upwards revaluation recognised in the revaluation reserve.

Surpluses arising from a revaluation increase are recognised directly in other comprehensive income in the revaluation reserve or are recognised as a credit in the income statement to the extent that they reverse a revaluation decrease of the same asset previously recognised as a charge to the income statement. Any deficit arising from a revaluation decrease is recognised as a charge to other comprehensive income in the revaluation reserve to the extent that there is a credit balance in the revaluation reserve in respect of that asset. Any further decrease in value is recognised as a charge to the income statement.

The cost of work in progress within property, plant and equipment at 10 August 2025 was £9.0m (11 August 2024: £7.5m). Work in progress is not depreciated.

Fair value measurement of property, plant and equipment

The Group has a policy to revalue the properties on a 5 year rolling basis based on the year end date.

As at 23 February 2025 a revaluation of 100% of the pub estate has been undertaken by Savills (UK) Limited, independent chartered surveyors, in accordance with the Royal Institute of Chartered Surveyors RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together, where applicable, with the UK National Supplement effective 1 May 2024, (together the "Red Book") and IFRS 13.

The valuations of assets have been assessed as being level 3 valuations, as there are no directly comparable market observable inputs. The appropriate classes of assets for fair value disclosures are deemed to be public houses and unlicensed properties, considering the nature, characteristics and risks of the assets.

The valuation is based on current and future projected trading levels of each property, taking in to account the location, physical attributes and sustainability of rent and other income streams of each asset. Once a fair maintainable trade (FMT) income stream has been determined for each pub, including an assessment of wholesale and machine income and rent that could be achieved with a reasonably efficient operator, taking into account future trading potential, it is capitalised using an appropriate multiple.

The unlicensed properties are valued considering the rents achieved and lease terms and then by using an appropriate multiple.

The assets are valued at their highest and best use which is deemed to be their current use by the Group, unless when reviewed on an asset by asset basis circumstances indicate that there may be a higher or better use.

The tables below show, for the properties that have been revalued in the year, by class of asset, the number of properties in each FMT and multiple banding.

Public Houses - number of properties	Under 8 times	8-10 times	10-12 times	over 12 times	Total
FMT income					
More than £90,000 p.a.	196	373	5	-	574
£60,000 to £90,000 p.a.	63	267	7	3	340
£30,000 to £60,000 p.a.	41	209	13	11	274
less than £30,000 p.a.	42	14	3	15	74
	342	863	28	29	1262

Of the properties valued 137 properties were leasehold, of these 123 of the properties are valued at less than 8 times FMT.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The table below shows the reconciliation of level 3 fair value measurements.

	Public houses £m	Unlicensed £m	Total £m
Opening balance at 11 August 2024	901.1	4.8	905.9
Additions in the year	58.7	1.3	60.0
Net transfers to non-current assets classified as held for sale	(2.0)	-	(2.0)
Revaluation:			
Recognised in the Income Statement	(43.8)	-	(43.8)
Recognised in the Statement of Comprehensive Income	107.3	-	107.3
Impairment losses	(4.0)	(0.3)	(4.3)
Depreciation	(12.0)	(0.7)	(12.7)
Disposals	(3.2)	(0.5)	(3.7)
Transfer between classes	(0.7)	0.7	-
Closing balance at 10 August 2025	1,001.4	5.3	1,006.7
Net book value of other assets			-
Net book value of property, plant and equipment			1,006.7

	Public houses £m	Unlicensed £m	Total £m
Opening balance at 13 August 2023	874.5	5.9	880.4
Additions in the year	53.2	0.8	54.0
Net transfers to non-current assets classified as held for sale	(4.4)	-	(4.4)
Revaluation:			
Recognised in the Income Statement	(21.9)	-	(21.9)
Recognised in the Statement of Comprehensive Income	23.9	-	23.9
Impairment losses	(4.1)	-	(4.1)
Depreciation	(12.4)	(0.2)	(12.6)
Disposals	(8.7)	(0.7)	(9.4)
Transfer between classes	1.0	(1.0)	-
Closing balance at 11 August 2024	901.1	4.8	905.9
Net book value of other assets			-
Net book value of property, plant and equipment			905.9

Sensitivities

The significant unobservable inputs used in the level 3 fair value measurements of the Group's estate are FMT and a multiple. Changes in these assumptions could have a significant impact on the valuation of the Group's properties. The sensitivities below are considered to be reasonably likely.

Sensitivity	FMT +2% £m	FMT -2% £m	Multiple +0.25 £m	Multiple -0.25 £m
Public houses and unlicensed	18.0	(18.0)	29.4	(29.4)

The carrying value of land and buildings that would have been recognised had the assets been carried under the cost model is £806.9m (2024: £809.8m (restated)).

The prior period disclosure above has been restated to include the impact of impairments that would have been recognised under the cost model.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

11. INTANGIBLE ASSETS

	Other intangible assets
Cost	£m
At 13 August 2023	1.6
Additions	0.5
At 11 August 2024	2.1
Additions	0.1
At 10 August 2025	2.2
Amortisation and Impairment	
At 13 August 2023	0.7
Charge for the year	0.2
At 11 August 2024	0.9
Charge for the year	0.3
At 10 August 2025	1.2
Net book value at 10 August 2025	1.0
Net book value at 11 August 2024	1.2

Other intangible assets relate to computer software and licenses.

12. IMPAIRMENT LOSSES

The impairments recognised in the current and prior periods are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Property, plant and equipment through income statement	4.3	4.1
Non-current assets as classified as held for sale	0.1	0.5
Right of use assets	1.5	(4.2)
Recognised in the income statement	5.9	0.4

Property, plant and equipment

When any indicators of impairment are identified, property, plant and equipment are reviewed for impairment based on each cash generating unit (CGU). The cash generating units are individual pubs. The carrying values of these individual pubs are compared to the recoverable amount of the CGUs, which is the higher of value-in-use (VIU) and fair value less costs to sell (FVLCS).

Cash flows used in the VIU calculation were based on earnings before interest, taxation, depreciation and amortisation and used the forecasted cash flows included within the Group business plan for the first three years and future cash flows were extrapolated using a long term growth rate of 3.0% (2024: 3.0%). The pre-tax risk adjusted discount rate of 8.7% (2024: 8.1%) applied to the Board approved three year Business Plan and the associated cash flow projections is based on the group Weighted Average Cost of Capital (WACC). Based on this review an impairment of £nil (11 August 2024: £0.2m) was identified.

During the prior year a site which incurred significant damage was reviewed for impairment. An impairment charge of £0.7m was identified in relation to this property.

A comprehensive assessment of the ULP (Unlicensed Properties) estate was conducted. This evaluation revealed an indicator of impairment associated with certain ULP sites. Consequently, an impairment charge of £0.3m (2024: £nil) was recognised against the ULP estate.

During the year, the FVLCS of the assets transferring into the non-current assets classified as held for sale category have been reviewed, and an impairment of £4.0m (11 August 2024: £3.2m) has been identified. In addition, the FVLCS of assets already classified as held for sale were reviewed and an impairment of £0.1m was identified (11 August 2024: £0.5m). The FVLCS was assessed on both external and internal valuations.

Right of use assets

Right of use assets are allocated to CGUs and reviewed annually for indicators of impairment. When indicators of impairment are identified the carrying value of the CGU are compared to the recoverable amount of the CGUs, which is the higher of VIU and FVLCS. Cash flows used in the VIU calculation were based on earnings before interest, taxation, depreciation and amortisation and used the forecasted cash flows included within the Group business plan for the first three years and future cash flows were extrapolated using a long term growth rate of 3.0% (2024: 3.0%). The pre-tax risk adjusted discount rate of 8.7% (2024: 8.1%) applied to the Board approved three year Business Plan and the associated cash flow projections is based on the group Weighted Average Cost of Capital (WACC). Based on this review an impairment of £1.5m (11 August 2024: impairment credit of £3.8m) was identified.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the 52 weeks ended 10 August 2025

13. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS AND ASSOCIATES

Company	Total £m
At 13 August 2023	291.8
Additions	0.2
At 11 August 2024	292.0
Additions	0.4
At 10 August 2025	292.4

During the period the Company made a capital contribution of £0.4m (11 August 2024: £0.2m) to its immediate subsidiary undertaking, Punch Pubs Holdings Limited.

Details of the subsidiary undertakings at 10 August 2025 are as follows:

Subsidiary undertakings owned directly:

Name of company	Nature of business	Registered Office
Punch Finance PLC	Financing company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Pubs Holdings Limited	Intermediate holding company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF

Directly or indirectly wholly owned subsidiaries of Punch Pubs Holdings Limited unless otherwise noted:
Key trading companies:

Name of company	Nature of business	Registered Office
Punch Partnerships (PGRP) Limited	Pub operating company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Partnerships (PML) Limited	Pub operating company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Taverns (Branston) Limited	Pub operating company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Partnerships (Jubilee) Limited	Property operating company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Taverns (Services) Limited	Intermediate supply company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
The Laine Pub Company Limited	Pub operating company	146 Springfield Road, Brighton, BN1 6BZ
The Laine Brewing Company Limited	Brewery	146 Springfield Road, Brighton, BN1 6BZ
Zelgrain Limited	Property leasing company	146 Springfield Road, Brighton, BN1 6BZ
Smithy Inns Limited	Non-trading company	146 Springfield Road, Brighton, BN1 6BZ
C-Side Limited	Pub operating company	146 Springfield Road, Brighton, BN1 6BZ
Punch (BSV) Limited	Non-trading company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF

Dormant companies:

Name of company	Nature of business	Registered Office
Punch Partnership Limited	Dormant company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Partnerships (Seagull) Limited	Dormant company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
Punch Taverns (Acquisitions) Limited	Dormant company	Jubilee House, Second Avenue, Burton Upon Trent, DE14 2WF
C-Side (Holdings) Limited	Dormant company	146 Springfield Road, Brighton, BN1 6BZ

Associate company:

Name of company	Nature of business	Percentage of Ownership
Mash Inns Limited	Pub operating company	49%

The registered office for Mash Inns Limited is 3 Monkspath Hall Road, Solihull, B90 4SJ. All the companies listed above are incorporated in the United Kingdom.

14. INVENTORIES

	Group		Company	
	10 August 2025 £m	11 August 2024 £m	10 August 2025 £m	11 August 2024 £m
Drink and food	4.4	4.0	-	-

The Group recognised £54.1m (11 August 2024: £53.4m) of inventories as an expense during the period for drinks and food directly sold through the PP division.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	10 August	11 August	10 August	11 August
	2025	2024	2025	2024
	£m	£m	£m	£m
Amounts falling due within one year				
Trade receivables	7.4	7.2	-	-
Prepayments	6.5	7.5	-	-
Amounts due from group undertakings	0.1	-	-	-
	14.0	14.7	-	-

16. DEFERRED TAX

The movement on the deferred tax account is as follows:

	Group		Company	
	10 August	11 August	10 August	11 August
	2025	2024	2025	2024
	£m	£m	£m	£m
Liabilities at beginning of period	(24.6)	(18.6)	-	-
Transferred from group company	-	(0.1)	-	-
(Charged) / Credited to income statement (note 8)	(4.1)	(5.9)	-	-
Charged to other comprehensive income (note 8)	(1.1)	-	-	-
Deferred tax liabilities at end of period	(29.8)	(24.6)	-	-

The movements in deferred tax assets and liabilities during the period are shown below:

Deferred tax assets

Group	Tax losses	Retirement benefit liabilities	Other	Total
	£m	£m	£m	£m
At 11 August 2024	3.3	-	0.1	3.4
Credited / (Charged) to income statement	-	-	0.4	0.4
At 10 August 2025	3.3	-	0.5	3.8

Deferred tax liabilities

Group	Accelerated capital allowances	Other	Total
	£m	£m	£m
At 11 August 2024	27.3	0.7	28.0
Transferred from group company	-	-	-
Charged / (Credited) to income statement	4.5	-	4.5
Charged to equity	-	1.1	1.1
At 10 August 2025	31.8	1.8	33.6

At the balance sheet date, the Group has unused tax losses of £13.1m (August 2024: £13.1m) and unused capital losses of £nil (August 2024: £41.1m) available for offset against future profits. A deferred tax asset has been recognised in respect of £13.1m (August 2024: £13.0m) of such losses, which are expected to be utilised against future profit streams within the Group. No deferred tax asset has been recognised in respect of the remaining £nil (August 2024: £41.2m) of losses due to the unpredictability of future profit streams. Current legislation deems that these losses may be carried forward for an unlimited number of years. The availability of sizeable capital allowance pools amounting to c.£215.6m at the period end (August 2024: £206.6m) is expected to result in limited corporation tax payments being due for the next financial year.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

17. CASH

	Group		Company	
	10 August	11 August	10 August	11 August
	2025	2024	2025	2024
	£m	£m	£m	£m
Cash and cash equivalents	9.0	5.3	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

18. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	10 August 2025 £m	11 August 2024 £m
Non-current assets classified as held for sale	4.5	9.9

Non-current assets classified as held for sale represents pubs that are individually being actively marketed for sale with varying expected completion dates within one year. The value of non-current assets classified as held for sale represents the lower of the carrying value of the asset and expected net disposal proceeds.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	10 August 2025 £m	11 August 2024 £m	10 August 2025 £m	11 August 2024 £m
Trade payables	24.4	21.3	-	-
Other tax and social security payable	5.4	3.4	-	-
Other payables	11.1	13.0	-	-
Accruals	24.9	18.3	-	-
Amounts owed to group undertakings	-	0.3	-	-
	65.8	56.3	-	-

20. LEASES**Group as a Lessee**

The Group leases various licensed properties, offices and other commercial properties under lease agreements. The leases have various terms, escalation clauses and renewal rights. The Group also leases vehicles for use within the business. All the leases met the operating lease criteria where the group was a lessee.

The group applies the "short term lease" and "lease of low value assets" recognition exemption for these disclosures.

Right of use assets and lease liabilities are recognised for each lease agreement for which the Group is a lessee.

Right of use assets	Property £m	Vehicles £m	Total £m
Cost			
At 11 August 2024	71.8	2.8	74.6
Additions	2.3	0.6	2.9
Disposals	(0.3)	(0.4)	(0.7)
Remeasurement	5.1	-	5.1
At 10 August 2025	78.9	3.0	81.9
Accumulated depreciation			
At 11 August 2024	11.5	1.4	12.9
Charge for the year	4.9	0.7	5.6
Disposals	(0.2)	(0.4)	(0.6)
Impairment (note 12)	1.5	-	1.5
At 10 August 2025	17.7	1.7	19.4
Net book value at 10 August 2025	61.2	1.3	62.5
Net book value at 11 August 2024	60.3	1.4	61.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

20. LEASES (CONTINUED)

Lease Liabilities	Total £m
At 11 August 2024	71.4
Additions	2.9
Disposals	(0.1)
Finance charge on lease liability	5.8
Repayments	(9.7)
Remeasurements	5.0
At 10 August 2025	75.3

Lease liabilities have been analysed between current and non-current as follows:

	10 August 2025	11 August 2024 (Restated)
	£m	£m
Current	5.0	4.8
Non-current	70.3	66.6
	75.3	71.4

Restatement of lease liabilities

The allocation of the lease liability balance between current and non-current has been restated with no impact on total lease liabilities. The current liability has been reduced to include the impact of the current finance charge on lease liabilities, and the non-current liability has increased by a corresponding amount.

Amounts recognised in consolidated income statement

	10 August 2025	11 August 2024
	£m	£m
Interest on lease liabilities	(5.8)	(5.0)
Depreciation on right of use asset	(5.6)	(4.6)
Impairment credit/(charge) on right of use asset	(1.5)	4.2

There are small amounts of variable lease payments, expenses relating to short term leases and expenses relating to low value assets, the total of these are £0.1m (2024: £0.1m).

The company has no right of use assets or lease liabilities.

Group as a Lessor

The group leases out its property assets to tenants in the form of operating leases. The consideration received on these contracts is mostly fixed rent income with a small number of variable lease payments due on the lessor contracts.

Amounts recognised in consolidated income statement

	10 August 2025	11 August 2024
	£m	£m
Rental income - owned assets	27.6	27.2
Rental income - leased assets	2.0	1.9
	29.6	29.1

The minimum future sublease payments expected to be received is £5.9m over the term of the lease, with £1.9m expected to be received in the next financial year.

The company has no assets leased to other entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

21. FINANCIAL LIABILITIES

Group	10 August 2025			11 August 2024		
	Amounts falling due		Total £m	Amounts falling due		Total £m
	within one year £m	after more than one year £m		within one year £m	after more than one year £m	
Secured loan notes:						
Issued by Punch Finance Plc	-	630.5	630.5	-	595.5	595.5
Revolving credit facility	-	-	-	31.0	-	31.0
Total financial liabilities	-	630.5	630.5	31.0	595.5	626.5

Changes in debt obligations during the year

During the period, the Group successfully completed the refinancing of the existing £600.0 million senior secured notes and £70.0 million revolving credit facility. On 5 June 2025, £640.0 million of new senior secured notes were issued at 7.875% which expire 30 December 2030. The senior secured notes were offset by £9.9m of deferred issue costs which are amortised over the expected life of the notes. The existing revolving credit facility was also extended to £85.0 million, with an expiry date of 30 June 2030.

On receipt of the proceeds of the new notes the revolving credit facility was repaid in full. £365.4m of the existing notes were repaid on 5 June 2025, with the remaining £234.6 million being repaid on 30 June 2025.

Secured loan notes

The secured loan notes have been secured by way of fixed charge over various assets of the Group.

Interest is paid biannually in arrears on the secured debt. The details for the secured loan, including the date of the final scheduled instalment for each class of note, as indicated in its description, are as follows:

Issued by Punch Finance Plc:

	10 August 2025			11 August 2024		
	Amounts falling due		Total £m	Amounts falling due		Total £m
	within one year £m	after more than one year £m		within one year £m	after more than one year £m	
Secured loan repayable June 2026 at 6.125%	-	-	-	-	600.0	600.0
Secured loan repayable December 2030 at 7.875%	-	640.0	640.0	-	-	-
	-	640.0	640.0	-	600.0	600.0
Less: deferred issue costs	-	(9.5)	(9.5)	-	(4.5)	(4.5)
	-	630.5	630.5	-	595.5	595.5

Revolving credit facility:

	10 August 2025			11 August 2024		
	Amounts falling due		Total £m	Amounts falling due		Total £m
	within one year £m	after more than one year £m		within one year £m	after more than one year £m	
Loan facility at SONIA plus 3.25%	-	-	-	31.0	-	31.0
Loan facility at SONIA plus 2.75%	-	-	-	-	-	-

Interest rate analysis

The weighted average effective interest rates of interest-bearing loans and borrowings, including the effect of interest rate swaps, at the balance sheet date are as follows:

	10 August 2025 %	11 August 2024 %
Secured loan notes	6.618	6.125
Revolving credit facility	8.323	8.934

The average interest rate for Group loans and borrowings is 6.69% (11 August 2024: 6.26%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

21. FINANCIAL LIABILITIES (CONTINUED)

Maturity of Group debt

The table below summarises the maturity profile of the Group's debt at 10 August 2025 and 11 August 2024 based on contractual, undiscounted cash flows including interest.

	Period ended 10 August 2025				
	Within one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Interest bearing loans and borrowings					
Capital	-	-	-	640.0	640.0
Interest	50.4	50.4	151.2	19.7	271.7
	50.4	50.4	151.2	659.7	911.7

	Period ended 11 August 2024				
	Within one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Interest bearing loans and borrowings					
Capital	31.0	600.0	-	-	631.0
Interest	36.8	32.5	-	-	69.3
	67.8	632.5	-	-	700.3

The contractual maturity of trade and other payables is within one year.

22. FINANCIAL INSTRUMENTS

Categories of financial instruments

	10 August 2025 £m	11 August 2024 £m
Financial assets		
Receivables (amortised cost)	7.4	7.2
Cash and short-term deposits	9.0	5.3
	16.4	12.5
Financial liabilities		
Amortised cost	666.0	660.8
	666.0	660.8

The Group and company hold financial assets and financial liabilities at amortised cost, principally receivables and payables with subsidiary undertakings.

All financial instruments are held on the balance sheet at fair value; the gain or loss relating to the movement in fair value of financial instruments are recognised immediately in the income statement.

The Group's principal financial instruments, other than financial instruments, comprise borrowings, cash and liquid resources. The main purpose of these financial instruments is to provide finance for the Group's operations. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, capital risk, credit risk and market risk. There is no material currency exposure as all material transactions and financial instruments are in pounds Sterling. The Group has no material exposure to equity securities or commodity price risk and it is the Group's policy that no speculative trading in financial instruments shall be undertaken. The Board reviews and agrees policies for each of these risks.

Interest rate risk

As the Group has no significant interest bearing assets, other than cash and cash equivalents, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Income and cash flows from cash and cash equivalents fluctuate with interest rates.

Cash flows associated with cash deposits, debt and the fair value of these instruments fluctuate with changes in interest rates. If the interest rates had been 1% higher or lower during the period, the effect on the income statement would be as follows:

	Interest receivable £m	Interest payable £m
Period ended 10 August 2025		
Impact on income statement if interest rates increased by 1%: gain / (loss)	0.2	(0.3)
Impact on income statement if interest rates decreased by 1%: (loss) / gain	(0.2)	0.3
Period ended 11 August 2024		
Impact on income statement if interest rates increased by 1%: gain / (loss)	0.1	(0.3)
Impact on income statement if interest rates decreased by 1%: (loss) / gain	(0.1)	0.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

22. FINANCIAL INSTRUMENTS (CONTINUED)

The cash flow interest rate risk is largely eliminated across the debt due to the only instrument subject to interest rate risk being the revolving credit facility, which is linked to SONIA plus a margin.

The use of fixed rate borrowings and derivative financial instruments exposes the Group to fair value interest rate risk such that the Group would not benefit from falls in interest rates and would be exposed to unplanned costs, such as breakage costs, should debt or derivative financial instruments be restructured or repaid early.

Liquidity risk

The Group's funding strategy is to ensure a mix of financing methods offering flexibility and cost-effectiveness to match the requirements of the Group. The Group is largely financed by secured loan notes and facilities. As at 10 August 2025 the capital balance of the loan is repayable in December 2030. Cash flow forecasts are frequently produced to assist management in identifying liquidity requirements and are stress-tested for possible scenarios. Cash balances are invested in short term deposits such that they are readily available to settle short term liabilities or to fund capital additions.

As at 10 August 2025, the Group held an undrawn liquidity facility of £85.0m available via the revolving credit facility ("RCF"). The RCF can be used for several purposes including financing acquisitions or providing working capital for the group.

Security

The Group has granted security over the High Yield Bond Group ("HYBG") for the benefit of the £640.0m secured loan and separate security on the RCF. The HYBG is the group controlled by Punch Pubs Group Limited. The HYBG acts as a guarantor of the secured loan and comprises of the entities that own the pub estate and the trading entities of the group. The companies that act as guarantors to the HYBG guarantors are:

- Punch Partnerships (PML) Limited
- Punch Taverns (Branston) Limited
- The Laine Pub Company Limited
- Punch Pubs Group Limited

The loan note holders hold security over the HYBG's assets, specifically:

- All shares in the HYBG Guarantors and structural intercompany loans
- Material bank accounts of the HYBG Guarantors
- Fixed first equitable charge over all freehold property and leasehold property with more than 25 years to run
- Floating charge over all the present and future assets of the HYBG

The RCF has the following security, specifically:

- Fixed charge over the shares of Punch Pubs Group Limited and Punch Pubs Holdings Limited
- Fixed first equitable charge over the pub estate
- Floating charge over other assets

Financial Covenants

There is a loan to value covenant in place on the group in relation to the RCF, there are no covenants in place on the group for the secured loan.

Capital risk

The Group's capital structure is made up of net debt, issued share capital and reserves. These are managed effectively to minimise the Group's cost of capital, to add value to shareholders and to service debt obligations. The business performance is monitored by a variety of measures, which are reported to the debt providers on a quarterly basis. The Group assesses the performance of the business, the level of available funds and the short to medium term strategic plans concerning capital spend and such assessment influences the level of dividends payable. The Group monitors capital on the basis of a net debt ratio, being net debt divided by net debt plus equity.

	10 August 2025 £m	11 August 2024 £m
Total debt	640.0	631.0
Cash and short-term deposits	(9.0)	(5.3)
Net debt	631.0	625.7
Equity	300.7	223.9
Loan to value ratio	68%	74%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

22. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk

With the exception of cash and short term deposits invested with banks, financial institutions and key service providers, there are no significant concentrations of credit risk within the Group. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the balance sheet date. The Group's objective is to minimise credit risk by ensuring that surplus funds are invested with banks, financial institutions and key service providers with appropriate credit ratings and that the Group deals with third parties that have been subject to credit checks, or that have good credit scores, where appropriate. Trade and other receivables, as shown on the consolidated balance sheet, comprise a large number of individually small amounts from unrelated customers and are shown net of a provision for doubtful debts. Management estimates the provision for doubtful debts based on a review of all individual receivable accounts, experience and known factors at the balance sheet date, taking into account any collateral held in the form of cash deposits, which is quantified. These cash deposits are applied against unpaid debt when publicans leave the pubs, and vary in size. The amount of cash deposits held at 10 August 2025 is £6.6m (11 August 2024: £6.3m). These are held on the balance sheet within trade and other payables. Receivables are written off against the doubtful debt provision when management deems the debt no longer recoverable.

An analysis of the provision held against trade receivables for doubtful debts is shown below:

	10 August 2025 £m	11 August 2024 £m
Provision for doubtful debts at beginning of period	4.8	4.7
Charged to income statement	2.2	0.7
Utilised during the period	(0.8)	0.7
Released during the period	(0.4)	(1.3)
Provision for doubtful debts at end of period	5.8	4.8

The ageing of trade receivables at the balance sheet date, net of the doubtful debt provision, is as follows:

	10 August 2025 £m	11 August 2024 £m
Current	6.3	7.0
Overdue	1.1	0.2
	7.4	7.2

There are no indicators at 10 August 2025 that debtors will not meet their payment obligations in respect of the net amount of trade receivables recognised in the balance sheet.

Fair value of non-derivative financial assets and liabilities

With the exception of the Group's secured loan notes, there are no material differences between the carrying value of non-derivative financial assets and financial liabilities and their fair values as at the balance sheet date.

The carrying value of the Group's listed debt at 10 August 2025 is £630.5m (11 August 2024: £595.5m) and the fair value, measured at market value, of this debt at that date is £656.8m (11 August 2024: £591.7m).

The fair value of the Group's secured loan notes have been measured by a level 1 valuation method as defined below.

Fair value hierarchy

Financial instruments carried at fair value are required to be measured by reference to the following levels:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

23. SHARE CAPITAL

	10 August 2025 No.	10 August 2025 £m	11 August 2024 No.	11 August 2024 £m
Allotted, called-up and fully paid:				
Ordinary shares at £1.00	9	-	9	-

The movements in the called-up share capital are set out below:

	Ordinary shares No.	Ordinary shares £m
At 13 August 2023	9	-
Allotted during the year	-	-
At 11 August 2024	9	-
Allotted during the year	-	-
At 10 August 2025	9	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

24. NET DEBT**(a) Analysis of net debt, including cash and debt classified within assets and liabilities held for sale**

	10 August 2025 £m	11 August 2024 £m
Secured loan notes	(640.0)	(600.0)
Revolving credit facility	-	(31.0)
Cash and cash equivalents	9.0	5.3
Nominal value of net debt	(631.0)	(625.7)
Capitalised debt issue costs	9.5	4.5
Nominal value of net debt	(621.5)	(621.2)
Balance sheet:		
Borrowings	(630.5)	(626.5)
Cash and cash equivalents	9.0	5.3
Nominal value of net debt	(621.5)	(621.2)

(b) Analysis of changes in net debt

	At 13 August 2023 £m	Cash Flow £m	Non-cash movements £m	At 11 August 2024 £m	Cash Flow £m	Non-cash movements £m	At 10 August 2025 £m
Current assets:							
Cash at bank and in hand	10.3	(5.0)	-	5.3	3.7	-	9.0
Debt:							
Secured loan notes	(593.2)	-	(2.3)	(595.5)	(30.1)	(4.9)	(630.5)
Revolving credit facility	(20.0)	(11.0)	-	(31.0)	31.0	-	-
Net debt per balance sheet	(602.9)	(16.0)	(2.3)	(621.2)	4.6	(4.9)	(621.5)

Net debt incorporates the Group's borrowings and obligations under finance leases, less cash and cash equivalents.

Non-cash movements relate to amortisation of deferred issue costs.

(c) Reconciliation of net cash flow to movement in net debt

	10 August 2025 £m	11 August 2024 £m
Increase/(decrease) in cash and cash equivalents in the period	3.7	(5.0)
Cash outflow/(inflow) from RCF repayment/(drawings)	31.0	(11.0)
Net cash inflow from issue of secured loan notes	(30.1)	-
Change in net debt resulting from cash flows	4.6	(16.0)
Non-cash movements in net debt	(4.9)	(2.3)
Change in net debt resulting from non-cash flows	(4.9)	(2.3)
Movement in net debt	(0.3)	(18.3)
Net debt at beginning of period	(621.2)	(602.9)
Net debt at end of period	(621.5)	(621.2)

25. PENSIONS AND OTHER POST RETIREMENT BENEFITS

During the current and prior period, the Group operated one funded defined benefit pension scheme, the Pubmaster Pension Scheme, which is closed to new members. The pension plan has not invested in any of the Group's own financial instruments, nor in properties or other assets used by the Group.

The tables below illustrate the impact of the defined benefit scheme on the income statement and the balance sheet.

The Pubmaster Pension Scheme at 10 August 2025 had a net asset position of £5.1m (11 August 2024 £4.0m). This has not been recognised in line with our accounting policy and the book value is recorded as £nil, see note 1 for further details.

Number of members in the defined benefit pension scheme at 10 August 2025:

	Active	Preserved	Pensioner
Number of members	2	113	350

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

25. PENSIONS AND OTHER POST RETIREMENT BENEFITS (CONTINUED)

The amounts recognised in the income statement are as follows:

Analysis of amounts charged to operating costs:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Net interest cost	(0.2)	(0.1)

Remeasurement gains and losses shown in the SOCI in the period:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Actuarial (losses) / gains on assets excluding interest income	(3.1)	1.3
Experience (losses) / gains on liabilities	(0.1)	0.1
(Losses) / Gains from changes to demographic assumptions	(0.3)	0.5
Gains / (losses) from changes to financial assumptions	3.3	(1.7)
Restriction on defined benefit scheme	(1.1)	(4.0)
Remeasurement losses recognised in the SOCI	(1.3)	(3.8)

The amounts recognised in the balance sheet are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Present value of scheme liabilities	(42.5)	(46.2)
Fair value of scheme assets	47.6	50.2
Restriction on defined benefit scheme	(5.1)	(4.0)
Net retirement benefit liability recognised in the balance sheet	-	-

Movements in the present value of scheme liabilities are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Present value of scheme liabilities at beginning of year	46.2	45.7
Interest cost	2.2	2.3
Remeasurement (gain) / loss	(2.9)	1.2
Benefits paid	(3.0)	(3.0)
Present value of scheme liabilities at end of the period	42.5	46.2

Movements in the fair value of scheme assets are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Fair value of scheme assets at beginning of year	50.2	45.7
Interest on scheme assets	2.4	2.5
Remeasurement (loss) / gains	(3.1)	1.3
Contributions paid by employer	1.1	3.7
Benefits paid	(3.0)	(3.0)
Present value of scheme assets at end of the period	47.6	50.2

Scheme assets are stated at their market values at the balance sheet date. Any cash and cash equivalents are valued at the balance sheet date based on their current value. For any assets that don't have a market value at the balance sheet date these are based on the latest available market price.

The major categories of plan assets as a percentage of total plan assets are as follows:

	10 August 2025	11 August 2024
Bonds	61.0%	46.7%
Diversified growth funds	23.9%	36.1%
Other	15.1%	17.1%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

25. PENSIONS AND OTHER POST RETIREMENT BENEFITS (CONTINUED)

The history of experience adjustments on the schemes for the current financial period is as follows:

	10 August 2025 £m	11 August 2024 £m	13 August 2023 £m	14 August 2022 £m	15 August 2021 £m
Present value of retirement benefit liabilities	(42.5)	(46.2)	(45.7)	(57.0)	(78.8)
Fair value of plan assets	47.6	50.2	45.7	58.6	73.1
Net asset / (liability) in the scheme	5.1	4.0	-	1.6	(5.7)
Experience adjustments on scheme liabilities	2.9	(1.2)	10.3	20.1	(3.6)
Percentage of scheme liabilities	6.8%	2.6%	22.5%	35.3%	4.6%
Experience adjustments on scheme assets	(3.1)	1.3	(13.0)	(13.4)	(5.2)
Percentage of scheme assets	6.5%	2.6%	28.4%	22.9%	7.1%

The expected contributions to defined benefit schemes for the next financial year, beginning 11 August 2025, are £1.0m.

Scheme Funding

The Pubmaster Pension Scheme is a defined benefit scheme operated in the UK. The values of the scheme's liabilities have been determined by a qualified actuary based on the results of an actuarial valuation as at 6 April 2022, updated to 10 August 2025, the balance sheet date.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Group must agree with the Trustees of the Scheme the contributions to be paid to address any shortfall against the Statutory Funding Objective and contributions to pay for the future accrual of benefits. The Statutory Funding Objective does not currently impact on the recognition of the Scheme in these accounts.

The Scheme is managed by a board of Trustees appointed in part by the Group (which includes a professional independent trustee) and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

The Scheme exposes the Group to a number of risks:

- **Investment risk:** The Scheme holds investments in asset classes, such as equities, which have volatile market values. While these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- **Interest rate risk:** The Scheme's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Scheme holds assets such as equities, the value of the assets and liabilities may not move in the same way.
- **Inflation risk:** A significant proportion of the benefits under the Scheme are linked to inflation. Although the Scheme's assets are expected to provide a good hedge against inflation over the long term, movements over the short-term could lead to deficits emerging.
- **Mortality risk:** In the event that members live longer than assumed a deficit will emerge in the Scheme.
- **Insurer covenant risk:** The Trustees hold annuity policies for a group of pensioners in the Scheme. If the insurance company goes insolvent then these pensions will have to be provided directly by the Scheme and a deficit will emerge.

The mortality assumptions at the year end are based on standard mortality tables that allow for future mortality improvements. The assumptions are that the life expectancy of a member who retires at the age of 65 is as follows:

	10 August 2025	11 August 2024
Male currently aged 50	22.9 years	22.6 years
Male currently aged 65	21.8 years	21.5 years
Female currently aged 50	25.4 years	25.3 years
Female currently aged 65	24.2 years	24.0 years

The assumptions used in determining the valuations are as follows:

	10 August 2025	11 August 2024
Rate of increase of salaries	3.95%	4.10%
Rate of increase in pensions	2.45%	2.45%
Discount rate	5.60%	4.90%
Inflation assumption (RPI)	3.25%	3.40%
Inflation assumption (CPI)	2.75%	3.00%

The results are very sensitive to the assumptions used. The table below shows the approximate effect on the Scheme's liabilities of changing some of the key financial assumptions, whilst all other assumptions remain the same. The impact of adjustments to assumptions are as follows:

Adjustments to assumptions	Approximate effect on liabilities and deficit £m
Reduce discount rate by 0.1% per annum	0.4
Increase inflation by 0.1% per annum (and all associated assumptions)	0.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

25. PENSIONS AND OTHER POST RETIREMENT BENEFITS (CONTINUED)

The assets in the scheme are:

	Value at 10 August 2025	Value at 11 August 2024
	£m	£m
Bonds	29.0	23.5
Target return funds	11.4	18.1
Insured pensions	0.3	0.3
Direct lending	6.6	7.5
Cash	0.3	0.8
Total market value of assets	47.6	50.2
Present value of scheme liabilities	(42.5)	(46.2)
Net pension asset / (liability) before deferred tax asset	5.1	4.0
Restriction on defined benefit scheme	(5.1)	(4.0)
Net pension liability	-	-

The pension costs for the defined contribution schemes are as follows:

	52 weeks to 10 August 2025	52 weeks to 11 August 2024
	£m	£m
Defined contribution schemes	1.1	1.3

Pension risk

The Group operates one defined benefit pension scheme which is closed to new members. The scheme is subject to risk regarding the relative amount of the scheme's assets, which are affected by the value of investments and the returns generated by such investments, compared to the scheme's liabilities, which are affected by changes in the life expectancy, actual and expected price inflation, changes in bond yields and future salary increases. The difference in value between scheme assets and scheme liabilities may vary significantly in the short term, potentially resulting in an increased deficit being recognised on the Group's balance sheet.

In the current period, the Group has made payments to the scheme totalling £1.1m. The Group has agreed to deficit payments of £1.0m to August 2026.

26. OPERATING LEASE COMMITMENTS – MINIMUM LEASE PAYMENTS

Group	10 August 2025	11 August 2024
	£m	£m
Future minimum rentals payable under non-cancellable operating leases:		
Within one year	10.2	10.0
Between one and five years	34.8	35.2
After five years	107.4	109.6
	152.4	154.8

The Group leases various licensed properties, offices and other commercial properties under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights. The Group also leases vehicles under non-cancellable operating lease agreements.

The Group is a lessor of licensed properties to publicans. The leases have various terms, escalation clauses and renewal rights. The total non-cancellable future minimum lease payments expected to be received are:

Land and buildings	10 August 2025	11 August 2024
	£m	£m
Within one year	25.2	25.7
One to two years	17.4	17.6
Two to three years	14.7	14.4
Three to four years	10.7	11.5
Four to five years	6.5	6.8
After five years	17.9	20.2
	92.4	96.2

The company has no operating lease commitments at 10 August 2025 (11 August 2024: £nil).

27. CAPITAL AND OTHER FINANCIAL COMMITMENTS

Group

Capital commitments for property, plant and equipment	10 August 2025	11 August 2024
	£m	£m
Contracted but not provided ¹	6.3	5.2

¹ Excluding those relating to assets classified as held for sale.

The company has no other capital commitments at 10 August 2025 (11 August 2024: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks ended 10 August 2025

28. RELATED PARTY TRANSACTIONS**Group****Transactions with key management personnel**

Total compensation of key management personnel (including the directors) in the period amounted to £4.4m (2024: £3.9m).

Year end balances arising from transactions with group undertakings	10 August 2025 £m	11 August 2024 £m
Receivables	0.7	0.6
Payables	(0.8)	(0.8)
Transactions with group undertakings	10 August 2025 £m	11 August 2024 £m
Sales	0.1	0.5
Purchases	0.2	7.7

The year end balances and transactions above have arisen from trading transactions with other companies in the CF Cooper Holdings Limited group.

Transactions with associate company

At 10 August 2025, The Laine Pub Company Limited, a wholly owned subsidiary of the company, held 49% of the entire issued share capital of Mash Inns Limited, a pub operating company. The Group's investment in this associate company at 10 August 2025 is £nil (2024: £nil). During the year there were transactions of £0.1m with Mash Inns Limited.

Year end balances arising from transactions with associate company	10 August 2025 £m	11 August 2024 £m
Amounts due from associate company	-	0.1
Amounts owed to associate company	-	-

Summarised financial information for associate company

The consolidated accounts for Mash Inns Limited are made up to 30 September 2024. The accounts are prepared under FRS101. A summary of the financial information contained in these accounts can be found below:

	30 September 2024 £m	30 September 2023 £m
Current assets	0.9	0.6
Non-current assets	2.0	2.2
Current liabilities	(1.8)	(1.7)
Non-current liabilities	(1.1)	(1.2)
Net assets	-	(0.1)
Revenue	2.2	2.0
Profit after taxation from continuing operations	0.1	-

Company

Year end balances arising from transactions with subsidiary undertakings	10 August 2025 £m	11 August 2024 £m
Receivables	-	-
Payables	-	(0.1)

The year end balances above arise from trading transactions with other companies in CF Cooper Holdings Limited group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the 52 weeks ended 10 August 2025

29. SHARE BASED PAYMENTS

Management Incentive Plan (Equity Settled)

The Group has an employee incentive scheme in place for senior management within the business. The shares are issued in separate tranches with separate rights associated with the shares, the shares have been issued by CF Cooper Acquisitions Limited. Due to the settling entity being outside the Group all the issues have been treated as equity settled within this set of accounts.

	Total Shares Issued
Shares granted on 15 December 2021	15,985,780
Shares granted on 10 October 2024	5,796,661
Total shares granted	21,782,441
Weighted Average Fair Value price per share	0.0429

The shares were issued for nominal value and attract a charge to the group accounted for under equity-based accounting. The shares have conditions associated that affect the vesting period which include a service and market condition. The market condition has been factored into the Fair Value of the shares at grant date with the service and vesting period estimated at a 5-year period, the vesting period has been estimated and is not necessarily indicative of the final period.

The fair value of the shares have been independently valued using external firms that have extensive experience in calculating the Fair Value of awards in privately held companies. The awards have been valued using either a Price/ earnings multiple model or an Monte Carlo option pricing model depending on the tranche of share issued.

The total expense recognised in the period was £0.4m (2024: £0.3m) which has been included as a Capital Contribution from the parent entity and charged to the Income Statement.

30. ULTIMATE PARENT UNDERTAKING

Punch Pubs Group Limited is incorporated and domiciled in England.

The company's immediate parent undertaking is Punch Taverns Limited a company registered in England and Wales.

The ultimate parent undertaking and controlling entity of the company is CF Cooper Holdings LP (the "Partnership"), a Cayman Islands limited partnership. As no one partner owns or controls more than 50% of the economics of the Partnership, the Partnership can be considered the ultimate parent.

The company and Group are included in the CF Cooper Holdings Limited consolidated accounts. This is the largest and smallest set of accounts into which the results of the Group are consolidated.

Copies of the financial statements of CF Cooper Holdings Limited are available from Companies House.